



Matjhabeng Local Municipality FRP Implementation Plan

NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	RESOURCES REQUIRED	RESOURCES MOBILISED	RESPONSIBLE	START DATE	END DATE	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT	STEPS TAKEN	PROGRESS MADE	NICIPAL PROGRESS REP
PILLAR 3: FINANCIAL MANAGEMENT														
1	Funded Budget and Budget Spending Limits	<p>Unfunded budget, however, a budget funding plan was developed, but not implemented.</p> <p>The adjusted budget for 2024/25 reflected a surplus of R171 million, however the pre-audit 2024/25 actual performance reflects a deficit of R282 million.</p> <p>Budget surplus 2022/23: R 7.6 million 2023/24: R321 million</p> <p>Audited actual deficits 2022/23: (R1.08 billion) 2023/24: (R273.7 million)</p> <p>The Budget Steering Committee only meets during budget preparation and not for monitoring as a result of officials not being available to sit in at meetings.</p> <p>Budget funding committee no longer sitting, as required.</p> <p>The Municipality underbudget on non-cash items like debt impairment to submit a funded budget for NT compliance.</p> <p>The unfunded budget contributes to the financial challenge - leads to the inability of the Municipality to provide quality services and a deterioration in service delivery.</p> <p>Lack of integration/ alignment between departments.</p> <p>Prioritisation and cost containment not linked to procurement plan which is only done for compliance.</p> <p>The municipality has an outstanding creditor balance of R14 billion as at 30 June 2025 for amounts owing to Eskom, Vaal Central Water Board and other creditors. This amount is multiple times the annual budget and an indicator of the severity of the Municipalities unfunded budget status.</p>	<p>Prepare and approve an adjustment budget, aligned with the FRP parameters.</p> <p>Enhance the budget funding plan with realistic estimated income and expenditure based on historical trends (Review all estimates) and current requirements emanating from the FRP.</p> <p>The budget funding plan should include realistic budgeting of non-revenue items, especially on depreciation, debt impairment and impairment of PPE.</p> <p>Implement and monitor the budget funding plan on a monthly basis.</p> <p>Implement strict budget controls supported by monthly monitoring of expenditure against approved allocations, and strengthen approval processes by tightening delegations of authority and introducing automated workflows to prevent unauthorised expenditure.</p> <p>Implement the adjusted budget, linked to the FRP parameters and budget spending limits, to reduce the operating deficit.</p> <p>Implement the budget funding plan.</p>	In house	In house	CFO	1-Nov-25	30-May-26	Funded budget based on the budget funding plan.	Funded realistic and cash backed adjustment budget.	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.			
				In house	In house	CFO	1-Oct-25	30-Oct-25	Amended approved funding plan.	Amended approved funding plan.	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	Achievement of FRP cash flow and surplus parameters.	Monthly meeting minutes and 2025/26 audited AFS.	1 month cash in the bank and achievement of budgeted surplus.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	No new unauthorised expenditure incurred.	2026/27 AG Report	Per the FRP parameters. See assumptions table, cost containment strategies and spending limits.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	Realisation of the target surplus as per the FRP financial model.	S71 Reports, Audited Annual financial statements.	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	Realisation of the target surplus as per the FRP financial model and budget funding plan parameters.	S71 Reports, Audited Annual financial statements.	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.			

			Plan and schedule budget steering committee meetings in advance (at the beginning of the fiscal year) and communicate these dates to all relevant officials.	In house	In house	CFO	1-Oct-25	30-Jun-26	Achieve 90% attendance rate for budget steering committee meetings within the first year of implementation.	Budget steering committee schedule, meeting minutes and resolutions.	Financial benefits to be achieved through improved planning and performance.			
			Include attendance at budget steering committee meetings as a KPI in the performance agreements of all officials involved in the process.	In house	In house	Director - Corporate Services	1-Oct-25	30-Jun-26	Performance agreements of Budget Steering Committee members updated to reflect attendance as a KPI.	Budget steering committee meeting schedule, meeting minutes and resolutions.	Financial benefits to be achieved through improved planning and performance.			
			Preparation and approval of the 2026/27 MTREF in full alignment with the FRP.	In house	In house	CFO	1-Oct-25	30-Jun-26	Approved 2026/27 MTREF Budget consistent with FRP parameters.	Approved 2026/27 MTREF	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.			
2	Revenue Management: Billing	<p>Billing is based mostly on estimates (78 840 meters estimated monthly) as meter reading is not taking place.</p> <p>There are large areas not billed as a result of disruptions in no go areas, bypassed or damaged meters or meters not having been installed.</p> <p>MLM has 658 large power user customers of which 397 Large power users Accounts are being estimated and only 261 is billed accurately.</p> <p>There is a property zoning challenge that results in underbilling of property rates as a result of residential properties being converted into student accommodations or businesses without following proper rezoning processes.</p>	Mobilise teams of meter readers and ensure that all (100%) of consumers are billed monthly on actual volumes consumed.	In house	In house	CFO	1-Oct-25	30-Oct-25	100% of consumers billed monthly on actual volumes consumed.	Meter reading and billing reports.	Revenue growth targets as per FRP assumptions.			
			Conduct a comprehensive property zoning categorisation and valuation audit, and implement corrective billing.	In house	In house	CFO	1-Oct-25	30-Oct-25	Audit at least 90% of properties in the municipal valuation roll within 6 months. Correct and update 100% of identified errors within 3 months after the audit.	Property audit progress and findings report and revenue billing analysis.	Revenue growth targets as per FRP assumptions.			
			Engage community Liaison Officers and local councillors to engage all of the townships classified as "no go areas".	In house	In house	CFO	1-Oct-25	30-Oct-25	All meters in no go area read on a monthly basis.	Meter reading and billing reports.	Revenue growth targets and collection rates as per FRP assumptions.			
			Implement smart meter project for 5 500 meters budgeted for in the 2025/26 financial year.	In house	In house	CFO	1-Oct-25	30-Jun-26	5 500 Smart meters installed.	Smart meter project progress report.	Revenue growth targets, reduction in distribution losses and collection rates as per FRP assumptions.			
			Assess completeness of revenue by checking whether all properties are being billed for all services. Where exceptions and anomalies are identified i.e. properties not billed for all services or no consumption recorded, investigate and implement corrective action accordingly.	In house	In house	CFO	1-Oct-25	30-Jun-26	95% of properties billed for 100% of services.	Billing data reconciliation against customer accounts.	Revenue growth targets and collection rates as per FRP assumptions.			

			<p>Perform a quarterly reconciliation between the municipal property value roll and the billing system.</p> <p>Verify that all properties on the roll are captured in the billing system and billed at the correct category, rates, and tariffs.</p> <p>Identify and correct discrepancies such as unbilled properties, incorrect zoning classifications, or tariff misallocations.</p> <p>Update the billing system promptly following changes in the property roll (new developments, subdivisions, consolidations, rezoning).</p> <p>Report on variances and escalate systemic errors for corrective action.</p>	In house	In house	CFO	1-Oct-25	30-Jun-26	<p>Quarterly value roll vs billing system reconciliation completed with variance report submitted to management.</p> <p>Less than 2% variance between properties on valuation roll and billing system.</p>	<p>Variance analysis reports between value roll and billing system.</p> <p>Corrective action registers with supporting documentation (e.g., system update logs, adjustment journals).</p> <p>Council/management reports on reconciliation outcomes.</p>	Revenue growth targets and collection rates as per FRP assumptions.			
3	Indigent Management:	<p>There is an approved 2024/25 indigent policy with the following grants: Water: 6 kilolitres pm. Electricity: 50 kWh pm. Sewer: 100%. Refuse: 100%.</p> <p>As of 30 May 2025, there were approximately 18 000 registered indigents.</p> <p>Unemployment in MLM is high which contributes to the large number of indigent households.</p> <p>Annual reconciliation of approved indigents and billing system is not performed adequately which results in indigents no longer qualifying receiving grants.</p> <p>Not restricting water and electricity grants to policy limits. Due to unmetered properties, the unqualifying households are getting the benefit and qualifying households are not restricted.</p> <p>Indigents owed MLM R895 million at June 2025.</p>	<p>Investigate and profile indigent debtors. Implement credit control on recoverable debt and make a recommendation to council to write off irrecoverable amounts.</p>	In house	In house	CFO	1-Oct-25	30-Jun-26	<p>All outstanding indigent debtors collected or submitted to council for write off.</p>	Council minutes and resolutions.	Revenue growth targets and collection rates as per FRP assumptions.			
			<p>Implement indigent management system, maintain indigent database and carry out monthly reconciliations between the indigent data and the billing system.</p>	In house	In house	CFO	1-Oct-25	30-Jun-26	<p>Monthly indigent report reconciled to the financial system.</p> <p>Only verified indigents receive the subsidy.</p> <p>No audit findings on Indigents.</p>	Monthly reconciliation of indigent listing to finance system.	Increase in revenue through accurate supply of free basic services to verified indigents.			
			<p>Restrict consumption by all indigents using more services than policy allows especially on water services thereby limiting indigent customers to policy limits.</p>	In house	In house	CFO	1-Oct-25	30-Jun-26	<p>No indigents consuming more services than indigent policy limits.</p>	Billing/ consumption report indicates indigent consumption limited to approved policy limits.	Revenue growth targets and collection rates as per FRP assumptions.			
4	Debtors Management and Collection	<p>Collection rates are below the norm, and it should be noted that these rates are only on the supply of services after distribution losses of water (57%) and electricity (28%), which means for each R1 spent on bulk water, only 43 cents can be billed and only 42.3% on average are collected (18.19 cents) which is unsustainable.</p> <p>Collection rates: 2023/24: 42.3% 2022/23: 56.5%</p> <p>MLM implemented interventions improve collection of revenue (Ntiyiso Consulting to carry out debt collection and introducing Operation Patala). These interventions have not resulted in an improvement in the collection rate as at May 2025. Inefficient and ineffective internal controls.</p> <p>Low collection rate results in cash flow challenges for the Municipality.</p> <p>Growing debtors' book and a culture of non-payment by consumers.</p> <p>Disruptions on implementation of credit control in no-go areas.</p> <p>Not leveraging electricity as a collection mechanism in Eskom supplied areas (Electrical team not disconnecting as instructed).</p> <p>Lack of engagement (for collection of outstanding amounts and making</p>	<p>Perform a categorisation and profiling of all debtors according to those that can and cannot pay and implement credit control according to the category.</p>	In house	In house	CFO	1-Oct-25	30-May-26	<p>Increase in collection rate as per the FRP parameters.</p>	Improvement in collection rate as per FRP parameters.	Improvement in collection rates per service in line with FRP parameters.			
			<p>Resolve disputes (all 200) and implement a system and process to address incoming disputes timeously.</p>	In house	In house	CFO	1-Oct-25	30-Oct-25	<p>Reduction in outstanding unresolved disputes logged to zero.</p> <p>Reduction in time for query to be</p>	Disputes log categorised by status and time of query logged.	Improvement in collection rates per service in line with FRP parameters.			
			<p>Contact government departments that owe the municipality and establish the payment terms. If that fails seek Provincial Treasury intervention and implement credit control.</p>	In house	In house	CFO	1-Oct-25	30-Nov-25	<p>Zero Government debt.</p>	List of all Departments contacted and resolutions taken.	Outstanding debt of R254 million collected.			
			<p>Implement digital communication and engagement to customers in arrears and based on categorisation and profiling exercise undertaken above.</p> <p>Implement credit control as per approved policy on arrears debt, beginning with customers that can pay.</p>	In house	In house	CFO	1-Oct-25	30-May-26	<p>Increase in collection rate as per the FRP parameters.</p>	Improvement in collection rate as per FRP parameters.	Improvement in collection rates per service in line with FRP parameters.			

		<p>payment plans) with debtors that have the capacity to pay, such as organs of the state and businesses.</p> <p>Cashiers' offices were closed and are no longer a contact point for queries and payments.</p> <p>Significant no. of disputes (approx. 200) due to estimated billings.</p> <p>2023/24 Gross consumer debtors: R 8 billion Allowance for impairment: R 5.9 billion 74% of consumer debtors are provided for impairment meaning only around R2.1 billion is collectable.</p> <p>Breakdown of Debtors as at 30 May 2025 of R 9.2 billion: Total By Customer Group: Organs of State: R 254 million. Commercial: R 1.6 billion. Households: R 7.3 billion.</p>	<p>Ensure that the electricity sales leveraging system is implemented to enhance revenue collection by March 2026 as per the approved policy.</p> <p>(i) For a property valued up to and including R500,000 the minimum deduction may be 30% and the maximum deduction will be 50%; (ii) for a property valued from R500,001 to R1,000,000 the minimum deduction may be 50% and the maximum deduction will be 70%; (iii) for a property valued greater than R1,000,000 the minimum deduction may be 70% and the maximum deduction will be 90%; (iv) for any commercial or industrial customers, will be 90%. 24.3</p> <p>The deduction referred to above may be offset against any debt as follows: (i) Electricity arrears; (ii) any other arrears; (iii) any fines; and (v) any penalties</p>	In house	In house	CFO	1-Oct-25	30-Oct-25	Increase in collection rate as per the FRP parameters.	Improvement in collection rate as per FRP parameters.	Improvement in collection rates per service in line with FRP parameters.			
5	Cost-reflective Tariffs	<p>Tariffs are not cost reflective.</p> <p>Lack of profitability analysis for each revenue stream and setting tariffs that do not at least consider break-even point.</p> <p>Operational inefficiencies and practices that increase the cost of delivery. Outdated and ageing infrastructure leading to higher operational costs.</p> <p>Historic practice of not increasing tariffs followed by incremental increases below CPI due to affordability constraints with a "catch up" gap that is too big.</p> <p>Regulatory constraints on the annual increases.</p> <p>Tariffs are not forecasted and aligned with the rate of growth of tariffs forecasted by ESKOM and Vaal Central Water.</p> <p>Lack of accurate data on consumption patterns due to the high number of unmetered areas and no-go areas.</p> <p>The Municipality has undertaken underfunded mandates which requires further analysis to determine the cost implications for the Municipality i.e. fire services.</p> <p>Inability to charge more due to inconsistent service delivery.</p> <p>Cross subsidisation model for non-revenue generating departments is outdated.</p>	<p>Perform a cost of supply study for all trading services and introduce cost reflective tariffs. Benchmark tariffs and implement an affordability assessment. If not affordable, phase in the increase over the next 3 years by a maximum of CPI plus 5%</p> <p>Conduct profitability analysis for each revenue stream and update the cross-subsidization model.</p>	In house	In house	CFO	1-Oct-25	30-Jan-26	Cost reflective tariffs.	Cost of supply studies including benchmarking and affordability assessments.	Revenue growth targets as per FRP assumptions.			
				In house	In house	CFO	1-Oct-25	30-Jan-26	Cost of supply study. Approved cross subsidisation model.	Cross subsidisation model.	Revenue targets and spending limits as per FRP assumptions.			
6	Cost Containment	<p>The cash/ cost coverage is substantially below the norm of 1-3 months, reiterating the need for stringent cost containment measures to be developed and implemented.</p> <p>Despite monitoring and regular meetings being held by the committee, MLM is failing to comply with the budget funding plan.</p> <p>There is no evidence of integrated planning and communication regarding expenditure management and budget prioritization.</p> <p>Cost containment targets not included in performance contracts resulting in lack of accountability and clear roles and responsibilities.</p> <p>Areas for reduction include: professional services; legal services, security services and communication.</p>	<p>Revise the budget funding plan for any areas impacted by the FRP and implement accordingly.</p> <p>30% reduction in non-core expenditure relating to: Use of consultants and professional services (including legal services and security), vehicles used for political office-bearers, travel and subsistence, domestic accommodation, sponsorships, events and catering, communication, conferences, meetings and study tours and any other related expenditure items.</p> <p>MPAC to assess the cost containment targets versus actuals on a quarterly basis.</p>	In house	In house	CFO	1-Oct-25	30-May-26	<p>Implemented Cost Containment Policy</p> <p>Reduced inventory by 4.4% per annum.</p> <p>Contain Bulk Purchases escalation to 6% per annum (Effective increase taking into consideration savings in bulk from distribution loss interventions and Eskom tariff increases)</p>	<p>Council approved cost containment policy. Monthly reduction in contracted services, inventory and bulk purchases.</p> <p>Contain Bulk Purchases escalation to 6% per annum (Effective increase taking into consideration savings in bulk from distribution loss interventions and Eskom tariff increases)</p>	<p>Implemented Cost Containment Policy</p> <p>Reduced inventory by 4.4% per annum.</p> <p>Contain Bulk Purchases escalation to 6% per annum (Effective increase taking into consideration savings in bulk from distribution loss interventions and Eskom tariff increases)</p>			
				In house	In house	CFO	1-Oct-25	30-Jun-26	<p>Implemented Cost Containment Policy</p> <p>30% reduction in non-core expenditure.</p>	<p>Council approved cost containment policy. Monthly reduction in contracted services, inventory and bulk purchases.</p>	<p>Implemented Cost Containment Policy</p> <p>30% reduction in non-core expenditure.</p>			
				In house	In house	CFO	1-Oct-25	30-Jun-26	MPAC report on cost containment targets vs actuals.	MPAC report on cost containment targets vs actuals.	Implemented Cost Containment Policy .			

			Demand Management, test market values before any tender is advertised. Develop own pricelist and analyse yearly to ensure value for money procurement.	In house	In house	CFO	1-Oct-25	Annually	Demand management report with own pricelist developed and implemented.	Demand management report and own pricelist developed.	Implemented Cost Containment Policy 30% reduction in non-core expenditure. Expenditure in line with FRP spending limits.			
			Conduct value for money procurement and needs analysis before any new procurement and identify if it can't be done in-house. Consider moving away from quotations expenditure and explore 3-year procurement.	In house	In house	CFO	1-Oct-25	Quarterly review	Improved operating margins.	Value for money assessment reports.	Implemented Cost Containment Policy 30% reduction in non-core expenditure. Expenditure in line with FRP spending limits.			
7	Creditor Management and Debt restructuring	Creditors not paid on time. Non-adherence to payment plans resulting in ongoing litigation by creditors and disputes over unpaid accounts. Creditors as 30 May 2025 (Unaudited) were R15 billion of which Eskom was R 6.7 billion (45%) and Vaal Central Water: R 7.9 billion (53%). An increase of 12.8% from the R13.3 billion in June 2024. Ongoing arbitration process concerning Vaal Central. The Vaal Central balance includes R1.8 billion in interest (retrospectively charged from March 2024). The municipality is not recognising this interest as MLM are of the position that the interest should not be charged in accordance with a court order that has not been rescinded. Interest for late payments is significant. The AG noted an increase in UIF&W expenditure, especially on interest accrued on overdue creditors accounts. MLM did not meet the requirements of the Eskom debt relief programme. This could result in increased future pressure on the financial resources of the Municipality. The cause is the inadequate revenue recovery which prevents the Municipality from paying the current monthly debt.	Re-negotiate payment arrangements with major creditors to repay current and outstanding amounts.	In house	In house	CFO	1-Oct-25	31-Jan-26	Signed re-negotiated payment agreements with major creditors and payments made according to the agreements.	Creditor payments according to the payment agreement.	Improvement in creditors payment days in line with FRP parameters.			
			Factor repayments into the cash flow forecast to reduce long outstanding amounts to zero owing within 6 months. Utilise funds recovered from Government (R252 million) to settle long standing creditors other than Eskom and Vaal Central (R360 million) as at June 2025.	In house	In house	CFO	1-Oct-25	30-Mar-26	No expenditure approved outside of the cashflow projections. All expenditure in line with the cashflow projections.	Weekly cashflow projection report.	Utilise revenue collected from recovery of debt from Government (R252 million) to settle long standing creditors other than Eskom and Vaal Central (R223 million) as at May 2025.			
			Pay the lesser of the monthly expenditure incurred and the monthly amount collected for electricity and water services on a monthly basis to Eskom and Vaal Central Water respectively to curb any increases in the balance outstanding.	In house	In house	CFO	1-Oct-25	30-Jun-26	0% increase in current amounts owing.	Supplier statements.	Improvement in creditors payment days in line with FRP parameters.			
			Conclude discussions regarding a distribution agency agreement and offering of assistance to the Municipality by Eskom.	In house	In house	MM	1-Oct-25	30-Nov-25	Signed distribution agency agreement and roles and responsibilities clearly outlined.	Signed distribution agency agreement.	Financial benefits to be achieved through improved operational efficiencies..			
			Prepare and implement an Eskom Debt Relief Compliance Matrix and reinstate compliance with the Eskom Debt Relief Program.	In house	GTAC Revenue Management Advisor	MM	1-Oct-25	30-Dec-25	Reinstated compliance with the Eskom Debt Relief Program.	Official communication from National Treasury. Completed and updated debt relief compliance matrix.	Writing off of longstanding Eskom balance owing in line with FRP recommendations.			
			Conclude arbitration with Vaal Central. Engage specifically on waiving the interest component of the amount owing in line with the court order that was not set aside and value derived for the portion of the tariff attributable to infrastructure maintenance (Value for Money).	In house	In house	MM	1-Oct-25	30-Nov-25	No interest charged on balance outstanding.	Supplier statements.	Waiving of interest component in line with FRP recommendations. Interest within FRP spending limits.			
			Allocate 30% of Equitable Share per trench towards electricity and water bulk supply payments.	In house	In house	CFO	1-Oct-25	Each tranche disbursement	Reduction in long outstanding amounts owing to Eskom and Vaal Central Water.	Supplier statements reflecting reduction in outstanding balances.	Improvement in creditors payment days in line with FRP parameters.			
8	Cashflow Management	Inadequate cash flow management. The cash/ cost coverage is substantially below the norm of 1 – 3 months. MLM is unable to derive adequate revenue from the services to cover the amounts owed to Eskom and Vaal Central Water respectively. MLM experienced garnishes in the current financial year which resulted in money from the Free State Provincial Department of Human Settlements grant being used to settle outstanding suppliers' debt.	Improve cash flow by enhancing debtor management and reducing creditor balances to achieve 1 month cash in the bank.	In house	In house	CFO	1-Oct-25	30-May-26	1 month cash in the bank.	Circular 71 ratio for liquidity.	1 month cash in the bank.			
			Implement a system of expenditure control where no expenditure/ order is authorised unless it is provided for in the cash flow management system.	In house	In house	CFO	1-Oct-25	30-Nov-25	All expenditure authorised within cashflow management system.	Authorised expenditure extracted from system.	No expenditure approved outside of the cashflow projections.			
			CFO to report on weekly basis to Management on cashflow projections.	In house	In house	CFO	1-Oct-25	Weekly	No expenditure approved outside of the cashflow projections. All expenditure in line with the cashflow projections.	Weekly cashflow projection report.	No expenditure approved outside of the cashflow projections.			
9	Conditional Grants	Unspent conditional grants are not cash backed. Underspending on Human Settlements is the main contributor to unspent grants. Duplication (Overlap between MIG Grant and Human Settlement Grant) and therefore inability to spend according to conditions (Human Settlementment Grant). Ring fenced investment bank account was attached and therefore no revenue cash backed.	100% spent on the grant.	In house	In house	CFO	1-Oct-25	30-Jun-26	100% spending on conditional grants	Conditional grant reconciliation.	No unspent conditional grants.			
			Re-instate cash reserves to ensure that unspent conditional grant are cash backed.	In house	In house	CFO	1-Oct-25	30-Jun-26	Unspent conditional grants are cash backed.	Ring-fenced money for unspent conditional grants.	Any unspent conditional grant is cash backed.			

		<p>longer cash backed.</p> <p>Overspending on conditional grant: EPWP was overspent by R4.7 million and R10.3 million in 2023/24 and 2024/25 financial years, respectively.</p>	<p>No new overspending nor counterfunding on operational grants.</p>	In house	In house	CFO	1-Oct-25	30-Jun-26	R0 overspent on operational grants and no co funding undertaken by the municipality.	Grant funding programme analysis.	No money spent in addition to grants received.			
10	Supply Chain Management Compliance and Value for Money Procurement:	<p>Procurement is made outside of the SCM regulations, especially on legal services.</p> <p>Stores were left neglected, which led to vandalism. The Municipality no longer runs stores for inventory that is required on a daily basis.</p> <p>Committee members not available for Bid Committee meetings.</p> <p>Lack of alignment and communication between departments and procurement plans, especially with regards to cost containment and prioritisation.</p> <p>Irregular expenditure reported by the Auditor General that was incurred in the 2023/24 financial year related to travel agency fees, communication services, printing services, tracing agents and debt collection, hiring of fleet and refurbishment of Thabong WWTW and PSE system at Theronia WWTW.</p>	<p>No incurrence of new irregular expenditure.</p> <p>No incurrence of new unauthorised expenditure.</p> <p>Investigate and terminate all irregular contracts.</p> <p>Implement the UIF&W reduction strategy.</p> <p>Investigate allegation of service providers utilizing Municipal premises and impose market related rental.</p> <p>Strengthen demand management processes by establishing a Joint Budget SCM Expenditure Cash Flow Control Committee to carry out monthly reviews of budget allocations, procurement pipelines and actual cash flow with the objective of adjusting procurement schedules where cash constraints exist, while ensuring prioritised services remain uninterrupted.</p> <p>Plan and schedule bid committee meetings in advance (at the beginning of the fiscal year) and communicate these dates to all relevant officials.</p> <p>Include attendance at bid committee meetings as a KPI in the performance agreements of all officials involved in the process.</p> <p>Implement consequence management for instances of non-compliance with bid committee meeting calendar and supply chain management policies and processes.</p>	In house	In house	CFO	1-Oct-25	30-Jun-26	R0 spent on irregular expenditure.	Audit Report.	RD spent on irregular expenditure.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	R0 spent on unauthorised expenditure.	Audit Report.	RD spent on unauthorised expenditure.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	All irregular contracts terminated.	SCM Investigation Reports	Implemented Cost Containment Policy			
				In house	In house	CFO	1-Oct-25	30-Jun-26	Reduction in UIF-W Balance.	Audit Report.	Reduction in UIF-W Balance.			
				In house	In house	CFO	1-Oct-25	31-Jan-26	Service providers billed for premises utilised.	Billing report.	Implemented Cost Containment Policy			
											30% reduction in non-core expenditure.			
											Expenditure in line with FRP spending limits.			
				In house	In house	CFO	1-Oct-25	monthly	No procurement undertaken outside of the procurement plan and cash flow management processes.	Procurement plan aligned to cash flow plan.				
				In house	In house	CFO	1-Oct-25	30-Jun-26	Achieve 90% attendance rate for bid committee meetings within the first year of implementation.	Bid committee meeting schedule, meeting minutes and resolutions.				
				In house	In house	Director - Corporate Services	1-Oct-25	30-Jun-26	Performance agreements of bid committee meeting members updated to reflect attendance as a KPI.	Signed performance agreements.				
				In house	In house	Director - Corporate Services	1-Oct-25	30-Jun-26	Disciplinary action taken against all officials who fail to attend pre-scheduled meetings without adequate and valid reasons.	Disciplinary Reports				
11	Financial Control	<p>Qualified audit opinions during the last 3 financial years. With repeat audit findings in relation to: Expenditure Management., Procurement and Contract Management, Asset Management, Revenue Management.</p> <p>No asset management system (including fleet management). Of concern are lack of controls to address asset vandalism, theft, misuse and maintenance.</p> <p>Process, system and data gaps (i.e. un-metered properties and/ or damaged meters) leading to inconsistent and unreliable data to inform reporting and decision making.</p> <p>MLM is insolvent as the total liabilities exceed its total assets by R4 705 600 077 (2023: R4 041 810 978).</p>	<p>Address audit finding in relation to revenue data gaps to avoid repeat audit findings and qualification. See Revenue Management: Billing for meter data strategy to inform revenue process, system and data gaps.</p> <p>Implement processes to record expenditure as and when incurred and ensure that all new expenditure transactions are settled within 30 days.</p> <p>Implementation of FRP to restore financial sustainability, improve governance and ensure service delivery to improve solvency of the Municipality.</p> <p>Ensure accurate, timely, and complete financial records through disciplined transaction processing and reconciliations, reducing audit findings and risk of fraud or error by:</p> <ol style="list-style-type: none"> 1. Enforcing daily capturing and posting of all receipts, payments, and journal entries. 2. Assigning responsibility to Finance Clerks to reconcile bank accounts, cashbooks, and suspense accounts daily. 3. Implementing a month-end close checklist, including reconciliations of major control accounts (debtors, creditors, payroll, VAT, etc.). 4. Finance Manager to review and sign off on all reconciliations within 5 working days after month-end. 5. Escalate unreconciled items older than 30 days to the CFO for resolution. 	In house	In house	CFO	1-Oct-25	30-Jun-26	No repeat findings in relation to revenue billing data.	2025/26 Audit Report	Revenue growth targets as per FRP assumptions.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	No repeat findings in relation to expenditure management.	2025/26 Management Letter	Spending limits as per FRP assumptions.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	Implementation of FRP and achievement of FRP parameters and targets.	FRP implementation progress reports.	Revenue targets and spending limits as per FRP assumptions.			
				In house	In house	CFO	1-Oct-25	30-Jun-26	Signed off monthly reconciliations for all months.	Month-end close checklist signed by responsible officials.	Financial benefits to be achieved through improved operational efficiencies.			

			Enhance revenue management and debt collection by embedding internal controls that ensure completeness, accuracy, and validity of billing, collections, and reporting by: 1. Performing monthly revenue completeness checks by reconciling billing system to the general ledger. 2. Enforce separation of duties between billing, receipting, and debt collection staff. 3. Introduce automated age analysis reports to track overdue accounts and monitor performance. 4. Implement monthly debtor reconciliations (sub-ledger to general ledger). 5. Establish a Debt Collection Committee to review top 100 debtors and take corrective action (letters of demand, payment arrangements, or legal processes).	In house	In house	CFO	1-Oct-25	30-Jun-26	Revenue Completeness: ≥ 98% match between billing system and GL monthly. Debtors Reconciliation Compliance: 100% reconciliations completed monthly. Collection Rate: As per FRP Parameters Reduction in Outstanding Debtors: 20% year-on-year reduction in arrears. Audit Findings: Zero material audit findings relating to revenue and debtors.	Monthly reconciliations of revenue sub-systems (billing) to the GL. Signed and dated debtors age analysis reports. Minutes of Debt Collection Committee meetings. Copies of letters of demand, payment arrangement agreements, and legal notices. System audit logs showing segregation of duties in the billing and receipting processes.	Revenue growth targets and collection rates as per FRP assumptions.		
12	mSCOA	mSCOA committee is in place but not functioning. Non-effective Steering Committee. Budget constraints. ERP system not fully integrated. Systemic challenges in this environment that need to be reviewed (seamless integration). The municipality makes use of the BCX - SOLAR system. The following modules are not implemented: asset lifecycle management, budget and planning customer care, Land use and building control, valuation management real estate and resource management, project accounting and corporate governance.	Review, update and implement a roadmap to become fully mSCOA compliant, in-line with circular 88.	In house	In house	CFO	1-Oct-25	30-Jun-26	Approved mSCOA roadmap.	mSCOA compliance roadmap.	Financial benefits to be achieved through improved planning and performance.		
			Plan and schedule mSCOA Steering committee meetings in advance (at the beginning of the fiscal year) and communicate these dates to all relevant officials.	In house	In house	CFO	1-Oct-25	30-Jun-26	Achieve 90% attendance rate for mSCOA Steering committee meetings within the first year of implementation.	mSCOA Steering committee meeting schedule, meeting minutes and resolutions.	Financial benefits to be achieved through improved planning and performance.		
			Review and approve the committee terms of reference in the first meeting.	In house	In house	CFO	1-Oct-25	30-Nov-25	Approved terms of reference for mSCOA steering committee.	Approved terms of reference.	Financial benefits to be achieved through improved planning and performance.		
			Include attendance at steering committee meetings as a KPI in the performance agreements of all officials involved in the process.	In house	In house	Director - Corporate Services	1-Oct-25	30-Jun-26	Performance agreements of mSCOA steering committee meeting members updated to reflect attendance as a KPI.	Signed performance agreements.	Financial benefits to be achieved through improved planning and performance.		
			Implement consequence management for instances of non-compliance with mSCOA steering committee meeting calendar.	In house	In house	Director - Corporate Services	1-Oct-25	30-Jun-26	Disciplinary action taken against all officials who fail to attend pre-scheduled meetings without adequate and valid reasons.	Disciplinary Reports	Financial benefits to be achieved through improved planning and performance.		
PILLAR T 4: SERVICE DELIVERY													
1	Infrastructure efficiency - repairs and maintenance	Low levels of investments in repairs and maintenance lead to relatively high rates of infrastructure failures due to aging and aged infrastructure. Municipality only spending 0,1% of PPE asset value against the norm of 8%	Allocate adequate budget (min of 8% of the carrying value of PPE) for repairs & maintenance. Increase by at least 100% year on year from current levels up to 8% of PPE carrying value in three years	In-house	In-house	CFO	01/10/2025	30/06/2026	Operations and maintenance budget	Audited AFS	2025/26 FY - R62 million		
			Implement identified repairs & maintenance projects based on approved O & M Plans for water services, roads & stormwater, electricity services, waste management services; facilities management and municipal rental stock	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Operations and maintenance budget	Audited AFS	2025/26 FY - R62 million		
2	Infrastructure resilience - Water Services	Water distribution losses were 45% (R240 million) and 57% (R418 million) in the respective financial years of 2022/23 and 2023/24	Develop a WC/WDM Plan	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	WC/WDM Plan	Approved ED report on the WC/WDM Plan	11% reduction in water purchases		
			Establish water supply discreet zones	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Discreet zones establishment report	Number of pressure relief valves per discreet zone	11% reduction in water purchases		
			Implement pressure management	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Pressure management report	Minimum night flows	11% reduction in water purchases		
			Undertake consumer audit to establish completeness of customer database in the billing information	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Consumer audit report	Meter audit report approved by the ED	11% reduction in water purchases		
			Undertake meter audit	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Meter audit report	Meter audit report approved by the ED	11% reduction in water purchases		
			Meter 15,000 of the 78,000 unmetered properties	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Metering of unmetered areas report	Close-out report for meter installation	11% reduction in water purchases		
3	Sanitation Services	Municipality is not levying industrial effluent tariff to its customers Sanitation infrastructure is in a dilapidated state characterised by sewer overflows and illegal discharges	Develop industrial effluent tariff	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Industrial Effluent Tariff	Approved report on Tariffs by Council	N/A		
			Completion of the following Ministerial Directive projects (sewer networks rehabilitation projects in Thabong 1-3, Welkom, Henneman and Kutlwanong. WWTW upgrade projects of Kutlwanong and Thabong 1B. Sewer pump stations - Bandediens, Hertzog and Henneman)	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Completion of projects as per project implementation plan	Monthly progress report from Implementing Agent, Vaal Central Water	N/A		
4	Infrastructure Resilience - Electricity Services	Electricity distribution losses were 24% in 2022/23 FY and 28% in 2023/24 FY	Conduct consumption baseline assessments of Council owned buildings & submit to Department of Energy by 7 December 2025	In-house	In-house	ED: Infrastructure	01/10/2024	7/12/2025	Building specific Energy Performance Certificate	Energy Performance Certificate report	N/A		
			Undertake Cost of Supply Study	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Cost of Supply Study Report	Approved Council report.	25% tariff increase		
			Apply to National Treasury smart metering programme to fund municipal meter replacement programmes	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Report on National Treasury application	Approved MM report	N/A		

			Implement load management (e.g. rehabilitate and operationalize remote geyser and streetlight control)	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Load management report	Approved ED report on the implementation of load management	R30 million saving per annum		
			Undertake consumer audit to establish completeness of customer database in the billing information	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Customer audit report	Approved report by the ED on the completeness of customer database	N/A		
			Undertake meter audit of all consumers	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Meter audit report	Approved report by the ED	N/A		
			Calibrate meters of top consumers and ensure AMR is operational	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Top consumer meter calibration report	Approved report by the ED on the calibration of meters	N/A		
			Metering 5,000 unmetred properties	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Metering of unmetred areas report	Close-out report on the implementation of meters	100% expenditure on the R15 million budget on 5,000 meters		
5	Waste Management	Inability to correctly measure refuse going to the landfill site	Propose a rate based on the type of the disposing vehicle	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Weighbridge maintenance report	Approved report by the ED	Cost reflective tariff for waste disposal		
		Landfills not compliant with waste management regulations	Fence Odendaalsrus landfill and Virginia transfer station and implement appropriate security measures	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Landfills access control reports	Approved report by the ED	N/A		
			Manage these landfills as per license conditions and applicable waste management regulations	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Landfills compliance management report	Approved report by the ED	FRP revenue targets		
		Determine the remaining landfill air space and source new landfill sites	Update the 2023 study that determined landfill airspace	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Landfill airspace report	Approved report by the ED	N/A		
			Identify potential sites for developing new landfills	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Potential new landfill sites report	Approved report by the ED	N/A		
6	Roads & Stormwater	Poor state of roads infrastructure, characterized by high number of potholes	Fix 15,800 square metres potholes in strategic and high accident prone areas based on the outcome of the condition assessment from the Rural Roads Asset Management System	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Extent of pothole fixed report	Approved monthly reports by the ED	Zero insurance claims from potholes		
		Stormwater systems experience frequent blockages due to silting and vegetation growth on channels.	Service and maintain 5,5km of stormwater systems	In-house	In-house	ED: Infrastructure	01/10/2025	30/06/2026	Stormwater systems maintenance report	Approved monthly reports by the ED	Zero incidences of roads flooding as a result of stormwater ingress		
7	Traffic Management	There is currently minimal focus to generate revenue from parking activities.	Identify all parking bays in all CBDs	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Parking space identification report	Approved report by the MM	N/A		
			Prepare an implementation plan	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Parking bay project implementation plan	Approved report by the ED	N/A		
		Speed cameras and alcohol breath analysers not calibrated	Calibrate the 3 x Pro Laser speed cameras and alcohol breath analysers	External	In-house	ED: Community Services	01/10/2025	30/06/2026	Calibration certificates	Approved report by the ED	N/A		
			Calibrate the 1 x Draeger alcohol breath analyser	External	In-house	ED: Community Services	01/10/2025	30/06/2026	Calibration certificate	Approved report by the ED	N/A		
		Most roads lack or has faded road markings, which hinders the levying of penalties for road infringements	Mark roads without or faded road markings in Welkom, Virginia, Odendaalsrus, Ventersburg, Henneman and Allanridge	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Road markings implementation report	Approved report by the ED	N/A		
			Mark roads without any road markings in Welkom, Virginia, Odendaalsrus, Ventersburg, Henneman and Allanridge	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Road markings implementation report	Approved report by the ED	N/A		
		Traffic lights not working in some areas	Undertake a study to determine the feasibility of repairing traffic lights and/or installing an alternative mechanism to manage traffic	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Feasibility study report	Approved report by the ED	N/A		
		The utilization of the training college which is accredited and can offer up to 106 learners per academic year can be improved. The Municipality provided training to 60 and 24 learners in 2024 and 2025 respectively	Training college must increase learners from the previous 43 to full capacity of 106	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	College enrolment	College enrolment numbers	Full revenue for additional 46 students		
8	Fresh Produce Market	The revenue of Fresh Produce Market is R266,000 against an expenditure of R3 million	Remove all municipal expenditure from Fresh Produce Market and rent it out. Rental agreement must include maintenance and upkeep of the facility by the tenant	In-house	In-house	CFO	01/10/2025	30/06/2026	Feasibility study report	Approved Council report	Zero expenditure on Fresh Produce Market		
9	Fire Services	Municipality is not compliant with prescribed minimum standards for fire protection services coverage. 1 out of 5 Fire Stations is operational	Appoint service providers on an as and when basis to render the fire protection services to consumers of Matjhabeng LM	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Panel of service providers with agreed rates and areas operation	Approved monthly report by the ED on the utilisation of the panel service providers	N/A		
			Begin consultative process of introducing a R15 levy per household per month on rates & taxes, which will be ring fenced and used for purposes of revitalising fire services	In-house	In-house	ED: Community Services	01/10/2025	30/06/2026	Outcomes of the consultative process	Consultative process report facilitated by the Office of the Speaker of Council	N/A		
10	Local Economic Development	Involvement of Private Sector in the municipal developments at a rudimentary stage	Improve relations with Private Sector players & mining companies through engagements and solicit their inputs and suggestions on strategies to improve local economy	In-house	In-house	ED: LED	01/10/2025	30/06/2026	Private sector engagement report	Approved report by the MM	N/A		
11	Fleet Management	High fuel usage - approx. R3,5 million per month	Investigate the option of decentralizing fuel depots and/or making arrangements with fuel suppliers closest to the respective depots	In-house	In-house	CFO	01/10/2025	30/06/2026	Fuel management report	Approved monthly report by the CFO	Reduction of R1 million fuel expenditure per month		

		The municipality does not have a panel of attorneys to handle litigation.	Establishment of a panel of attorneys through the SCM process.	In house	In house	Senior Manger: Legal Services	10/1/2025	3/31/2026	Put in place a transparent and competitive tender process for the appointment of a panel of attorneys every three years to promote fairness, equity and value for money.	Submit tender documents and records as well as panel of attorneys appointment records	Financial benefits to be achieved through improved governance efficiencies.			
		The bulk of claims against the municipality emanate from service providers who have rendered services and have not been paid for such services rendered.	Conclude on the pending settlement agreements that was entered into between the municipality and service providers.	In-house	Externally appointed Law Firm	Senior Manger: Legal Services	10/1/2025	6/30/2026	Guarantee the timely payment of service providers within 30 days to minimise Mora interest and fruitless and wasteful expenditure.	Provide payment records for service providers detailing payment dates, amounts and payment methods	Revenue targets and spending limits as per FRP assumptions.			
		There is a list of attorneys who are entrusted with assisting the municipality with matters under litigation, whose appointment is not in line with the SCM processes, therefore irregular.	Conduct Section 32 investigations to determine liability of any individual with regard to irregular attorney appointments.	In-house	externally appointed independent investigators	Senior Manger: Legal Services	10/1/2025	3/31/2026	Facilitate 90 per cent investigations within 6 months to determine liability of individuals regarding irregular attorney appointments	Provide copies of investigation reports for section 32 investigations, including findings, conclusions and recommendations.	Financial benefits to be achieved through improved governance efficiencies.			
		The legal fees paid by the municipality to service providers in respect of legal services during the: -2022/23 financial year were R 15.2 million. -2023/24 financial year were R 21.07 million. -R26.6 million in the 2024/25 financial year.	Put in place a set fee structure for Attorneys to prevent over expenditure on legal fees	In-house	In house	Senior Manger: Legal Services	10/1/2025	3/31/2026	Complete a set fee structure for attorneys, within four months, to prevent over-expenditure on legal fees to promote cost efficiency and transparency.	Provide a copy of the completed fee structure document outlining the standard fees for attorneys, as well as documents detailing research and benchmarking.	Revenue targets and spending limits as per FRP assumptions.			
		No proper and updated litigation register is kept. It is unclear whether matters are assessed for probability of success before litigation considered.	Undertake assessments for probability of success before litigation is considered.	In-house	In house	Senior Manger: Legal Services	10/1/2025	Daily	Facilitate a 100 per cent thorough assessment to determine the probability of success before litigation is considered, to promote informed decision-making and effective resource allocation.	Provide an assessment framework used to conduct probability of success decision, including criteria and factors considered.	Financial benefits to be achieved through improved governance efficiencies.			
		Manager Litigation in legal services recommends which attorneys on the vendor list to appoint for authorisation by the Accounting Officer.	Start an open tender process to avoid irregular appointment of attorneys.	In-house	In house	Senior Manger: Legal Services	10/1/2025	2/27/2026	Initiate an open tender process to avoid irregular appointment of attorneys promoting transparency, fairness and accountability	Copies of tender notice, including advertisement and invitation to bid as well tender award letters.	Financial benefits to be achieved through improved governance efficiencies.			
		The erstwhile MM verbally instructed the Head of Legal not to perform any duties relating to litigation matters.	The Senior Manager: Legal Services' full duties and responsibilities must be re-instated in writing	In-house	In house	MM	10/1/2025	12/1/2025	Undertake that the Senior Manager: Legal Services full duties and responsibilities are reinstated in writing. To promote clarity, accountability and effective tole performance.	Provide a signed a full role re-instatement letter on the municipal letterhead.	Financial benefits to be achieved through improved human resource management efficiencies.			
		Expenditure on legal fees for the 2023/24 and 2024/25 financial years were overspent by R2.5 million and R3.1 million, a cumulative over-expenditure of R5.6 million.	Review contracts with external legal service providers to ensure compliance with municipal policies and procedures.	In-house	In house	Senior Manger: Legal Services	10/1/2025	2/27/2026	Assess and rectify 100 per cent of non compliant contracts within 120 days to ensure compliance with municipal policies and procedures.	Provide compliance checklists and assessments as well as contract review records and reports.	Financial benefits to be achieved through improved governance efficiencies.			
		Over 70 court default judgements against the municipality resulted in loss of funds, incurring fruitless and wasteful expenditure.	Development of a payment plan through negotiations with creditors for payment of settled judgements.	In-house	In house	Senior Manager: Legal Services	10/1/2025	3/31/2026	Successfully negotiate 90 per cent of settled judgments of creditors with payment plans .	Provide payment plan agreements as well as payment history.	Financial benefits to be achieved through improved governance efficiencies.			
		The total contingent liability for 2024 amounted to R1.5 billion (129 number of litigations), for 2025 it amounted to R2.3 billion (116 number of litigations).	Develop a litigation management plan to manage litigations, including strategies for settlement, mediation or litigation.	In-house	In house	Senior Manager: Legal Services	10/1/2025	3/31/2026	Undertake 80% of litigations resolved through settlements, mediation on litigation, within eight months.	Provide litigation management plan documents Nas well as litigation resolution records .	Financial benefits to be achieved through improved governance efficiencies.			
3	Contract Management	Performance and monitoring measures and methods applied in monitoring two contracts with a total value of R 47 600 000 were insufficient to ensure effective contract management.	Undertake that all contracts are monitored and evaluated monthly, in order to mitigate financial losses.	In-house	In-house	Legal Services	1-Oct-25	Monthly	Undertake a 100 per cent monthly evaluation and monitoring of contracts to mitigate potential losses and optimise contract performance.	Legality compliance assessment records. Minutes of monthly contract review meetings.	Financial benefits to be achieved through improved internal controls.			
		The municipality does not have an updated contract management register.	Review all current contracts to determine legality and whether there is value for money.	In -house	In-house	Legal Services	1-Oct-25	31/03/2026	Undertake a 100 per cent review of current contracts if they comply with relevant laws, regulations and standards.	Monthly monitoring and evaluation report on contract management to EXCO.	Financial benefits to be achieved through improved internal controls.			
		There is a lack of congruence between tender specifications and legal briefs in drafting contracts, and tender specifications often differ from the scope of work contained in the final contract.	Establish a contracts management committee consisting of officials from SCM, Legal Services and user departments to ensure contracts management is aligned	In-house	In-house	Legal Services	01/10/2025	Monthly	Alignment of contracts management between different departments who uses duly completed and signed contract to manage performance and outcomes.	Monthly signed off minutes of meetings of the contracts management committee.	Financial benefits to be achieved through improved governance efficiencies.			
		Money spent on projects to the value of R144 million were halted/incomplete in 2023/24 financial year due to budget constraints; the majority of these projects were already stopped in 2022/23 (R126 million) for the same reason	Undertake proper planning and budgeting for all CAPEX projects.	In-house	In-house	CFO	01/10/2025	31/03/2026	Facilitate proper planning and budgeting for capex projects to optimise resource allocation, minimise delays and enhance project delivery.	Council approved reviewed medium term project plan. Records on project delivery and quality assurance.	Financial benefits to be achieved through improved planning and budgeting.			
		The municipality does not report on the management of contracts as required by section 116(2) of the MFMA.	Develop a standardized reporting template to guarantee that contract management reports are comprehensive, accurate and submitted on time.	In-house	In-house	CFO	01/10/2025	30/01/2026	Tracking of 100 per cent of reports submitted on time and in compliance with section 116(2) of the MFMA. Evaluate completeness, accuracy and consistency of the information.	Submit monthly to EXCO the fully completed and signed off reporting template showing timelines and tracking records.	Financial benefits to be achieved through improved internal controls.			

		Lack of technological aids and systemic factors such as outdated and inadequate contract management systems.	Consult with the ICT business unit to make provision for contracts management software	In-house	In-house	Senior Manager IT	01/10/2025	29/05/2026	Facilitate effective consultation with the ICT business unit to provide contracts management software and solutions, enhancing contract management efficiency and effectiveness.	Submit consultation records with ICT business unit. Provide procurement records for contract management software and solutions.	Financial benefits to be achieved through improved operational efficiencies.			
		There are evergreen contracts relating to sports and recreation facilities without market related fee structures.	Undertake and assure that starting and end dates of contracts are appropriately aligned in terms of the duration of contracts when drafting contracts.	In-house	In-house	Senior Manager Legal Services	01/10/2026	29/05/2026	Minimise potential disputes, delays or disruptions by accurately aligning start and end dates with the duration of the contracts.	Register to track contract renewals and terminations to ensure seamless transitions and minimise disruptions.	Financial benefits to be achieved through improved operational efficiencies.			
		The contract between Matjhabeng and Ntiyiso is not adhered to. The collection rate has not improved.	Undertake proper contracts management between the municipality and Ntiyiso to ensure that payment to SP is aligned to services rendered and contract scope.	In-house	In-house	CFO	01/10/2025	Monthly	Facilitate 100 per cent compliance of contracts with municipal policies, procedures and regulatory requirements and the alignment of payments with service render and contract scope.	Provide records of contract review and payment approval processes, including invoices work verification records.	Financial benefits to be achieved through improved operational efficiencies.			
		Ntiyiso is currently occupying Council Offices without paying rental since inception of the contract, resulting in financial losses for the municipality	Council must bill Ntiyiso market related rental for the space occupied by the service provider since the occupation of the Building followed by monthly rentals.			CFO	1-Oct-25	1/30/2026	Undertake the billing of Ntiyiso market related rental for the office space occupied within 90 days.	Provide billing records and invoices as well as rental revenue recovery reports.				
		Contract management is decentralised, and the management of contracts is divided between SCM, User Departments and Legal Services.	Ensure redesign of organisational structure to appropriately locate and capacitate contract management.	In-house	In-house	ED: Shared Services	1-Oct-25	31-Mar-26	Determine the feasibility of in-house capacity versus outsourcing of the security service.	Council approved organisational redesign and appropriate placement of Contract Management.	Financial benefits to be achieved through improved operational efficiencies.			
4	System of Delegations	Although the municipality has approved a system of delegations on 7 August 2023, it has material defects that compromises lines of command and accountability.	Ensure Compliance with Systems of Delegations Norms and Regulations.	In house	In house	MM	10/1/2025	5/29/2026	Review Council approved implementation of delegations of 7 August 2023 for improved operational efficiency.	Reviewed and Council approved delegations that include role clarification.	Financial benefits to be achieved through improved governance			
		The Municipal Manager has delegated powers to the CFO to the exclusion of other Executive Directors.	MM to sub-delegate powers and functions to heads of directorates								Financial benefits to be achieved through improved governance efficiencies			
			Maintain an updated delegations register.	In house	In house	MM	202510/01	Monthly			Financial benefits to be achieved through improved governance efficiencies			
		The Council has directly delegated functions to a Building Control Officer.	Review and implement the delegations of authority to ensure adherence to statutory requirements as follows: Delegations should follow a clear line of authority. Warrant that the system of delegations follows a hierarchical line to ensure a clear chain of command and accountability	In-house	In-house	MM	10/1/2025	29/05/2026	Monitor the number of powers and functions delegated to Heads of Directorates, ensuring that delegations are made in accordance with statutory requirements. Track the provision of training and support to Heads of Directorates on their delegated powers and functions to ensure they understand their roles and responsibilities.	Maintain a Delegations Register which will contain: Date of delegation, Powers and Functions delegated, Scope of delegation. Keep records of training and capacity initiatives provided to Heads of Directorates.	Financial benefits to be achieved through improved governance efficiencies.			
5	By-laws	According to the information published on the municipal website, there are 15 gazetted and promulgated by laws.	The Municipality must implement all the the gazetted and promulgated by-laws.	In-house	In-house	ED: Community Services	1-Oct-25	30-Jun-26	Facilitate the 100 per cent implementation and enforcement of all municipal promulgated by-laws.	Reports on by-law campaigns. By-law compliance monitoring and enforcement records.	Financial benefits to be achieved through improved operational efficiencies.			
6	UIF&W and Consequence Management	Unauthorised expenditure: 2023/24 FY; R1,05 billion due to overspending on budget. Continues to be incurred.	The CFO must facilitate the drafting of a UIF&W reduction strategy.	In house	In house	CFO	1-Oct-25	30-Jun-26	Implementation of the UIF&W reduction strategy.	No AG findings on UIF&W in the AFS and audit report.	Financial benefits to be achieved through improved operational efficiencies.			
		Fruitless and wasteful expenditure: 2023/24 FY R239.02 million due to interest and penalties on late payments and overdue accounts. Continues to be incurred.	Determine if any individuals were responsible, negligently or with intent, for the UIF&W, and refer for disciplinary action.	In-house	In-house	MPAC	01/10/2025	Monthly	Track the number of officials held accountable for UIF&W incidents including: Disciplinary actions taken; financial recoveries made and corrective	A register containing the number of officials held accountable for UIF&W incidents including those who	Financial benefits to be achieved through improved governance efficiencies.			
		Irregular expenditure: 2023/24 FY; R123,76 million due to non-compliance with Supply Chain Management Regulations. (Municipality disclosed R61.1 million and R62.6 was discovered during audit).	Where criminality is found, report to SAPS. Where any liability found recover losses where possible.	In-house	In-house	MPAC	01/10/2025	Monthly	Record the number of cases referred to SAPS that resulted in convictions.	Maintain a record of SAPS case reference numbers of all cases referred to SAPS.	Financial benefits to be achieved through improved governance efficiencies.			
		Cumulative figures per category: Unauthorised: R2.5 billion Fruitless and Wasteful: R239 million Irregular Expenditure: R2 billion	Section 32 investigations must be conducted to address UIF&W.	In-house	In-house	MPAC	01/10/2025	Monthly	Facilitate that 100% investigations are done within 120 days to address the UIF&W expenditures.	Provide Quarterly investigations reports and findings.	Financial benefits to be achieved through improved governance efficiencies.			
		No Section 32 investigations were conducted.	The Municipality must conduct all section 32 investigations.	In-house	In-house	MM	01/10/2025	Monthly	Facilitate the thorough investigations of all section 32 matters to meet regulatory requirements as well as promoting accountability.	Copies of correspondence related to investigations. Completed investigation reports and findings.	Financial benefits to be achieved through improved governance efficiencies.			

		No Officials held accountable for any write-offs flowing from UIF&W reports.	Enforce Consequence Management in the effect of proven liability for write offs in UIF&W	In-house	In-house	MM	02/03/2026	Quarterly	A 100 % per cent of cases where consequence management is enforced following proven liability for write-offs in UIF&W.	Provide consequence management records as well financial recovery records.	Financial benefits to be achieved through improved governance efficiencies.			
7	Disciplinary Board	The Disciplinary Board is not functional because it has never sat, due to reservations on its composition.	The Municipality must ensure that the DB is duly constituted and functional, and that all relevant matters are referred to it.	MPAC	MM	Council	1-Oct-25	31-Mar-26	Undertake a 100 per cent appropriately constituted Disciplinary Board in accordance with relevant laws, regulations and policies ,promoting fairness, transparency and accountability.	Provide Dictionary Board constitution records as well as board member appointment letters	Financial benefits to be achieved through improved governance efficiencies.			
8	Powers and Functions	The municipality performed functions that are unfunded and under-funded in the 2023/24 financial year as follows: Fire Services – unfunded by R41.2 million. Pauper burials – unfunded by R 331 428.74. Housing – unfunded by R 20.9 million. Traffic Academy – underfunding or lack of funding could not be determined.	Engage Department of Traffic with the support from CoGTA for the transfer of the function of the Traffic Academy.	In house	COGTA	MM	10/1/2025	4/30/2026	Develop a comprehensive transfer plan, including timelines, milestones and resource allocation, to facilitate the transfer of the traffic academy function, promoting a seamless transition and minimal disruption to services provided.	Report highlighting the transfer plan development process including meeting minutes.	Financial benefits to be achieved through improved operational efficiencies.			
			Restructure the organogram to reflect the mandate of the Department of Community Services.	In house	In house	ED: Community Services.	10/1/2025	30/03/2026		Council Approved Redesigned organogram of Community Services	Financial benefits to be achieved through improved operational efficiencies.			
		No Mandate Agreements exists between the municipality , District Council and Provincial Government	Put in place mandate agreements for performing the delegated mandates from the District and Provincial Government.	In-house	In-house	ED: Community Services	10/1/2025	29/05/2026	Undertake 100 per cent drafting of mandate agreements for the performance of delegated mandates from the District and Provincial Government, to promote clarity accountability and effective service delivery.	Copies of drafted mandate agreements for delegated mandates and records of stakeholder engagements and consultation including meeting minutes.	Financial benefits to be achieved through improved governance efficiencies.			
9	ICT Strategy and Governance	ICT policies were approved by Council in the 2024/25 F/Y with the current updated policies aimed to reach council on the 28 Aug 2025 for 2025/26 review	2025/2026 ICT Policies requires to be approved by Council	In house	In house	Senior Manager IT	10/1/2025	31/12/2025	Updated ICT Policies finalised and approved by Council.	Council Approved ICT Policies.	Financial benefits to be achieved through improved operational efficiencies.			
		There were only 4 individuals assisting about 2 000 municipal employees in the entire Municipality who were on a fixed-term contracts that has expired.	Appointment of ICT technician on a full time basis to address ICT matters of the Municipality.	In house	In house	ED: Corporate and Shared Services	10/1/2025	30/04/2026	An approved Organogram indicating the number of technicians required.	Approved ICT Organogram	Financial benefits to be achieved through improved operational efficiencies.			
		The Municipality uses different systems which are not integrated for efficient process flows.	Procure and implement an integrated electronic document and records management system compliant with National Archives standards.	In house	In house	Senior Manager IT	10/1/2025	30/06/2026	Implementation of an integrated ICT system and Electronic records management system procured, implemented and maintained.	Approved Bid. Operational Integrated ICT System and Electronic document and records management system.	Spending limits as per FRP assumptions and parameters.			
		The following modules are not implemented within MLM's ERP system: Asset lifecycle management. Budget and planning. Customer care.	Conduct an analysis of all software licenses paid by the Municipality to determine those not in use or duplicated to identify areas for cost saving.	In house	In house	Senior Manager IT	10/1/2025	31/03/2026	Optimal use of existing software licenses.	Approved Software Licenses Analysis Report signed off by ED: Shared Services; Senior Manager IT.	Financial benefits to be achieved through improved operational efficiencies.			
			Ensure that very crucial ICT Modules are being implemented within the Enterprise Resource Planning system.	In house	In house	Senior Manager IT	10/1/2025	30/03/2026		Submission of an approved ERP review report signed off by ED: Shared Services and Senior Manager IT.				
		ICT is not being used as an enabler for efficiency and service delivery improvement.	Conduct a comprehensive assessment of the current ICT infrastructure systems and processes to identify gaps and areas of improvement.	In-house	In-house	Senior Manager IT	10/1/2025	30/03/2026	Draft a high quality assessment report with actionable recommendations after engagement with relevant stakeholders.	Stakeholder engagement records which includes minutes of meetings, stakeholder feedback and input.	Financial benefits to be achieved through improved operational efficiencies.			
		Aged Servers open municipality for cyber attacks.	Budgetary provision to address replacement of aged servers.	In-house	In-house	CFO	10/1/2025	30/06/2026	Request budget provisioning to address the replacement of aged servers ,promoting infrastructure stability, security and efficiency.	A copy of the budget request document submitted to request funding. A report detailing current server inventory, age and	Spending limits as per FRP assumptions and parameters.			
10	Immovable Property	The Municipality is not collecting market related rentals from Council leased properties.	Assessment of property rentals in the area to determine appropriate market related rates for leased municipal property.	In house	In house	ED: Shared Services	10/1/2025	3/30/2026	Implement Improved market related rentals & debt collection.	A copy of the Council Approved market related rentals & Debt Collection Strategy and Plan.	Financial benefits to be achieved through improved operational efficiencies.			
			Issue letters of demand and recoup the rental amounts.	In house	In house	CFO					Financial benefits to be achieved through improved operational efficiencies.			

			All MLM employees and Councillors who owes rental ensure that it is deducted monthly from their salaries.	In house	In house	CFO					Financial benefits to be achieved through improved operational efficiencies.			
			The review of the organisational structure of Shared Services must integrate and reflect the management of Council owned immovable properties.	In house	In house	ED: Shared Services	10/1/2025	30/06/2026	Establish an Immovable Property Management Unit to deal with the full management of Council owned immovable properties.	A copy of the reviewed structure to show Council owned immovable property management unit included in the organisational structure.	Financial benefits to be achieved through improved operational efficiencies.			
			Develop and implement a maintenance program for residential rental stock and other Council owned immovable properties.	In house	In house	ED: Shared Services	10/1/2025	31/12/2025	Maintenance program developed for rental stock.	Budget document showing rental income ring-fenced for maintenance according to the	Spending limits as per FRP assumptions and parameters.			
		The municipal residential property rentals register shows that monthly rentals for houses, flats and hostels range from R144.00 to R1800.00, while municipal employees pay 6 per cent of their salary.	Value the municipal properties and adjust rentals to market related prices.	In-house	In-house	ED: Shared Services	10/1/2025	30/03/2026	50 per cent increase in rental income from municipal properties in the next nine months ending June 2026	Provide rental income statements showing an increase in rental income over the specified period with a growth of 50 per cent	Revenue growth targets as per FRP assumptions.			
		The municipality is only collecting rental payments from municipal employees	Undertake an audit of non-paying tenants and start a credit control exercise.	In-house	In-house	ED: Shared Services	10/1/2025	30/03/2026	Determine the number of non-paying tenants as well as the total amount of overdue rent	Provide tenant payment records, detailing payment history	Financial benefits to be achieved through improved governance efficiencies.			
		28 properties are illegally occupied, which means the municipality is not collecting revenue from them.	Obtain eviction orders to remove illegal occupants or regularize the illegal occupants and bill them accordingly.	In-house	Courts	ED:Shared Services	10/1/2025	30/06/2026	Monitor the number of illegal occupants regularised through payment plans or other agreements	Provide number of regularisation agreements entered into outlining terms and conditions for payment plans , rent amounts and lease durations.	Financial benefits to be achieved through improved operational efficiencies.			
		Council does not have an up-to-date Land Disposal Policy as it was last approved in 2015 and the Land Disposal Procedure approved in 2016.	Review the Land Disposal Policy for Council approval.	In house	In house	ED :Shared Services	10/1/2025	30/03/2026	Land Disposal Policy updated and approved by Council.	Provide a Council approved Updated Land Disposal Policy	Financial benefits to be achieved through improved operational efficiencies.			
		Conduct a 578 study in terms of the Municipal System Act in order to determine the best mechanism for the management of the municipal rental stock	Undertake cost benefit study to determine whether to own or dispose the municipal rental stock	In-house	In-house	ED: Human Settlements & Planning	01/10/2025	30/06/2026	578 study report	Approved Council report	N/A			
		Municipality has been allocated R66 million for beneficiary management (resolving disputes amongst erf owners and rectification transfers as a result of implementing the dispute resolution outcome)	Municipality must utilise the R66 million allocated for beneficiary management in order to increase revenue for rates and taxes	In-house	In-house	ED: Human Settlements & Planning	01/10/2025	30/06/2026	Beneficiary management status report	Approved monthly ED report	N/A			
PILLAR 2: INSTITUTIONAL														
1	Operating Model	<ul style="list-style-type: none"> An operating model has not been reviewed during the review of the organisational structure as required by the approved Staff Establishment Policy and Procedure. Centralised operating model 	Request DCoG & SALGA to assist in conducting a comprehensive review of the current operating model to identify misalignments with the organisational structure, strategic objectives, and operational inefficiencies.	DCoG SALGA	In house	MM	01/10/2025	30/11/2025	Request Letter to DCoG and SALGA	Request Letter to DCoG and SALGA	Financial benefits to be achieved through operational efficiencies			
2	Organisational Structure	Reviewed organisational Structure is not affordable costed at R1.65 billion compared to the current structure costed at R1.41 billion.	Conduct a work study exercise on the reviewed organisational structure to determine the correct number of posts by end of March 2026.	In house	In house	ED: Corporate Services	01/10/2025	31/03/2026	Approved Organisational Structure with reduced number of posts based on work-study outcomes by end of May 2026	Work Study Report	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.			
			Request DCoG and SALGA to assist in the formal assessment to identify misalignments between the current reviewed organisational structure to ensure alignment with the Municipal Strategic objectives and the Municipal Staff Regulations.	DCoG SALGA	In house	MM	01/10/2025	31/11/2025	Request Letter to DCoG and SALGA	Request Letter to DCoG and SALGA	Financial benefits to be achieved through operational efficiencies			
3	Employee Costs	High employee costs (above 40%) against the operational budget (Overtime management)	Conduct an audit on areas with high overtime by categorising them by department, reason (e.g., emergencies, planned projects, staff shortages), and employee, to identify patterns, potential abuse, and departments that are chronically understaffed. Identify which vacancies are directly linked to essential service delivery functions and which are causing the most significant overtime.	In house	In house	CAE	01/10/2025	31/10/2025	5% (R2.1m) reduction of overtime (R42m to R39.9m) by May 2026 Overtime Audit Report	Overtime Audit report	5% reduction of overtime expenditure			
				In house	In house	CFO	01/10/2025	31/10/2025	Vacancy vs Overtime Report	Vacancy vs Overtime Report	Financial benefits to be achieved through operational efficiencies			
			Freeze overtime in non-essential functions.	In house	In house	ED: Corporate Services	01/10/2025	01/11/2025	Report on Frozen overtime	Report on Frozen overtime	Financial benefits to be achieved through operational efficiencies			
			All overtime must be pre-approved by a designated manager and justified with a clear business case distinguishing between emergency overtime (e.g., burst pipes) and planned overtime (e.g. weekend work for projects)) from 1 October 2025.	In house	In house	ED: Corporate Services	01/10/2025	Monthly	Overtime Approvals with Business Cases	Overtime Approvals with Business Cases	Financial benefits to be achieved through operational efficiencies			

		High employee costs (above 40%) against the operational budget (Acting Allowance)	Conduct a detailed analysis to determine the total annual cost of all acting allowances.	In house	In house	CFO	01/10/2025	30/10/2025	Fill funded posts with revenue-generating posts to reduce current Acting positions to 50% of funded vacant posts by June 2026 Analysis Report on Annual Acting Allowance expenditure	Analysis Report on Annual Acting Allowance expenditure	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.		
			Reprioritise acting allowance budget based on the analysis to fund vacant posts of the most critical, revenue-generating positions and service delivery related functions.	In house	In house	ED: Corporate Services	01/10/2025	30/10/2025	Recruitment Plan for reprioritised acting allowances Internal Capable Staff Identification Report	Recruitment Plan for reprioritised acting allowances	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.		
			Identify capable internal staff who can be developed and appointed to the vacant critical positions, who meet post minimum requirements	In house	In house	ED: Corporate Services	01/10/2025	30/12/2025	Work Duplication Analysis Report Corrective Action Plan	Internal Staff Identification Report	Financial benefits to be achieved through operational efficiencies		
			Identify and eliminate duplication of costs of where there are contractors who are performing the work that is done by employees.	In house	In house	ED: Corporate Services	01/10/2025	31/05/2026		Work Duplication Analysis Report Corrective Action Plan	Financial benefits to be achieved through operational efficiencies		
		Third-party payments not paid on time. There are outstanding payments for April (R10 million) and May (R9.8 million) 2025 to pension funds.	Immediate ring-fencing of pensions and other third party funds deducted from employees and pay over to the institutions when due.	In house	In house	CFO	01/10/2025	30/10/2025	Zero outstanding third party payments Transfer of Payments Report	Transfer of Payments Report	100% payment of third parties within FRP parameters.		
		Employees remunerated at grade 5 while councillors and Executive Management remunerated at a grade 6 Municipal level.	Request SALGA and DCoG to clarify the appropriate grading level of the municipality by December 2025.	In house	In house	MM	01/10/2025	31/12/2025	Equitable remuneration across all levels achieved by 31 June 2026. Request letter to SALGA and DCoG	Request Letter	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.		
		Co-funding of the EPWP grant by 63% (R4.7 million) in 2023/24 and 86% (R10.25 million) in the 2024/25 financial year.	Terminate contracts of the EPWP workers paid from the municipal co-funding budget by end of October 2025.	In house	In house	MM	01/10/2025	30/10/2025	100% reduction on the co-funding of EPWP grant (R10.25m)	Expenditure Report Letters of termination	Reduced co-funding of grants to 0%		
		Irregular appointment of seven employees in the Executive Mayor's office (EPWP Support unit) on posts that are not on the organisational structure.	Contracts for EPWP workers funded through the municipal co-funding budget must be subject to a review process, with the objective of terminating them by the end of October 2025. All actions should be conducted in strict adherence to due process and relevant labour laws.	In house	In house	MM	01/10/2025	30/10/2025	Letters of termination	Letters of termination	Financial benefits to be achieved through improved human resource management efficiencies.		
4	Performance Management	Non-compliance with the performance management policy, evidenced by only 2% performance agreements for lower staff (up to level 7-6).	Undertake performance awareness work sessions emphasising the organisational requirement for quality service delivery assurance.	In house	In house	ED: Corporate Services	01/11/2025	31/12/2025	100 % compliance with PMS Report (Approved agreements, and regular Assessments)	Attendance register of awareness session Awareness session presentation	Financial benefits to be achieved through improved human resource management efficiencies		
			Conduct mandatory training sessions for all employees on performance management, including setting SMART goals, providing feedback, and conducting fair assessments	In house	In house	ED: Corporate Services	01/11/2025	31/12/2025	Training attendance register Training presentation	Training attendance register Training presentation	Financial benefits to be achieved through improved human resource management efficiencies		
5	Filling of Critical Positions	Slow turnaround times for filling posts	Conduct a root-cause analysis of the slow recruitment turnaround times by December 2025.	In house	In house	ED: Corporate Services	01/11/2025	31/12/2025	Posts filled within 6-months of being vacant and funded	Root-cause Analysis Report	Financial benefits to be achieved through improved human resource management efficiencies		
		Allegations of maladministration, which include: o Irregular appointments. o Posts not on the organisational structure being filled.	Implement immediate moratorium on all current recruitment and appointment processes except for Municipal Manager and managers accountable to the Municipal Manager	In house	In house	MM	01/10/2025	30/11/2025	100% reduction of irregular appointments	Moratorium Memo to Heads of Departments	Financial benefits to be achieved through improved human resource management efficiencies		
			Refer allegations of maladministration and irregular appointments including the appointments of the Senior Managers (SM) of Fleet and IT, the two Senior Superintendents, and any other posts filled outside the approved structure to SIU for further investigations by end of November 2025	SIU MM	In house	MM	01/10/2025	30/11/2025	Referral letter	SIU Referral Letter	Financial benefits to be achieved through improved human resource management efficiencies.		
			A formal report with findings, recommendations and remedial action plan to be tabled to council for approval and implementation.	SIU	In house	MM	1/11/2025	30/04/2026	Investigation Report	Investigation Report	Financial benefits to be achieved through improved human resource management efficiencies.		
6	Skills and competencies	Training is not technically focused on improving technical competence.	Develop the 2026/27 Workplace Skills Plan based on the outcomes of the Skills Audit.	In house	In house	ED: Corporate Services	01/10/2025	30/04/2026	100% of Training Plans aligned to Skills Audit Outcomes	2026/27 Workplace Skills Plan	Financial benefits to be achieved through improved capacity building efficiencies.		

7	Staff and Disciplinary Board	The Discipline process is prolonged with cases pending for extended periods of more than three months.	Monthly reporting to Executive Management/MM on the status of the case with interventions implemented where there are delays	In house	In house	ED: Corporate Services	01/10/2025	30/04/2026	Pending Disciplinary cases concluded in by April 2026	Disciplinary cases outcomes	Financial benefits to be achieved through improved disciplinary efficiencies.		
		Employees with criminal charges not reporting to work for almost 5 years and internal disciplinary process delayed.	Expedite the internal disciplinary process of the four identified employees.	In house	In house	ED: Corporate Services	01/10/2025	Monthly		Progress Report on Disciplinary cases concluded.	Financial benefits to be achieved through improved disciplinary efficiencies.		
			Use SALGA database of Presiding Officers and initiators in fast tracking the outstanding disciplinary cases.	In house	In house	ED: Corporate Services	01/10/2025	Monthly	Pending Disciplinary cases concluded in by April 2026	Cases presided over by Presiding Officers and Initiators sourced from SALGA database.	Financial benefits to be achieved through improved disciplinary efficiencies.		
8	Key HR Policies and Procedures	Non-compliance with approved HR policies.	Issue a directive to all departmental Heads/Acting, emphasising the importance of HR policy compliance and warning of the consequences for violations.	In house	In house	MM	01/10/2025	30/10/2025	100% compliance with HR Policies Memo issued to all Departmental Heads/Acting	Memo issued to all Departmental Heads/Acting	Financial benefits to be achieved through improved human resource management		
			All HODs/Acting receive and sign an acknowledgement of the directive, signifying their understanding and commitment to adherence		In house	MM	01/10/2025	30/10/2025	Signed acknowledgement of receipt register	Signed acknowledgement of receipt register	Financial benefits to be achieved through improved human resource management efficiencies.		
9	Labour Relations		MM to request SALGA to mediate between employer and labour unions to address the current strained relations and the non-adherence to the LLF schedule. This meeting should be a platform to acknowledge the issues and agree on a path forward by end of December 2025.	In house	In house	MM	01/10/2025	31/12/2025	LLF meeting held as per schedule Request Letter	Request Letter	Financial benefits to be achieved through improved labour relations efficiencies.		
10	HR Strategy	Inadequate implementation of the HR Strategy.	Finalise the Draft HR Plan by the end of October 2025.	In house	In house	ED: Corporate Services	01/10/2025	31/10/2025	HR Plan aligned to the HR and organisational strategy approved by November 2025.	Updated Draft HR Plan	Financial benefits to be achieved through improved human resource management		
			Present the HR Plan at LLF for consultation by November 2025.	In house	In house	ED: Corporate Services	1/11/2025	30/11/2025	LLF Minutes	LLF Minutes	Financial benefits to be achieved through improved human resource management		
			Table the final HR Plan to Council for approval by December 2025	In house	In house	ED: Corporate Services	1/12/2025	31/12/2025	Council Resolution Approved Hr Plan	Council Resolution Approved Hr Plan	Financial benefits to be achieved through improved human resource management		
11	Physical Verification of staff and Qualifications	Staff verification is not conducted.	Conduct staff verification against the payroll to identify potential ghost employees.	In house	In house	CFO	01/10/2025	31/12/2025	Zero ghost workers on the payroll by 30 April 2026	Staff Verification Report	Financial benefits to be achieved through improved operational efficiencies.		
12	Occupational Health and Safety	Workers are working in workshops, plant and offices which are non compliant with the OHSA.	Conduct an assessment of buildings OHS Compliance by end of March 2026.	In house	In house	ED: Corporate Services & CRO	1/10/2025	31/03/2026	100% Compliance with OHS regulations by the end of the end of the 2026/27 financial year	Buildings Assessment Report	Financial benefits to be achieved through improved internal controls efficiencies.		
		Lack of PPE for employees.	Prioritise the procurement of PPE for areas that have direct health impact on employees (e.g. water, sanitation, electricity and waste management).	In house	In house	CFO	01/10/2025	31/12/2025	PPE for high impact functions procured by December 2025	PPE Procurement Report and Delivery notes	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.		
		Lack of training for the proper use and maintenance of PPE.	Conduct training on proper use and maintenance of PPEs.	In house	In house	ED: Corporate Services	1/10/2025	31/12/2025	Attendance Registers of the training	Attendance Registers of the training	Per the FRP parameters. See assumptions table, cost containment strategies, revenue		
		Non-compliant with COIDA in relation to levy payment	Management to ring-fence budget to comply with COIDA levy payments.	In house	In house	CFO	01/10/2025	31/11/2025	100% compliance with COIDA by end of November 2025	Budget Allocation and Expenditure Report	Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.		
13	Records Management	Poor records management and non-compliance with the Records management policy	Request an assistance and support from the Provincial Archives Services for the implementation of a basic, manual records management protocols.	Provincial Archives	In house	MM	01/10/2025	31/11/2025	Request Letter to provincial Archives	Request Letter to provincial Archives	Financial benefits to be achieved through improved operational efficiencies.		
			Appoint Records Management champions in each department to implement records managements procedures in line with the approved Policy by December 2025.	In house	In house	ED: Corporate Services	01/10/2025	31/12/2025	Appointment Letters to RM champions	Appointment Letters to RM champions	Financial benefits to be achieved through improved operational efficiencies.		
			Records Management unit to conduct an assessment of records management practices in departments by end of December 2025.	In house	In house	ED: Corporate Services	01/10/2025	31/12/2025	Departmental Records Management Assessment Activity Report	Departmental Records Management Assessment Activity Report	Financial benefits to be achieved through improved operational efficiencies.		

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NO	FOCUS AREA
PILLAR 3: FINANCIAL MANAGEMENT	
1	Funded Budget and Budget Spending Limits
2	Revenue Management: Billing

3	Indigent Management:
4	Debtors Management

5	Cost-reflective Tariffs
6	Cost Containment

7	Creditor Management and Debt restructuring
8	Cashflow Management
9	Conditional Grants

10	Supply Chain Management Compliance and Value for Money Procurement:
11	Financial Control

12	mSCOA
PILLAR 4: SERVICE DELIVERY	
1	Planning Protocols and Frameworks - Strategic Asset Management
2	Infrastructure efficiency - repairs and maintenance
3	Infrastructure resilience - Water Services

4	Sanitation Services
5	Infrastructure Resilience - Electricity Services

6	Waste Management
7	Roads & Stormwater
8	Traffic Management

9	Fire Services
10	Local Economic Development
11	Fleet Management
12	Capital Projects
PILLAR 1: GOVERNANCE	
1	Governance Model (Council and Oversight Structures/

	Committees
2	Risk Management

3	Contract Management

4	Systems of Delegation

5	ICT Strategy and Governance

6	UIF&W
7	Audit Action Plan

8	Internal Audit
9	Powers and Functions
10	Litigation and Contingent Liabilities

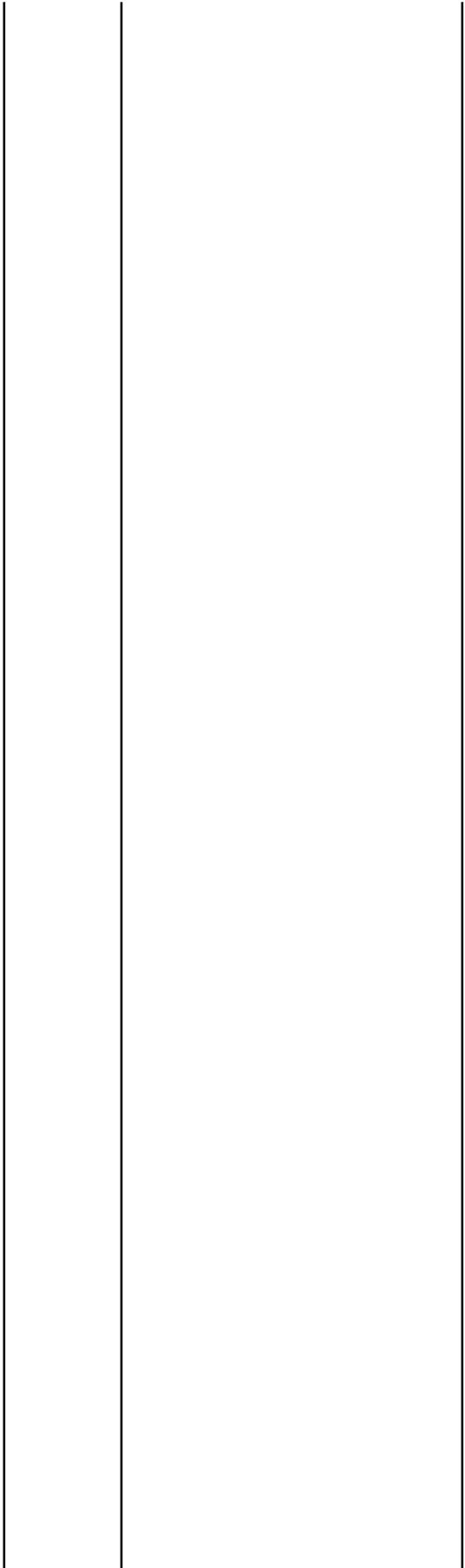
11	Immovable Property

PILLAR 2: INSTITUTIONAL	
1	Operating Model

2

Organisational Structure

3	Employee Costs
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4	Performance Management

5	Filling of critical posts

6	Skills and competencies

7	Staff Discipline and Disciplinary Board
8	Key HR Policies and Procedures
9	Labour Relations

10	HR Strategy
11	Verification of Staff and Qualifi
11	Occupational Health and Safety
12	Occupational Health and Safety

13	Records Management
14	Change Management

Matjhabeng Local Municipality FRP Implementation Plan

KEY ASSESSMENT FINDING (BASELINE)

Unfunded budget, however, a budget funding plan was developed, but not implemented.

The adjusted budget for 2024/25 reflected a surplus of R171 million, however the pre-audit 2024/25 actual performance reflects a deficit of R282 million.

Budget surplus

2022/23: R 7.6 million

2023/24: R321 million

Audited actual deficits

2022/23: (R1.08 billion)

2023/24: (R273.7 million)

The Budget Steering Committee only meets during budget preparation and not for monitoring as a result of officials not being available to sit in at meetings.

Budget funding committee no longer sitting, as required.

The Municipality underbudget on non-cash items like debt impairment to submit a funded budget for NT compliance.

The unfunded budget contributes to the financial challenge - leads to the inability of the Municipality to provide quality services and a deterioration in service delivery.

Lack of integration/ alignment between departments

Billing is based mostly on estimates (78 840 meters estimated monthly) as meter reading is not taking place.

There are large areas not billed as a result of disruptions in no go areas, bypassed or damaged meters or meters not having been installed.

MLM has 658 large power user customers of which 397 Large power users Accounts are being estimated and only 261 is billed accurately.

There is a property zoning challenge that results in underbilling of property rates as a result of residential properties being converted into student accommodations or businesses without following proper rezoning processes.

There is an approved 2024/25 indigent policy with the following grants:

Water: 6 kilolitres pm.

Electricity: 50 kWh pm.

Sewer: 100%.

Refuse: 100%.

As of 30 May 2025, there were approximately 18 000 registered Indigents.

Unemployment in MLM is high which contributes to the large number of indigent households.

Annual reconciliation of approved indigents and billing system is not performed adequately which results in indigents no longer qualifying receiving grants.

Not restricting water and electricity grants to policy limits. Due to unmetered properties, the unqualifying households are getting the benefit and qualifying households are not restricted.

Indigents owed MLM R895 million at June 2025.

Collection rates are below the norm, and it should be noted that these rates are only on the supply of services after distribution losses of water (57%) and electricity (28%), which means for each R1 spent on bulk water, only 43 cents can be billed and only 42.3% on average are collected (18.19 cents) which is unsustainable.

Collection rates:

2023/24: 42.3%

Tariffs are not cost reflective.

Lack of profitability analysis for each revenue stream and setting tariffs that do not at least consider break-even point.

Operational inefficiencies and practices that increase the cost of delivery.
Outdated and ageing infrastructure leading to higher operational costs.

Historic practice of not increasing tariffs followed by incremental increases below CPI due to affordability constraints with a “catch up” gap that is too big.

Regulatory constraints on the annual increases.

Tariffs are not forecasted and aligned with the rate of growth of tariffs forecasted by ESKOM and Vaal Central Water.

Lack of accurate data on consumption patterns due to the high number of unmetered areas and no-go areas.

The Municipality has undertaken underfunded mandates which requires further analysis to determine the cost implications for the Municipality i.e. fire services.

Inability to charge more due to inconsistent service delivery.

Cross subsidisation model for non-revenue generating departments is

The cash/ cost coverage is substantially below the norm of 1-3 months, reiterating the need for stringent cost containment measures to be developed and implemented.

Despite monitoring and regular meetings being held by the committee, MLM is failing to comply with the budget funding plan.

There is no evidence of integrated planning and communication regarding expenditure management and budget prioritization.

Cost containment targets not included in performance contracts resulting in lack of accountability and clear roles and responsibilities.

Areas for reduction include: professional services; legal services, security services and communication.

<p>Creditors not paid on time.</p> <p>Non-adherence to payment plans resulting in ongoing litigation by creditors and disputes over unpaid accounts.</p> <p>Creditors as 30 May 2025 (Unaudited) were R15 billion of which Eskom was R 6.7 billion (45%) and Vaal Central Water: R 7.9 billion (53%). An increase of 12.8% from the R13.3 billion in June 2024.</p> <p>Ongoing arbitration process concerning Vaal Central. The Vaal Central balance includes R1.8 billion in interest (retrospectively charged from March 2024).The municipality is not recognising this interest as MLM are of the position that the interest should not be charged in accordance with a court order that has not been rescinded.</p> <p>Interest for late payments is significant. The AG noted an increase in UIF&W expenditure, especially on interest accrued on overdue creditors accounts.</p>
<p>Inadequate cash flow management.</p> <p>The cash/ cost coverage is substantially below the norm of 1 – 3 months.</p> <p>MLM is unable to derive adequate revenue from the services to cover the amounts owed to Eskom and Vaal Central Water respectively.</p> <p>MLM experienced garnishes in the current financial year which resulted in money from the Free State Provincial Department of Human Settlements grant being used to settle outstanding suppliers' debt.</p>
<p>Unspent conditional grants are not cash backed.</p> <p>Underspending on Human Settlements is the main contributor to unspent grants. Duplication (Overlap between MIG Grant and Human Settlement Grant) and therefore inability to spend according to conditions (Human</p>

Settlement Grant).

Ring fenced investment bank account was attached and therefore no longer cash backed.

Procurement is made outside of the SCM regulations, especially on legal services.

Stores were left neglected, which led to vandalism. The Municipality no longer runs stores for inventory that is required on a daily basis.

Committee members not available for Bid Committee meetings.

Lack of alignment and communication between departments and procurement plans, especially with regards to cost containment and prioritisation.

Irregular expenditure reported by the Auditor General that was incurred in the 2023/24 financial year related to travel agency fees, communication services, printing services, tracing agents and debt collection, hiring of fleet and refurbishment of Thabong WWTW and PSE system at Theronia WWTW.

Qualified audit opinions during the last 3 financial years. With repeat audit findings in relation to: Expenditure Management., Procurement and Contract Management, Asset Management, Revenue Management.

No asset management system (including fleet management). Of concern are lack of controls to address asset vandalism, theft, misuse and maintenance.

Process, system and data gaps (i.e. un-metered properties and/ or damaged meters) leading to inconsistent and unreliable data to inform reporting and decision making.

MLM is insolvent as the total liabilities exceed its total assets by R4 705 600 077 (2023: R4 041 810 978).

mSCOA committee is in place but not functioning.

Non-effective Steering Committee.

Budget constraints.

ERP system not fully integrated. Systemic challenges in this environment that need to be reviewed (seamless integration).

The municipality makes use of the BCX - SOLAR system.

The following modules are not implemented: asset lifecycle management, budget and planning customer care, Land use and building control, valuation management real estate and resource management, project accounting and corporate governance.

The Master Plans / CMIP, Asset Management Plans, and Operations and Maintenance Plans for all services are either non-existent or outdated

Low levels of investments in repairs and maintenance lead to relatively high rates of infrastructure failures due to aging and aged infrastructure. Municipality only spending 0,1% of PPE asset value against the norm of 8%

Water distribution losses were 45% (R240 million) and 57% (R418 million) in the respective financial years of 2022/23 and 2023/24

Municipality is not levying industrial effluent tariff to its customers
Sanitation infrastructure is in a dilapidated state characterised by sewer overflows and illegal discharges
Electricity distribution losses were 24% in 2022/23 FY and 28% in 2023/24 FY

Inability to correctly measure refuse going to the landfill site
Landfills not compliant with waste management regulations
Implement waste minimisation and diversion project to extend the life of the landfills
Develop new landfill sites
Poor state of roads infrastructure, characterized by high number of potholes
Stormwater systems experience frequent blockages due to silting and vegetation growth on channels.
There is currently minimal focus to generate revenue from parking activities
Speed cameras and alcohol breath analysers not calibrated
Most roads lack or has faded road markings, which hinders the levying of penalties for road infringements
Traffic lights not working in some areas
The utilization of the training college which is accredited and can offer up to 106 learners per academic year can be improved

Bylaw enforcement is insufficient
Municipality is not compliant with prescribed minimum standards for fire protection services coverage. 1 out of 5 Fire Stations is operational
LED strategy was developed in 2019. Requires updating
Facilities vandalized and cannot be used by SMMEs
Municipal policies and Bylaws aimed at facilitating economic development and promoting township economy are not effective
Improve local economy, which has stagnated by implementing catalytic projects
High fuel usage
Low fleet availability
Municipality has failed to spend 100% of the allocated grants. The Municipality has failed to obtain approvals for grant rollover applications
The Council, Mayoral Committee, and Section 79/80 Committees are in place and are functional.

<p>Lack of effective implementation of Council Resolutions and other Section 79/80 Committees.</p>
<p>25 Councillors are in arrears with their consumer accounts for more than 90 days to the amount of R 600 000 as at 13 June 2025.</p>
<p>907 Officials are in arrears with their consumer accounts for more than 90 days to the amount of R 19.8 million as at 13 June 2025.</p>
<p>5 persons were appointed to serve on the Financial Disciplinary Board on 02 June 2023. The Board is not functional because it has never sat, due to reservations on its composition.</p>
<p>Some of the declaration of interest forms of staff members have not been fully completed, nor are they properly signed off.</p>
<p>Council has approved the 2025/26 Risk Management Policy and Strategy, Fraud Prevention Policy and Fraud Response Plan, Anti-Fraud and Anti-Corruption Strategy, and the Whistle Blowing Policy on 4 June 2025.</p>
<p>The 2024/25 third quarter status report on the Strategic Register shows that</p>

The Disaster Recovery and BCP Plan was developed, and to be presented to

The municipality does not have an updated contract management register. There is a lack of congruence between tender specifications and legal briefs in drafting contracts, and tender specifications often differ from the scope of work contained in the final contract.

Money spent on projects to the value of R144 million were halted/incomplete in 2023/24 financial year due to budget constraints; the majority of these projects were already stopped in 2022/23 (R126 million) for the same reason.

Performance and monitoring measures and methods applied in monitoring t

The municipality does not report on the management of contracts as require

Lack of technological aids and systemic factors such as outdated and inadeq

Ntiyiso is currently occupying Council Offices without paying rental since inc

The municipality has a system of delegations that was reviewed in 2023 and approved by the Council on 7 August 2023. The delegations have provided role clarification.

The Municipal Manager has delegated powers to the CFO to the exclusion of other Executive Directors.

The Council has directly delegated functions to a Building Control Officer.

The municipality does not have a Delegations Register with sub-delegations to departmental heads.

The municipality has a draft ICT Disaster Recovery and Business Continuity Plan.

The following modules are not implemented within MLM's ERP system:
Asset lifecycle management.
Budget and planning.
Customer care.

There is a customer care centre only operational during office hours after hours calls gets dispatched through the Emergency Service. There is a need to establish a call centre.

Aged Servers open municipality for cyber attacks.
<p>Unauthorised expenditure: 2023/24 FY; R1,05 billion due to overspending on budget. Continues to be incurred.</p> <p>Fruitless and wasteful expenditure: 2023/24 FY R239.02 million due to interest and penalties on late payments and overdue accounts. Continues to be incurred.</p>
<p>Irregular expenditure: 2023/24 FY; R123,76 million due to non-compliance with Supply Chain Management Regulations. (Municipality disclosed R61.1 million and R62.6 was discovered during audit).</p> <p>Cumulative figures per category:</p> <p>Unauthorised: R2.5 billion</p> <p>Fruitless and Wasteful: R239 million</p> <p>Irregular Expenditure: R2 billion</p>
<p>The municipality has failed to improve its qualified audit opinion for the past five years with the financial deficit accumulating R4.7 billion in 2023/24 financial years.</p>
<p>The Post Audit Action Plan for 2023/24 status report as at June 2025 shows that out of the 103 audit action plan items, 2 have not yet been started; 21 are in progress; 22 are to be completed at year end; 53 have been completed; and there are disagreements with AGSA on 5</p>

There are no concluded or pending forensic investigations.

There is a pending investigation by the SIU against one of the Big 6 Companies, details of which have not been provided.

The municipality performed functions that are unfunded and under-funded in the 2023/24 financial year as follows:
Fire Services – underfunded by R41.2 million.
Pauper burials – unfunded by R 331 428.74.
Housing – unfunded by R 20.9 million.
Traffic Academy – underfunding or lack of funding could not be determined.

The municipality is defending/ alternatively opposing all matters.
There are currently 153 active matters in litigation.

The biggest claims by creditors are those by Eskom in the amount of more than R1 billion.

The municipality does not have a panel of attorneys to handle litigation. Ma
The bulk of claims against the municipality emanate from service providers
There is a list of attorneys who are entrusted with assisting the municipality
<p>The legal fees paid by the municipality to service providers in respect of legal services during the:</p> <ul style="list-style-type: none"> o 2022/23 financial year were R 15.2 million. o 2023/24 financial year were R 21.07 million. o R26.6 million in the 2024/25 financial year.
No proper and updated litigation register is kept. It is unclear whether matt
The Head of Legal is not performing duties and therefore a vacuum exists within legal services
Expenditure on legal fees for the 2023/24 and 2024/25 financial years were overspent by R2.5 million and R3.1 million, a cumulative over-expenditure of R5.6 million.

Over 70 court default judgements against the municipality resulted in loss of funds, incurring fruitless and wasteful expenditure.

The total contingent liability for 2024 amounted to R1.5 billion (125 number of litigations), for 2025 it amounted to R2.3 billion (116 number of litigations).

The municipality has a Land Disposal Policy dated August 2015 and a procedure dated September 2016.

The report on the list of facilities owned by the municipality shows that all lease agreements for Sports Complexes have expired as far back as 2008. There are facilities that have been taken over by businesses and are being sub-let for unknown amounts while the monthly payment to the municipality is R196.58 which is below the norm.

Some rentals of clubhouses are as low as R145 per annum. Information on other immovable property was not up to date and lack of an up-to-date immovable property register, which is currently undergoing verification.

The municipal residential property rentals register shows that monthly rents

The residential property register does not have complete and up-to-date record information such as status of rental payments, information on arrear amounts and state of maintenance.

The municipality is only collecting rental payments from municipal employees. 28 properties are illegally occupied, which means the municipality is not collecting revenue from them.

The infrastructure used in the municipal rental stock is not energy efficient

Bypassed meters

Township not formalised which makes it difficult for the municipality to levy a consumer for the consumption of municipal services

An operating model has not been reviewed during the review of the organisational structure as required by the approved Staff Establishment Policy and Procedure.

Centralises Operating Model

Prolonged periods of not reviewing the organisational structure in line with changing strategy and legislation.

Reviewed organisational Structure is not affordable costed at R1.65 billion compared to the current structure costed at R1.41 billion.

Migration of evaluated jobs to the TASK system has not been initiated yet.

High employee costs (above 40%) against the operational budget.
(Overtime management)

High employee costs (above 40%) against the operational budget (Acting allowances and leave)

Third-party payments not paid on time. There are outstanding payments for April (R10 million) and May (R9.8 million) 2025 to pension funds.

Employees remunerated at grade 5 while councillors and Executive Management remunerated at a grade 6 Municipal level.

Co-funding of the EPWP grant by 63% (R4.7 million) in 2023/24 and 86% (R10.25 million) in the 2024/25 financial year.
Late annual (2023/24) and mid-year (2024/25) assessment of performance for Executive Directors and no performance assessments for the MM.
Non-compliance with the performance management policy, evidenced by only 2% submission rate of performance agreements for lower staff(up to level 7-6)

<p>Only 65 per cent of set key performance indicators were achieved, with the highest non-achievement in Public Participation (77 per cent) and Engineering Services (64 per cent).</p>
<p>High level of vacancies above the acceptable norm of 10%, with the highest vacancies in Infrastructure Management (66%) and Human Settlement (61%).</p>
<p>Slow turnaround times for filling posts. Non-filling of posts</p>

<p>Incumbents appointed outside the approved organisational structure without following municipal prescribed processes (SM: Fleet and IT, 2 Posts of Senior Superintendent: Investigations & Specialised Services)</p> <p>Allegations of maladministration, which include: irregular appointments. posts not on the organisational structure being filled.</p>
<p>Employees act in positions for more than three years without being recognised for promotion.</p>
<p>New employees are appointed and those acting in the positions are expected to train them.</p>
<p>Low participation by staff in the Skills Audits conducted.</p>
<p>Inadequate monitoring and implementation of Internal Bursary Policy.</p>

Skills and competencies not in line with Municipal needs and minimum competency requirements for Managers

The discipline process is prolonged with cases pending for extended periods

Policy Manual not reviewed annually as per policy

Lack of a Retention Strategy and Policy

Non-adherence to LLF meetings schedule and quorums are not being formed.

There are strained labour relations between the employer and labour unions in the Municipality.

Inadequate implementation of the HR Strategy.

Staff verification is not conducted

Qualifications verification not conducted for all posts during the recruitment

Lack of training for the proper use and maintenance of PPE.

Workers are working in workshops, plant and offices which are non-compliant

No frequent/ regular medical check-ups.

No appointed health and safety representatives and health and safety committees in place.

File Plan has not been reviewed over many years and staff could not confirm the exact date when File Plan was last reviewed

The reviewed 2024/25 Records Management Policy has not yet been approved, since its 2010 approval

Poor records management and non-compliance with the Records management policy.

No Change Management Strategy in place.

KEY ACTIVITIES	RESOURCES REQUIRED	RESOURCES MOBILISED	RESPONSIBLE
100% reduction in unauthorised expenditure.	In house	In house	CFO
Implement the adjusted budget, linked to the FRP parameters and budget spending limits, to reduce the operating deficit.	In house	In house	CFO
Implement the budget funding plan.	In house	In house	CFO
Preparation and approval of the 2027/28 MTREF in full alignment with the FRP.	In house	In house	CFO
Source and update contact details for all consumer accounts and issue bills, with all relevant information (i.e. amounts due and banking details for payment) digitally to <u>save on the cost of physical bills.</u>	In house	In house	CFO
Create smart metering implementation plan for budgeted and funded meters (available meters) and budget for procurement of additional meters to resolve 15 100 problematic water meters identified.	In house	In house	CFO

Prioritise smart meter implementation based on cost-benefit analysis where data is available (i.e. addressing indigent customers with high debtor balances as a result of consuming in excess of approved policies).	In house	In house	CFO
Implement smart meters to restrict consumption of indigent qualifying households in line with the approved policy.	In-house	In-house	CFO
Implement indigent management system and carry out regular profiling of indigents to confirm that beneficiaries qualify for free basic services received.	In-house	In-house	CFO
Assess feasibility of re-instating cashiers office and consider alternative engagement platforms as a point of contact for queries and payments.	In house	In house	CFO
Perform ongoing data cleansing, profiling and segmentation of all debtors according those that can and cannot pay and implement credit control according to the category.	In house	In house	CFO

Monitor performance and carry out annual cost of supply study for all trading services. Implement an affordability assessment and introduce cost reflective tariffs. If not affordable, phase in the increase over the next 3 years by a maximum of CPI plus 5%.

In house
Training on National Treasury Tool from Provincial Treasury

In house

CFO

Carry out an assessment of payments to contractors against progress to date and approved SCM budgets and identify contractors that have been paid in excess of tender awarded values or in excess of progress made to date. Investigate overpayments and take corrective action where required except where a variation order or extension is approved in accordance with SCM policy.

In house

In house

CFO

40% reduction in non-core expenditure relating to: Use of consultants and professional services (including legal services and security), vehicles used for political office-bearers, travel and subsistence, domestic accommodation, sponsorships, events and catering, communication, conferences, meetings and study tours and any other related expenditure items.

In house

In house

CFO

Include cost containment targets in performance contracts.	In house	In house	Director: Corporate Services
Implement consequence management enforcement on non-adherence to the cost containment policy.	In house	In house	Director: Corporate Services
Factor repayments into the cash flow forecast to reduce long outstanding amounts owing.	In house	In house	CFO
Pay the lesser of the monthly expenditure incurred and the monthly amount collected for electricity and water services on a monthly basis to Eskom and Vaal Central Water respectively to curb any increases in the balance outstanding.	In house	In house	CFO
Implement an Eskom Debt Relief Compliance Matrix and reinstate compliance with the Eskom Debt Relief Program.	In house	In house	CFO
Improve cash flow by enhancing debtor management and reducing creditor balances to achieve 2 months cash in the bank.	In house	In house	CFO
Implement a system of expenditure control where no expenditure/ order is authorised unless it is provided for in the cash flow management system.	In house	In house	CFO
CFO to report on weekly basis to Management on cashflow projections.	In house	In house	CFO
100% spent on the grant.	In house	In house	CFO
Re-instate cash reserves to ensure that unspent conditional grant are cash backed.	In house	In house	CFO

No new overspending nor counterfunding on operational grants.	In house	In house	CFO
Demand Management, test market values before any tender is advertised. Develop own pricelist and analyse yearly to ensure value for money procurement.	In house	In house	CFO
Institutionalise the processes of the procurement processes and training on SCM Policy and SOP's.	In house	In house	CFO
Interest and penalties (Fruitless and wasteful) expenditure be reduced by 40%.	In house	In house	CFO
100% alignment to procurement that is linked to the cashflow.	In house	In house	CFO
Develop and implement a centralised, controlled inventory management system to replace neglected stores. This system will include secure storage facilities, access controls and regular stock monitoring to ensure that frequently required materials are available and safeguarded against vandalism or misuse.	In house	In house	COO
Consider the implementation of an asset management system to address management and control findings in relation to asset management.	In house	In house	CFO
Implementation of FRP to restore financial sustainability, improve governance and ensure service delivery to improve solvency of the Municipality over the stabilization and sustainability phase.	In house	In house	CFO
Prepare, review and finalise the audit pack by end of July of the next financial year for submission to AG.	In house	In house	CFO

Carry out a cost benefit analysis on required modules and prioritize implementation in line with budget availability. Prioritise the implementation of the budget and planning module within the financial system.	In house	In house	CFO
Approve the Draft Water & Sanitation Masterplan, Draft Electricity Masterplan and Draft Waste Management Masterplan	In-house	In-house	ED: Infrastructure & Community Services
Develop the Electricity Demand Side Management Plan	In-house	In-house	ED: Infrastructure
Develop a Roads & Stormwater Masterplan	In-house	In-house	ED: Infrastructure
Develop an Asset Management Plans for Water & Sanitation, Roads and Stormwater, Electricity Services and Waste Management Services	In-house	In-house	ED: Infrastructure
Develop an O & M Plan Water & Sanitation, Roads and Stormwater, Electricity Services and Waste Management Services	In-house	In-house	ED: Infrastructure
Allocate adequate budget (min of 8% of the carrying value of PPE) for repairs & maintenance. Increase by at least 100% of the previous financial year's allocation	In-house	In-house	CFO
Implement identified repairs & maintenance projects based on approved O & M Plans for water services, roads & stormwater, electricity services, waste management services; facilities management and municipal rental stock	In-house	In-house	ED: Infrastructure
Install check meters	In-house	In-house	ED: Infrastructure
Compare billing information with consumption readings taken from the check meters	In-house	In-house	ED: Infrastructure
Maintain optimum operating pressure	In-house	In-house	ED: Infrastructure
Maintain reduced minimum night flows	In-house	In-house	ED: Infrastructure

Use 8% MIG top slice to implement O&M plan	In-house	In-house	ED: Infrastructure
Install another 15,000 meters (reduce the backlog of the 63,000 unmetered properties)	In-house	In-house	ED: Infrastructure
Determine the number & frequency of leaks and pipe bursts per discreet zone	In-house	In-house	ED: Infrastructure
Conduct Top Consumer Audit	In-house	In-house	ED: Infrastructure
Undertake a study to determine consumption patterns of indigents	In-house	In-house	ED: Infrastructure
Implement industrial effluent tariff	In-house	In-house	ED: Infrastructure
Implement provisions of industrial effluent contained in the Water Services Bylaw	In-house	In-house	ED: Infrastructure
Completion of the Ministerial Directive projects on pump stations, sewer networks and WWTW rehabilitation as per the approved project implementation plan	In-house	In-house	ED: Infrastructure
Conduct consumption baseline assessments of council owned infrastructure including traffic lights, street lights, WWTW and water & sewer pump stations	In-house	In-house	ED: Infrastructure
Use 8% MIG top slice to implement O&M plan	In-house	In-house	ED: Infrastructure
Install check meters at Eskom off take points	In-house	In-house	ED: Infrastructure
Compare billing information with consumption readings taken from check meters	In-house	In-house	ED: Infrastructure
Apply to National Treasury to fund meter replacement programmes	In-house	In-house	ED: Infrastructure
Undertake consumer audit to establish completeness of customer database in the billing information	In-house	In-house	ED: Infrastructure
Undertake meter audit of all consumers	In-house	In-house	ED: Infrastructure
Implement load management (e.g. rehabilitate and operationalize remote geyser and streetlight control)	In-house	In-house	ED: Infrastructure
Undertake audit of top consumers to enable comparison to be made on manufacturing/business processes with electricity consumption	In-house	In-house	ED: Infrastructure
Metering 5,000 unmetered properties	In-house	In-house	ED: Infrastructure

Replace old, dysfunctional / malfunctioning meters for commercial and industrial customers	In-house	In-house	ED: Infrastructure
Install new and service / rehabilitate & maintain existing weighbridges	In-house	In-house	ED: Community Services
Fence Henneman and Allanridge landfills and implement appropriate security measures	In-house	In-house	ED: Community Services
Manage all the landfills as per license conditions and applicable waste management regulations	In-house	In-house	ED: Community Services
Implement 2 more waste minimisation and waste diversion programmes	In-house	In-house	ED: Community Services
Introduce 2 x Buy Back Centres	In-house	In-house	ED: Community Services
Develop the new landfills	In-house	In-house	ED: Community Services
Fix 15,800 square metres potholes in strategic and high accident prone areas based on the outcome of the condition assessment from the Rural Roads Asset Management System	In-house	In-house	ED: Infrastructure
Service and maintain 5,5km of stormwater systems	In-house	In-house	ED: Infrastructure
Install parking meter systems in Welkom, Virginia and Odendaalsrus	In-house	In-house	ED: Community Services
Calibrate the 3 x Pro Laser speed cameras and alcohol breath analysers	External	In-house	ED: Community Services
Calibrate the 1 x Draeger alcohol breath analyser	External	In-house	ED: Community Services
Mark roads without or faded road markings in Welkom, Virginia, Odendaalsrus, Ventersburg, Henneman and Allanridge	In-house	In-house	ED: Community Services
Mark roads without any road markings in Welkom, Virginia, Odendaalsrus, Ventersburg, Henneman and Allanridge	In-house	In-house	ED: Community Services
Maintain traffic lights	In-house	In-house	ED: Infrastructure
Market the training college	In-house	In-house	ED: Community Services

Traffic Department to enforce traffic management policies and legislation	In-house	In-house	ED: Community Services
Levy R15 levy tariff per household per month on rates & taxes, ring fence it, and use it for purposes of revitalising fire services	In-house	In-house	CFO
Review and approve LED Strategy	In-house	In-house	ED: LED
Rehabilitate vandalized facilities	In-house	In-house	ED: LED
Municipality to secure the R17m required for the SEZ implementation process	External	In-house	ED: LED
Construction of Auction and Impound Facility – collaborate with Harmony who is offering R2,5million towards the construction of this facility	External	In-house	ED: LED
Development of closed mines into tourism products and museums – convert appropriate shafts into tourism destination	External	In-house	ED: LED
Develop Business Centre and establish businesses - conversion of Du Plessis Street and Nkoane Road into business streets - rezoning of land	In-house	In-house	ED: LED
Leasing of property to Lejwe Le Putswa Development Agency (LDA)	In-house	In-house	ED: LED
Signing of SLA with Lejwe Le Putswa Development Agency (LDA)	In-house	In-house	ED: LED
Implement a comprehensive fleet management solution	In-house	In-house	CFO
Improve capacity at the mechanical workshops - undertake a study to determine resources required for optimum capacity at the mechanical workshops	In-house	In-house	CFO
Re-establish 2 more mechanical workshops that were non-functional & resource them appropriately	In-house	In-house	CFO
Municipality must spend 100% of allocated grants	In-house	In-house	CFO
Monthly performance evaluation of service providers responsible for execution of grant funded projects	In-house	In-house	CFO
Include implementation of Council resolutions in performance agreements of Senior Managers and	In-house	In-house	MM

monitor execution of the council resolutions.			
Recover 100 per cent of the R 600 000 owed by councillors by the end of the Council term. Claim any outstanding amounts from pension fund of Councillors owing before any payments are done to Councillors.	In-house	In-house	CFO
Recover 100 per cent of R 19,8 million owed by staff through payroll deductions/payment arrangements.	In-house	In-house	CFO
Refer all relevant financial misconduct matters to DB as and when it is identified.	In-house	In-house	MM
Warrant the annual completion and sign off of declaration	In-house	In-house	CAE
Council must ensure that the Fraud Prevention Policy and Fraud Response Plan, Anti-Fraud and Anti-Corruption Strategy, and the Whistle Blowing Policy is implemented. Aspects relating to risk management must be included as KPI's in the Performance Agreements of Management.	In house	In house	CRO
Include monitoring and evaluating of risk management as KPI's in the Performance Agreements of Management.	In-house	In-house	CRO

Undertake the approval by Council of the Disaster Recovery	In-house	In-house	CRO
<p>Warrant continuous legal compliance and internal control mechanisms.</p> <p>Conduct regular meetings of contracts management committee to ensure that there is effective communication between departments pertaining to contracts management.</p>	In-house	In-house	Senior Manager: Legal Services
<p>User Departments must undertake to allocate experienced and qualified project managers to manage the implementation of projects.</p>	In-house	In-house	ED: Infrastructure Services
<p>Put in place an approved Performance Management Framework which includes contract management.</p>	In-house	In-house	ED: Shared Services
<p>Conduct regular audits and reviews of contract management activities, identify potential risks and implement corrective actions.</p>	In-house	In-house	ED: Shared Services

Utilise ICT tools and Systems to ensure contracts management	In-house	In-house	Senior Manager: IT
Council must bill Ntiyiso market related rental for the space	In-house	In-house	CFO
Maintain a register of the implementation of the Systems of Delegations.	In-house	In-house	MM
MM must monitor sub-delegated powers and functions to heads of directorates and ensure they operate within the sub-delegated powers	In-house	In-house	MM
Warrant that the system of delegations follows a hierarchical line to ensure a clear chain of command and accountability	In-house	In-house	MM

Develop and implement a comprehensive delegation register	In-house	In-house	MM
Identify and budget for an off-site recovery facility	In house	In house	Senior Manager: IT
	In house	In house	Senior Manager: IT
Establish MLM Policy Management Committee to take stock of and monitor institutional policy development	In house	In house	Senior Manager: IT
Make provision for a budget and establish an off-site ICT recovery facility.			
Establish an Enterprise Resource Planning system to provide for automated business processes.	In house	In house	Senior Manager: IT

Provide a budget to establish a call centre and commence call centre operations	In-house	In-house	Senior Manager: IT
Regular assessment of security vulnerabilities that the municipalities may be exposed to.	In-house	In-house	Senior Manager: IT
The municipality must implement a multi-pronged approach that includes training of officials, tightening of the control environment and implementation of consequence management.	In-house	In-house	MM
Section 32 investigations must be conducted to address UIF&W as and when it is identified. Consequence management must be implemented if any individuals are found liable	In-house	SIU	MM
Continuous Implementation of post audit action plans to prevent qualified audit opinions for the 2026/2027 and outer financial years.	In-house	In-house	CAE
Performance agreements of senior managers must include audit action plan implementation to ensure consequence management for slow or non-implementation of post audit action plans.	In-house	In-house	MM

Investigations by an external independent body on allegations of fraud and corruption must be conducted.	In-house	SIU	Senior Manager: Internal Audit
Quartely reports to Council on the implementation of the internal audit plan	In-house	In-house	Senior Manager: Internal Audit
The municipality must monitor all cost-benefit analyses on	In-house	In-house	CFO
Engage the Department of Transport with the support from	In-house	CoGTA	ED: Community Services
Assess which matters should be defended and the cost to the municipality on default judgements.	In-house	In-house	Senior Maner: Legal Services
Prioritise the monthly Payment of ESKOM and Vaal Central Water.	In-house	In-house	CFO

Open tender process for appointment of a panel of attorneys must be conducted every three years.	In-house	In-house	Senior Manager: Legal Services
Avoid non-payment of service providers as this leads to Mora Interest which is Fruitless and Wasteful Expenditure.	In-house	In-house	CFO
Undertake continued compliance to Supply Chain Management Regulations and Policy	In-house	In-house	Senior Manger: Legal Services
Draft a legal services framework agreement that defines the scope of work, establish pricing and applicable discounts and defines the metrics to evaluate performance of attorneys.	In-house	In-house	Senior Manager: Legal Services
Undertake the management of litigation related risks to make informed decisions about litigation strategy and allocation of resources.	In-house	In-house	Senior Manger: Legal Services
Undertake stabilization of the legal services unit to minimize litigation risks against the municipality	In-house	In-house	MM
Monitor that the expenditure on legal fees is effectively managed and overspending is prevented.	In-house	In-house	Senior Manager: Legal Services

Review and rectify the court default judgements against the municipality to minimise further financial losses.	In-house	Legal Counsel	Senior Manager: Legal Services
Develop a comprehensive plan to manage as well as reduce the contingent liability associated with ongoing litigations	In-house	Legal Counsel	Senior Manager: Legal Services
Conduct a thorough immovable property audit to identify underutilized and vacant land to enable disposal or repurposing for more effective use.	In-house	In-house	ED: Shared Services
Establishment of a dedicated property management unit to effectively manage immovable property and oversee property maintenance, repairs and renovations and to manage sales, leases and rentals.	In-house	In-house	ED: shared Services
Explore Public-Private Partnerships to develop and manage immovable properties.	In-house	In-house	ED:Shared Services
Development of a rental adjustment formula to determine rental adjustments taking into account market rates, inflation and other relevant factors	In-house	In-house	ED: Shared Services

Implement property management systems to streamline pr	In-house	In-house	ED: Shared Services
Secure municipal immovable properties.	In-house	In-house	ED: Shared Services
Retrofit all the units and buildings and install energy efficient fittings	In-house	In-house	ED: Human Settlements & Planning
Install prepaid meters	In-house	In-house	ED: Human Settlements & Planning
Formalization of townships - 1 x township	In-house	In-house	ED: Human Settlements & Planning
Develop a Process Plan on the review of the Operating Model	In house	In house	ED: Corporate Services
Review the Operating Model in line with the Municipal Staff Regulations which should include: A cost-benefit analysis of operating model options.	In house	In house	ED: Corporate Services
Develop a sourcing plan in line with municipal financial capabilities.	In house	In house	ED: Corporate Services
Table the reviewed Operating Model for Council approval by May 2027	In house	In house	ED: Corporate Services
Roll out a communication plan to inform and train employees on the changes to the operating model, including new roles, processes, and tools	In house	In house	ED: Corporate Services

Review the organisational structure based on the work study outcomes including defining new roles, responsibilities, reporting lines, and a governance framework to ensure the structure enables the new strategy and complies with the Municipal Staff Regulations.	In house	In house	ED: Corporate Services
Consult with LLF during the assessment and review process.	In house	In house	ED: Corporate Services
Finalise the review of job descriptions and job evaluation in line with the final revised organisational structure	In house	In house	ED: Corporate Services
Develop a process plan to implement the approved organisational structure including placement of staff.	In house	In house	ED: Corporate Services
Consider the implementation of section 189 of Labour Relations Act on the jobs that are not required in consultation with Labour.	In house	In house	ED: Corporate Services
Develop a Recruitment Plan to implement the approved organisational structure within available budget, and tabled at LLF for consultation.	In house	In house	ED: Corporate Services
Fill posts identified in the Recruitment Plan by end of June 2027.	In house	In house	ED: Corporate Services
Municipality to request support from DCoG and SALGA in the review and implementation of the structure throughout the structure review process..	In house	In house & SALGA	MM
Request intervention by SALGA on the finalization of the Wage Curve.	In house	In house & SALGA	MM

Develop a Recruitment Plan for areas where overtime is as	In house	In house	ED: Corporate Services
Develop an Overtime procedure on the application and approval for overtime by end of May 2026.	In house	In house	ED: Corporate Services
Establish a monthly overtime dashboard to track expenditure.	In house	In house	ED: Corporate Services
Generate and present monthly reports to management, showing a cumulative reduction in overtime expenditure, with the ultimate goal of not exceeding R32 million annually.	In house	In house	ED: Corporate Services
Monthly reporting on overtime spending by each department to Executive Management .	In house	In house	ED: Corporate Services
HR to monitor compliance to Overtime Policy and provide monthly reports to Executive management.	In house	In house	ED: Corporate Services
Conduct workshop to managers/supervisors and staff on the revised overtime policy.	In house	In house	ED: Corporate Services
Disciplinary steps to be taken for non-compliance to the Overtime Policy including disciplinary action for managers/supervisors who approve unauthorised overtime or for employees who work unapproved overtime.	In house	In house	MM
Regularly revise the overtime policy in line with the legislative imperatives.	In house	In house	ED: Corporate Services

The municipality should actively apply for specific grants from national or provincial government that are designated for capacity building and financial management improvements (e.g., interns) by June 2026.	In house	In house	CFO
Managers to investigate and formally address cases of excessive leave.	In house	In house	ED: Corporate Services
Develop leave registers for all departments and managed by managers.	In house	In house	ED: Corporate Services
Conduct leave audit to identify weaknesses in the municipality's leave policy.	In house	In house	CAE
Disciplinary steps to be taken for non-compliance to the Leave Policy including disciplinary action for managers/supervisors who do not efficiently manage leave and patterned absenteeism.	In house	In house	MM
Ring-fencing of pensions and other third-party funds deducted from employees and pay over to the institutions when due.	In house	In house	CFO
A formal report detailing the findings, including a gap analysis and proposed revised salary grades for all roles to be tabled to council for adoption.	In house	In house	MM
Based on the review findings, develop a corrective action Plan that outlines specific steps to adjust salaries and address the pay disparity and present the plan for approval by council. This plan should include a clear communication strategy for all key stakeholders.	In house	In house	ED: Corporate Services

Allocate budget based on the outcomes of the directive from DCoG where necessary, by June 2026.	In house	In house	CFO
Start with the implementation of the new salary structure	In house	In house	CFO
•The recruitment process for EPWP intake must strictly adhere to the EPWP National Guidelines and Ministerial Determinations.	In house	In house	MM
Regular compliance monitoring and reporting at Executive Management meetings two weeks before the submission deadline.	In house	In house	ED: Corporate Services
Performance Agreements for Executive Managers and the Municipal Manager should include the following key performance indicators: *Risk Mitigation within set deadlines *Audit Action Plan implementation within set deadlines *Council Resolutions implementation within set deadlines *Financial Recovery Plan *Implementation within set deadlines *Implementation of the HR Strategy within set deadlines	In house	In house	MM
All Heads of Departments (HoDs) to submit the performance agreements for all lower-level staff (levels 7-6) and for acting positions.	In house	In house	ED: Corporate Services
Completion of all performance assessments within set deadlines.	In house	In house	ED: Corporate Services
Review and simplify the existing policy to make it more user-friendly and clearer, with the focus on clarifying responsibilities, timelines, and the consequences of non-compliance.	In house	In house	ED: Corporate Services

HR to provide compliance reporting two weeks before subr	In house	In house	ED: Corporate Services
Directorates and Departmental heads to account on non-co	Departmental Heads	In house	ED: Corporate Services
Consequence management for those who do not achieve ta	In house	In house	MM
No bonuses to be paid during this period of financial recover	In house	In house	MM
Develop a Recruitment Plan prioritising core/service delivery, revenue-generating posts and manage the staffing process within allocated compensation budget.	In house	In house	ED: Corporate Services
Identify whether existing staff can be redeployed or trained to fill some of the vacant roles, especially in the understaffed departments, to relieve pressure.	In house	In house	Departmental Heads
Investigate the possibility of secondment on critical position by July 2026.	In house	In house	Departmental Heads
Develop a recruitment process workflow management tool to address bottlenecks which includes a simplified, expedited process with stricter deadlines for shortlisting, interviews, and offer letters by July 2026.	In house	In house	ED: Corporate Services

Provide monthly recruitment status report to Executive Management	In house	In house	ED: Corporate Services
Develop a Corporate Calendar with review of the number of posts	In house	In house	MM
Review delegations on the recruitment process to avoid all posts below Executive Management being approved by the MM	In house	In house	MM
Develop a recruitment process flow that should include verification of the following before advertising: existence of post on the structure availability of budget critical nature of the post	In house	In house	ED: Corporate Services
Develop a Retention Strategy and Policy with internal advertising where there are qualified internal candidates.	In house	In house	ED: Corporate Services
Review and resolve the status of employees acting more than 3 years in line with the applicable prescripts.	In house	In house	ED: Corporate Services
Conduct a skills audit to Identify the specific skills and roles	In house	In house	ED: Corporate Services
Conduct an assessment of all employees on bursary (employee study assistance) to determine the status of their studies	In house	In house	ED: Corporate Services
Implement corrective measures in line with contractual obligations.	In house	In house	ED: Corporate Services
Provide an annual monitoring report to the Executive Management meeting.	In house	In house	ED: Corporate Services

Compulsory MFIP training for the Senior Manager without the minimum post requirement by December 2026.	In house	In house	ED: Corporate Services
Review the use of internal Presiding Officers or include the duty in the Performance Agreements	In house	In house	MM
Develop a Policy Review and Management Policy	In house	In house	ED: Corporate Services
Establish a Policy Review Committee with departmental representation.	In house	In house	ED: Corporate Services
Undertake HR policy awareness sessions for existing staff.	In house	In house	ED: Corporate Services
Newly appointed staff should be made aware of existing policies during the induction process.	In house	In house	ED: Corporate Services
Disciplinary action should be taken against non-adherence to policies.	In house	In house	MM
Quarterly compliance monitoring to be conducted by HR unit.	In house	In house	ED: Corporate Services
Develop a Retention Strategy and Policy with internal advertising where there are qualified internal candidates by October 2026.	In house	In house	ED: Corporate Services
Develop and adopt clear and mutually agreed-upon protocol for communication between the employer and unions, especially for urgent matters that cannot wait for a scheduled LLF meeting.	In house	In house	ED: Corporate Services
Adherence to the LLF's terms of reference in terms of meeting schedules, quorum requirements, and the consequences of non-attendance.	LLF	In house	MM

Establish a joint management-union task team to address all outstanding grievances. This team should have a mandate to resolve a specific number of grievances within a set timeframe and within the applicable prescripts.	In house	In house	MM
Arrange training sessions for both management and union representatives on topics such as conflict resolution, negotiation skills, and the legal framework of labour relations.	In house	In house	ED: Corporate Services
All departmental heads incorporate the HR Strategy's objectives into their operational plans.	Departmental Heads	In house	MM
Conduct training sessions for all managers and supervisors on the key principles of the HR Strategy, their roles in its implementation, and how to use the new performance management or recruitment tools.	In house	In house	ED: Corporate Services
Ensure that the performance contracts of all senior managers and departmental heads include KPIs directly linked to the implementation of the HR Strategy.	In house	In house	MM
Conduct regular staff verification against the payroll.	In house	In house	CFO
Conduct verification for qualifications during the recruitment process.	In house	In house	ED: Corporate Services
Conduct training on proper use and maintenance of PPEs.	In house	In house	ED: Corporate Services
Develop action plans on assessment findings and prohibitions.	In house	In house	ED: Corporate Services
Conduct regular medical check-ups as prescribed by the OHSA.	In house	In house	ED: Corporate Services

Appoint departmental OHS representatives and establish O	In house	In house	ED: Corporate Services
Conduct an assessment of buildings OHS Compliance.	In house	In house	ED: Corporate Services
Develop action plans on findings and prohibition notices iss	In house	In house	ED: Corporate Services
Conduct a review of the File Plan by July 2026.	In house	In house	ED: Corporate Services
Finalise consultation on the reviewed Records Management Policy with the LLF and table it to Council for approval.	In house	In house	ED: Corporate Services
All employees, particularly those handling administrative tasks, must attend a compulsory training session on the new policy and the manual records protocol.	In house	In house	ED: Corporate Services
Disciplinary action should be instituted against departmental heads for non-compliance to Records Management policy.	In house	In house	ED: Corporate Services
Assessment report with action plans to be presented at the Executive Management meeting by end of June 2026.	In house	In house	ED: Corporate Services
Implement corrective action plan by end of 2026/27.	In house	In house	ED: Corporate Services
Request SALGA to provide support on the following: Develop a Change Management Strategy and Plan	In house	SALGA	MM

START DATE	END DATE	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE
1-Jul-26	30-Jun-27	Funded budget based on the budget funding plan.	Unauthorised expenditure investigations and recommendations.
1-Jul-26	30-Jun-28	Realisation of the target surplus as per the FRP financial model.	S71 Reports, Audited Annual financial statements.
1-Jul-26	30-Jun-28	Realisation of the target surplus as per the FRP financial model and budget funding plan parameters.	S71 Reports, Audited Annual financial statements.
1-Jul-26	30-Jun-27	Approved 2027/28 MTREF Budget consistent with FRP parameters.	Approved 2027/28 MTREF
1-Jul-26	30-Jun-27	100% of consumers billed monthly on actual volumes consumed.	Meter reading and billing reports.
1-Jul-26	30-Jun-27	Atleast a 50% reduction in 15 100 problematic meters.	Smart meter project progress report.

1-Jul-26	30-Jun-27	Meters installed where revenue exceeds cost or reduces uncontrollable and irrecoverable costs (i.e. indigents). Improved margins and improved collection rates.	Smart meter project progress report.
1-Jul-26	30-Jun-27	Approved smart meter roll out plan for indigent households.	Smart meter roll out plan for indigent households.
1-Jul-26	30-Jun-28	Implemented indigent management system. Indigent profiles up to date and reflective of latest available information relating to indigent status.	Indigent profiles within the indigent system with indicators for last date updated and evidence to support indigent status.
1-Jul-26	30-Jun-27	Reduction in queries and improvement in collection rate (refer FRP parameters)	Dispute log and customer engagement logs.
1-Jul-26	30-Jun-27	Improvement in collection rate in line with FRP parameters.	Customer profiling, transaction listing and account status.

1-Oct-26	30-Jan-27	Cost reflective tariffs.	Cost of supply studies including benchmarking and affordability assessments.
1-Jul-26	30-Jun-27	Tenders paid according to the awarded prices.	Tenders actual payment versus awarded price payment report.
1-Jul-26	30-Jun-27	Implemented Cost Containment Policy 40% reduction in non-core expenditure.	Council approved cost containment policy. Monthly reduction in contracted services, inventory and bulk purchases.

1-Jul-26	30-Jun-27	Cost containment targets included in performance contracts.	Updated signed contracts for impacted personnel.
1-Jul-26	30-Jun-27	CFO's report to the Accounting Officer on all financial misconduct and consequence management implemented.	MPAC submitted report to the Accounting Officer.
1-Jul-26	30-Jun-28	No expenditure approved outside of the cashflow projections. All expenditure in line with the cashflow projections.	Weekly cashflow projection report.
1-Jul-26	30-Jun-27	0% increase in current amounts owing.	Supplier statements.
1-Jul-26	30-Jun-28	Monthly reporting and adherence on the debt relief program according to the terms and conditions of Circular 124.	Monthly Provincial Treasury certification of Municipal compliance.
1-Jul-26	30-Jun-28	2 month cash in the bank.	Circular 71 ratio for liquidity.
1-Jul-26	30-Jun-28	All expenditure authorised within cashflow management system.	Authorised expenditure extracted from system.
1-Jul-26	30-Jun-28	No expenditure approved outside of the cashflow projections. All expenditure in line with the cashflow projections.	Weekly cashflow projection report.
1-Jul-26	30-Jun-28	100% spending on conditional grants	Conditional grant reconciliation.
1-Jul-26	30-Jun-28	Unspent conditional grants are cash backed.	Ring-fenced money for unspent conditional grants.

1-Jul-26	30-Jun-28	R0 overspent on operational grants and no co funding undertaken by the municipality.	Grant funding programme analysis.
1-Jul-26	30-Jun-28	Demand management report with own pricelist developed and implemented.	Demand management report and own pricelist developed.
1-Jul-26	30-Jun-28	Zero audit findings for non-compliance with SCM regulations.	Training manuals and register of trained staff.
1-Jul-26	30-Jun-28	40% reduction in fruitless and wasteful expenditure.	2026/27 Audited Financial Statements
1-Jul-26	30-Jun-28	All payments made are as per the cash flow forecast.	Cash flow statement linked to procurement plan.
1-Jul-26	30-Jun-28	100% availability of daily operational inventory items. Zero incidents of vandalism or theft reported.	Inventory management policy, stock register, monthly audit reports, security access logs.
1-Jul-26	30-Jun-28	Effective and compliant mSCOA asset management to support and enhance service delivery implemented successfully.	Asset Management System Installation
1-Jul-26	30-Jun-28	Improvement in solvency ratio.	2026/27 Audited Financial Statements
1-Jul-26	31-Jul-27	No audit overruns due to information not being available upfront to the AG. No audit findings in relation to reconciliations to financial statements.	Complete audit file.

1-Jun-26	30-Jun-27	mSCOA compliant ERP implementation progress.	mSCOA Progress Report.
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01/07/2026	30/07/2027	Water & Sanitation Masterplan, Electricity Masterplan and Waste Management Services	Approved ED report on Water and Sanitation Masterplan; Electricity Masterplan and Waste Management Masterplan
01/07/2026	30/07/2027	Demand Side Management Plan	Demand Side Management Plan Report
01/07/2026	30/07/2027	Roads and Stormwater Masterplan	Approved ED reports for Roads & Stormwater Masterplan
01/07/2026	30/07/2027	Asset Management Plans for services	Approved ED reports for asset management plans
01/07/2026	30/07/2027	O & M Plans for services	Approved ED reports for O & M plans
01/07/2026	30/07/2027	Budget report	Audited AFS
01/07/2026	30/07/2027	Operations and maintenance budget	Audited AFS
01/07/2026	30/06/2027	Check meter installation report	Close-out report for meter installation
01/07/2026	30/06/2027	Volume comparison / variance report	Monthly reports approved by the ED
01/07/2026	30/06/2027	Monthly operating pressure report	Monthly reports approved by the ED
01/07/2026	30/06/2027	Minimum night flows report	Monthly reports approved by the ED

01/07/2026	30/06/2027	O&M Plan Implementation Report utilising MIG	Monthly reports approved by the ED
01/07/2026	30/06/2027	Metering of unmetered areas report	Close-out report for meter installation
01/07/2026	30/06/2027	Frequency of pipe burst per discreet zone	Approved monthly reports by the ED on the
01/07/2026	30/06/2027	Top Consumer Audit Report	Approved report by the ED
01/07/2026	30/06/2027	Water services consumption report for indigents	Approved report on water consumption by indigents
01/07/2026	30/06/2027	Industrial Effluent Tariff	Approved report on Tariffs by Council
01/07/2026	30/06/2027	Bylaw Enforcement Report	Approved report by the ED on Bylaw enforcement
01/07/2026	30/06/2027	Completion of projects as per project implementation plan	Monthly progress report from Implementing Agent, Vaal Central Water
01/07/2026	30/06/2027	Energy Efficiency Baseline Assessment Report	Approved report by the ED
01/07/2026	30/06/2027	O&M Plan Implementation Report utilising MIG	Monthly reports approved by the ED showing the utilisation of MIG funding for O & M
01/07/2026	30/06/2027	Check meters installation report	Approved report by the ED
01/07/2026	30/06/2027	Monthly volume comparison/variance report	Approved monthly variance reports by the ED
01/07/2026	30/06/2027	Report on National Treasury application	Approved report by the MM
01/07/2026	30/06/2027	Customer audit report	Approved report by the ED
01/07/2026	30/06/2027	Meter audit report	Approved report by the ED
01/07/2026	30/06/2027	Load management report	Approved ED report on the implementation of load management
01/07/2026	30/06/2027	Top consumer audit report	Approved report by the ED
01/07/2026	30/06/2027	Metering of unmetered areas report	Close-out report on the implementation of meters

01/07/2026	30/06/2027	Meter replacement report	Approved report by the ED
01/07/2026	30/06/2027	Weighbridge maintenance report	Approved report by the ED
01/07/2026	30/06/2027	Landfills access control reports	Approved report by the ED
01/07/2026	30/06/2027	Landfills compliance management report	Approved report by the ED
01/07/2026	30/06/2027	Waste minimization and waste diversion implementation report	Approved report by the ED
01/07/2026	30/06/2027	Buy Back Centres Implementation Report	Approved report by the ED
01/07/2026	30/06/2027	Progress report	Approved report by the ED
01/07/2026	30/06/2027	Extent of pothole fixed report	Approved monthly reports by the ED
01/07/2026	30/06/2027	Stormwater systems maintenance report	Approved monthly reports by the ED
01/07/2026	30/06/2027	Parking management system report	Close-out report on the parking meter installation project
01/07/2026	30/06/2027	Calibration certificates	Approved report by the ED
01/07/2026	30/06/2027	Calibration certificate	Approved report by the ED
01/07/2026	30/06/2027	Road markings implementation report	Approved report by the ED
01/07/2026	30/06/2027	Road markings implementation report	Approved report by the ED
01/07/2026	30/06/2027	Traffic lights maintenance report	Approved report by the ED
01/07/2026	30/06/2027	College enrolment	College enrolment numbers

01/07/2026	30/06/2027	Bylaw enforcement report	Approved report by the ED
01/07/2026	30/06/2027	Fire tariff income report	Approved report by the CFO
01/07/2026	30/06/2027	Reviewed LED Strategy Report	Approved Council report
01/07/2026	30/06/2027	Facilities Management Report	Approved report by the ED
01/07/2026	30/06/2027	Feasibility Study for SEZ	Approved Council report
01/07/2026	30/06/2027	Progress Report	Monthly progress reports as per project implementation plan
01/07/2026	30/06/2027	Progress Report	Monthly progress reports as per project implementation plan
01/07/2026	30/06/2027	Rezoned land	Monthly progress reports as per project implementation plan
01/07/2026	30/06/2027	Lease agreement	Approved Council report
01/07/2026	30/06/2027	Signed SLA	Approved Council report
01/07/2026	30/06/2027	Fleet management report	Approved report by the MM
01/07/2026	30/06/2027	Fleet availability report	Approved report by the MM
01/07/2026	30/06/2027	Mechanical workshop[s] revitalization plan	Approved report by the MM
01/10/2025	30/06/2026	Monthly expenditure per grant	Monthly expenditure report per grant
01/10/2025	30/06/2026	Project performance against project implementation plan	Performance evaluation report
2026/07 31	Monthly	Implementation of 90 per cent of all council resolutions by	Responsibility assignment matrix outlining the roles

		30/10/2026. Hold 100 per cent of senior managers accountable for council resolution implementation.	and responsibilities of senior managers in implementation council resolutions. Template to track implementation status of council resolutions.
31/07/2026	30/10/2026	Provide monthly monitoring of Councillors consumer accounts	Fully paid Councillor Consumer Accounts
31/07/2026	12/21/2026	Monitoring the current account statement of employees.	Fully paid employee Consumer Accounts
3/2/2026	Monthly	Monitor 100 per cent of financial misconduct matters correctly referred to the Disciplinary Board	Minutes of DB detailing discussions, decisions and actions required for each referred matter
7/1/2026	Annually	Track 100 percent of staff members appointed in terms section 55 and 56 of the Local Government: Municipal Systems Act, No. 32 of 2000, who are obligated to complete declaration of interest forms.	Maintain a register of all obligated staff members who have submitted declaration of interest forms.
7/1/2026	Monthly	Implementation of approved Risk Management Policy and Strategy and other Risk Related Policies.	Quarterly reports from CRO on progress of addressing matters contained in the Strategic Risk Register.
7/1/2026	9/30/2026	Facilitate that risk management is integrated into the performance agreements of management to promote a risk-aware culture and accountability with SMART risk management objectives.	Copies of management performance agreements that include risk management KPI's. A copy of of the risk management procedure detailing assessment and

2/27/2026	N/A	Facilitate that the Disaster Recovery Plan and Business Continuity Plan is approved by Council by 28 November 2025 to provide a comprehensive framework for responding to disruptions and ensuring business continuity.	Provide a copy of the Council approved Disaster and Business Continuity Plan outlining procedures for responding to disruptions and ensuring business continuity.
3/1/2026	Monthly	Track 100 percent of contract related issues through committee discussions and departmental collaboration.	Meeting minutes from Contract management Committee, outlining discussions, decisions and actions taken on contract related matters.
2026/030/01	30/06/2027	Measure 95% of projects delivered on time, within budget and to the required quality standards.	Project management documents to be submitted are the project charters contain objectives, timelines and budget
7/1/2026	Annaually	100% of contract management processes integrated into the performance management framework	Approved performance management framework document outlining the integrated contract management process.
3/1/2026	6/1/2027	Monitoring the number of corrective actions implemented following audits and reviews on contract management , including the time take to resolve contract management related matters.	Quarterly reports summarising review outcomes, including identification of areas of improvement and implementation of corrective actions.

05/01/2026	31/05/2027	80 per cent of contract management processes automated through ICT tools and systems.	Automation roadmap outlining the plan, timeline and milestones towards automation of contract management.
3/1/2026	Monthly	Undertake the monthly delivery of rental bills to Ntiyiso to ensure 100 per cent collection of monthly rental for sustainable rental revenue collection.	Provide Monthly billing records and invoices as well as payment records.
2/27/2026	30/05/2026	Maintain a register with 100% completeness and accuracy and ensure 100% compliance with delegation procedures.	Register with details of updates made, including dates, times and description of changes and employee acknowledgement and commitment to following the system of delegation.
7/1/2026	Monthly	A compliance rate of 100 per cent must be warranted that heads of directorates operate within their delegated powers.	Register documenting the delegated powers assigned to each head of directorate, including scope, limitations and conditions of each delegation
5/29/2026	7/1/2026	A matrix which covers the key roles and responsibilities 100 per cent of the heads of directorates in terms of hierarchical structure.	Records documenting the key roles and responsibilities of HOD's including job descriptions, performance expectations and accountabilities.

6/1/2026	8/31/2026	Train and develop the heads of directorates to ensure that they are 100 per cent aware and understand their delegations and sub-delegations, including their decision-making authority.	Records of training attendance, including sign-in sheets, attendance lists and certificate of completion.
2/27/2026	5/29/2026	ICT Disaster Recovery Plan and Business Continuity Plan developed and implemented.	Council approved ICT Disaster Recovery Plan and Business Continuity
6/30/2026	11/30/2026	Off-site ICT recovery facility identified and functioning.	Council approval for establishment of Off-site ICT Recovery facility. Off-site ICT Recovery Facility.
4/1/2026	30/06/2026	Well-resourced ERP system plan developed and implemented	Approved ERP System Plan. Automated business processes.
3/2/2026	31/08/2026	30 percent increase in employee productivity due to streamlined processes and automated workflows.	Productivity report outlining the productivity metrics after implementation of streamlined processes and automated workflows.

01/04/2026	30/04/2027	Establish a call centre provided with resources and operational	A report to Council reporting on a well-resourced Call Centre that is operational.
3/2/2026	Daily	Monthly reporting on vulnerability management and remediation.	Quarterly reports which provides analysis of vulnerability trends, including the types vulnerabilities identified and emerging threats.
2/27/2026	30/11/2026	Assessments to be conducted to 100 per cent Senior Managers to determine their accountability, adherence to governance and accountability frameworks and their responsiveness to audit and risk management recommendations	Provide documents outlining the accountability framework for Senior Managers including roles, responsibilities and performance expectations.
2/27/2026	30/11/2026	100 per cent of section 32 investigations completed within the the stabilisation timeframe and 100 per cent consequence management actions implented against liable individuals	Consequence management plans outlining the actions tub taken against liable individuals including disciplinary measures, corrective actions and
2026/07/	Monthly	Undertake 100 per cent effective implementation of post-audit action plans to address audit findings and recommendations whilst promoting organisational improvement.	Copies of developed post-audit action plans. Monthly progress reports detailing the implementation status of post-audit action plans.
7/31/2026	8/31/2026	100 per cent of Senior Managers with performance agreements must have KPI's that includes implementation of audit action plan	Signed updated performance agreements including audit action plan implementation and unqualified audit opinions.

3/2/2026	8/31/2026	Facilitate 100 per cent investigations by an independent external party on allegations of fraud and corruption to promote transparency ,accountability and justice	Provide reports on progress of investigations. Provide certified allegation clearance reports form independent external part.
3/2/2026	Quaterly	undertake the quaterly submission of reports to Council on the implementation of the internal audit plan	Provide submitted quaterly reports to Council and Council meeting resolutions,
2/2/2026	5/29/2026	100 per cent monitoring and mitigation of financial risks associated with underfunding and lack of funding.	
2/2/2026	6/30/2026	Finalisation of a MoU between the DOT ,the Municipality and CoGTA outlining the terms and conditions of the function transfer by end March 2026.	Provide all drafts of the MoU highlighting changes, revisions and comments from stakeholders.
2/2/2026	Weekly	Effect assessment and management of litigation defence and associated costs,minimisung the financial impact of default judgements on the municipality	Up-to-date litigation registers, tracking all matters including status, court dates and outcomes.
2/2/2026	Monthly	Prioritise the timely monthly payment of ESKOM and Vaal Central Water and track the percentage of penalties avoided through timely payments.	Provide payment records for ESKOM and Vaal Central Water highlighting the payment dates, amounts and payment methods.

3/31/2026	7/31/2026	Put in place a transparent and competitive tender process for the appointment of a panel of attorneys every three years to promote fairness, equity and value for money.	Submit tender documents and records as well as panel of attorneys appointment records.
2/2/2026	Monthly	Guarantee the timely payment of service providers within 30 days to minimise Mora interest and fruitless and wasteful expenditure.	Provide payment records for service providers detailing payment dates, amounts and payment methods.
2/2/2026	Monthly	100 per cent of procurement processes adhering to the municipality's SCM policy and SCM Regulations.	Provide procurement plans for each procurement process outlining the scope, timelines and evaluation criteria.
3/1/2026	6/30/2026	Establish a comprehensive legal services framework agreement that outlines the scope of work, pricing, discounts and performance evaluation for attorneys.	Provide a pricing schedule outlining the fees and charges for legal services including hourly rates, fixed fees and contingency fees.
2026//02/02	Monthly	Effectively manage litigation related risks, enabling informed decision-making on litigation strategies and resource allocation towards containment of litigation costs.	Provide risk registers on litigious matters outlining the assessed risks, likelihood, impact and mitigation strategies.
2/2/2026	3/2/2026	Measure the stability of the legal services unit staff, including turnover rates and vacancy filling times as well as client satisfaction with legal services provided by the unit.	Provide reports detailing staff turnover rates, reasons for departure, retention strategies and succession planning strategies.
2/2/2026	Monthly	Track that there is 0 per cent incidents where legal fees expenditure exceeds the budgeted amount.	Provide legal fees expenditure records and reports as well budget documents and variance analysis reports

2/2/2026	8/31/2026	Undertake a 100 per cent default judgements rectified through settlement or mediation.	Provide default judgement review and rectification records as well as financial records and progress reports.
2/2/2026	10/30/2026	Develop and implement a comprehensive plan to manage and reduce the the contingent liability associated with ongoing litigations.	Settlement and legal fee records, litigation case management system data.
2/2/2026	6/30/2026	Conduct a comprehensive immovable property audit to identify property which is underutilised to enable an open, fair and transparent process of disposal or repurposing for mor effective use	Provide a report outlining the scope, objectives, and methodology of the audit as wellas team composition and expertise.
2/2/2026	7/31/2026	Establish a dedicated property management unit to effectively manage immovable property of the municipality and oversee a comprehensive suit of services such as sales, leases, rentals ,repairs and maintenance.	Provide immovable property management reports, covering, maintenance, repairs, leases, rental transactions.
2/2/2026	31/08/2026	Identify a minimum of 10 potential opportunities for immovable property development and management and assess its viability.	Provide reports detailing the identification of at least 10 potential opportunities for immovable property development and management.
2/2/2026	30/04/2026	Develop and implement a rental adjustment formula to determine a fair and market-related rental adjustments considering market rates, inflation and other relevant factors.	Provide a report detailing the development of the formula, including the methodology, data sources and assumptions used.

3/31/2026	8/31/2026	Monitor 50 per cent improvement in process efficiency, reduced processing times and increased productivity.	Provide a process improvement plan outlining the initiatives, timelines and resources required to achieve the 50 per cent improvement in process efficiency
2/2/2026	6/30/2026	Undertake the securing of municipal immovable properties to prevent unauthorised access, damage or occupation.	Provide reports detailing the security assessments conducted on municipal immovable properties ,identifying vulnerabilities and risks.
01/07/2026	30/06/2027	Energy efficient programme	Closeout report on the implementation of energy efficient infrastructure
01/07/2026	30/06/2027	Meter installation report	Approved report by the ED
01/07/2026	30/06/2027	Formalization of townships report	Approved report by the ED
01/06/2026	31/06/2026	Reviewed Operating Model in line with the Municipal Staff Regulations and organisational strategy by the end of the 2026/2027 financial year	Operating Model Review Process Plan
01/07/2026	31/12/2026		Approved Reviewed Operating Model Cost-benefit Analysis Report
01/01/2027	01/04/2027	Approved Sourcing Plan	Approved Sourcing Plan
01/04/2027	01/05/2027	Council Resolution Approved Operating Model	Council Resolution Approved Operating Model
01/06/2027	01/12/2027	Communication Plan & Implementation Report	Communication Plan & Implementation Report

01/05/2026	31/05/2026	Reviewed Organisational Structure	Reviewed Organisational Structure
01/05/2026	31/05/2026	Approved and implemented organisational structure with reduced number of posts based on work-study outcomes by end of the 2026/27 financial year	LLF Minutes
01/06/2026	30/06/2026	Approved Structure Council Resolution	Reviewed Job descriptions and job evaluations
01/06/2026	31/06/2026	Attendance Register of Council workshop Reviewed Job descriptions and Job Evaluations	Approved Process Plan
01/07/2026	31/06/2027	Analysis Report on jobs not required LLF Minutes	Analysis Report on jobs not required LLF Minutes
01/06/2026	31/06/2026	Approved Recruitment Plan	Approved Recruitment Plan
31/06/2026	31/06/2027	Recruitment Report Appointment Letters	Recruitment Report Appointment Letters
01/10/2027	31/06/2026	Letter of request	Letter of request
01/04/2026	31/04/2026	Letter of request	Letter of request

1/6/2026	30/06/2025	Approved Recruitment Plan for high overtime posts	Approved Recruitment Plan for high overtime posts
01/04/2026	31/06/2027	20% (R8m) reduction of overtime (R39.9m to R31.9m)	Approved Overtime Procedure
01/04/2026	31/05/2026	Overtime Dashboard	Overtime Dashboard
31/05/2026	Monthly	Monthly Overtime Expenditure Report	Monthly Overtime Expenditure Report
31/05/2026	Monthly	Overtime Dashboard	Executive Management Meeting Minutes
31/05/2026	Monthly	Overtime Policy Compliance Report Executive Management Meeting Minutes	Overtime Policy Compliance Report Executive Management Meeting Minutes
31/05/2026	31/09/2026	Attendance Register of Overtime Policy Workshop	Attendance Register of Overtime Policy Workshop
01/06/2026	Monthly	Disciplinary Cases Report Letters of Disciplinary notices	Disciplinary Cases Report Letters of Disciplinary notices
31/05/2026	Annually	Approved Reviewed Overtime Policy	Approved Reviewed Overtime Policy

01/04/2026	31/06/2026	Fill funded posts with revenue-generating posts to reduce current Acting positions to 50% of funded vacant posts by June 2026	Grant Application Letter and Proposal
1/5/2026	30/06/2026	100% Compliance with Leave Policy Absenteeism Report Disciplinary cases instituted	Absenteeism Report Disciplinary cases instituted
1/5/2026	30/06/2026	Departmental Leave Registers Monthly leave reconciliation reports	Departmental Leave Registers Monthly leave reconciliation reports
1/5/2026	30/06/2026	Leave Audit Report	Leave Audit Report
01/06/2026	Monthly	100% Compliance with Leave Policy	Disciplinary Process Outcomes Discipline Notice Letters
01/06/2026	Monthly	Expenditure Report	Expenditure Report
01/05/2026	30/06/2026	Council Resolution Approved Remuneration Report	Council Resolution Approved Remuneration Report
01/07/2026	30/07/2026	Approved Corrective Action Plan	Approved Corrective Action Plan

01/07/2026	30/07/2026	Budget Report	Budget Report
01/07/2026	30/07/2026	New Salary Structure Implementation Report	New Salary Structure Implementation Report
01/07/2026	Annually	Annual EPWP Recruitment Report Appointment Letters	Annual EPWP Recruitment Report Appointment Letters
01/05/2026	Quarterly	PMS Compliance Status Report Executive Management Committee minutes	PMS Compliance Status Report Executive Management Committee minutes
01/05/2026	Annually	Revised Signed Performance Agreements	Revised Signed Performance Agreements
01/05/2026	30/05/2026	Submitted performance Agreements	Submitted performance Agreements
01/07/2026	Bi-annually	Completed Performance Assessments	Completed Performance Assessments
01/07/2026	30/10/2026	Approved Reviewed Policy	Approved Reviewed Policy

01/06/2026	30/07/2026	100% submission compliance rate on performance management (approved agreements, and bi-annual assessments)	PMS Compliance Status Report Executive Management Committee meetings minutes
01/08/2026	30/06/2027	Directorates and Departmental PMS Corrective Action Plans	Directorates and Departmental PMS Corrective Action Plans
01/07/2026	30/06/2027	Organisational performance improved to 85% achievement of set KPIs for 2025/26 and to 90% for 2026/27 Disciplinary reports	Annual Performance Report Disciplinary Reports
01/07/2026	30/06/2027	Expenditure Report on COE	Expenditure Report on COE
01/05/2026	30/06/2026	Approved Recruitment Plan	Approved Recruitment Plan
01/04/2026	30/07/2026	Assessment Report	Assessment Report
01/04/2026	30/07/2026	Investigation Report on possible secondments	Investigation Report on possible secondments
01/04/2026	30/07/2026	Posts filled within 6-months of being vacant and funded Approved recruitment workflow	Approved Recruitment Work flow chart aligned to recruitment and selection Policy.

01/10/2025	Monthly	Posts filled within 6-months of being vacant and funded	Monthly Recruitment Status Reports Executive Management Committee minutes
1/5/2026	31/05/2026	Reviewed Corporate Calendar	Reviewed Corporate Calendar
01/04/2027	30/06/2027	Reviewed Recruitment Delegations	Reviewed Recruitment Delegations
01//04/2026	30/07/2026	Posts filled within 6-months of being vacant and funded	Recruitment Process Flow
1/10/2026	30/10/2026	Improved Staff morale Approved Retention Strategy and Policy	Approved Retention Strategy and Policy
1/10/2026	30/10/2026	Acting Positions Status and Resolution Report	Acting Positions Status and Resolution Report
1/5/2026	30/05/2026	Skills Audit finalised by end of May 2026	Skills Audit Report
01/03/2026	30/04/2026	Annual Internal Bursary Monitoring Report	Employee Bursary Studies Assessment Report
30/04/2026	31/05/2026	Letters to non-compliant employees	Letters to non-compliant employees
10/01/2026	30/11/2026	Annual Monitoring Report	Annual Monitoring Report

01/10/2026	30/11/2026	100% of Senior Managers meet the Minimum Competency levels by the end of the 2026/27	MFIP Training Report Training Certificate
01/02/2026	30/06/2026	Finalise pending disciplinary cases by the end of the 2025/26 financial year	Assessment Report on Use of Internal Presiding Officers
01/04/2026	30/08/2026	Policies reviewed annually	Approved Policy Review and Management Policy
1/2/2026	30/08/2026	Appointment letters and approval submission	Appointment letters and approval submission
01/04/2026	30/08/2026	100% compliance with HR Policies	Attendance Registers of awareness sessions
01/04/2026	30/08/2026	Induction Reports	Induction Reports
01/04/2026	Quarterly	Disciplinary cases Report	Disciplinary cases Report
01/04/2026	Quarterly	Letters of Disciplinary notices Quarterly Compliance Report	Letters of Disciplinary Quarterly Compliance Report
01/09/2026	01/10/2026	Approved Retention Strategy and Policy	Approved Retention Strategy and Policy
01/05/2026	30/05/2026	Approved LLF Communication Protocols	Approved LLF Communication Protocols
01/05/2026	Monthly	LLF Minutes	LLF Minutes

01/06/2026	01/10/2026	Task Team Appointment letters Joint Managent-labour Task Team Terms of Reference	Task Team Appointment letters Joint Managent-labour Task Team Terms of Reference
1/8/2026	30/8/2026	Training Report Attendance Register	Training Report Attendance Register
1/6/2026	Annually	APPROVED OPERATIONAL Plans	APPROVED OPERATIONAL Plans
1/11/2026	1/12/2026	Training Report Attendance Register	Training Report Attendance Register
1/6/2026	1/7/2026	Performance Agreements	Performance Agreements
1/6/2026	Bi-Annually	Staff Verification Report	Staff Verification Report
1/6/2026	Monthly	100% verified qualifications for recruited employees Qualification Verification Report	Qualification Verification Reports/Outcomes
01/01/2026	31/12/2027	100% Compliance with OHS regulations by the end of the end of the 2026/27 financial year	Attendance Registers of the training
01/01/2026	31/07/2026	Action Plans for non-compliant Buildings	Action Plans for non-compliant Buildings
01/01/2026	31/12/2027	Medical Checks reports	Medical Checks reports

1/7/2026	31/12//2027	Letters of appointment	Letters of appointment
1/7/2026	31/12//2027	Number of compliant OHS compliant buildings.	Buildings Assessment Report
1/7/2026	31/12//2027	Approved Action Plan to implement Prohibition Notices recommendations	Approved Action Plan to implement Prohibition Notices recommendations
1/5/2026	30/11/2026	100% Compliance with Records Management Policy	Approved File Plan
1/6/2026	30/06/2026	LLF Minutes Approved Records Management Policy.	LLF Minutes Approved Records Management Policy.
1/6/2026	30/06/2026	Training Report Attendance Register	Training Report Attendance Register
1/6/2026	Quarterly	Disciplinary Outcomes Discipline Notice letters	Disciplinary Outcomes Discipline Notice letters
1/6/2026	30/06/2026	Assessment Report Executive Management Meetings minutes	Assessment Report Executive Management Meetings minutes
30/6/2026	30/06/2027	Implementation Report	Implementation Report
1/4/2026	30/06/2026	Change Management Strategy and Plan developed and approved by 2026/27.	Approved Change Management Strategy and Plan

BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT	MUNICIPAL PROGRESS REPORT			
	STEPS TAKEN	PROGRESS MADE	FINANCIAL IMPACT	OTHER NOTEWORTHY DEVELOPMENTS
Implemented Cost Containment Policy				
30% reduction in non-core expenditure.				
Expenditure in line with FRP spending limits				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Revenue growth targets as per FRP assumptions.				
Revenue growth targets and collection rates as per FRP assumptions.				

Revenue growth targets and collection rates as per FRP assumptions.				
Reduction in distribution losses.				
Increase in revenue through accurate supply of free basic services to verified indigents.				
Improvement in collection rates per service in line with FRP parameters.				
Improvement in collection rates per service in line with FRP parameters.				

Revenue targets and spending limits as per FRP assumptions.				
Implemented Cost Containment Policy Expenditure in line with FRP spending limits. 40% reduction in non-core expenditure.				
Implemented Cost Containment Policy 40% reduction in non-core expenditure.				

Implemented Cost Containment Policy Expenditure in line with FRP spending limits. 40% reduction in non-core expenditure.						
Implemented Cost Containment Policy Expenditure in line with FRP spending limits. 40% reduction in non-core expenditure.						
No expenditure approved outside of the cashflow projections.						
Improvement in creditors payment days in line with FRP parameters.						
Writing off of longstanding Eskom balance owing in line with FRP recommendations and as prescribed by Circular No. 124.						
2 months cash in the bank.						
No expenditure approved outside of the cashflow projections.						
No expenditure approved outside of the cashflow projections.						
No unspent conditional grants.						
Any unspent conditional grant is cash backed.						

No money spent in addition to grants received.				
Implemented Cost Containment Policy				
40% reduction in non-core expenditure.				
Expenditure in line with FRP spending limits.				
Financial benefits to be achieved through improved operational efficiencies.				
Revenue targets and spending limits as per FRP assumptions.				
Financial benefits to be achieved through improved operational efficiencies.				

Spending limits as per FRP assumptions.				
N/A				
N/A				
N/A				
N/A				
N/A				
2026/27 FY - R124 million				
2026/27 FY - R124 million				
11% reduction in water purchases				
11% reduction in water purchases				
11% reduction in water purchases				
11% reduction in water purchases				

11% reduction in water purchases				
11% reduction in water purchases				
11% reduction in water purchases				
11% reduction in water purchases				
11% reduction in water purchases				
7% increase of 2025/26 FY revenue				
7% increase of 2025/26 FY revenue				
7% increase of 2025/26 FY revenue				
6% reduction on bulk electricity purchases				
6% reduction on bulk electricity purchases				
6% reduction on bulk electricity purchases				
6% reduction on bulk electricity purchases				
6% reduction on bulk electricity purchases				
6% reduction on bulk electricity purchases				
6% reduction on bulk electricity purchases				
6% reduction on bulk electricity purchases				
6% reduction on bulk electricity purchases				
R30 million saving per annum				
6% reduction on bulk electricity purchases				
100% expenditure on the R15 million budget on 5,000 meters				

6% reduction on bulk electricity purchases				
7% increase of 2025/26 FY revenue				
7% increase of 2025/26 FY revenue				
7% increase of 2025/26 FY revenue				
10% saving on landfill airspace				
10% saving on landfill airspace				
100% compliance with waste management regulations				
Zero insurance claims from potholes				
Zero incidences of roads flooding as a result of stormwater ingress				
Per the budget funding plan				
Per the budget funding plan				
Per the budget funding plan				
Per the budget funding plan				
Per the budget funding plan				
Per the budget funding plan				
Full revenue for additional 106 learners				

Per the budget funding plan				
N/A				
N/A				
Per the budget funding plan				
Per the budget funding plan				
Project budget report				
Project budget report				
Project budget report				
N/A				
N/A				
N/A				
N/A				
Per the budget funding plan				
100% expenditure per grant				
100% meeting of targets as per project execution plan				
Financial benefits to be achieved through				

improved governance efficiencies.				
Revenue targets and spending limits as per FRP assumptions.				
Revenue targets and spending limits as per FRP assumptions.				
Financial benefits to be achieved through improved governance efficiencies.				
Financial benefits to be achieved through improved governance efficiencies.				

Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved governance efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				

Financial benefits to be achieved through improved operational efficiencies.						
Financial benefits to be achieved through improved governance efficiencies.						
Financial benefits to be achieved through improved governance efficiencies.						
Financial benefits to be achieved through improved governance efficiencies.						

Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance and planning efficiencies				
Financial benefits to be achieved through improved governance and planning efficiencies				
Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance and planning efficiencies				

Financial benefits to be achieved through improved operational efficiencies				
Financial benefits to be achieved through improved operational efficiencies				
Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance efficiencies				

Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance efficiencies				
Financial benefits to be achieved through improved governance and operational efficiencies				
Spending limits as per FRP assumptions.				

Financial benefits to be achieved through improved governance and operational efficiencies						
Spending limits as per FRP assumptions.						
Financial benefits to be achieved through improved governance and operational efficiencies						
Financial benefits to be achieved through improved governance and operational efficiencies						
Financial benefits to be achieved through improved governance and operational efficiencies						
Financial benefits to be achieved through improved governance and operational efficiencies						

Financial benefits to be achieved through improved operational efficiencies						
Financial benefits to be achieved through improved governance and operational efficiencies						
Financial benefits to be achieved through improved governance and operational efficiencies						
Revenue growth targets as per FRP assumptions.						

Financial benefits to be achieved through improved governance and operational efficiencies				
Financial benefits to be achieved through improved governance and operational efficiencies				
6% reduction on bulk electricity purchases				
Reduction of water losses by 11% and electricity losses by 6%				
Reduction of water losses by 11% and electricity losses by 6%				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				

Financial benefits to be achieved through improved operational efficiencies.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
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Financial benefits to be achieved through improved operational efficiencies.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				

Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
20% reduction of overtime				
Financial benefits to be achieved through improved internal controls.				
Financial benefits to be achieved through improved internal controls.				
Financial benefits to be achieved through improved internal controls.				
Financial benefits to be achieved through improved internal controls.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Financial benefits to be achieved through improved disciplinary efficiencies.				
Financial benefits to be achieved through improved internal controls.				

Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Financial benefits to be achieved through improved internal controls.				

Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				

Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through internal controls.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved capacity building efficiencies.				

Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved capacity building efficiencies.				
Financial benefits to be achieved through improved capacity building efficiencies.				
Financial benefits to be achieved through improved capacity building efficiencies.				
Financial benefits to be achieved through improved capacity building efficiencies.				

Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
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Financial benefits to be achieved through improved human resource management efficiencies.				
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Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved labour relations efficiencies.				
Financial benefits to be achieved through improved labour relations efficiencies.				

Financial benefits to be achieved through improved labour relations efficiencies.				
Financial benefits to be achieved through improved labour relations efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved human resource management efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue				
Financial benefits to be achieved through improved operational efficiencies.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				

Financial benefits to be achieved through improved operational efficiencies.				
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Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Financial benefits to be achieved through improved operational efficiencies.				
Per the FRP parameters. See assumptions table, cost containment strategies, revenue targets and spending limits.				
Financial benefits to be achieved through improved operational efficiencies.				

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Matjhabeng Local Municipality FRP Implementation Plan

NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)
PILLAR 2: INSTITUTIONAL		
To be informed by progress and achievements on Phase 1 and 2		
1	Operating Model	<p>An operating model has not been reviewed during the review of the organisational structure as required by the approved Staff Establishment Policy and Procedure.</p> <p>Centralises Operating Model</p>
2	Performance Management	<p>Only 65% of set KPI were achieved with the highest non-achievement in Public participation (64%)</p>
	Filling of critical posts	<p>Non-filling of critical posts</p>
PILLAR 4: Service Delivery		
1	Infrastructure efficiency - repairs and maintenance	<p>Low levels of investments in repairs and maintenance lead to relatively high rates of infrastructure failures due to aging and aged infrastructure. Municipality only spending 0,1% of PPE asset value against the norm of 8%.</p>

2	Infrastructure resilience - Water Services	Water distribution losses were 45% (R240 million) and 57% (R418 million) in the respective financial years of 2022/23 and 2023/24
3	Sanitation Services	Municipality is not levying industrial effluent tariff to its customers

		Sanitation infrastructure is in a dilapidated state characterised by sewer overflows and illegal discharges
4	Infrastructure Resilience - Electricity Services	Electricity distribution losses were 24% in 2022/23 FY and 28% in 2023/243 FY

5	Waste Management	Landfills not compliant with waste management regulations
		Implement waste minimisation and diversion project to extend the life of the landfills
		Develop new landfill sites
6	Roads & Stormwater	Poor state of roads infrastructure, characterized by high number of potholes
		Stormwater systems experience frequent blockages due to silting and vegetation growth on channels.
7	Traffic and parking fines	There is currently minimal focus to generate revenue from parking activities.
		Speed cameras and alcohol breath analysers not calibrated

		<p>Most roads lack or has faded road markings, which hinders the levying of penalties for road infringements</p>
		<p>Traffic lights not working in some areas</p>
		<p>The utilization of the training college which is accredited and can offer up to 106 learners per academic year can be improved</p>
		<p>Bylaw enforcement is insufficient</p>
8	Human Settlements & Planning	<p>The infrastructure used in the municipal rental stock is not energy efficient</p>
		<p>Bypassed meters</p>

		Township not formalised which makes it difficult for the municipality to levy a consumer for the consumption of municipal services
9	Fire Services	Municipality is not compliant with prescribed minimum standards for fire protection services coverage. 1 out of 5 Fire Stations is operational
10	Local Economic Development	Municipal policies and Bylaws aimed at facilitating economic development and promoting township economy are not effective
		Improve local economy that has stagnated by implementing catalytic projects
11	Fleet Management	High fuel usage
		Low fleet availability

12	Capital Projects	Municipality has failed to spend 100% of the allocated grants. The Municipality has failed to obtain approvals for grant rollover applications

KEY ACTIVITIES	RESOURCES REQUIRED	RESOURCES MOBILISED	RESPONSIBLE	START DATE	END DATE
Implement the reviewed Operating Model with quarterly reporting	In house	In house	ED: Corporate Services	1/7/2027	Quarterly
Consequence management for those who do not achieve targets.	In house	In house	MM	01/07/2027	Quarterly
No bonuses to be paid during this period of financial recovery.	In house	In house	MM	01/07/2027	Annually
Allocate adequate budget (min of 8% of the carrying value of PPE) for repairs & maintenance. Increase by at least 100% of the previous financial year's allocation	In-house	In-house	CFO	01/07/2027	30/06/2028

Implement identified repairs & maintenance projects based on approved O & M Plans for water services, roads & stormwater, electricity services, waste management services; facilities management and municipal rental stock	In-house	In-house	ED: Infrastructure	01/07/2026	30/07/2027
Compare billing information with consumption readings taken from the check meters	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Implement a remote controlling and monitoring system such as telemetry	External	External	ED: Infrastructure	01/07/2027	30/06/2028
Undertake monthly water balance to detect challenges in the system such as illegal connections, failing meters and pipe bursts	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Maintain optimum operating pressure for both peak and off-peak periods in	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Metering 15,000 unmetered properties	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Use 8% MIG top slice to implement O&M Plan	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Implement repair and maintenance schedule based on the frequency of leaks report	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Attend to water leaks and pipe bursts with the time period stipulated in the	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Implement prepaid meters and repair leaking infrastructure in indigent	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Update and implement industrial effluent tariff	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028

Implement provisions of industrial effluent contained in the Water Services Bylaw	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Completion of the Ministerial Directive projects on pump stations, sewer networks and WWTW rehabilitation as per the approved project implementation plan	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Implement projects identified in the consumption baseline assessments in order to reduce electricity	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Implement projects emanating from the studies that were determining the efficiency/losses of electricity in conductors, transformers, substations and distribution network	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Apply to National Treasury to fund meter replacement programmes	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Metering 5000 unmetered properties	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Use 8% MIG top slice to implement O&M plan	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Compare billing information with consumption readings taken from the check meters	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028

Undertake monthly electricity balance to detect challenges in the system such as illegal connections and failing meters	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Manage the landfills as per license conditions and applicable waste management regulations	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Implement additional 2 x waste minimisation and waste diversion programmes	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Introduce 2 x Buy Back Centres	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Develop the new landfills	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Fix 15,800 square metres potholes in strategic and high accident prone areas based on the outcome of the condition assessment from the Rural Roads Asset Management System	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Service and maintain 5,5km of stormwater systems	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Install parking meter system in Ventersburg, Henneman and Allanridge	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Calibrate the 3 x Pro Laser speed cameras and alcohol breath analysers	External	In-house	ED: Community Services	01/07/2027	30/06/2028
Calibrate the 1 x Draeger alcohol breath analyser	External	In-house	ED: Community Services	01/07/2027	30/06/2028

Mark roads without or faded road markings in Welkom, Thabong, Virginia, Meloding, Odendaalsrus, Kutlwanong, Ventersburg, Mmamahabane, Hennenman, Phomolong, Allanridge & Nyakallong	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Mark roads without any road markings in Virginia, Meloding, Thabong, Welkom, Odendaalsrus, Kutlwanong, Ventersburg, Mmamahabane, Hennenman, Phomolong, Allanridge & Nyakallong	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Maintain traffic lights	In-house	In-house	ED: Infrastructure	01/07/2027	30/06/2028
Market the training college	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Traffic Department to enforce traffic management policies and legislation	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Retrofit all the units and buildings and install energy efficient fittings	In-house	In-house	ED: Human Settlements & Planning	01/07/2027	30/06/2028
Install prepaid meters	In-house	In-house	ED: Human Settlements & Planning	01/07/2027	30/06/2028

Formalization of townships - 1 x township	In-house	In-house	ED: Human Settlements & Planning	01/07/2027	30/06/2028
Levy R15 levy tariff per household per month on rates & taxes, ring fence it, and use it for purposes of	In-house	In-house	CFO	01/07/2027	30/06/2028
Rehabilitate Mmahabane and Hennenman Fire Stations	In-house	In-house	ED: Community Services	01/07/2027	30/06/2028
Implement Township Economy Policies	External	In-house	ED: LED	01/07/2027	30/06/2028
Development and construction of Welkom Airport	External	In-house	ED: LED	01/07/2027	30/06/2028
Implement Phakisa Racetrack Re-Development Project	External	In-house	ED: LED	01/07/2027	30/06/2028
Implement Industrialization Project by targeting brick making, window frame making, panel beating and	External	In-house	ED: LED	01/07/2027	30/06/2028
Implement Agro Processing Project	External	In-house	ED: LED	01/07/2027	30/06/2028
Implement a comprehensive fleet management solution	In-house	In-house	CFO	01/07/2027	30/06/2028
Improve capacity at the mechanical workshops	In-house	In-house	CFO	01/07/2027	30/06/2028

Re-establish the last 3 mechanical workshops that were non-functional and resource them appropriately	In-house	In-house	CFO	01/07/2027	30/06/2028
Municipality must spend 100% of allocated grants	In-house	In-house	CFO	01/10/2025	30/06/2026
Monthly performance evaluation of service providers responsible for	In-house	In-house	CFO	01/10/2025	30/06/2026

KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT	MUNICIPAL PROGRESS REPORT		
			STEPS TAKEN	PROGRESS MADE	FINANCIAL IMPACT
Implementation Report	Implementati on Report				
Organisational performance improved to 85% achievement of set KPIs for 2026/27	Annual Report 2026/27				
Expenditure Report	Expenditure Report				
Budget report	Audited AFS	2027/28 FY - R248 million			

Operations and maintenance budget	Audited AFS	2027/28 FY - R248 million			
Volume comparison / variance report	Approved report by the ED	11% reduction in water purchases			
Telemetry installation report	Close-out report on the installation of	11% reduction in water purchases			
Water balance	Approved monthly water balance reports by the ED	11% reduction in water purchases			
Monthly operating pressure report	Approved monthly reports by the ED	11% reduction in water purchases			
Metering of unmetered areas report	Close-out report for meter installation	11% reduction in water purchases			
O&M Plan Implementation Report for the 8% MIG funding	Approved monthly reports by the ED	11% reduction in water purchases			
Maintenance report	Approved monthly reports by the ED	11% reduction in water purchases			
Leak detection report	Approved monthly reports by the ED	11% reduction in water purchases			
Reduction in indigent water consumption	Approved monthly reports by the ED	11% reduction in water purchases			
Industrial Effluent Tariff	Approved report on Tariffs by Council	4,5% increase of 2026/27 FY revenue			

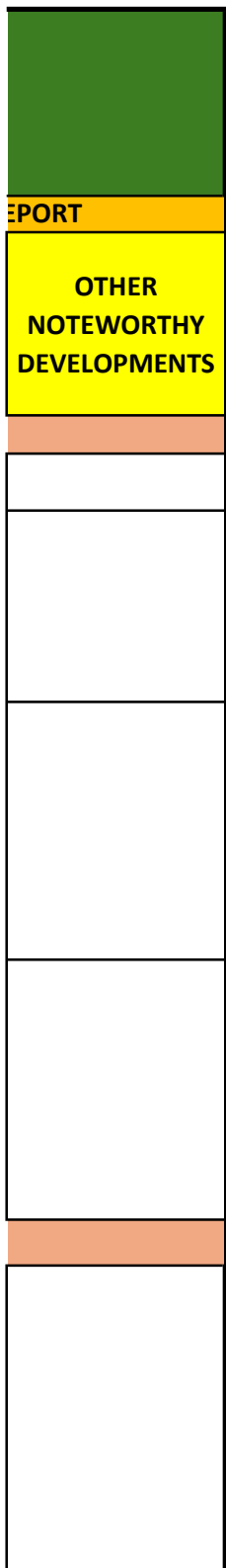
Bylaw Enforcement Report	Approved report by the MM	4,5% increase of 2026/27 FY revenue			
Completion of projects as per project implementation plan	Monthly progress report from Implementing Agent, Vaal Central Water	4,5% increase of 2026/27 FY revenue			
Energy Efficiency Infrastructure Implementation Report	Project close-out reports	6% reduction on bulk electricity purchases			
Energy Efficiency Infrastructure Implementation Report	Project close-out reports	6% reduction on bulk electricity purchases			
Report on National Treasury application	Approved report by the MM	6% reduction on bulk electricity purchases			
Metering of unmetered areas report	Close-out report on the implementation of meters	6% reduction on bulk electricity purchases			
O&M Plan Implementation Report utilising MIG	Monthly reports approved by the ED	6% reduction on bulk electricity purchases			
Monthly volume comparison/variance report	Approved monthly variance reports by the ED	6% reduction on bulk electricity purchases			

Monthly electricity balance report	Approved monthly electricity balance reports by the ED	6% reduction on bulk electricity purchases			
Landfills compliance management report	Approved report by the ED	4,5% increase of 2026/27 FY revenue			
Waste minimization and waste diversion implementation report	Approved report by the ED	4,5% increase of 2026/27 FY revenue			
Buy Back Centres Implementation Report	Approved report by the ED	4,5% increase of 2026/27 FY revenue			
Progress report	Approved report by the ED	100% compliance with waste management regulations			
Extent of pothole fixed report	Approved monthly reports by the ED	Zero insurance claims from potholes			
Stormwater systems maintenance report	Approved monthly reports by the ED	Zero incidences of roads flooding as a result of stormwater ingress			
Parking management system report	Close-out report on the parking meter installation project	Per the budget funding plan			
Calibration certificates	Approved report by the ED	Per the budget funding plan			
Calibration certificate	Approved report by the	Per the budget funding plan			

Road markings implementation report	Approved report by the ED	Per the budget funding plan			
Road markings implementation report	Approved report by the ED	Per the budget funding plan			
Traffic lights maintenance report	Approved report by the ED	Per the budget funding plan			
College enrolment	College enrolment numbers	Full revenue for additional 106 learners			
Bylaw enforcement report	Approved report by the ED	Per the budget funding plan			
Energy efficient programme	Closeout report on the implementation of energy efficient infrastructure	6% reduction on bulk electricity purchases			
Meter installation report	Approved report by the ED	Reduction of water losses by 11% and electricity losses by 6%			

Formalization of townships report	Approved report by the ED	Reduction of water losses by 11% and electricity losses by 6%			
Fire tariff income report	Approved report by the CFO	N/A			
Project progress report	Monthly project progress report against project plan	100% compliance with spending against project approved budget			
Township Economy Implementation Report	Approved Council report	Per the budget funding plan			
Progress Report	Monthly progress reports as per project implementation plan	Project budget report			
Progress Report	Monthly progress reports as per project implementation plan	Project budget report			
Progress Report	Monthly progress reports as per project	Project budget report			
Progress Report	Monthly progress reports as per project implementation plan	Project budget report			
Fleet management report	Approved report by the MM	N/A			
Fleet availability report	Approved report by the MM	N/A			

Mechanical workshop[s] revitalization plan	Approved report by the MM	Per the budget funding plan			
Monthly expenditure per grant	Monthly expenditure report per grant	100% expenditure per grant			
Project performance against project implementation plan	Performance evaluation report	100% meeting of targets as per project execution			



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