IN THE HIGH COURT OF SOUTH AFRICA
(NORTH WEST DIVISION, MAHIKENG)

CASE NO: UM192/2022

In the matter between:

SAKELIGA NPC	**1ST APPLICANT**
CENTRE FOR GOOD GOVERNANCE AND SOCIAL JUSTICE NPC	**2ND APPLICANT**
BAREND LOURENS SNYMAN	**3RD APPLICANT**

and

DITSOBOTLA LOCAL MUNICIPALITY	**1ST RESPONDENT**
THE MUNICIPAL MANAGER/ACTING MUNICIPAL MANAGER OF THE DITSOBOTLA LOCAL MUNICIPALITY	**2ND RESPONDENT**
PREMIER OF THE NORTH WEST PROVINCE	**3RD RESPONDENT**
PROVINCIAL EXECUTIVE OF THE NORTH WEST PROVINCE	**4TH RESPONDENT**
MEC FOR COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS, NW	**5TH RESPONDENT**
MEC FOR FINANCE, NW	**6TH RESPONDENT**
PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA	**7TH RESPONDENT**
MINISTER OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS	**8TH RESPONDENT**
MINISTER OF FINANCE	**9TH RESPONDENT**
MINISTER OF WATER AND SANITATION	**10TH RESPONDENT**

NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY	**11TH RESPONDENT**
ESKOM SOC LTD	**12TH RESPONDENT**
MAGALIES WATER BOARD	**13TH RESPONDENT**
THE ADMINISTRATOR: DITSOBOTLA LOCAL MUNICIPALITY	**14TH RESPONDENT**

FILING SHEET

HEREWITH : **PROVINCIAL EXCO COLNSOLIDATED MUNICIPAL RESCUE PHASE REPORT & EXPLANATORY AFFIDAVIT**

DATED AT MMABATHO ON THIS THE 05TH DAY OF APRIL 2024.

STATE ATTORNEY MAHIKENG

ATTORNEY FOR THE 3RD – 6TH AND THE 10TH RESPONDENTS

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TO: **REGISTRAR OF THE HIGH COURT**
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IN THE HIGH COURT OF SOUTH AFRICA

(NORTH-WEST DIVISION, MAHIKENG)

Case No. UM192/2022

In the matter between:

SAKELIGA NPC	1st Applicant
CENTRE FOR GOOD 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 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

N-A.

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

ISAAC PANDELANI MUTSHINYALI

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 second quarterly report in compliance with the Court Order of the above Honourable Court of 06 October 2023.

3. Attached hereto is annexure A which explains the activities related to the implementation of the MFRP for the period January 2024 to March 2024.

N.A.

DEPONENT

I certify that the deponent has acknowledged and understand the contents of this affidavit which was sworn and signed before me at Makhado SAPS on this the 5th day of April 2024, after provisions of Government Notice No. R.1258 of July 1972 (as amended) have been complied with.

SOUTH AFRICAN POLICE SERVICE
MAKHADO UNIFORM
05 APR 2024
COMMUNITY SERVICE CENTRE
SUID-AFRIKAANSE POLISIEDIENS

COMMISSIONER OF OATHS

COMMISSIONER OF OATHS: [redacted] 7294271 Hlangwani CSP

FULL NAMES: Hlangwani Ndivhoniswani Alice

CAPACITY: Constable

ADDRESS: 106 Krough Street
Louis Trichardt
0920

N.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

PRONVINCIAL EXCO CONSOLIDATED MUNICIPAL RESCUE PHASE REPORT

REPORT NO. 02/2024

Date:05 APRIL 2024

1. SUBJECT

PER Quarter 4 Report (January to March) constituting the second report to the parties as per Court Order Directive

2. PURPOSE

a. The memorandum seeks to provide the parties mentioned in the court order and the Court with progress relating to the implementation of the rescue plan of the FRP and the restoration of the municipal services in Ditsobotla Local municipality.
b. To report to the functionaries as per the Court order of the 06 October 2023.
c. To report to these functionaries, the progress registered during the quarter, and the challenges negatively impacting on the implementation of the MFRP

3. SUMMARY

a. The FRP was approved by the Member of the Executive responsible for finance in July 2023.
b. The implementation thereof is stratified into three phases, namely Rescue, Stabilisation and sustainability phases.
c. The rescue phase implementation for Governance and Service Delivery Pillars have been extended to the end in September 2024 and not June 2024 as initially planned, while the Institutional and Governance Pillars span have been extended to end in June 2024 and not April 2024 as initially planned. These adjustments are made so as to coincide and align with the new financial year as some of the activities require financial resources, which will be effective from 1 July 2024.
d. There is varying degree of progress registered in the four pillars, showing a steady but positive movement towards rescuing the municipality.

4. BACKGROUND

a. This report will serve as the second report to the Court as per the order of the 06 October 2023.

b. The Court Order of the 06 October 2023 ordered that the Provincial Executive must monitor the restoration of and continuation of the basic municipal services to the community of Ditsobotla and to report back on the aforesaid and the implementation of the financial recovery plan.

c. Further to report every third month (quarterly) and to serve on the parties and file such progress report with Court together with the affidavit confirming such report.

N.A

d. The report will provide progress achieved on activities that were planned, those not achieved and persisting challenges impacting on the implementation of the plan.

e. This report will again provide a synopsis of what was done within the strategic responsibilities assigned to the PER

   i. Strategic leadership and guidance.

   ii. Stakeholder engagement

   iii. Reporting to the Executive amongst others

5. STRATEGIC FOCUS OF THIS REPORT – IMPLEMENTATION OF THE RESCUE PHASE OF FRP

5.1 SERVICE DELIVERY PILLAR: Rescue phase

The Service delivery pillar on the FRP in totality has 17 focus areas. These areas contain 91 Key activities which must be implemented. Fifty nine (59) of these activities make the Rescue phase of the Service Delivery component of the FRP. The other 30 key activities fall under the Stability phase which comes after the rescue phase, and the other 2 key activities under Sustainability phase.

This above means that the rescue phase of the service delivery pillar makes 65% of the total service delivery component of the FRP, while the Stability and the Sustainability phases make 33% and 2% respectively.

The execution of the Rescue phase was initially planned to start in June 2023 and end in February 2024 but such could not be achieved due factors such as vacancies in all management positions in the municipality (Municipal Manager and all directors), the lack of capacity and skills from the acting senior managers and line managers, the general attitude and unmotivated personnel and most importantly the severe financial constraints that Ditsobotla Local Municipality finds itself in.

The success to implement the FRP and its Terms Of Reference hinges on stability in the political and administrative structures. This will in turn have a positive domino effect on the finance environment, resulting in optimal decision making across all departments and ultimately, satisfactory service delivery to the customers.

The progress made in implementing the Rescue phase of the Service delivery component of the FRP as 31 March 2024 is presented in a tabular form as follow:

N-A

PHASE 1: SERVICE DELIVERY RESCUE						
No	**Focus area**	**Key activities to be implemented**	**Timeline**	**Progress to date**	**Expected End Date**	**Responsible person**
1	**Spatial Development Framework (SDF) and Masterplans**	Development of a SPLUMA-oriented SDF and approved by Council.	**RESCUE**	The lack of internal capacity delayed the implementation. The acting director was appointed in February 2024. MISA, DBSA and Cogta have delegated personnel to expedite the activity.	End Sept 2024	MM, PER, Director: Technical Services, RTT
3	**Spatial Development Framework (SDF) and Masterplans**	Develop and implement policies, and By-laws, including fines for enforcement of the By-laws.	**RESCUE**	All existing policies, masterplans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is unfolding and review, work shopping and adoption thereof will take place as when they are completed.	Jun-25	MM, PER, Director: Technical Services, RTT
6	**Capital and Grant Funded Projects**	Communicate with NT and take steps to correct the deficiencies that led to the non-compliance.	**RESCUE**	The presence of a MISA technical agent and the appointment of the acting technical director in February 2024 has greatly assisted in liaison with stakeholders. Engagement on performance and planning for 2024/2025 financial year is on-going.	Jun-24	MM, CFO, PER, Dir - Technical Services, RTT
7	**Capital and Grant Funded Projects**	Determine the portion allocation under-spent and apply for a portion of the allocation to complete critical infrastructure projects.	**RESCUE**	The presence of a MISA technical agent and the appointment of the acting technical director in February 2024 has greatly assisted in liaison with stakeholders. Engagement on performance and planning for 2024/2025 financial year is on-going.	Jun-24	MM, CFO, PER, Dir - Technical Services, RTT
8	**Capital and Grant Funded Projects**	Creation of a conducive environment to promote stability in Senior Management including the	**RESCUE**	The presence of a MISA technical agent and the appointment of the acting technical director in February 2024 has greatly assisted in liaison with stakeholders.	Jun-24	MM, CFO, PER, Dir - Technical Services, RTT

N·A

		Accounting Officer.		Engagement on performance and planning for 2024/2025 financial year is on-going.		
9	**Capital and Grant Funded Projects**	Appointment of procurement committees to be responsible for Grant-approved projects. Conduct capacity building on committee members.	**RESCUE**	The Municipality eventually appointed all acting directors in February 2024. These acting directors will be work-shopped on SCM matters and be appointed into procurement committees while we await appointment of permanent personnel into these positions.	Jun-24	MM, CFO, PER, Dir - Technical Services, RTT
10	**Capital and Grant Funded Projects**	Improve performance of the Project Management Unit (PMU) and grant management.	**RESCUE**	There is a MISA deployed personnel at the municipality and a Cogta deployed personnel to assist the PMU.	Jun-24	MM, CFO, PER, Dir - Technical Services, RTT
11	**Capital and Grant Funded Projects**	Intensify monitoring of compliance with legislation by management.	**RESCUE**	The Municipality eventually appointed all acting directors in February 2024. These acting directors will be work-shopped on legislative matters as the implementers of legislation.	Jun-24	MM, CFO, PER, Dir - Technical Services, RTT
12	**Asset Management**	Approval and implementation of Asset Management Policy.	**RESCUE**	All existing policies, master plans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is unfolding and review, work shopping and adoption thereof will take place as when they are completed.	Sept2024	MM, CFO, PER, Dir - Technical Services, RTT
16	**Asset Management**	Improve cash flow management to buy meters. Have regular meter audits.	**Rescue**	Cashflow management will be improved in the new financial year 2024/2025. The appointment of acting directors and the eventual appointment of permanent personnel to management positions will resolve the problem.	Dec-24	MM, CFO, PER, Dir - Technical Services, RTT
17	**Asset Management**	Prioritisation of acquisition of repairs and maintenance equipment.	**RESCUE**	The audit of the usefulness of municipal maintenance equipment will be completed by the end of April 2024.	Dec-24	MM, CFO, PER, Dir - Technical Services, RTT

N.A.

				Budgeting for the new equipment will be done by the finance department from the new financial year 2024 /2025.		
18	**Asset Management**	Improve monitoring of projects completed and still under construction.	**RESCUE**	MISA and Cogta deployees are available to address the matter. Monitoring is on-going until end of the financial year and beyond.	Jun-24	MM, CFO, PER, Dir - Technical Services, RTT
19	**Asset Management**	Improve controls over immovable assets. Collaboration between Finance and Engineering, and other Departments in ensuring that assets are properly accounted for.	**RESCUE**	Clear roles and responsibilities have been defined with Community services, finance, and technical departments for the control and maintenance of the immovable assets. Monitoring therewith will be done on a monthly basis.	Jun-24	MM, CFO, PER, Dir - Technical Services, RTT
20	**Loss control - water**	Implement systems and controls to identify and measure water losses.	**RESCUE**	The District Municipality as the Service Authority, together with the Ditsobotla Local Municipality are jointly engaged in resolving the problem	Jun-24	MM, PER, Dir-Technical Services, RTT
21	**Loss control - water**	Regular meter audits.	**RESCUE**		Sep-24	MM, PER, Dir-Technical Services, RTT
22	**Loss control - water**	Maintenance of meters and replace damaged meters.	**RESCUE**		Jun-24	MM, PER, Dir-Technical Services, RTT
23	**Loss control - water**	Appoint personnel dedicated to the maintenance of meters.	**RESCUE**		Jun-24	MM, PER, Dir-Technical Services, RTT
25	**Loss control - water**	Prioritising areas with the highest occurrence of leakage or breaking of pipes for repairs in the short term	**RESCUE**	The District Municipality as the Service Authority, together with the Ditsobotla Local Municipality are jointly	Jun-24	MM, PER, Dir-Technical Services, RTT
26	**Loss control - water**	Develop and implement maintenance	**RESCUE**		Jun-24	MM, PER, Dir-Technical Services, RTT

		schedules that includes calibrating and replacing damaged water meters.		engaged in resolving the problem		
27	Loss control - water	Develop a customer care plan setting out conduct that increases service delivery efficiency.	RESCUE		Jun-24	MM, PER, Dir-Technical Services, RTT
31	Loss control - electricity	The municipality must divide the municipality into regions/zones/wards based on the area identified with the highest losses and do audits.	RESCUE	Generally, the electricity supply infrastructure is old and dilapidated and requires urgent upgrade first. DLM is engaging DMRE for financial assistance. If upgrades are done, the matter will be resolved. It is envisaged that funds will be available by December 2024 for upgrade, which should be completed by June 2025.	Jun-25	MM, PER, Dir - Technical Services, RTT
33	Loss control - electricity	Implement frictionless payments such as mobile money, online payment platforms, and bank transfers. This can reduce the need for physical coupons.	RESCUE	Purchasing of electricity in Lichtenburg can be done through all bank applications and at stores such as the Spar. Electricity supply from village is through Eskom.	March 20204	MM, PER, Dir - Technical Services, RTT
34	Bulk meters	Installation of new bulk meters.	RESCUE	The District Municipality as the Service Authority, together with the Ditsobotla Local Municipality are jointly engaged in resolving the problem. The Municipality is identified as a beneficiary of the National Treasury Meter Project and participated in a workshop on Smart Meters from the 3rd to 4th April 2024.	24-Dec	MM, PER, Dir - Technical Services, RTT
35	Bulk meters	The municipality must conduct a monthly water balance to confirm its water use.	RESCUE		24-Dec	MM, PER, Dir - Technical Services, RTT
36	Bulk meters	Utilise meter readers to undertake inspections monthly and report illegal activities.	RESCUE		Sep-24	MM, PER, Director: Technical Services, supported by Rescue Task Team

N·A·

38	**Unmetered consumption**	Improved Credit Control (register consumers).	**RESCUE**	Due to financial constraints, where the municipality cannot purchase replacement meters, some of the water and electricity broken / stuck meters are left unreplaced. With better financial management the Municipality envisages to budget for replacement of meters in the 2024/2025 budget year and replace meters by end of September 2024.	Sep-24	MM, Provincial Executive Representative, Director: Technical Services, supported by Rescue Task Team
39	**Unmetered consumption**	Utilise meter readers to undertake inspections monthly and report unmetered consumers.	**RESCUE**	The staff audit is expected to be completed in April 2024. The excess staff from water services will be placed at meter reading unit from May 2024 and the full complement of meter readers envisaged by end of June 2024.	June 2024	MM, Provincial Executive Representative, Director: Technical Services, supported by Rescue Task Team
40	**Unmetered consumption**	Conduct meter audits.	**RESCUE**	Unmetered consumers due to lack of new replacement meters are known by municipality. The audit to determine illegal connections will be carried out once meter readers are in place from May 20204 and is envisaged to be completed by end June 2024.	June 2024	MM, PER, Dir - Technical Services, RTT
42	**Performance Management**	Enforce effective performance management policies.	**RESCUE**	Performance Management Development Systems (PMDS) policy for lower staff according to staff regulation 2021 has been completed and send to LLF for consultations.	Jun-24	MM, PER, RTT
43	**Performance Management**	Training in performance management and its importance.	**RESCUE**	Once the Performance Management Development Systems (PMDS) policy is adopted by end of June 2024, the training will be done before implementation of the policy with all staff.	July 2024	MM, PER, RTT

N·A

45	**Revenue Improvement**	Lack of Wayleave policy and regulations and its implementation	**RESCUE**	All existing policies, master plans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is unfolding and review, work shopping and adoption thereof will take place as when they are completed.	Dec-24	Mayor, MM, PER, RTT
46	**Revenue Improvement**	Lack of implementation of Wayleave policy and imposition of rates and tariffs	**RESCUE**	All existing policies, master plans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is unfolding and review, work shopping and adoption thereof will take place as when they are completed.	Dec-24	Mayor, MM, PER, RTT
	Compilation of the 2024/25 financial year budget	Ensuring that the budget is funded and adheres to all the requirements of the National Treasury as outlined in different budget circulars.	**RESCUE**	The 2024/45 operational budget was compiled and presented to the Budget Steering Committee and the Finance Sub-committee of the Council on 27 March 2024. The total budget will be refined between now and the end of May 2024.	End of June 2024.	Mayor, MM, CFO, PER
47	Waste and Refuse Removal / Solid Waste Infrastructure	Obtain funding for landfill management and an approved and implemented Integrated Waste Management Plan.	RESCUE	All existing policies, master plans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is unfolding and review, work shopping and adoption thereof will take place as when they are completed.	Dec-24	MM, PER, Dir - Technical Services, RTT
52	Waste and Refuse Removal / Solid Waste Infrastructure	Finalisation, approval, and implementation of By-laws.	RESCUE	All existing policies, master plans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is unfolding and review, work shopping and adoption thereof will take place as when they are completed.	Dec-24	MM, PER, Dir - Technical Services, RTT

N·A

54	Waste and Refuse Removal / Solid Waste Infrastructure	Implement access controls such as fencing the landfill sites.	RESCUE	To be addressed in new financial year when budgeted for.	Dec-24	MM, PER, Dir - Technical Services, RTT
57	Waste and Refuse Removal / Solid Waste Infrastructure	Regular maintenance of existing vehicles to reduce the frequency of breakdowns.	RESCUE	With better financial management the Municipality envisages to budget for replacement of meters in the 2024/2025 budget year and replace meters by end of September 2024.	Dec-24	MM, CFO, PER, Dir - Technical Services, Dir - Corporate Services, RTT
58	Waste and Refuse Removal / Solid Waste Infrastructure	Improve workshop capacity and turnaround times.	RESCUE	With better financial management the Municipality envisages to budget for replacement of meters in the 2024/2025 budget year and replace meters by end of September 2024.	Dec-24	MM, CFO, PER, Dir - Technical Services, Dir - Corporate Services, RTT
59	**Planning and Building Control**	Constant emails and telephonic follow-ups on progress made by appointed service providers.	RESCUE	Liaison with the relevant stakeholders is on-going, especially after appointment of the acting director of the department.	On-going	MM, CFO, PER, Dir Planning and Dev, RTT
60	**Planning and Building Control**	Continuous engagement with the District regarding bulk supply connections.	RESCUE	Liaison with the relevant stakeholders is on-going, especially after appointment of the acting director of the department.	On-going	MM, CFO, PER, Dir Planning and Dev, Dir Tech Serv, RTT
63	**Planning and Building Control**	Training inspectors to ensure they understand their scope of work and improve on people skills.	RESCUE	Skills audit is on-going to determine skills requirements and capacitate staff	Sept 2024	MM, CFO, Provincial Executive Representative, Task Team
66	**Planning and Building Control**	Inspectors must schedule monthly visits and book vehicles in advance with the fleet department.	RESCUE	On going	On-going	MM, CFO, Provincial Executive Representative, Task Team
67	**Fleet Management**	A Fleet Management policy must be drafted and approved by Council.	RESCUE	All existing policies, master plans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is	Dec-24	MM, PER, Dir Corp Serv, RTT

N.A

				unfolding and review, work shopping and adoption thereof will take place as when they are completed.		
68	**Fleet Management**	The municipality needs to develop a Fleet Management and Strategy Plan that considers the current scenario and also a plan that anticipates changes in the future.	**RESCUE**	All existing policies, master plans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is unfolding and review, work shopping and adoption thereof will take place as when they are completed.	Dec-24	MM, PER, Dir Corp Serv, RTT
70	**Housing Delivery**	Department to come and present a business plan for DLM housing projects	**RESCUE**	To be addressed at strategic planning session to be held in April 2024,	April 2024	MM, CFO, PER, Dir Planning, Dir Tech Serv, RTT
71	**Housing Delivery**	Letters have been written to the department, HOD, and MEC to intervene.	**RESCUE**	To be addressed at strategic planning session to be held in April 2024	April 2024	MM, CFO, PER, Dir Planning, Dir Tech Serv, RTT
72	**Housing Delivery**	Implement project management principles to ensure the completion of projects including the imposition of strict consequences and penalties to defaulting service providers.	**RESCUE**	Responsibility of COGHSTA. Engagements with COGHSTA through Inter Governmental Relations is on-going	On-going	MM, CFO, PER, Dir Planning, Dir Tech Serv, RTT
73	**Housing Delivery**	The municipality must prioritise the transfer of title deeds to beneficiaries.	**RESCUE**	Responsibility of COGHSTA. Engagements with COGHSTA through Inter Governmental Relations is on-going and completed houses title deeds envisaged for transfer from May 2024 until June 2024.	June 2024	MM, CFO, PER, Dir Planning, Dir Tech Serv, RTT

N.A

74	**Housing Delivery**	Finalisation, approval, and implementation of the Housing Sector Plan, Informal Settlement Policy, and Allocation Policy	**RESCUE**	All existing policies, master plans and by-laws were collected in February 2024 by the PER. Assessment with regard to their relevance, legal compliance, out-datedness is unfolding and review, work shopping and adoption thereof will take place as when they are completed.	Set 2024	MM, CFO, PER, Dir Planning, Dir Tech Serv, RTT
75	**Roads and Storm Water Infrastructure**	Participate in the District Rural Road Asset Management System (RRAMS) programme.	**RESCUE**	On-going engagements with Department of Public works and Roads	On-going	MM, PER, Dir Tech Serv, RTT
76	**Roads and Storm Water Infrastructure**	Blading and patching gravel roads.	**RESCUE**	On-going engagements with Department of Public works and Roads	on-going	MM, PER, Dir Tech Serv, RTT
77	**Roads and Storm Water Infrastructure**	Repair potholes.	**RESCUE**	Implementation is to be done in new financial year due to budget constraints.	Dec-24	MM, PER, Dir Tech Serv, RTT
78	**Roads and Storm Water Infrastructure**	Clean storm water drainage systems.	**RESCUE**	On-going.	On-going	MM, PER, Dir Tech Serv, RTT
79	**Roads and Storm Water Infrastructure**	Prioritise the purchase of equipment, material and plant to conduct repairs and maintenance.	**RESCUE**	Implementation is to be done in new financial year due to budget constraints.	Dec-24	MM, CFO, PER, Dir Tech Serv, RTT
82	**Parks and Cemeteries**	Establish a records management system at satellite offices.	**RESCUE**	Amanual recording system is in place and in future, an electronic archiving system is envisaged .	On-going	MM, PER, Dir -Corporate Services, RTT
83	**Parks and Cemeteries**	Allocate municipal officials to be responsible for satellite offices.	**RESCUE**	The final organogram once approved after strategic planning session will allow placement	June 2024	MM, PER, Dir -Corporate Services, RTT
84	**Parks and Cemeteries**	Controls over the recruitment process to ensure that staff is employed based on meeting the requirements of the position.	**RESCUE**	The skills audit that is currently in progress will address the problem. Properly qualified employees should be placed in positions by end of September 2024	Sep-24	MM, PER, Dir -Corporate Services, RTT

N.A

86	**Security Services**	Appointment of dedicated personnel and prioritising reallocation of funds to internal security	**RESCUE**	The District Municipality and the provincial Cogta are being engaged to assist in funding the security function. The matter is urgent and it is envisaged that the securing of assets will be effective from April 2024.	Dec-24	MM, CFO, PER, Dir - Corporate Services, RTT
87	**Security Services**	Constant community engagements to use the communities as watchdogs of municipal infrastructure.	**RESCUE**	The Municipal Manager is engaging with local community.	On-going	MM, CFO, PER, Dir - Corporate Services, RTT
90	**Local Economic Development**	Develop LED strategy and implementation plan.	**RESCUE**	All policies are being collected by PER since February 2023 and audited for irrelevance and antiquatedness / out-datedness.	Sep-24	Mayor, MM, PER, Dir Planning, RTT

5.2 PROGRESS ON IMPLEMENTING GOVERNANCE PILLAR OF THE FRP

a. All matters received in this term by the Legal Services were defended timeously, and no writ of attachment was executed.

b. The process of litigating on behalf of the Municipality to recover from those owing the Municipality is underway.

c. Two matters appeared before the court and judgement was in favour of the Municipality, saving municipal funds.

d. An agreement that was reached with the Sheriff of the court to disclose all writ of executions in their knowledge and or possession is proving very beneficial as there has not been any execution of the Municipal properties in February.

e. Agreement reached with the bank not to release any monies without first confirming with the Municipality is equally assisting in stopping the execution of the bank account.

f. The process of reviewing contracts on all availed cases is continuing and a legal opinion was prepared for the Acting Municipal Manager to consider terminating the contract of the existing security company as there is no compliance with the terms of the contract.

g. The litigation register and Contingent liability register were formulated and updated accordingly.

h. An engagement was held with the municipal management were it was agreed that a Strategic session will be convened to also review municipalities organogram and allow prepare for review Council resolutions, by-laws, and policies and masterplans.

i. Council sittings are per the Council calendar.

N.A.

5.3 PROGRESS IN IMPLEMENTING INSTITUTIONAL & HR PILLAR THE FRP

a. Training intervention was conducted for LLF members by SALGA, and the revive of HR policies On-going

b.. Post of Municipal Manager post was advertised on 26/02/2024 and closed on 04/03/2024.

c An engagement with National COGTA was held regarding their assistance concerning the piloting of the Proto-Type Structure.

d The skills audit is on-going where 457 employees have been verified and 251 are outstanding.

e. Performance evaluation for non-financial metrics and quarterly reporting was done and revisions have been made to the Service Delivery and Budget Implementation Plan (SDBIP) .

5.4 PROGRESS IN IMPLEMENTING FINANCE PILLAR OF THE FRP

5.4.1 BILLING AND MONTHLY FINANCIAL STATEMENTS

a. As of the end of February 2024, billing was up to date with the last billing run in January 2024.

b. Property values were last updated around 2017 when the last valuation roll was adopted – a service provider was appointed to complete valuation exercise and completed end of March 2024.

c. The section 71 reports for November 2023, December 2023, and January 2024 were submitted to PT and NT for the first time in 18 months, a fact that will ensure that the Equitable Share will be transferred on time.

5.4.2 ANNUAL FINANCIAL STATEMENT

a. Annual Financial Statements were completed and sent to the Provincial Treasury for review; the audit file was updated accordingly.

5.4.3 APPLICATION FOR ESKOM DEBT RELIEF

a. The application for debt relief was and rejected by National Treasury in February 2024due to a query by national Treasury on the indigents information. The lack of information available on the municipal system has prompted the re-collection of relevant information and re-submission is envisaged for April 2024.

6. CHALLENGES NEGATIVELY IMPACTING THE FRP IMPLEMENTATION AND RESTORATION OF SERVICES

6.1 SERVICE DELIVERY CHALLENGES

a. January 2024 to March 2024 has been prone to vandalism and theft of the municipal electrical and water infrastructure which left potions of Lichtenburg town, Coligny and Blydeville without water and electricity for in some instances, periods making a week or more. There acts of are of sabotage and cost the municipality millions of Rand on sometimes a weekly basis. These acts of criminality, coupled with employees' lack of capacity/skills, employees refusal to work, lack of funds to purchase material and equipment and lack of funds to pay salaries do not only affect the already financially constrained municipality but pose an enormous dissatisfaction by residents and seriously affect the FRP.

N.A.

b. In the process of resolving vandalism and theft, the PERs noticed a pattern of possible organised crime and sabotage to both water and electricity infrastructure. The municipality infrastructure such as electricity supply sub-stations and boreholes pump houses are left unguarded since June 2023 when the municipality stopped paying appointed security company for security services. The reasons submitted are such as lack of funds to pay service providers and reports of contractual under-performance by the security company in the past.

c. The PERs came to realise that the municipality is frequently and irregularly outsourcing services of repairs to certain service providers and incurring huge unauthorised, irregular and fruitless and wasteful expenditure.

d. The appointments to these service providers would be made as emergency services due to theft. The service providers in return overcharge the municipality and demand payments prior to re-commissioning of works after completing repairs, as they have a history of non-payment by the municipality. This results in service providers approaching courts to attach municipal bank accounts while leaving the areas without water and electricity, leaving resident with no services for days and causing unrest and customer dissatisfaction.

7. PROVIDING STRATEGIC LEADERSHIP AND GUIDANCE

It is critical that the situation at Ditsobotla Local Municipality stabilizes to create a conducive environment for the implementation of mandatory FRP. Considering all the above, the following key priority activities have been submitted to both MECs and HODs for Provincial Executive Committee consideration and approval:

No	PRIORITY ACTIVITIES	Responsible	Time Frame
1.	Security to safeguard municipal assets	COGTA	By end of April 2024 2024
2.	Deployment of competent senior management to Ditsobotla at the level of the Director/Chief Director		
	• Municipal Manager • Head for Technical Services • 2 x Electrical Technicians • Head Community service • Head for Corporate Service • Legal Officer • Head for Development Planning	COGTA	By end of April 2024
	• CFO (Director Level) • Manager SCM (DD Level) • 2 x Officers SCM (AD Level) • 4 x Revenue Management (AD Level) • 2 x Budget Management & Reporting (AD Level)	PT	By end of April 2024

N.A.

8. STAKEHOLDER ENGAGEMENT

a. The PERs met with the local business forum twice and there is continued communication.

b. The PERs continue to attend meetings with Council, Municipal Exco, Portfolio Committees and management and continue to provide advices where necessary.

c. The challenges faced by Ditsobotla Local Municipality necessitated the formation of the Ditsobotla Support Technical Team comprised of the HODs for Provincial Treasury and Cogta, National Cogta PERs, MISA, SALGA and the district municipality. The PERs provide updates and recommendations on FRP implementation on weekly basis to this joint committee.

d. A strategic Planning session will be convened in April 2024 and the outcomes thereof expected to fast track FRP implementation and necessary reviews to issues such as service delivery, municipalities organogram, financial management, performance and consequence management and others. .

9. DIRECTIVES ISSUED TO VARIOUS FUNCTIONARIES

a. 06 directives issued in the term being reported.

10. FINANCIAL IMPLICATIONS

a. Salaries of employees must be stabilized and secured to ensure monthly payment.

11. RECOMMENDATIONS

a. That Key priorities mentioned under strategic leadership and guidance are prioritised by MECs and HODs and secondment of staff urgently attended to.

b. That the security of the municipal assets especially electrical sub-stations and water infrastructure is urgently finalised.

e. There is an urgent need for political intervention to create a conducive and supportive environment for the implementation of the FRP.

g. Municipal Management needs to be actively involved in the implementation of the TOR and FRP to ensure it achieves its goals.

ISAAC P MUTSHINYALI

LEAD PER - DITSOBOTLA LOCAL MUNICIPALITY

N·A