COPY

IN THE HIGH COURT OF SOUTH AFRICA

(NORTHWEST DIVISION, MAHIKENG)

CASE NO: UM192/2022

In the matter between:

SAKELIGA NPC	1ST Applicant
CENTRE FOR GOOF GOVERNANCE AND SOCIAL JUSTICE NPC	2ND Applicant
BAREND LOURENS SNYMAN	3RD Applicant

And

DITSOBOTLA LOCAL MUNICIPALITY	1st Respondent
MUNICIPAL MANAGER/ACTING MUNICIPAL MANAGER OF DITSOBOTLA LOCAL MUNICIPALITY	2ND Respondent
THE PREMIER OF NORTHWEST PROVINCE	3RD Respondent
PROVINCIAL EXECUTIVE OF THE NORTHWEST PROVINCE: MEMBER OF THE EXECUTIVE COUNCIL	4TH Respondent
NORTHWEST PROVINCE: COOPERATIVE GOVERNANCE, HUMAN SETTLEMENT AND TRADITIONAL AFFAIRS	5TH Respondent

MEMBER OF THE EXECUTIVE COUNCIL, NORTH WEST PROVINCE :FINANCE 6TH Respondent

PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA 7TH Respondent

MINISTER: NATIONAL DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENT AND TRADITIONAL AFFAIRS 8TH Respondent

MINISTER: NATIONAL DEPARTMENT OF FINANCE 9TH Respondent

MINISTER OF WATER AND SANITATION 10TH Respondent

NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY 11TH Respondent

ESKOM SOC LIMITED 12TH Respondent

MAGALIES WATER BOARD 13TH Respondent

ADMINISTRATOR: DITSOBOTLA LOCAL MUNICIPALITY 14TH Respondent

FILING NOTICE

HEREWITH: 3rd , 4th, 5th and 6th Respondent's Quartely Report (APRIL 2025) under cover of the Explanatory Affidavit deposed to by K T Gabanakgosi.

SIGNED AT **MMABATHO** ON THIS THE **8th April 2025.**

STATE ATTORNEY

(3rd-6th RESPONDENT'S ATTORNEY)

Cnr Sekame Road & Drive

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Mega City Complex

Mmabatho

2735

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Our Ref: 0955/21/P6

To: **REGISTRAR OF THE HIGH COURT**
NORTH WEST

AND

TO: **KRIEK WASSENAAR & VENTER ATTORNEYS**
ATTORNEYS FOR THE APPLICANTS'
C/O LABUSCHANGNE ATTORNEYS
19 CONSTANTIA DRIVE
RIVIERA PARK
MAHIKENG
TEL: 018 381 6828
REF: MR LABUSCHAGNE/GW/1763

Labuschagne Attorneys
15 Constantia Drive
Riviera Park
Mahikeng, 2745
09 APR 2025
Time 11:50
Tel: 018 381 6828 • Fax: 018 381 2420

COPY RECEIVED ON

DATE:

TIME:

AND TO: ME TLOU ATTORNEYS

ATTORNEYS FOR THE 1ST AND 2ND RESPONDENTS

NO 43 CNR BADEN POWELL AND VISSER STREETS

GOLFVIEW, MAFIKENG

TEL: 018 011 0036/7/8/9

REF: MR TLOU/NT/DLM/0001

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DATE:

TIME:

AND TO: STATE ATTORNEY PRETORIA

(ATTORNEYS FOR THE 9TH RESPONDENT)

SALU BUILDING

255 FRANCIS BAARD STREET

PRETORIA

REF: 1685/2021/Z32

C/O STATE ATTORNEY MAFIKENG

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CNR DR. JAMES MOROKA AND SEKAME ROAD

MMABATHO

TEL 018 384 0269

EMAIL: ISekgota@justice.gov.za

AND TO: **MOLEFE ATTORNEYS**

ATTORNEYS FOR THE 11TH RESPONDENTS

2 JAKARANDA AVENUE

RIVIERA PARK

MAFIKENG

TEL: 073 260 5691

REF:MR MOLEFE/NMMDM2/UM/2022

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(NORTH-WEST DIVISION, MAHIKENG)

Case No. UM192/2022

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BAREND LOURENS SNYMAN	3rd Applicant

and

DITSOBOTLA LOCAL MUNICIPALITY	1st Respondent
MUNICIPAL MANAGER/ACTING MUNICIPAL MANAGER OF DITSOBOTLA LOCAL MUNICIPALITY	2nd Respondent
THE PREMIER OF THE NORTH-WEST PROVINCE	3rd Respondent
PROVINCIAL EXECUTIVE OF THE NORTH-WEST PROVINCE: MEMBER OF THE EXECUTIVE COUNCIL	4th Respondent
NORTH-WEST PROVINCE: COOPERATIVE GOVERNANCE, HUMAN SETTLEMENT AND TRADITIONAL AFFAIRS	5th Respondent
MEMBER OF THE EXECUTIVE COUNCIL, NORTH-WEST PROVINCE: FINANCE	6th Respondent
PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA	7th Respondent
MINISTER: NATIONAL DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENT AND TRADITIONAL AFFAIRS	8th Respondent

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MINISTER: NATIONAL DEPARTMENT OF FINANCE	9th Respondent
MINISTER OF WATER AND SANITATION	10th Respondent
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY	11th Respondent
ESKOM SOC LIMITED	12th Respondent
MAGALIES WATER BOARD	13th Respondent
ADMINISTRATOR: DITSOBOTLA LOCAL MUNICIPALITY	14th Respondent

3rd RESPONDENT, 4th RESPONDENT, 5th RESPONDENTAND 6th RESPONDENTS EXPLANATORY AFFIDAVIT

I, the undersigned

KT. GABANAKGOSI

do hereby state under oath and say that:

1. I am responsible to oversee the implementation of the Municipal Finance Recovery Plan (MFRP) in Ditsobotla Local Municipality, North West Province, in my capacity as the Provincial Executive Representative on behalf of the North West Provincial Executive.

2. This is the fifth quarterly report in compliance with the Court Order of the above Honourable Court of 06 October 2023.

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3. Attached hereto is Annexure **IP1** and **IP2** which explains the activities related to the implementation of the MFRP for the period July to October 2024.

DEPONENT

I certify that the deponent has acknowledged and understand the contents of this affidavit which was sworn and signed before me at MMABATHO on this the 07th day of April 2025, after provisions of Government Notice No. R.1258 of July 1972 (as amended) have been complied with.

7085443376
SGT

COMMISSIONER OF OATHS

COMMISSIONER OF OATHS:

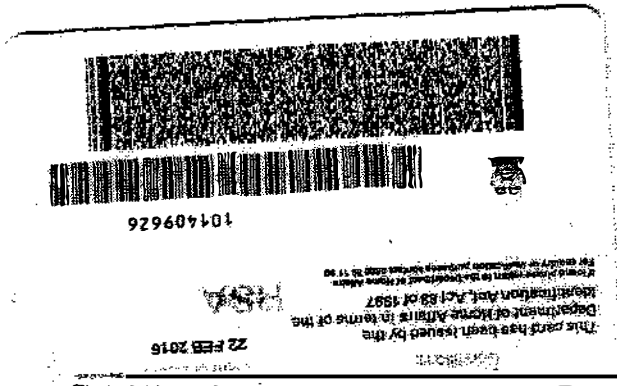
FULL NAMES: Kamohelo Ascension.

CAPACITY: SGT

ADDRESS: 105 Batlhaping Street
Mmabatho. 2735.

TIRELO YA MAPODISI A AFRIKA BORWA
SUPPLY CHAIN MANAGEMENT
2025 -04- 07
MMABATHO
SUID AFRIKAANSE POLISIEDIENS
SOUTH AFRICAN POLICE SERVICE

SUID AFRIKAANSE POLISIEDIENS
SOUTH AFRICAN POLICE SERVICE
MMABATHO
07 JAN 2025
SUPPLY CHAIN MANAGEMENT
TIREELO YA MAAPOLISI A AFRIKA BORWA



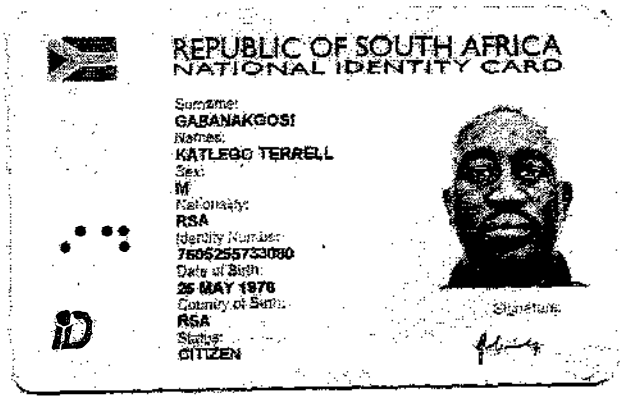
EK SERTIFISEER DAT HIERDIE DOKUMENT 'N WARE AFDRUK (AFSKRIF) IS VAN DIE OORSPRONKLIKE DOKUMENT WAT AAN MY VIR WAARNEMING VOORGELÊ IS. EK SERTIFISEER VERDER DAT, VOLGENS MY WAARNEMINGS, DAAR NIE 'N WYSIGING OF VERANDERING OP DIE OORSPRONKLIKE DOKUMENT AANGEBRING IS NIE.

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HANDTEKENING/SIGNATURE

MAGSNOMMER / FORCE NUMBER 7855[illegible]6 RANG / RANK SGT

NAAM IN DRUKSKRIF / NAME IN PRINT K P [illegible] G.A.



provincial treasury
Department:
Provincial Treasury
North West Provincial Government
Republic of South Africa

cogta
Department:
Cooperative Governance and
Traditional Affairs
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

Date: 4 APRIL 2025

1. SUBJECT: QUARTELY REPORT ON IMPLEMENTATION OF THE FRP FOR PERIOD OF 1 JANUARY 2025 TO 31 MARCH 2025

2. PURPOSE

To inform the High Court, the MEC, the Provincial EXCO and Municipal Council on the progress made in relation to the implementation of the FRP.

3. SUMMARY

Ditsobotla Local Municipality is placed under mandatory intervention in line with S139 (5) (a) and (c) of the Constitution read together with S139 of the Municipal Finance Management Act (MFMA) since May 2023 as approved by the MEC Finance and adopted by DLM in March 2023.

3.1 Compilation, Composition and Implementation Period of the Financial Recovery Plan

Compiled by the National Treasury's MFRS team in line with the MFMA, the FRP is anchored and founded on 4 pillars namely: -

- ✓ Governance
- ✓ Institutional
- ✓ Financial
- ✓ Service Delivery pillars.

The implementation period is planned as a three-year period, broken down into three consecutive phases, namely: -

- ✓ Rescue Phase (1 year)
- ✓ Stability Phase (1 year)
- ✓ Sustainability Phase (6months – 1 year).

These pillars consist of key activities that are to be executed by the Provincial Executive (PER) and its support team where necessary. The key activities are distributed as in Table 1 below.

TABLE 1

PILLARS	RESCUE PHASE (Year 1)	STABILIZATION PHASE (Year 2)	SUSTAINABILITY PHASE (Year 3)	TOTAL ACTIVITIES
Governance	81	6	3	90
Institutional	64	46	13	123
Service Delivery	58	29	4	91
Finance	87	9	2	98
Total Activities	**290**	**90**	**22**	**402**

It is evident from Table 1 that the Rescue Phase makes 72% of the total FRP programme as it has 290 activities out of the 402 envisaged activities. The Sustainability Phase with 90 activities makes 22% and the sustainability phase with 22 activities makes 5 % .

3.2 Progress to Date

There is varying degree of progress registered in the four pillars, showing a gradual but positive movement towards rescuing the municipality, as shown in Table 2 below.

TABLE 2.

Pillar	Activities to be completed on FRP	Completed Activities	Activities in Progress of completion
Governance	90	25	26
Institutional	123	18	15
Financial	98	39	42
Service Delivery	91	15	12
Total	**402**	**97**	**95**

3.2.1 Rescue Phase Achievements -

Based on Table 2. Above, 97 activities have been completed while 95 are in the process of completion. Best performing is the Finance pillar, followed by Governance Institutional and Service Delivery. This is mainly due to the financial crisis that the municipality find itself in.

3.2.2 Activities in Progress (35%) -

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There 95 key activities in progress of being completed will significantly improve the overall performance of the FRP implementation as 48% of the FRP or 66% of the Rescue phase will be achieved by June 2025.

4. BACKGROUND

The term of January to March 2025 was dominated by inclement weather, political and administration instability, court battles for determining municipal leadership and disruption of work resulting in closing of municipal offices. These factors posed a safety and security risk to municipal properties, staff, councillors and the PER team.

Pursuant to what transpired above, eighteen (18) working days were lost due to closure of municipal offices, while ten (10) days were lost to inclement weather resulting in flooding that caused disaster. The disaster led to the collapse of informal settlements, especially mud houses, and the lack of access to villages due to poor roads and stormwater drainage infrastructure.

Isolated electricity outages from both municipal and Eskom supply areas were reported. Water shortages were reported for most of the term especially on the Klipveld Water scheme, due to electricity breakdowns from both Ngaka Modiri Molema District Municipality (NMMDM) power supply line and that of Ditsobotla Local Municipality (DLM) towards the waterworks unit.

Most of the achievements of this term were recorded from Finance pillar and Institutional pillar due to the ability of the intervention units to execute their duties remotely, and the specialist personnel that were deployed to the municipality since February 2025.

With the intension to strengthen support to DLM, several intervention events were undertaken as follows: -

- All Heads of Departments convened in DLM to adopt activities and support DLM with special focus on service delivery on 21 January 2025.
- The Premier and the MECs convened a political engagement in DLM on 21 January 2025.
- The Deputy Minister of Cooperative Governance (DCOG) visited the district on 23 January 2025.
- The Service Delivery Councillors' Workshop was held on 6 February 2025 and continued 11 February 2025 via virtual meeting.

5. STRATEGIC FOCUS OF THE MEMORUNDUM

5.1 STRATEGIC `FOCUS OF REPORT

This report focuses on the performance of the implementation of the FRP for the term of January 2025 to March 2025. The detailed reports per pillar are attached.

6. DISCUSSION

6.1 PROVIDING STRATEGIC LEADERSHIP AND GUIDANCE

The PER continues to provide strategic leadership and guide both administration and political management of DLM while also recommending strategic review on the approach to implement the FRP, to the provincial government. In this quarter the PER was mainly involved in IGR stakeholders' engagements including Eskom, SALGA, Ngaka Modiri Molema District Municipality, Department of Mineral Resources and Enery, Department of Human Settlement, Municipal Infrastructure Support Agency, CoGTA NW, DCOG, National Treasury, NW Provincial Treasury.

The success of the Inter -Governmental Relation engagements is evident in the eventual Councillors Service Delivery Workshop that was held on 6th and 11th February 2025. Resolutions thereof included:

- Council agreeing that provincial government deploy senior managers to the municipality
- Council agreeing that Eskom takes over operation and maintenance of electricity
- Other government departments committing to assisting the municipality in skills development (e.g. SALGA), implementing some functions of the municipality (e.g. attention to licensing of waste disposal sites by DFFE), donation of material (Dept Public Works),
- Intervention in resolving government debt towards the municipality (NWPT)
- Resolving water supply legal matters (e.g. completion of SLA between DLM and NMMDM)

6.2 STAKEHOLDER ENGAGEMENT

(a) Weekly FRP Support Meetings
(b) Service Delivery Workshop 6th and 11th February 2025
(c) Introduction and orientation of deployed personnel from provincial government
(d) Meeting with Auditor General of 26 February 2025
(e) Attend EXCO meetings and Council meetings
(f) Inter -Governmental Relations meetings

6.3 PROGRESS ON THE STRATEGIC KEY FOCUS AREAS

Refer to detailed reports per pillar as attached.

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7. IMPLEMENTATION PLAN

The approval of Council to accept external personnel and the eventual deployment of five (5) specialist accountants and senior managers to the municipality will have a positive effect on the implementation plan.

8. ORGANISATIONAL CONSIDERATION

8.1 PERSONNEL IMPLICATIONS

The deployed specialist and senior managers will capacitate the local personnel, coupled with the envisaged review of organisational structure, organogram, implementation of the skills audit recommendations and re-placement of staff.

8.2 FINANCIAL IMPLICATIONS

It is common cause that the financial crisis of DLM impedes on the municipality's ability to implement the FRP. It is on that basis that the PER has sought to utilise inter-governmental relations especially with the provincial and national government as a strive to harness resources that are relevant to the success of the implementation of the FRP. The progress gained in the implementation of the FRP to date is of no financial burden to DLM.

8.2 COMMUNICATION IMPLICATIONS:

This report will be submitted to Provincial Executive.

8.3 POLICY AND LEGISLATIVE IMPLICATIONS

This report is in pursuit of compliance to all relevant legislation, especially the Constitution, the Municipal Systems Act and the MFMA.

8.4 LEGAL IMPLICATIONS

Failing to implement the FRP and court orders will lead to the provincial government being in contempt of court.

8.6 HUMAN RESOURCE IMPLICATIONS

The municipal organizational structure will allow the municipality to reconstruct the institutional arrangements to allow the implementation of a fit for purpose structure. This will result in some of the current position being declared redundant and create an opportunity for severance packages.

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8.7 POLITICAL IMPLICATIONS

Failure to implement the FRP may result in the invocation of section 139(5)(c) of the Constitution (dissolution of the municipal Council).

9. RECOMMENDATIONS

a. Key priorities be prioritised by MECs and HODs
b. There is an urgent need for political and administration calm that is necessary to support the implementation of the FRP.
c. Municipal Management needs to be actively involved in the implementation of the TOR and FRP to ensure it achieves its goals.

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KATLEGO GABANAKGOSI

LEAD PER – DITSOBOTLA LOCAL MUNICIPALITY

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
1	**Funded budget and budget parameters**	Perform a project-based needs analysis based on mSCOA project segments and its accompanying ITEM segment in mSCOA. Expenditure projects should be prioritised and must be limited to the critical needs of the municipality also within the framework of realistically anticipated revenue, cash-backed surpluses not yet committed and borrowed funds, only for capital projects.	PER team Drafted the following : Mid-term report was drafted Prepare 2023/24 adjustment budget Prepare draft 2025/26 MTREF budget	• An item for council 2024/25 Midyear performance and assessment report) was prepared and submitted to ACFO and AMM. • The 2024/2025 Mid-year budget Assessment was tabled and approved by Council •The 2024/2025 Adjustment budget was tabled and approved by Council on the 28th February 2025.	None	None

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Develop a credible budget funding plan with clear activities and goals (utilising mSCOA):	The PER team developed the Budget funding plan was also submitted with the original budget.Budget funding plan was also submitted with the original budget.	The Budget Funding Plan was submitted and tabled to council .	None	None
		- Step 1: Implement a clear budget methodology (which could be a mix of zero-based- and incremental budgeting techniques) to analyse and/or substantiate the proposed expenditure budget in line with the realistic revenue collected.	PER team Drafted the following : Mid-term report was drafted Prepare 2023/24 adjustment budget Prepare draft 2025/26 MTREF budget	• An item for council 2024/25 Midyear performance and assessment report) was prepared and submitted to ACFO and AMM. • The 2024/2025 Mid-year budget Assessment was tabled and approved by Council •The 2024/2025 Adjustment budget was tabled and approved by	None	None

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
				Council on the 28th February 2025.		
		- Step 2: mSCOA Implementation - The trial balances of the municipality must be aligned with the requirements of mSCOA			None	None
		- Step 3: Utilise the mSCOA trial balance to align each vote/s to the applicable contra account/s. This will enable balance sheet budgeting.			None	None
		- Step 4: Implement cash flow linking to the appropriate accounts in order to populate the Cash Flow statement			None	None

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		- Step 5: Utilise the document created in steps 1-4 to compare to the system extracts and amend the financial system accordingly.			None	None
		Refer to section on cash flow management and revenue collection	Refer to section on cash flow management and revenue collection			
		- Conclude payment arrangements with creditors and consider these renegotiated amounts in the budget steps listed above; - develop cost-containments measures and quantify expected savings to include in budget considerations	Debt Relief application was submitted to NT Prepared payment arrangement with SARS Prepare payment arrangement with AGSA Prepare payment arrangement Pension funds	Municipality was approved to participate on the debt relief Signed arrangement were concluded with SARS Proposal was sent to AGSA and Pension fund	SARS - 60m AGSA - 8,6M Pension Fund - 9M	SARS was paid 28m as per the signed payment arrangement

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Develop a Budget Funding Plan (BFP). Review revenue baseline revenue budget to ensure that it is realistic and achievable.(refer to cost-reflective tariffs section).	Reviewed the 2024/2025 BFP for approval		None	None
2	**Budget related policies (finance & HR)**	Develop and/or review and implement key budget-related policies in line with the financial environment, including: - Tariff policy - Cash Management and Investment policy - Asset Management policy - Fleet Management policy - Budget implementation policy - Funding and reserves policy - Travel, Accommodation and Subsistence policy - Cost Containment policy - Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy - Indigent policy - Debt and credit control policy - Property rates policy	Budget Related Policies were reviewed and Submitted to Council for approval in May 2024	Budget Related Policies were reviewed and Submitted to Council for approval in May 2024	None	None

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
3	**Revenue management value chain/revenue raising measures (revenue targets)**	Compilation and approval of way-leave policy	None	None	None	None
		Development of cost-reflective tariffs (see separate section)	2023/2024 cost reflective tool was completed and uploaded on Go-Muni.	2022/2024 Tariff Tool outcomes were considered during the preparation on the 2024/2025 Budget .	None	None
		Tariffs loaded on the system to be reviewed and signed off by the reviewer	The tariffs were uploaded onto the financial system	The municipality is billing as per the approved tariff		

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Obtain updated valuation of properties. Service provider to be appointed if required. Reconciliation to be done between the valuation roll (GV and supplementary) and reconciled to the billing system	GVR reconcile Tool was completed f and uploaded on the Go-munic	Currently the municipality is addressing the variances that were identified on the GVR recon.	None	COGTA is supporting the municipally with DATA cleansing exercise
		Revising of organogram to full position for meter readers. Provide sufficient training to meter readers	Reviewed the organogram	The Draft organogram was tabled to council on the 31 March 2025		

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Meter audits to be performed	Smart meter Application was completed.	Smart meter Application was submitted to NT for approval in April. To date NT hasn't approved the application	None	Awaiting approval from NT
		Monthly billing reconciliations to be performed and signed off by preparer and reviewer. Training on billing system to be provider by Service provider if required.	Billing catch up to produce customer bills through collation of meter readings submitted as well as allocation of customer payments from the bank statements to the relevant customer accounts.	Billing is updated up to Feb 2025	None	None
		Development of policy/procedures for the reporting by community for illegal tampering of meters	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Weekly meetings between infrastructure and finance. Infrastructure to inform finance of any faulty meters/new meters installed.	None	None	None	None
		Meter listing of infrastructure to be reconciled with billing system	Preform meter and billing reconciliations.	Performing Completeness for the billing report through testing the meter readings against the billing report Reviewing the meter readings to ensure that all customers are being billed	None	None
		Review the Service Level Agreement with the Service provider to establish ownership of the meters.	Smart meter Application was completed.	Smart meter Application was submitted to NT for approval in April. To date NT hasn't approved the application	None	Awaiting approval from NT

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Implement internal control measures to reconcile, verify and review all electricity-related revenue streams	The PER team conducted monthly reconciliation. Revenue SOP were drafted.		None	None
		Training on use of financial systems and procedures for uploading municipal information, including valuation rolls, tariff lists etc.	The training was requested from the system vendor	Due to the financial constrains the municipality is unable to finance the training	None	None
		Perform an assessment of the financial system to ensure that it complies with the needs of the municipality.	The PER has requested National treasury to assist the municipality with a technical advisory	A technical advisory was appointed	None	None
		Implement a clear process for the review and monitoring of the implementation of the financial system by consultants, including the development of a skills transfer plan.			None	None

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
4	**Customer care and data accuracy**	Establish customer care unit and customer care policy	Reviewed the organogram	The Draft organogram was tabled to council on the 31 March 2025		
5	**Cost-reflective tariffs**	Develop and approve tariff setting model. Revised tariffs to be approved with budget. Resources can be requested from Provincial Treasury to assist in the matter.	2023/2024 cost reflective tool was completed and uploaded on Go-Muni.	2023/2024 Tariff Tool outcomes were considered during the preparation on the 2024/2025 Budget .	None	None
		Update and approval of tariff policy. Training to be provided to relevant employees on cost-reflective tariff setting to implement principles	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
			All budget-related policies were reviewed, developed and tabled to council.	All budget-related policies were reviewed, developed and tabled to council •Reviewed the indigent register and identified the following: -1050 Duplicates -5 Business -141 Accounts linked to "Ditsobotla Plaaslike Mun" -7050 with no ID numbers.	None	None
6	**Indigent management**	Review the indigent policy to confirm it is aligned with the operations of the municipality and approved with the budget.				
			Organogram has been reviewed	Intervention team was deployed including CFO by PT in feb 2025 to assist and support the B.T.O Municipal council placed Monomorium on employees below MSA section 56	None	None
7	**SCM compliance and value for money**	Vacancies in the unit to be filled with competent officials				

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		SCM committee to be revised in line with updated SCM policy implemented	Committees were established and training was organised by COGTA		None	None
		Review annual demand management and procurement plan for cost-effectiveness and monitor execution.	An annual demand and procurement plan was developed	Awaiting implementation by the municipality	None	None
		SCM policy to be updated and approved by council with the Budget Process. Policy to be updated to be in line with the latest SCM regulations.	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
8	**Cost containment and realistic cash flow management**	Cost containment policy to be revised and approved with the budget process.	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None
		Establish a cash flow management committee to ensure cost-containment measure are implemented and monitored effectively	The cash flow committee was established and TOR's were developed		None	None

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Review Overtime and Standby policy to ensure it addresses the current weaknesses. Implement monitoring controls for all overtime in line with the policy	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None
9	**Financial control environment**	Develop, implement, review and monitor standard operating procedures for each business cycle Define parameters for- and implement internal consequence management	Developed the following SOP's : -Revenue - Asset management - expenditure -Cash management - Credit and Debt -Indigent -Grant management - investment		None	None

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Evaluate competency and skills of staff relating to the specific roles and responsibilities required for the position held Identify key vacancies and appoint appropriately skilled, experienced officials to address the capacity deficiencies	Intervention team was deployed by PT to assist and support the B.T.O Skills audit was conducted	Intervention team was deployed by PT to assist and support the B.T.O Skills audit was conducted for implementation	None	None
		Develop and implement procedures to monitor the performance relating to the work of consultants Identify and avail officials with the appropriate competency levels for skills transfer from consultants and hold these officials accountable to perform the procedures subsequent to skills transfer.	Intervention team was deployed by PT in Feb. 2025 to assist and support the B.T.O		None	None

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Engage with the service provider to analyse and identify the root cause for billing complications (consider the different systems follows difference processes, i.e. similar issues identified at other municipalities using the same system/s. The root cause was however found to a combination of a lack of system knowledge combined with incorrect operating/accounting practices).	Engaged with S.P to Analyse the data imported during the migration process.	The S.P is currently investigating the data imported .	None	None
		Develop and implement best-practice standard operating procedures in terms of the full revenue function	The PER team developed the Revenue SOP's	The PER team developed the Revenue SOP's	None	None

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Policies alone do not improve the financial control environment and must be reviewed and monitored diligently by senior officials. Evaluate key policies to be developed and/or reviewed.	Developed or updated the following: -Tariff policy; -Cash Management and Investment policy; -Asset Management policy; -Fleet Management policy; -Budget implementation policy; -Travel, Accommodation and Subsistence policy; -Cost Containment policy; -Indigent policy; -Debt and credit control policy; and Property rates policy		None	None
		Implement an electronic document management system to improve safeguarding of records. Develop and implement Standard operating procedures in line with the document management system	The PER Team developed the SOP's	The PER Team developed the SOP's	None	None

KP KTC

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
10	**Debt restructuring**	n/a	n/a	n/a	n/a	n/a
11	**MFMA circular 71 financial ratio analysis against set norms**	Develop and implement an Asset maintenance plan in line with the critical expenditure needs analysis performed during the budget phase.	No Asset Management unit at the municipality however provision for the unit has been made on the draft structure		None	None
		Identify the root cause of, and resolve billing complications with service provider	Engaged with S.P to Analyse the data imported during the migration process.	The S.P is currently investigating the data imported .	None	None

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Implement strict credit control procedures in line with the Credit control and debt collection policy	•Letters for government Department amounting to R42 million were drafted. -Dept of Health: R 446 820 -Provincial Public Works: R 8,7 million -Education schools & offices: R 20,9 million -Housing Corporation: R 11,1 million -Rural Development: R 1,3 million •The total debt for government department amounts to R 97,9 million.	•Signed Demand Letters were sent to the relevant departments on the 5th March 2025.	None	None
		Perform cleansing of debtors data and write-off any irrecoverable amounts	Cogta has appointed a service provider to perform data cleansing exercise, and the report with recommendations was adopted by council		None	None
		Refer to budget section i.t.o critical expenditure and project-based budgeting.	Refer to budget section i.t.o critical expenditure and project-based budgeting.		None	None

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Agreements must be reached for long outstanding creditors to enable realistic and affordable repayments over a period exceeding 12 months	Debt Relief application was submitted to NT Prepared payment arrangement with SARS Prepare payment arrangement with AGSA Prepare payment arrangement Pension funds	Municipality was approved to participate on the debt relief Signed arrangement were concluded with SARS Proposal was sent to AGSA and Pension fund	SARS - 60m AGSA - 8,6M Pension Fund - 9M	SARS was paid 28m as per the signed payment arrangement
		Evaluate competency and skills of staff relating to the specific roles and responsibilities required for the position held	Intervention team was deployed to assist and support the B.T.O Skills audit was conducted	Intervention team was deployed to assist and support the B.T.O Skills audit was handed over to the municipality for implementation	None	None

KP KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
12	**Technical vs financial**	n/a				
13	**Financial reporting and AFS preparation**	A targeted Audit Action Plan must be developed, implemented and monitored by senior officials. Develop and/or strengthen internal control procedures to improve the consistency and quality of information	•The 2023/24 Audit Action Plan is developed. The municipality has captured 59 findings on the web enabled system. • The 2022/23 Audit Action Plan is developed. The municipality has captured 56 findings on the web enabled system.	A draft schedule was prepared to monitor and implement the Audit Action Plan	None	None

KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Financial statements for 2021/2022 and 2022/2023 to be submitted in the 2022/2023 financial year for audit.	1.Prepared and submitted the 2021/2022 AFS and audit File to AGSA 2.Prepared lead schedules and requested supporting documents for the 2022/23 AFS. A service Provider (JT-29) was appointed by LGSETA to assist the municipality in the preparation of 2024/25 Annual financial statements.	The 2021/22, 2022/23 and 2023/24, audit was concluded, and the municipality obtained a disclaimer audit opinion for all three financial years.	None	None
		Evaluate competency and skills of staff relating to the specific roles and responsibilities required for the position held (also refer to financial control environment above)	Intervention team was deployed by PT to assist and support the B.T.O A service Provider (JT-29) was appointed by LGSETA to assist the municipality in the preparation of Annual financial statements.	Intervention team was deployed by to assist and support the B.T.O A service Provider (JT-29) was appointed by LGSETA to assist the municipality in the preparation of Annual financial statements.	None	None

KP KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Implement best practice operating procedures and monitoring tools to ensure that all legislative timelines are achieved	Internal Manger was appointed	The unit is not capitated	None	None
					None	None
		Engage with the service provider to analyse and identify the root cause for billing complications (consider the different systems follows difference processes, i.e. similar issues identified at other municipalities using the same system/s. The root cause was however found to a combination of a lack of system knowledge combined with incorrect operating/accounting practices).	Engaged with S.P to Analyse the data imported during the migration process.	The S.P is currently investigating the data imported .	None	None
		Develop and implement best-practice standard operating procedures in terms of the full revenue function	The PER team developed the following SOP's : -Revenue		None	None

KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
14	**mSCOA implementation**	Establish mSCOA Steering Committee Development of mSCOA Road Map Develop a mSCOA compliant chart of accounts (trial balance) - Also refer to budget section Facilitate periodic in-house and external training on the use and implementation of the mSCOA charts	The PER has requested National treasury to assist the municipality with a technical advisory	A technical advisory was appointed	None	None
		Evaluate the capabilities of all mSCOA modules offered by the service provider and perform an assessment (*contents of MFMA circular 123 must be considered should the financial system be found to be inadequate)*			None	None
15	**Debtors management**	Monthly debtors reconciliation to be performed and signed off by preparer and reviewer. Training to be provided on performing of reconciliation.	Reconciled the debtors age analysis to the ledger.	Performing Completeness for the billing report through testing the meter readings against the billing report	None	None

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KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Debt impairment method and assumption to be evaluated and policy updated accordingly.	All budget-related policies were reviewed, developed and tabled to council		None	None
		Update credit and debt control policy and approve with the budget process			None	None
		Charging of specific interest rate to be included in debt and credit control policy (for yearly approval with budget). IT process to update interest rate for the financial year when change occur			None	None
		Data cleansing of debtors to be performed (debtor name, address, contact details etc)	Cogta has appointed a service provider to perform data cleansing exercise, and the report with recommendations was adopted by council		None	None

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Long-outstanding debtors to be handed over to attorneys			None	None
		Improve process of sending accounts (include per sms, email), to not only rely on posting off accounts. Reminders to be send by sms	The municipality is sending the accounts statements via email .		None	None
		Land ownership: Monthly reconciliation to be performed between deeds, asset register and billing system (erf number) for completeness of properties and to resolve disputes	Analyse of land ownership was conducted , the following was identified : 1, Vacant Land in Town and Itsoseng 2, Municipal Land	None	None	None

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
			None	None	None	None
		Obtain lawyers confirmation to confirm the case				
		Electricity of government institutions to be cut, after letter has been send to make payment by certain due date	The PER Team drafted letters for government Department amounting to R42 million. -Dept of Health: R 446 820 -Provincial Public Works: R 8,7 million -Education schools & offices: R 20,9 million -Housing Corporation: R 11,1 million -Rural Development: R 1,3 million	•Signed Demand Letters were sent to the relevant departments on the 5th March 2025.	None	None

KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Integration between EMS (old financial system) and SAGE (new system) to be completed, to have complete debtor records. Reconciliation to be done between two billing system to confirm completeness and accuracy	Engaged with S.P to Analyse the data imported during the migration process.	The S.P is investigating the data	None	None
		Consultation with financial system service provider as to the root cause/s for billing inconsistencies	Engaged with S.P to Analyse the data imported during the migration process.	The S.P is investigating the data	None	None
16	**Expenditure / Creditors management**	Ring fence grant funds through a grant management policy.	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None
		Cost containment policy to be compiled and approved with the 23/24 budget	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None

KTG

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No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Training to be provided to officials on creditors reconciliations, to prevent overpayment of invoices or interest/penalties levied on late payment	PER team developed the Standard operating and reconciliation template		None	None
		Data cleansing to be done on suppliers (contact details, address, CSD form etc)			None	None

KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Payment arrangement to be signed with all major creditors including Eskom	Debt Relief application was submitted to NT Prepared payment arrangement with SARS Prepare payment arrangement with AGSA Prepare payment arrangement Pension funds	Municipality was approved to participate on the debt relief Signed arrangement were concluded with SARS Proposal was sent to AGSA and Pension fund	SARS - 28m AGSA - 8,6M	
		Prepare creditors reconciliations for all creditors	None	None	None	None
		Ensure bulk purchases are paid withing 30 days of receipt of the invoice	Due to current financial position of the municipality , this activity will be non-implemented		None	None
		Ensure creditors paid for legitimate services rendered to the municipality			None	None

KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
		Asset management policy to be compiled and approved with the budget process.	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None
		Fleet management plan to be compiled and implemented	None	None	None	None
18	**Cash management**	Consequence Management for misappropriation of funds	All budget-related policies were reviewed, developed and tabled to council	All budget-related policies were reviewed, developed and tabled to council	None	None
		Cash management policy to be compiled and approved with the budget process. (for strict controls on receipting and banking)			None	None

KP KTG

No	Focus area	Key activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
19	UIF&W	Implement consequence management	PER team has drafted the UIF&W reduction strategy in line with MECs directive		None	None
		Implementation of funded budget			None	None
		SCM policy to be updated in line with SCM regulations and approved with the budget process	All budget-related policies were reviewed, developed and tabled to council on the 25th May 2024	All budget-related policies were reviewed, developed and tabled to council on the 25th May 2024	None	None
		All SCM officials to sign declaration of interest to confirm independence	PER team has engaged with Accounting Officer and template was developed and shared with municipal officials		None	None

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No.	Focus Area	Key Activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
1	HR administration	It is noted that the vacancies have been advertised. It is critical that the correct processes be followed in filling these vacancies. It is furthermore critical that the appointees pass all requirements for being appointed.	Municipal council placed moratorium on all positions below director posts.	None		
2		Empower management to act against interference through delegations, policies, processes and controls being adopted by Council and applied by the Accounting Officer. Where necessary proceed with charges in terms of the code of conduct.	Engaged HR manager to facilitate the process of consultation on draft policies.	All HR policies are in a draft stage awaiting to be adopted by council	Engaged HR manager to facilitate the process of consultation on draft policies.	
3		Interference in the administration is something which should be addressed during Councillor Induction and Training. If this was not done then a workshop	Council Induction was conducted by SALGA	Done		

KP KTC

		should be facilitated on the powers and functions of Council and the Administration. If it has been done before, repeat/refresh.				
4		Council itself should accept accountability for non-interference in the administration.	None	None	None	
5		Non-Action or lack of cooperation by Council should be reported to Provincial COGTA and the Accounting Officer should be protected against retaliation by COGTA	COGTA offer to second senior managers to act in different senior managers positions	Acting CFO, acting Director Community Services and Five financial specialist were send to municipality	None	
6		Obtain policies, processes and best practice advise from successful municipalities.	All HR policies are in a draft stage awaiting consultation approval by council Engaged HR manager to facilitate the process of consultation on draft policies	Draft HR policies were served at EXCO	None	
7		Enforce such policies and parameters for compliance by Supervisors.	HR policies has drafted	Draft policies available	None	

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8		Training to supervisors and operational managers in improved planning, organising, coordinating and controlling their operations in reducing overtime without any negative impact on overall performance.	Training was conducted to MPAC members by COGTA. LLF workshop by SALGA.	Training conducted which enabled the sitting of LLF on January 2025	None	
9		Top Management Team and MAYCO to monitor results on quarterly basis and hold non complying supervisors and managers accountable.	PER advised EXCO and management to hold meetings on quarterly basis	EXCO and management regulary hold quarterly meetings	None	
10		Fill operational vacancies as soon as possible and take bottle necks and problem areas into consideration when restructuring.	Municipal council placed moratorium on positions below directors	No progress will be recorded until municipality is financially stable to afford payment of salary	None	
11		Reduce unnecessary and preventable overtime through improved tools of trade and improved maintenance of ageing infrastructure	PER advised the accounting officer to issue a memo on retrained of overtime.	All teams are working in accordance with the issued memo	None	

12		Obtain assistance from a partnering municipality or SALGA to assist with the adoption/review of code of conduct and the establishment of a Disciplinary Board and the training of all those involved.	Due to financial constrain PER advised on shared services with IGR stakeholder	Request was made to Ngaka-Modiri Molema (NMMDM)for shared Disciplinary board services and the request is under consideration.	None	
13		In more sensitive instances obtain external assistance to investigate, prosecute and preside or to serve as a members of the board depending on applicable regulations.	There are cases that the Municipality has registered with SAPS for further investigation and prosecution	External investigation underway by the HAWKS and other law enforcement agencies	None	
14		Senior Management and the Accounting Officer should be held accountable should they fail to introduce these mechanisms	Due to financial constrain PER advised on shared services with IGR stakeholder	Request was made to Ngaka-Modiri Molema (NMMDM)for shared Disciplinary board services and the request is under consideration.	None	
15		Take stock of outstanding	This activities will be addressed in			

KTG

		investigations and or prosecutions	the stabilisation Phase			
16		Appoint investigative teams, prosecutors, presiding officers and Disciplinary Board Members where necessary and through the required procedures referred to during the Rescue phase	This activities will be addressed in the stabilisation Phase			
17		Obtain expertise and or assistance from SALGA and or Provincial Treasury or Provincial to undertake more sensitive and complex investigations	This activities will be addressed in the stabilisation Phase			
18		Obtain independent Presiding and or Prosecuting Officials and or Board Members from partnering municipalities to deal the more sensitive cases and where senior officials and or Councillors are involved	This activities will be addressed in the stabilisation Phase			
19		Undertake head count, establish a Establishment Control mechanism in the HR	This activities will be addressed in the stabilisation Phase			

KTG

		office and populate as per the head count				
20		Identify any discrepancies and immediately terminate the 'services" of the ghost employee and/or the duplicated appointments. The practice of double appointments should be stopped immediately until a scientific process can be conducted to determine a suitable macro and microstructure to give effect to the integrated development plan or the accepted and approved strategy of the municipality. Consideration should be given to a skills audit to determine best fit and placement in terms of the new approved structure and a simultaneous process of vetting qualifications and curriculum vitaes are needed.	This activities will be addressed in the stabilisation Phase			

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21		Establish accountability for the mistake/corrupt action and take disciplinary and cost recovery action if necessary and in terms of due process and legislative requirements.	This activities will be addressed in the stabilisation Phase			
22		Ensure that the HR department has the capacity and powers to undertake this control function	This activities will be addressed in the stabilisation Phase			
23		Also during such an investigation, check that the correct grade and salary is paid to all of the employees and deal with any discrepancies as above	This activities will be addressed in the stabilisation Phase			
24		As in the instance of establishing critical policies establish critical committees to enable, empower and facilitate recovery and rescue action	This activities will be addressed in the stabilisation Phase			
25		Appoint an external specialist to assist management in facilitating the development of an HR Strategy which	This activities will be addressed in the stabilisation Phase			

		addresses all of the HR related Strengths and Weaknesses of the Municipality as well as its threats and opportunities				
26		External Specialist needs to transfer skills for purposes of regular updating of this strategy and business plan and its implementation, to dedicated Senior Managers	This activities will be addressed in the stabilisation Phase			
27		Bear in mind that Policy and Operational models follow strategy	This activities will be addressed in the stabilisation Phase			
28		Through a phased approach and depending on the availability of supportive capacity introduce the remainder of policies and committees	This activities will be addressed in the stabilisation Phase			
29		Through a phased approach and subject to the availability of capacity, introduce the new Staff Regulations	This activities will be addressed in the stabilisation Phase			

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30		Proceed with the advertising and the filling of the posts in terms of relevant policies and legislation	Due to financial constraints, PER, COGTA, Provincial Treasury engaged and advised Council to allow secondment of senior managers until such time that Council can afford to appoint	Counicl agreed to secondment of Specialists and Senior managers from 17 February 2025	None	
31	**HR provision and procurement**	Prioritise the senior positions that need to be filled urgently. The rescue and recovery plans will determine which senior management positions are critical to the rescue and recovery process.	Due to financial constraints, PER, COGTA, Provincial Treasury engaged and advised Council to allow secondment of senior managers until such time that Council can afford to appoint	Counicl agreed to secondment of Specialists and Senior managers from 17 February 2025	approved funded structure	
32		MM and HOD positions once appointed to support MPAC. MPAC training to be conducted for all involved.	MPAC training conducted by SALGA Municipal Council appointed substantive MM.	MPAC capacity to hold meetings	None	

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33		During the interim request partnering municipalities to assist or PT need to make suitably qualified and skilled people available	MPAC training conducted by SALGA Municipal Council appointed substantive MM.	MPAC capacity to hold meetings	None	
34		Determine which positions are considered critical for Sound SCM operational functionality	PER, COGTA and Provincial Treasury has conducted skills audit for all municipal staff	Skills audit was conducted and report submitted to municipality for implementation	None	
35		Determine reason for long delays and if due to performance reasons, the HOD Corp needs to sort it out	The assessment by the PER is that delay was due to moratorium in place, financial constraints, bloated structure and skills audit outcome.	Skills audit conducted and advice given on complete review of organogram.	None	
36		Secure funding to fill vacancies on budget as a matter of urgency	The PER identified shortcomings and requested PT to second five Financial Specialists to assist in BTO	Financial Specialist have been deployed from Provincial Treasury to support and assist the BTO	None	
37		Put emergency arrangements in place to expedite the advertising of urgent vacancies.	The PER identified shortcomings and requested PT to second five	Financial Specialist have been deployed from Provincial Treasury to		

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			Financial Specialists to assist in BTO	support and assist the BTO		
38		Make additional interim capacity available to HR if need be, in order for this to happen and until provision can be made on the organogram and the budget	The PER identified shortcomings and requested PT to second five Financial Specialists to assist in BTO	Financial Specialist have been deployed from Provincial Treasury to support and assist the BTO		
39		Determine which positions are considered critical for Sound Contract and Project Management operational functionality	Analysis made on the existing structure and diagnostic report to determine the relevance of the structure and alignment to the new staff regulation	PER requested Provincial Government on the diagnosis of the structure which triggered the review of the structure		
40		Secure funding to fill vacancies on budget as a matter of urgency	Filling of vacancies will only take place once skills audit report implemented, structure adopted and municipality in good financial standing		None	
41		Put emergency arrangements in place to expedite the advertising of urgent vacancies	Filling of vacancies will only take place once skills audit report implemented, structure adopted and municipality in good financial standing		None	

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42		Undertake a survey amongst staff to establish levels of morale, motivation, anxiety, commitment and accountability and reasons for a particular finding outcome	This activities will be addressed in the stabilisation Phase			
43		Introduce an exit interview program for diagnostic and remedial planning purposes	This activities will be addressed in the stabilisation Phase			
44		Base Recovery Plan on such findings	This activities will be addressed in the stabilisation Phase			
45		Establish which of the acting arrangements are unavoidable and critical for the operational functionality of the Municipality.	This activities will be addressed in the stabilisation Phase			
46		Obtain approval for non-compliant acting arrangements if possible	This activities will be addressed in the stabilisation Phase			
47		Terminate unnecessary excessive acting arrangements	This activities will be addressed in the stabilisation Phase			
48		If suitably qualified and skilled staff can be transferred from	This activities will be addressed in			

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		another function with its budget then do and arrange for training and mentoring	the stabilisation Phase			
49		Provide on Budget and advertise whenever funding is available. Funds might have to be transferred from less critical staff budgets i.e. as an interim arrangement.	This activities will be addressed in the stabilisation Phase			
50	**Organisational structure**	Obtain advise and or examples of what such a function should look like and what its, powers, functions, deliverables and accountabilities are.	PER engaged with COGTA and NWPT to require support on the function	Legal specialist and financial specialists were seconded to the municipality.	None	
51		Establish immediate contract management needs. Either obtain assistance from other municipalities or provide for it on a temp structure and until it can be addressed in the permanent organogram	Assessment by diagnostic report reveal that the function is wrongly located under SCM, Provision for contract management function to be relocated to legal unit once the	Draft structure served at EXCO and awaiting strategic session of the municipality	None	
52		Find urgent funding for such measures			None	

KTC

53		Arrange for training and other resources for such a function and provide for that in the recovery funding model	structure is approved		None	
54		Clarify inter alia the recovery and sustainability strategy and requirements, and the impact that strategic, IDP and SDBIP requirements of the organisation may have on the HR requirements of the Municipality	This activities will be addressed in the stabilisation Phase			
55		Review the structure accordingly. And get approval after the required consultation process.	This activities will be addressed in the stabilisation Phase			
56		Decide on a Job Evaluation System (probably TASK system)	The decision made to use TASK Job Evaluation system to evaluate and grade all jobs	Progress to be realised once the staff establishment is approved and adopted	None	
57		Establish grading process and the involvement of a district and provincial based Grading Committee and its process and other requirements and plan			None	

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		JD and grading process accordingly				
58		If grading is done in-house then set up the required committee, processes and policy and obtain approval from Council	District Job Evaluation Committee established		None	
59		Train all those involved for example those responsible for completion of JDs etc	PER advised the municipality to participate in the shared service training provided by SALGA		None	
60		Undertake the JD process in terms of such policies and structures			None	
61		Involve Unions throughout	The PER team conducted a workshop on the development of Staff establishment. Resuscitated LLF forum to enhance good employer employee relations and encourage the sitting of the said forum	Unions participated on the first draft staff establishment consultation process.	None	
62		Undertake grading	PER advised the municipality to participate in the		None	

KP KTG

			shared service training provided by SALGA			
63		Negotiate phasing in of results subject to availability of funds and how incumbents of "over graded" positions should be dealt with	In preparation for this process, the PER team will utilize the Placement policy, Skill Audit report and the approved and adopted structure.	Progress to be realised once the staff establishment is approved and adopted	None	
64		Draft placement policy and process and after negotiated finalisation of such a policy submit for adoption to Council	Draft placement policy in place awaiting to be subjected to process until it is approved and adopted	Progress to be realised once the staff establishment is approved and adopted	None	
65		Roll out	To be actioned once the staff establishment is approved and adopted		None	
66		do	To be actioned once the staff establishment is approved and adopted		None	
67		do	To be actioned once the staff establishment is approved and adopted		None	

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68		The restructuring of the municipality should take into account the financial ability of the Municipality. Should also in the process attend to possible ghost employees, duplication, excessive overtime, appointment of consultants, outsourcing costs etc.	This activities will be addressed in the stabilisation Phase			
69		Intention should be to reduce all human resources costs to 40 present of Operational Budget or less.	This activities will be addressed in the stabilisation Phase			
70		Undertake a cost benefit analyses before insourcing	This activities will be addressed in the stabilisation Phase			
71		If outsourced solution is not working, establish the reason and first attempt to resolve such issues before insourcing a function for which in-house capacity still need to be developed and which might drain operational and capital funds required for more critical interventions.	This activities will be addressed in the stabilisation Phase			

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72		Clarify the powers, role, function, accountabilities and deliverables of the Property Man Function. Obtain best practice input from an established performing municipality in this field	This activities will be addressed in the stabilisation Phase			
73		Provide for it on the organogram and the budget.	This activities will be addressed in the stabilisation Phase			
74		Phase function in subject to the availability of funds	This activities will be addressed in the stabilisation Phase			
75		Provide for all the required resources i.e. furniture, ICT needs etc	This activities will be addressed in the stabilisation Phase			
76		Clarify the powers, role, function, accountabilities and deliverables of the ICT Function. Obtain best practice input from an established performing municipality in this field	This activities will be addressed in the stabilisation Phase			
77		Provide for it on the organogram and the budget.	This activities will be addressed in the stabilisation Phase			

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78		Phase function in subject to the availability of funds	This activities will be addressed in the stabilisation Phase			
79		Provide for all the required resources i.e. furniture, ICT needs etc	This activities will be addressed in the stabilisation Phase			
80		Establish a Task team with very specific skills to make an assessment of how many such outsourcing arrangements exist, who they are and where they operate, from when each of them has been appointed by whom and how and for what purpose and for what reason.	This activities will be addressed in the stabilisation Phase			
81		Establish who is responsible for managing such a relationship and what the performance of the contractors/consultants are.	This activities will be addressed in the stabilisation Phase			
82		Establish which ones can be terminated as soon as possible and proceed	This activities will be addressed in the stabilisation Phase			

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83		Provide on the organogram and the budget	Draft structure to be consulted at LLF	Draft structure served at EXCO		
84		Provide on the organogram and the budget	Draft structure to be consulted at LLF	Draft structure served at EXCO		
85	**Training**	Arrange for required training and if Management is not familiar with the process consult a municipality which has followed the process. Arrange for budget provision or a grant from Provincial COGTA .	PER secured funding from COGTA to conduct Skills Audit. Skill Audit report submitted to municipal council and recommendation to be implemented in January 2025	Progress to be realised once the staff establishment is approved and adopted	None	
86		Undertake a risk assessment and approach Department of Water and Sanitation to assist during the interim i.e. with qualified assistance and oversight			None	
87		Secure funding on budget and arrange for the training of all those involved with contract management. Establish whether SALGA can assist. Approach PT or COGTA for financial			None	

KP KTG

		assistance if necessary. Obtain best practice SOPs and other documentation which should assist the staff				
88		Obtain assistance from SALGA or appoint a consultant, should funding be available or be made available. Another Municipality might also be prepared to assist	This activities will be addressed in the stabilisation Phase			
89		Arrange for a workshop by SALGA or PT	This activities will be addressed in the stabilisation Phase			
90		Arrange with SALGA for training	This activities will be addressed in the stabilisation Phase			
91		Consult with other municipalities and with the assistance of SALGA and Provincial COGTA on investigating the viability of a Shared Services that can provide training to at least the municipalities within the district	This activities will be addressed in the stabilisation Phase			

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92		Procure the services of specialist Management Development Consultants	This activities will be addressed in the stabilisation Phase			
93		Provide for such transfers in tender specs and when contracts are drafted and entered into	This activities will be addressed in the stabilisation Phase			
94		Oversee the transfer of such expertise and skills	This activities will be addressed in the stabilisation Phase			
95	**HR utilisation and productivity**	Holistic process is required and which should provide for the following: A baseline assessment	In preparation for this process, the PER team will utilize the Placement policy, Skill Audit report and the approved and adopted structure.	Progress to be realised once the staff establishment is approved and adopted	None	
96		Values Creation/Change Workshops throughout the municipality and intended to improve the ethics, disciplinary and accountability culture within the Municipality			None	
97		Establishment of competent Management and Leadership Capacity within the Municipality i.e. , structure, filling of posts by competent			None	

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		people, their training etc				
98		Process re-engineering with a focus on controls and oversight. Chaos flourishes in an unstructured environment			None	
99		Review delegations and ensure that every delegation and power is covered in terms of responsibility and consequence management			None	
100		Put Consequence Management and Disciplinary Policies, Systems and Structures in place			None	
101		Take action against those that have already corrupted the Municipality if any i.e. at Political as well as Administrative levels. Examples need to be made and the Council and other authorities need to show that corruption will not be tolerated			None	

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102		Employ a retired professional to assist with the policies, the establishment of structures and implementation.			None	
103		Appoint a task team to investigate corruption and in terms of above. Appoint ex professionals on such a task team in order for it to be as independent and impartial as possible. Such a task team need to provide support to those that need to prosecute			None	
104		As above			None	
105		Introduce a Change Management Approach and Program from inception	This activities will be addressed in the stabilisation Phase			
106		Any attempt or action intended to undermine, obstruct and or sabotage the rescue, recovery and sustainability process should not be entertained and tolerated though	This activities will be addressed in the stabilisation Phase			

KP KTC

107		Obtain the policy, process, and assessment tool from an established municipality and request assistance with the training of all concerned and with the first process of contracting, assessments and feedback	This activities will be addressed in the stabilisation Phase			
108		Train competent people within each department in the drafting of SOPs	This activities will be addressed in the stabilisation Phase			
109		Identify key processes and where performance and productivity are of concern.	This activities will be addressed in the stabilisation Phase			
110		Prioritise and draft and introduce standard operating procedures. Such procedures need to include controls. This should be approached as a corporate project	This activities will be addressed in the stabilisation Phase			
111		Obtain best practice SOPs from established Municipalities and refine in accordance with the Municipality's	This activities will be addressed in the stabilisation Phase			

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		unique conditions and requirements				
112		Conduct productivity and capacity management training programs on all levels of management and at supervisory level.	This activities will be addressed in the stabilisation Phase			
113		Introduce a Productivity Enhancement Intervention in the weakest performing areas	This activities will be addressed in the stabilisation Phase			
114		Involve the Unions from inception	This activities will be addressed in the stabilisation Phase			
			This activities will be addressed in the stabilisation Phase			
116	**Industrial relations**	Engage with the Unions and obtain their input on a way forward in developing and sustaining the capacity of the Municipality. A strong relationship and continuous training and communication with the LLF is required.	The PER team has developed a municipal staff satisfaction survey template to gauge the level of polarisation and satisfaction of staff and submitted for implementation. The results from the survey will enable the PER to develop a change management plan.		None	

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117	**Community trust compromised**	Consider efforts to rebuild trust by taking lessons from war-torn countries and where communities endured extreme trauma. Forums should be established in addition to ward committees and legislated community participation for budgets and IDPs. Security vetting of individuals in positions of trust is recommended.	The PER team notes this key activity and will advise that this be migrated to the sustainability phase.	The PER team notes this key activity and will advise that this be migrated to the sustainability phase.	None	
118	**Safety and security**	The establishment of a multi-disciplinary task team should consider Ditsobotla to be a crime scene and consider their approach and actions accordingly. A national task team of intelligence and security forces must be deployed to safeguard non-compromised individuals and to prosecute compromised individuals. A security plan for Ditsobotla,	PER team compiled a report with recommendations that all unlawful security contracts be terminated and proper supply chain processes be followed to appoint a competent and compliant security company.	Awaits implementation by the municipality	None	

KP KTC

		considering all actors, are required.				
119	**Ethical and criminal matters to be investigated**	A record of all unethical and alleged criminal conduct and activities should be compiled to prepare a starting point for disciplinary and criminal prosecutions. It would probably be a an extensive list to execute.	The PER team has developed a register for all labour related disciplinary matters. Staff verification was conducted however it was not completed due to resistance from other municipal officials.	Criminal cases are reported with law enforcement	None	
120	**Best practices, SOPS and policies**	The policies required for the institutional pillar are extensive and a proper survey should be conducted to determine the need and prioritise a list of what needs to be done.	The PER team has assessed all HR policies for compliance and relevance. The reviewed draft policies have been submitted to the Accounting Officer for process of adoption.	All HR policies are at a draft stage waiting to be subjected to consultation process	None	

121	**Controls**	A biometric system may be called for given the challenge with intimidation mentioned. The leave system is also compromised and an electronic system with sufficient controls need to be put in place as soon as possible. It appears as if most staff do not arrive at work, due to allegedly intimidation, threats, possible "ghost" workers and an organisational culture of fear.	The activity will be implemented once the cash position of the municipality has been restored		None	
122	**Capacity**	Given the toxic work environment it would be required that the criminality be brought under control, organogram be established, positions filled and depending on skills audits a personal development plan be developed for every staff member to direct the Workplace Skills Development Plan.	PER has advised that Personal Development Plans be developed to feed into the workplace skills plan (WSP) for submission end of April each year as per skills development act.	The municipality has submitted in April 2024 and looks forward to complying during 2025.	None	

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123	**Staff Wellness**	The readers of this report need to consider where and how such capacity may be deployed on a semi-permanent basis until stability has been facilitated.	The PER team has developed a municipal staff satisfaction survey template to gauge the level of polarisation and satisfaction of staff and submitted for implementation. The results from the survey will enable the PER to develop a change management plan.		None	
124	**Monitoring and evaluation**	The establishment of an organisational and individual performance management system requires extensive training, support to develop policies, standard operating procedures, and guidance to identified in-house staff to ensure that the legal requirements for financial and non-financial reporting can be met. We refer to all in-year reporting and quarterly performance assessments as well as meeting the requirements of the staff regulations, effective 1 July 2022. The cascading of performance management needs to be addressed as it now	PER team has developed a PMDS policy. All quarterly reports are developed on a quarterly basis as required by legislation. Service delivery budget implementation plans are developed and approved by Council.	All quarterly reports are developed but yet to be served in Council however the Mid-term assessment report was tabled in council on 28 February 2025 as required by law.	None	

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		a regulatory requirement.				

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
Spatial Development Framework (SDF) and Masterplans	1	Development of a SPLUMA-oriented SDF and approved by Council.	Strategic Assessment by PER The present Spatial Development Framework (SDF) even though not oriented to SPLUMA Act, is valid for 5 years (until September 2025 as adopted in 2020 by Council). Interim revision is impossible due to financial constraints. Strategic Leadership and Guidance by PER: Compliance issues will be addressed during 2025 framework review.	Await review by September 2025	None
	2	Appoint expert consultants to develop Master Plans for all the infrastructure sectors that are aligned with the IDP and SDF.	<u>Strategic Assessment by PER:</u> Experts cannot be appointed due to financial constraints. In order to ensure success of the FRP, The PER analysed existing plans and introduced efforts to strive to draft some of the plans inhouse by the municipality and request assistance from other government stakeholders to draft others. <u>Strategic Leadership & Guidance by PER:</u> The PER is leading and guiding the inhouse development of the following Masterplans: - The Roads and Stormwater - Fleet Management Plans Through Inter-Governmental Relations (IGR) and the engagements of PER with other government departments, the following masterplans are underway:	The roads and stormwater plan and the fleet management plans are at draft stage, envisaged for adoption by March 2025.	None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
			- Integrated Waste masterplan (IWMP) by the Department of Environmental Affairs)	The Department of Environmental Affairs has appointed a consultant to assist in all compliance matters including developing the IWMP.	
			- The GIS System Programme (District Rural Road Assets Management System Programme)	The municipality participates in the DRRAMS	
			- Electricity Masterplan by the DMRE	The Department of Mineral Resources and Energy will through the implementation of bulk upgrade project avail information for the appointed consultant to compile the masterplan.	
			All water and sanitation related plans are borne by the District Municipality as the service authority.		
	3	Develop and implement policies, and By-laws, including fines for enforcement of the By-laws.	Draft policies are being prepared for those that do not require consultants, while those requiring consultants will be addressed when funding secured		None
	4	Develop and implement an Urban Renewal Plan.	The Urban Renewal Plan is relevant to and will form part of the Spatial Development Framework in 2025.		

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	5	Implement the GIS system and appoint suitably qualified personnel to manage the GIS system.	Strategic Assessment by PER: Municipality cannot appoint personnel or implement the GIS system due to its financial crisis. Municipality participates in the District Rural Road Asset Management System (RRAMS) programme, through which some layers of roads infrastructure are updated. The result is of little impact toward achieving the ideal GIS update for the municipality whereby we expect all information is displayed and geographically referenced. Strategic Leadership and Guidance The GIS requires appointment of qualified personnel and implement GIS. For that to happen, financial sustainability must first be achieved with priority given to especially the rescue phase of the finance pillar.	Minimum progress is made on roads infrastructure layers.	None
Capital and Grant Funded Projects	6	Communicate with NT and take steps to correct the deficiencies that led to the non-compliance on INEP Grant.	Assessment by PER: The 2016/2017 allocation of R18 Million to the municipality for upgrading of bulk electricity infrastructure was not utilised for its purpose and there is still no accountability from the municipality on what the funds were used for. This has led to the disqualification of the municipality in benefiting from the grant since year 2027. Strategic Leadership and Guidance by PER: The PER's engagement with department of mineral resources and energy (DMRE) have yielded positive results, where the municipality was allowed to report and account for the utilisation of the 2016/2017 funds. Furthermore, the municipality was re-accepted into the INEP Grant programme.	Funding of R4Mil was received from the INEP Grant for 2024/2025 financial year, to plan and design a 20MVA electricity substation for the Lichtenburg/ Blydeville area. Planning and Design phase is ongoing. There is a reluctance from Eskom to approve designs due to the municipality's failure to honour previous payment arrangements through the Debt relief programme. The PER is leading the engagements meeting with Eskom and DMRE to resolve the matter. The success of this phase will result in estimated grant allocation of over R30 Million towards the construction phase of the new substation, which will alleviate pressure from the current dilapidated and overloaded infrastructure by providing for an estimated 3500-4000 house holds.	None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
			PER continues to closely monitor the implementation of the INEP grant conditions.		
	7	Determine the portion allocation under-spent and apply for a portion of the allocation to complete critical infrastructure projects.	Assessment by PER The municipality has a history of underspending, whereby it lost R9Million of its 2023/2024 grant to the National Treasury, impacting dearly on projects that were already being implemented. This has led to prolonged projects periods or "parked projects" due to sudden lack of funds. Strategic Leadership and Guidance: It is imperative to urgently complete all unfinished projects. The priorities of projects from year 2024-2026 were reviewed in the IDP process of April/May 2024.	All allocated funds for 2023/2024 were spent by end of June 2024 with no funds that were rolled over.	None
	8	Creation of a conducive environment to promote stability in Senior Management including the Accounting Officer.	The key activity is dealt with under Governance pillar		
	9	Appointment of procurement committees to be responsible for Grant-approved projects. Conduct capacity building on committee members.	Bid Committees appointed in March/April 2024 and reviewed in August 2024 by Municipal Manager.	Regular sitting of bid committees to fast-track procurement process	None

Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	10	Improve performance of the Project Management Unit (PMU) and grant management.	PMU meetings are held monthly, where progress on projects is discussed. MISA deployee is also part of the PMU.	As mentioned above, there is no roll-over funds as all funds were spent	None
	11	Intensify monitoring of compliance with legislation by management.	As mentioned above, there is no roll-over funds as all funds were spent	There is no current query of noncompliance to legislation and no roll-over.	None
Asset Management	12	Approval and implementation of Asset Management Policy.	The Assets Management Policy is addressed under finance pillar and inform strategy. The maintenance plans will be derived after development o7fthe policy	Budget Related Polices were tabled and approved to council in November.	None
	13	Development of the Asset Care Program with DBSA assistance. Audit of current infrastructure (conditional assessment, determination of RUL and impairment reviews)	Strategic Assessment by PER There is no internal capacity to carry out the audit, determine the useful lifespans of assets and review impairment of assets Strategic leadership and Guidance by PER Experts are required to assist with this activity. The PER has escalated the matter to the Provincial Treasury so that professional services are sourced.	The Provincial Treasury is considering the matter. It is envisaged that the matter be dealt with from January 2025 as part of the Post Audit Action Plan (PAAP) and as a compliance matter to GRAP 17 (Generally Recognised Accounting Principles) conditions.	None
	14	Maintain the Asset Register and implementation of a long-term asset management strategy.		None	None
	15	Development and implementation of maintenance plans for all asset classes.	Maintenance plans are not developed or implementable due to financial constraints. Some assets are maintained on as and when basis	None	None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	16	Improve cash flow management to buy meters. Have regular meter audits.	Application for 13 500 Smart Meters was submitted to NT and await approval.	Smart Meter application was submitted to NT	None
	17	Prioritisation of acquisition of repairs and maintenance equipment.	Financial sustainability must first be achieved so that these activities are addressed.	There is little improvement in stabilizing the finances of the municipality, a task which will require more time and effort to address.	None
	18	Improve monitoring of projects completed and still under construction.	Through the guidance of the PER and intervention team, the PMU meetings are held monthly, where progress on projects is discussed. MISA deployee is also part of the PMU.	Projects are being completed and as mentioned above, there is no roll-over funds as all funds were spent.	None
	19	Improve controls over immovable assets. Collaboration between Finance and Engineering, and other Departments in ensuring that assets are properly accounted for.	Appointment of acting directors, clarified roles of departments and frequent management meetings.	There is better coordination internally with clear functions of departments (bookings, usage and maintenance)	None
	20	Implement systems and controls to identify and measure water losses.			
	21	Regular meter audits.			

KP KTG

Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
Loss control - water	22	Maintenance of meters and replace damaged meters.	All water and sanitation related functions are addressed by the district municipality as per court order on the Sakeliga case		
	23	Appoint personnel dedicated to the maintenance of meters.			
	24	Replace old asbestos (AC) pipelines with PVC pipes.			
	25	Prioritising areas with the highest occurrence of leakage or breaking of pipes for repairs in the short term			
	26	Develop and implement maintenance schedules that includes calibrating and replacing damaged water meters.			
	27	Develop a customer care plan setting out conduct that increases service delivery efficiency.	All water and sanitation related functions are addressed by the district municipality as per court order on the Sakeliga case		
	28	Institute a call centre to track queries that are submitted to different departments.			

KP KTG

Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
Loss control - electricity	29	Upgrade the electrical network using circuit breakers.	R4 Million was granted to DLM to plan and design a new 20MVA in Lichtenburg. The information from the project will also be used to draft the masterplan.	Design phase /Master planning is in progress	None
	30	Procurement of smart meters to alleviate illegal bridging of meters. Improved billing system and control.	Strategic Assessment by PER: There is a high number of either stuck /malfunctioning meters and illegal connections. This has greatly and negatively impacted revenue collection and directly contribute to the Eskom debt and disgruntled consumers due to non-authentic billing. Strategic Guidance and Leadership The PER led a team to compile the application for 13 500 Smart Meters, which has been submitted to NT and await approval.	Smart meter Application was submitted to NT for approval in April	None
	31	The municipality must divide the municipality into regions/zones/wards based on the area identified with the highest losses and do audits.	Assessment by PER: The aged / dilapidated infrastructure cannot supply to meet demand. The frequent and often lengthy outages that culminates into days or weeks or even months of no supply will impede on auditing the areas with high losses. Strategic leadership and Guidance It is therefore the advice of the PER that the upgrading of the infrastructure be prioritised and that the smart meters be installed urgently to eliminate all existing challenges of wrong billing, illegal connections and malfunctioning meters.		
	32	Regular meter audits.			

KP KTG

Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	33	Implement frictionless payments such as mobile money, online payment platforms, and bank transfers. This can reduce the need for physical coupons.	The key activity is addressed through finance pillar		
Bulk meters	34	Installation of new bulk meters.	New bulk electricity meters and new positions thereof will be implemented with the bulk upgrading project from INEP/ DMRE grand mentioned earlier. Bulk water meters are responsibility of the district municipality None		None
	35	The municipality must conduct a monthly water balance to confirm its water use.	Function of the district municipality		None
Non-technical losses due to meter tampering, illegal connections	36	Utilise meter readers to undertake inspections monthly and report illegal activities.	Function of the district municipality		
	37	Acquire a sufficient and reliable fleet for the technical department.			
Unmetered consumption	38	Improved Credit Control (register consumers).	Function of the District Municipality		None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	39	Utilise meter readers to undertake inspections monthly and report unmetered consumers.			None
Need for meter audits and 'SMART' Technologies	40	Conduct meter audits.			None
	41	Review and revise the plans to implement smart technologies.			None
Performance Management	42	Enforce effective performance management policies.	Addressed by Institutional and HR Pillar		None
	43	Training in performance management and its importance.			None
	44	Make use of the Rural Road Asset Management reports and other infrastructure technical reports to effectively plan repair and maintenance based on conditional assessments.	Addressed in Item 2 above.		None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
Revenue Improvement	45	Lack of Wayleave policy and regulations and its implementation	None	None	None
	46	Lack of implementation of Wayleave policy and imposition of rates and tariffs	None	None	None
Waste and Refuse Removal / Solid Waste Infrastructure	47	Obtain funding for landfill management and an approved and implemented Integrated Waste Management Plan.	Strategic Assessment by PER The current IWMP was compiled in 2019 and expired in 2023. The municipality does not have internal capacity or the financial capacity to compile the IWMP, comply with legal requirements or operate/maintain landfill sites.		None
	48	Put measures in place to comply with the license requirements and apply for a license.	Strategic Leadership and Guidance Through IGR and liaison with the dept of Environmental Affairs, a consultant has been appointed to develop IWMP and address all compliance matters.		None
	49	Engage the services of experts to determine the landfill's useful lives.			None
	50	Prioritise funds for the rehabilitation of dysfunctional landfill sites			None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	51	Recommissioning and improving the capacity and efficient running of transfer stations and recovery facilities			None
	52	Finalisation, approval, and implementation of By-laws.			None
	53	Proper implementation of asset management principles.	Addressed at Key activities 12 – 19 above		None
	54	Implement access controls such as fencing the landfill sites.	The municipality plans to roll out a MIG project to fence facilities from 2025/2026.		None
	55	Purchase of specialised refuse removal trucks to increase capacity of waste removal.	Assessment by PER The 2 compactor trucks are operational for daily waste collection. They are being maintained as and when required and when broken down, waste remain uncollected for long periods as there are no contingency plans. The dominance of the financial crisis at the municipality has resulted in a complete collapse of systems. There are no funds to invest in any capital assets.		None
	56	Purchase of specialised refuse plant to increase capacity of refuse functions at landfill sites.	Strategic Leadership and Guidance The Financial sustainability must first be achieved so that these activities are addressed. There is little improvement in stabilizing the finances of the municipality, a task which will require more time and effort to address.		None

KP KTG

Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	57	Regular maintenance of existing vehicles to reduce the frequency of breakdowns.			None
	58	Improve workshop capacity and turnaround times.	Skills audit has been completed and recommendations thereof will ensure personnel capacity. The challenge will still be the financial capacity.		None
Planning and Building Control	59	Constant emails and telephonic follow-ups on progress made by appointed service providers.	These activities are the responsibility of the Department of Human Settlement where development is meant for RDP houses. Developments for any other purpose are a responsibility of the municipality and the land acquisition, bulk supply and spatial issues will be addressed through key activity 1 above.		None
	60	Continuous engagement with the district regarding bulk supply connections.			None
	61	Land acquisition processes through Housing Development Agency to identify available municipal land for development.			None
	62	Public awareness of procedures and processes for building control.			None

Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	63	Training inspectors to ensure they understand their scope of work and improve on people skills.	These activities are the responsibility of the Department of Human Settlement where development is meant for RDP houses. Developments for any other purpose are a responsibility of the municipality, and the land acquisition, bulk supply and spatial issues will be addressed through key activity 1 above.		None
	64	Strengthen Inter-governmental Relations (IGR) capacity.			None
	65	Peacemaker training and accreditation for easy issuing of contraventions related to land use and illegal building.			None
	66	Inspectors must schedule monthly visits and book vehicles in advance with the fleet department.			None
Fleet Management	67	A Fleet Management policy must be drafted and approved by Council.	The Fleet Management policy is part of the Assets Management Policy which the finance department is the custodian thereof		None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	68	The municipality needs to develop a Fleet Management and Strategy Plan that considers the current scenario and a plan that anticipates changes in the future.	The Fleet Management policy is part of the Assets Management Policy which the finance department is the custodian thereof		None
	69	Prioritise investment in vehicles.	The Financial sustainability must first be achieved so that these activities are addressed. There is little improvement in stabilizing the finances of the municipality, a task which will require more time and effort to address.		None
Housing Delivery	70	Department to come and present a business plan for DLM housing projects	The key activity is the responsibility of department of human settlement		None
	71	Letters have been written to the department, HOD, and MEC to intervene.			None
	72	Implement project management principles to ensure the completion of projects including the imposition of strict consequences and penalties to defaulting service providers.			None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	73	The municipality must prioritise the transfer of title deeds to beneficiaries.			None
	74	Finalisation, approval, and implementation of the Housing Sector Plan, Informal Settlement Policy, and Allocation Policy	Informal settlement and allocation policies are in place while the HSP is not submitted by DHS	None	None
Roads and Storm Water Infrastructure	75	Participate in the District Rural Road Asset Management System (RRAMS) programme.	Participation is ongoing with GIS being implemented on certain layers of roads infrastructure.	GIS updating in progress	None
	76	Blading and patching gravel roads.	Grading is ongoing on bear minimum due to breakdowns and lack of funds to repair or buy plant	Minimum progress recorded	None
	77	Repair potholes.	Not performed due to financial constrains to buy material		None
	78	Clean stormwater drainage systems.	Not performed due to financial constrains to buy material		None
	79	Prioritise the purchase of equipment, material and plant to conduct repairs and maintenance.	Not performed due to financial constrains to buy material		None

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Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
Environmental Awareness Campaigns	80	Communicate with DEDEA to collaborate on Environmental Awareness Campaigns.	None	None	None
	81	Prioritise funds towards conducting awareness.	None	None	None
Parks and Cemeteries	82	Establish a records management system at satellite offices.	PER Assessment There is proper records management in placed at head office but lack of control and monitoring at sites and satellite offices. Strategic Guidance and Leadership Internal control has been increased through engagements with relevant unit and improved operating procedure implemented.	Increased monitoring of satellite offices	None
	83	Allocate municipal officials to be responsible for satellite offices.	PER Assessment Some units are overstaffed. PER Guidance and Leadership Employee audit and skills audit must be implemented prior to new staff allocation at any unit.	Skills audit was performed and finalised by CoGTA in November 2024 while staff verification will be finalised in December 2024.	None

Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	84	Controls over the recruitment process to ensure that staff is employed based on meeting the requirements of the position.	To address through HR pillar	None	None
	85	Prioritise investment in new equipment and train the staff available to use the equipment.	Financial sustainability must first be achieved so that these activities are addressed.	There is little improvement in stabilizing the finances of the municipality, a task which will require more time and effort to address.	None
Security Services	86	Appointment of dedicated personnel and prioritising reallocation of funds to internal security	Addressed under Institutional and HR Pillar		None
	87	Constant community engagements to use the communities as watchdogs of municipal infrastructure.			
	88	Add access control and additional security officers at community facilities.			

Focus area	No	Key activities	Steps Taken	Progress Made	Financial Impact
	89	Implement security measures at strategic facilities i.e. substation			
Local Economic Development	90	Develop LED strategy and implementation plan.	A draft strategy is available but progress towards a full shift not yet pursued	None	None
	91	Activate the LED Forum to spur economic development through sustainable LED projects that are implemented in cooperation between the public and private sectors.	None	None	None

No.		Key Activities	Steps Taken	Progress Made	Financial Impact	Other Noteworthy Developments
1	Governance Matters	Develop Institutional Corporate calendar for Council and committee meetings aligned to MFMA and MSA reporting cycle.	The PER team developed the corporate calendar for approval by Council.	The Corporate calendar was approved by Council	**None**	**None**
2		Conduct induction or newly elected councillors and continuous scheduled training for all elected councillors on governance, financial management, and oversight responsibilities.	The PER team requested training from SALGA	Training was conducted by SALGA	**None**	**None**
3		Develop oversight reports and maintain declaration of interest registers.	PER team has engaged with Accounting Officer and template was developed and shared with municipal Counicllors	Awaiting signatures from Councillors	**None**	**None**

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4	Establish community and organisational perception surveys and use as a baseline for improvement actions.	The PER team to engage COGTA to assist with development of community perception surveys.		**None**	**None**
5	Create a dialogue with the community and disruptors of council meetings.	This activities will be addressed in the stabilisation Phase			
6	Implement the recommendations arising from sec 106 of the Systems Act investigation report.	The PER to engage COGTA to implement sec 106 investigation report		**None**	**None**
7	Re-establish section 79 and 80 Committees of Council with clear terms of reference.	Section 79 and 80 Committees have been established	There has been regular sittings by the Committees		
8	Develop a communication plan for the duration of the intervention.	The PER and the Accounting Officer have made engagement on the development of the communication plan		**None**	**None**
9	Establish a resolution register and system to track resolutions	The PER team developed a resolution register and submitted to	Awaiting approval by Council	**None**	**None**

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	with appropriate training on application.	Accounting Officer			
10	Table statutory reports and implement corrective actions flowing from reports.	The PER team has assisted the municipality to develop MFMA and Structures Act reports	Awaiting the municipality to implement corrective actions from the reports	**None**	**None**
11	MPAC to execute mandate and meet regularly.	MPAC committee has been established		**None**	**None**
12	Train MPAC members on mandates and powers	PER team has organised training	Training was conducted by Provincial Treasury		
13	Establish operational plans for ward committees. Ward committees to meet their mandate.	Training on operational plans for ward committees was scheduled by the PER team	Training was conducted by Cogta in October 2024 Ward operational plans were developed and are in the process of being implemented		
14	Establish a technical working committee (transversal).	Technical working committee was established which includes SALGA,	Regular consultations are held and progress and recommendation		

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			MISA, NWPT, CoGTA and DCoG	reported and implemented accordingly		
15		Convene meetings of TROIKA attached to a pre-approved annual schedule.	Council annual schedule was approved after being served at TROIKA	There is a schedule of the meetings.		
16		Develop schedule and implementation of meetings for Executive management meetings.	This activities will be addressed in the stabilisation Phase	Schedule developed and meetings are done regularly.		
17		Compile a schedule of all accounts in arrears of Councillors and officials and enter into payment arrangements.	This activities will be addressed in the stabilisation Phase			
18		Design process flow mapping interface between political office bearers and officials.	This activities will be addressed in the stabilisation Phase			
19		Arrange quarterly sessions to discuss all relevant Council	This activities will be addressed in the stabilisation Phase			

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		Bylaws and Policies.				
20	Contract Management	Monitor and update the contract register.	PER team developed the Contract register.	Contract register is being reviewed and updated monthly		
21		Review all contracts for performance, compliance, and possible consequence management and submit monthly reports.	The PER team prepared a legal assessment report with recommendations and submitted to the Municipal Manager. Possible consequence management is being discussed	Contracts are being reviewed.		
22		Audit all contracts and value-for-money assessments including irregular month-to-month contracts for goods and services and conduct a duplicate costs analysis for contracted services and employed staff.	The PER Team identified Irregular contracts and recommendation were submitted to the municipality for implementation	Awaiting implementation by the municipality		

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23		Review and terminate irregular month-to-month contracts for goods and services and consider signing long-term contracts.				
24		Negotiate and sign affordable payment arrangements with creditors.	The PER team negotiated payment arrangements with creditors	The Municipality is in dire financial crisis and fails to comply to settlement agreement obligations.		
25		Identify goods and services required on an ongoing basis and appoint service providers on longer-term contracts.	This activities will be addressed in the stabilisation Phase			
26		Review annual demand management and procurement plan and monitor for execution.	An annual demand and procurement plan was developed	Awaiting implementation by the municipality		
27		Re-establish and train bid committees.	Committees were established and training was orgnaised by COGTA			

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29	Litigation and Contingent Liabilities	Report to Council on diagnostic analysis of root causes of litigations and claims/Update litigation register and reflect total contingent liability.	The PER team formulated root causes for litigations and contingent claims and shared with the Municipal Manager.	Litigations register is being updated		
30		Conduct a legal assessment on reasonable prospects of success on all pending litigations.	PER team conducted Legal assessment.			
31		Negotiate payment arrangements for goods and services rendered by creditors and suppliers.	The PER team negotiated payment arrangements with creditors	The Municipality is in dire financial crisis and fails to comply to settlement agreement obligations.		
32		Honouring renegotiated payment arrangements.				
33		Review the business plan for a legal services unit (In-house versus outsourced).	The PER team has advised that all defendable matters are defended, and further attempted to mediate those that can be	A process of appointment of panel of Attorneys has been instituted		

KP KTC

			settled out of court.			
34		Assign case management to appropriate individuals.	The PER team handles all legal matters due to lack of legal personnel.	Writs of attachment not executed		
35		Investigate default judgments and effect consequence management.	The PER team prepared a legal assessment report with recommendations and submitted to the Municipal Manager.	Possible consequence management is being discussed		
36		Monthly update litigation register.	The PER team has been engaging the Accounting Officer on the progress report of litigation within the municipality.	Litigations register is being updated		
37	System of Delegations	Prepare and adopt a delegation framework and a	System of delegation still in draft phase	Draft system of delegation		

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		set of delegations and sub-delegations, including Finance, SCM, and administrative.		submitted to SALGA		
38		Maintain delegations register.				
39		Workshop delegations.				
40		Update delegations register.				
41	By-laws and enforcement	Adopt and enforce Bylaws.	PER team to audit and review current bylaws and relevant managers to be engaged			
42		Report on revenue generated and enforcement of Bylaws				
43		Establish a register of Bylaws and review it as stipulated.				
44		Develop relevant Polices to give effect to Bylaws, commencing with revenue generating Policies as a priority.				

KD KTG

45	UIF&W and consequence management	Conduct investigations on UIFW expenditure in accordance with sec 32 of the MFMA and investigation of financial misconduct aligned to an adopted schedule of investigations with timelines.	PER team has drafted the UIF&W reduction strategy in line with MECs directive		**None**	**None**
46		Implement Consequence management for UIF&W.			**None**	**None**
47		Develop and implement UIF&W expenditure SOP and reduction plan aligned to MFMA circulars 68 and 111.				
48		Establish and maintain UIF&W registers	The PER team developed a UIF&W Register	The register is updated regularly		Registers are not signed off on a monthly basis
49		Monitor progress on forensic investigations.	Due to dire financial constraints, the municipality has not been able to initiate forensic investigations			
50		Establish quarterly reporting on UIF&W	Register was developed and is updated as and when required			

dp KTG

51	Audit Action Plans	Monitor audit action plan.	The PER team developed audit action plans for the financial years 23/24,22/23, and 21/22.			
52		Improve the quality of AFS.	Resulting from intervention from Provincial Treasury: The 2023/24 AFS were compiled and submitted to AG within the legislated time frame along the other outstanding 2 financial years.	The office of Auditor general has audited three sets of annual financial statements 2021/22 2022/23 and 2023/24		
53		Establish an AFS completion project plan.	The PER team has developed an AFS completion plan.			
54		Validate progress and verify POE for adequacy and completeness.				
55		Weekly audit steering committee to discuss the implementation of the audit action plan.				
56		Implementation of an audit action plan should be an integral part of the performance	The PER team developed audit action plans for the financial years 23/24,22/23, and 21/22.			

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		agreement of senior managers.			
57		Internal audit to provide monthly assurance on the implementation progress report for the approved audit action plan.			
58		Reporting on the implementation progress report for the approved audit action plan to Audit Committee, Mayoral Committee and Council.			
59	Risk Management	Establish risk management policy and strategy.	No Risk Management unit at the municipality however provision for the unit has been made on the draft structure		
60		Assign risk management responsibilities to a staff member.			
61		Update risk register as required by circumstances or as per policy.			
62		Development of organisational			

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		business continuity plan.			
64		Risk management and register must be a standing agenda item for all scheduled management and Executive meetings as well as the audit committee.			
65		Monitor and report on the implementation of risk-mitigating measures that may have an impact on the implementation of the financial recovery plan, audit action plan, and other risks identified in the risk registers.			
66	Powers and Functions	Conduct an in-depth analysis of cost implications and determine the viability of mandates.	The PER team has been pursuing management to avail relevant records and same has not been received. This is a limitation of scope which the PER will escalate to relevant provincial departments for assistance.		

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67		Renegotiate mandate agreements.			
68	Immovable Property Management	Council to ensure that services of emergency, agency, outsourced, and shared service agreements are costed and included in the budget.	Due to dire financial constraints, the municipality has not been able to do proper costing		
69		Conduct a land audit and implementation of the recommendations of the audit, including a cost-benefit analysis (operational expenditure against revenue collected).			
70		Review all lease agreements including the collection of rentals from tenants and	The PER team has been pursuing management to avail relevant records and same has not been received. This is a limitation of scope which the PER will escalate to		

AP KTG

		whether it is market-related.	relevant provincial departments for assistance.		
71		Non-paying tenants must be ejected from the properties.			
72		Identify immovable properties not required for basic municipal services and conduct appropriate disposal actions.			
73		Establish a forum to engage tribal authorities.	The PER to engage management and TROIKA on the matter		
74		Develop and implement SOPs with appropriate controls and develop GRAP-compliant asset registers.	The PER team has prepared draft SOPs that will be used to develop GRAP compliant asset registers		
75		Assess all properties for title deeds and initiate processes to acquire title deeds and reconcile alienation transactions with Deeds office records for the past five years.	The PER team has assessed all properties this will be reconciled with the deeds office records.		

dkp KTC

76	Internal Audit	Approve the annual audit plan and risk management documents for 2022/23 financial year.	The PER team developed audit action plans for the financial years 23/24,22/23, and 21/22.		
77		Conduct a capacity and effectiveness assessment (baseline) for the internal audit unit with recommendations.			
78		Submit quarterly reports on internal audit, internal audit plan, and respective charters to the audit committee and council.			
79		Assign administrative duties in terms of policy and monitor compliance			
80		Ensure the audit committee is properly trained and capacitated.	Due to dire financial constraints, the municipality has not been able to establish an audit committee		
81		Set up meetings between the audit			

KTG

		committee and MM and Mayor.			
82		Maintain an updated risk register.	This activities will be addressed in the stabilisation Phase		
83	Information and Communication Technology	Review ICT Governance framework.	The PER team is assisting the municipality to develop the draft ICT governance framework		
84		Establish ICT steering committee.			
85		Review, develop, and implement ICT general controls.			
86		Budget for ICT infrastructure and develop business plans and a business case and scan for funding opportunities and sources.	Due to dire financial constraints, the municipality is unable to budget for ICT infrastructure		
87		Develop and implement a server downtime monitoring tool.			
88		Secure data storage, back up, and recovery solutions.			
89		Update the website.			