



Aiming above the horizon

# **OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

## TABLE OF CONTENTS

<b>GLOSSARY</b>	<b>3</b>
<b>1. FOREWORD BY THE CHAIRPERSON OF THE MUNICIPAL ACCOUNTS COMMITTEE</b>	<b>4</b>
<b>2. MEMBERS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE</b>	<b>6</b>
<b>3. INTRODUCTION</b>	
<b>4. BACKGROUND AND DISCUSSION</b>	<b>7</b>
<b>4.1. POLICY AND LEGISLATION FRAMEWORKS ON THE ANNUAL REPORT         AND OVERSIGHT REPORT</b>	<b>7</b>
<b>4.2. PROCESS PLAN FOR THE DEVELOPMENT OF THE OVERSIGHT         REPORT</b>	<b>8</b>
<b>4.3. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE</b>	<b>9</b>
<b>4.4. OFFICE OF THE AUDITOR GENERAL AUDIT REPORT</b>	<b>9</b>
<b>4.5. ANNUAL REPORT OF FDDM</b>	<b>10</b>
<b>4.6. COMMENTS OF THE AUDITOR GENERAL FDDM ANNUAL REPORT</b>	<b>11</b>
<b>4.7. MPAC OBSERVATIONS, COMMENTS AND RECOMMENDATIONS ON         ON THE FEZILE DABI ANNUAL REPORT</b>	<b>12</b>
<b>5. RECOMMENDATION</b>	<b>15</b>
<b>ANNEXURE A MINUTES OF 13 FEBRUARY 2026</b>	<b>17</b>
<b>ANNEXURE B MINUTES OF 11 MARCH 2026</b>	<b>41</b>
<b>ANNEXURE C OVERSIGHT ASSESSMENT REPORT</b>	<b>76</b>

## **GLOSSARY**

<b>AFS</b>	Annual Financial Statements
<b>AGSA</b>	Auditor General of South Africa
<b>Cllr</b>	Councillor
<b>EM</b>	Executive Mayor
<b>FDDM</b>	Fezile Dabi District Municipality
<b>IDP</b>	Integrated Development Plan
<b>MEC</b>	Member of Executive Council
<b>MFMA</b>	Municipal Finance Management Act
<b>MSA</b>	Municipal Systems Act
<b>SDBIP</b>	Service Delivery Budget Implementation Plan

## **FOREWORD BY THE CHAIRPERSON OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Honorable Speaker,

It is my privilege to present to this Council the Oversight Report of the Fezile Dabi District Municipality on the Annual Report for the financial year ending 30 June 2025.

I would like to acknowledge the confidence placed in the members of the Municipal Public Accounts Committee (MPAC) by Council to carry out the responsibility of reviewing the Annual Report and providing guidance accordingly.

Honorable Speaker, oversight is a fundamental principle of good governance. In local government, both executive and legislative powers are vested in Council. To strengthen accountability and transparency, MPAC plays a critical role in exercising oversight over the municipal executive.

MPAC is mandated to ensure that the Municipality's financial and other resources are used effectively, efficiently, and in a manner that delivers equitable and quality services to our communities. In addition, the Committee is responsible for ensuring that all findings raised by the Auditor-General are properly addressed through the implementation of corrective measures contained in the Audit Action Plan.

We will continue to closely monitor the implementation of the Audit Action Plan to ensure that all corrective actions are carried out within the required timeframes. In this regard, we recommend that management adopts a structured, project management approach to track progress against key milestones.

Furthermore, we propose that detailed monthly progress reports be submitted to MPAC, relevant Council Committees, and Council to allow for effective oversight and accountability.

Honorable Speaker, we are encouraged by the commitment shown by management in initiating the implementation of the Audit Action Plan, including holding regular weekly meetings to track progress.

However, where delays or lack of progress are identified, appropriate consequence management must be applied without delay by administrative leadership in the institution. We need to be mindful of the commitment we have made recently as an institution of the Office of the Auditor-General to ensure that intervention measures are implemented so as to lay a solid foundation for moving steadily towards an unqualified audit opinion with matter and progressively transition towards the desirable unqualified audit opinion with no matters. The matter of the slow pace of investigating Unauthorised Irregular Fruitless Wasteful Expenditures (UIFWEs) has been raised repeatedly by the AGSA and cannot be over-emphasized.

Allow us to also recognize the dedication and hard work of MPAC members in fulfilling their responsibilities in reviewing the Annual Report, facilitating robust community and stakeholder engagement on the said report and consequently and compiling this Oversight Report thereon.

The collaborative working relationship between MPAC and management positions the Municipality to achieve improved audit outcomes in the near future as indicated. Lest we forget the absolute necessity of receiving and implementing advice from the Audit and Performance Committee of Council.

The successful completion of this Oversight Report would not have been possible without the valuable contributions and support from Councilors, the Office of the Auditor-General, and municipal management under the leadership of the Municipal Manager. We extend our sincere appreciation to all stakeholders involved.

In conclusion, Honorable Speaker, I would like to express gratitude to the Office of the Auditor-General, the Executive Mayor, the Speaker, Councilors, the Municipal Manager, senior management, and all officials for their continued support to MPAC during the compilation of this report.

I thank you

31 March 2026

**Cllr. Nthabiseng Magengenene**  
**Chairperson MPAC**

**Date**

## **1. MEMBERS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

The MPAC is established in terms of Section 79 of the Municipal Structures Act and performs an oversight function on behalf of council and is not a duplication of other committees of council, such as the Finance Committee or that of the Audit Committee. Council is vested with the responsibility to oversee the performance of their municipality, as required by the constitution, the Municipal Finance Management Act and Municipal Structures Act.

The Municipal Public Accounts Committee was elected on the 28 January 2022. The following Councillors serve as members of the Municipal Public Accounts Committee:

<b>INITIAL &amp; SURNAME</b>	<b>PARTY</b>
<b>Cllr Nthabiseng Magengenene</b>	<b>ANC</b>
Cllr D Serapela	<b>EFF</b>
Cllr M Radebe	<b>EFF</b>
Cllr NE Masiteng	<b>ANC</b>
Cllr M Magashule	<b>ANC</b>
Cllr Malherbe	<b>FF Plus</b>
Cllr M Mnaba	<b>DA</b>

## **2. INTRODUCTION**

The Local Government: Municipal Finance Management Act, 56 of 2004 (MFMA), assigns specific oversight responsibilities to council with regard to the Annual Report and the preparation of an Oversight Report. The Municipal Public Accounts Committee was established for ensuring that the executive implements programs and plans in a way consistent with policy, legislation and the dictates of the constitution. Given the processes required by council to effectively undertake its oversight role, the establishment of an Oversight Committee of council would provide the appropriate mechanism in which council could fulfil its oversight responsibilities. In the case of the Fezile Dabi District Municipality the Municipal Public Accounts Committee (MPAC) fulfils the role of performing Oversight Committee in the annual report processes.

The Oversight Committee's primary role is to consider the Annual Report, receive inputs from the various role players and to prepare a draft Oversight Report for consideration by council. MPAC was further established for monitoring the service delivery and the levels of performance of the municipality. It should also assess effectiveness, efficiency, service quality and municipal productivity and provide reports on service delivery and budget implementation plan. Such implementation should assess whether promised service delivery targets have been delivered. MPAC plays an important role in scrutinizing the spending of the municipal budget at the end of the financial year, which mirrors the work done by the finance department before the beginning of the financial year.

It is emphasized that the oversight committee of a municipality cannot be a once off event which is confined to scrutinizing the financial statements, but must be on-going and aim at continuous improvement in the manner in which the municipality performs its functions and delivers its services to the community. MPAC would on a continuous basis assess the implementation of programs in the Integrated Development Plan in terms of the Service Delivery and Budget Implementation Plan; as well as oversee the financial performance of the municipality as reflected in the Annual Report and the Audit Report. Section 129 of the MFMA requires the municipality to prepare an oversight report on the annual report and to publicize it.

### **3. BACKGROUND AND DISCUSSION**

#### ***3.1. Policy and Legislative framework on annual and oversight reports***

Section 46 of the *Local Government: Municipal Systems Act, Act 32 of 2000* (and as amended) read together with section 121 of the *Local Government: Municipal Finance Management Act, Act 56 of 2003*

(MFMA) (and as amended) places an injunction on the municipality to prepare and Annual Performance Report for Council

The mentioned MFMA, Circular No. 63 is instructive as it provides detailed advice on the format to be used in the development of the APR and provide further guidelines on what chapters should entail.

The Council of Fezile Dabi District Municipality has duly endorsed the said Circular. The 2024/2025 Annual Performance Report of Fezile Dabi District Municipality has been developed in the accordance with the said Circular.

In terms of section 129 of the MFMA, Council **must** adopt an oversight report of the municipality, which must include comments on the Annual Report.

MPAC was tasked by Council on the 27<sup>th</sup> of January 2026 to develop the oversight report within the next 60 days.

MPAC understood that it would be imperative in pursuing the assignment of developing an oversight report that the dictates of the MFMA Circular 32 that describes the oversight report as the *“final major step in the annual reporting process of the municipality”* is followed.

The said Circular 32 indicate that the oversight report must include a statement whether the council:

- has approved the annual report, with or without reservations –
- has rejected the annual report; or
- has referred the annual report back for revision of those components that can be revised.

### **3.2. Process Plan for the development of the Oversight Report**

There was an MPAC meeting held on 30 January 2026 where the Draft Oversight Report Process Plan as discussed.

A notice on the Annual Report inviting stakeholder to participate in the unfolding Annual Report review process was advertised in the regional newspaper. Central news on the **10<sup>th</sup> of February 2026 (the said notice is hereto attached as Annexure A)**

Critically the said advert highlighted the following milestones that are integral to the Annual Report review process and the development of an oversight report thereon:

- a) Written and submissions from stakeholders and parties to be submitted by the 2<sup>st</sup> of March 2026
- b) Copies of Annual Reports were printed and distributed at Public Libraries and Municipal Offices from the 5<sup>th</sup> of February 2026 and an electronic copy was published onto the website of the municipality;

- c) Public hearings on the Annual Report were convened on a form of public participation from the 20<sup>th</sup> to the 27<sup>th</sup> of February 2026;
- d) MPAC meeting was scheduled on the 11<sup>th</sup> of March 2026 to response to questions on the Annual Report posed by members of the community and stakeholders.

A workshop of MPAC on the Annual Report was held on the 10<sup>th</sup> of February 2026, where presentations were made on the Audit Report 2024/2025, the Annual Report and on what “Constitute an Oversight Report” by representatives from the Auditor-General of South Africa and management of Fezile Dabi respectively (*the said presentations are hereto attached as Annexure B, Annexure C and Annexure D respectively*)

The Chairperson of MPAC, with the assistance of the Office of the Speaker appealed to councillors to made written comments and point of clarity on the Annual Report to prepare for the planned session for the 10<sup>th</sup> of March 2026 as afore-mentioned and assisting with the further processing and review of the Annual Report.

### 3.3. Municipal Public Accounts Committee

MPAC is responsible, amongst other functions:

- a) To consider and evaluate the Annual Report as tabled in Council, and thereafter make recommendations to Council in that regard.
- b) To compile an Oversight Report and table in Council and make recommendations for Council’s consideration.

MPAC met twice on the 16 February 2026 and the 11 March 2026 to discuss the Annual Report, the Audit Report and for compilation and approval of the Oversight Report.

<b>MPAC MEMBER</b>	<b>16 February 2026</b>	<b>11 March 2026</b>
Cllr Nthabiseng Magengenene	Present	Apology
Cllr D Serapela	Present	Present
Cllr Radebe	Present	Present
Cllr M Magashule	Present	Present
Cllr NE. Masiteng	Present	Present
Cllr M Mnaba	Present	Present
Cllr GS Malherbe	Present	Present

### 3.4. AGSA Audit Report

The Committee notes that the municipality audit outcome is a qualification and this represent a stagnation in respect of the audit outcome of attaining a qualification over a five year period.

Although this is worrying, we are encouraged that the qualification findings has reduced as follows:

Description	2021/22	2022/23	2023/24	2024/25
Audit Opinion	Qualified	Qualified	Qualified	Qualified
No. of findings	81	75	41	32

Furthermore, the Committee notes the following issues raised by the Auditor-General:

- The qualification resulting from receivables from non- exchange transactions
- Achievement of sampled indicators indicated an *achievement of 75%* of planned targets
- The numerous material non-compliance areas are identified.
- Concern raised on the pace of investigating and finalizing the Unauthorised, Irregular and Fruitless and Wasteful Expenditure.

The Committee is encouraged that the municipal administration has promptly dealt with concerns and findings of the Auditor General and have taken the following corrective measures:

- A Clean Audit Steering Committee was established in March 2025 to oversee the implementation of the Audit Action Plan and ensure that all remedial actions are effectively implemented.
- The committee meets weekly to monitor progress, address outstanding matters, and ensure that corrective actions lead to the resolution of audit findings.

Significant progress has been made in addressing audit findings:

- For the 2023/24 financial year, 86% of audit findings affecting the Audit Report were fully resolved prior to the audit.
- The remaining 14% of findings were addressed during the submission of the Annual Financial Statements (AFS) to the Auditor-General of South Africa.
- This resulted in a significant improvement in the audit outcome, with only one paragraph reported in the 2025 Audit Report compared to six paragraphs in the 2024 Audit Report.
- Currently, 100% of the matters affecting the Audit Report are being actively addressed, with the Clean Audit Steering Committee assessing the progress of each remedial action.

- The Internal Audit Unit has been requested to conduct independent assessments of the proposed remedial actions outlined in the Audit Action Plan and to report on progress made by the respective departments.
  - Root causes and remedial actions have been identified for each audit compliance finding. These actions will be implemented following assessment and approval by the Clean Audit Steering Committee, ensuring that corrective measures are appropriate, sustainable, and effective in preventing recurrence.
- Concerning the slow pace of processing UIFW, my Committee will be developing and implementing an action plan including Annual Calendar of meetings to deal with the UIFW and the backlogs

3.4.1. **Comments of the Auditor General on the Annual Report**

This section will highlights 10 key comments provided by the Office of the Auditor-General emanating from their procedure assessment on the Annual Report of the District and indicate what corrective measures will be implemented by management.

Comment Number	Comments by the Auditor-General	Comments / Corrective Measures of Management
1	<p>AFS auditee agree with AFS included in the Annual Report</p> <p><i>Inspected the annual report and could confirm that the annual financial statement was not included in the annual report</i></p>	<p>Management will ensure that the Annual Report for 2024/2025 to be tabled at Council on 31 March 2026 does contain Volume 11 ( the Annual Financial Statements)</p>
2	<p>APR achievements and reasons for non-achievements agree to those we audited in the APR for scoped in programmes</p> <p><i>Inspected the annual report achievements and reasons for non-achievement and could confirm that they agree with the those that were scoped in for auditing in the APR</i></p>	<p>No need for corrective action</p>
3	<p>Auditor report in there agrees to the auditor's report we have signed on file, page by page and ensure all pages are in there (paragraph by paragraph and the numbering referencing in certain paragraphs)</p>	<p>Management will ensure that the Annual Report for 2024/2025 to be tabled at Council on 31 March 2026 does</p>

	<i>Inspected the annual report and could confirm that the auditor was not included in the Annual report</i>	contain the Audit Report of the Auditor-General
4	Review the document and confirm that there are no spelling/grammatical errors  <i>Inspected the annual report and could confirm that there were spelling errors on page 142 last sentence avoid &amp; recurring spelled wrong</i>	The spelling errors will be corrected in the final Annual Report for 2024/2025 FY to be tabled to Council on 31 March 2026
5	Review the document and confirm that the numbering of the paragraphs has been done correctly/consistently  <i>Inspected the annual report and confirm that the numbering of paragraphs in report has been done correctly/consistently.</i>	No need for corrective action
6	Review the document and confirm that the format/writing style has been applied throughout the document  <i>Inspected the annual report and could confirm that the format/writing was applied throughout the document</i>	No need for corrective action
7	Review the document and confirm that the information reflected in the tables agrees to the narrations in the paragraphs.\n <i>Inspected the annual report and could confirm that the tables agrees to the narrations in the paragraphs</i>	No need for corrective action
8	Review the document and confirm that totals as per the tables have been correctly added.  <i>Recalculated totals on the AR and could that they were correctly added</i>	No need for corrective action
9	Read the accounting officers report and confirm that it agrees to the final adjusted AFS.  <i>Inspected the annual report and could confirm that the accounting officers report was not attached</i>	Management will ensure that the Annual Report for 2024/2025 to be tabled at Council on 31 March 2026 does contain the AO report on the AFS

### 3.5. Annual Report of FDDM

- For the year under review the municipality set itself 83 performance targets and 65 (78.31%) of these targets were achieved and the remaining 18 (21.69%) were not achieved. ;

Reporting Period	Set KPIs and Targets	Performance Number/ %
1 July 2024 – 30 June 2025	83	65 (78, 31%) Achieved
		18 (21.69%) Not Achieved

- Supported two agricultural cooperatives with their agro-processing initiatives;
- Eighteen (18) Small, Medium and Micro Enterprises (SMMEs) supported across the district with entrepreneurial support by providing business equipments such as **cooking utensils, auto diagnostic full system scanners, gas grillers, etc**

Business Name	Business Owner	Contacts	Business Address	Area
Ultibase Media Productions (PTY) Ltd	Nicol Sefeso Dladla	078 188 9405	702 Gamede Street Qalabotjha Villiers	Mafube LM
Three Bees Cleaning Services	Nthabeleng Marabe	071 976 9214	38 Bendette Street Deneysville	Metsimaholo LM
Old Town Embroidery & Printing (PTY) Ltd	Seiphitlo Moeti	061 501 7305	4925 New Location Kwakwatsi Koppies	Ngwathe LM
Moolee Enterprise (PTY) Ltd	Lerato Tracey Mahlatsi	078 783 9459	985 Matlwang-Tlwang Steynsrus	Moqhaka LM
Zamtshaba Gardens & Cleaning (PTY) Ltd	Monambithi Tshabangu	073 959 2979	17455 Iraq Zamdela Sasolburg	Metsimaholo LM
Xolis Nail & Makeup Bar (PTY) Ltd	Xolile Sibeko	061 096 5185	36 Magashule Section Cornelia	Mafube LM
Moeti & Sons (PTY) Ltd	Mpho Mokoena	079 552 5690	205 Nhlapo Street Mafahlaneng Tweeling	Mafube LM
The DSMD	Mzwake Hadebe	084 527 0057	510 Leeie Street Phiritona Heilbron	Ngwathe LM
Khedos M Shop (PTY) Ltd	Mamokete Mokoena	073 566 7013	171 Bonamelo Street Metsimaholo Oranjeville	Metsimaholo LM
Blinkiing Media (PTY) Ltd	Lebohng Mokoena	067 292 9101	76 JJ Hadebe Street Frankfort	Mafube LM
Nkopane Wa Mathunya (K2024609845)	Matsietsi Setlaba	082 526 8730	4650 Khaya Section Rammolutsi Viljoenskroon	Moqhaka LM
TT African Vibes (PTY) Ltd	Malibongwe Mlotshwa	068 048 9464	52 Bree Street Parys SMME Hub Parys	Ngwathe LM
Mbali's Eatery (K2024602424)	Palesa Suzan Mosala	083 365 4949	1910 Chris Hani Mokwallo Vredefort	Ngwathe LM
Ndese Mechanics (PTY) Ltd	Themba Victor Ndese	068 165 5864	2055 Chris Hani Mokwallo Vredefort	Ngwathe LM
Onkabetse Investments Trading & Projects (PTY) Ltd	Ntswaki Mofokeng	081 717 7290	4142 Khalane Street Maokeng Kroonstad	Moqhaka LM
Rekgutlile Enterprise (PTY) Ltd	Modiehi Mokoena	083 579 5535	555 New Stands Ngwathe Edenville	Ngwathe LM
Vang1e	Mohau Phillip Mokhatla	074 050 2617	160 Poho Street Phiritona HEILBRON	Ngwathe LM

- Reviewed and secured Council approval of thirty-five (35) Human Resources policies;
- Successfully completed the review of the Municipal Staff Establishment to create a fit-for-purpose organisational structure;

- Timeously prepared and submitted the Workplace Skills Plan (WSP), Annual Training Report (ATR), and PIVOTAL Plan for 2024/2025 to the LGSETA;
- Submission of the annual Employment Equity Report to the Department of Labour within the prescribed timelines;
- *Successful hosting of environmental health activities – Environmental Health, Hepatitis A, Food Safety Awareness and Programmes; food safety (44 people reached); training of tuck shop owners ( 185 tuck shop and general dealers owners); hand hygiene day (97 children reached);*
- *Hosted an Arbor Month Celebration Programme entailing tree planting and environmental conservation that resulted in planting of 52 trees in nine schools, reached 2702 learners and distributed 96 bins in partnership with PETCO. Two Waste Pickers workshops convened and 95 Waste Pickers were reached*
- *Compliance monitoring of landfills sites across the districts;*
- *Effective provision of fire and emergency services (Mafube LM)`, scrutinised 33 building plans and inspected 73 High, medium and low risk buildings; responded to 92 Fire and Rescue Incidents at Mafube*
- *Conducted a series of educational, simulation exercise and Awareness Campaign to raise fire safety awareness and evacuation drill and basic firefighting training targeting farm owners and government*
- *Effectively provided disaster management services and conducted 61 risk assessment and 58 risk reduction exercises across the district;*
- *100% expenditure rate in respect to capital expenditure in respect of the Roads Asset Management System (RRAMS) that ensured that:*
  - *1225 km of road network were conditionally assessed and thus exceeded the annual target by 73 KM;*
  - *1152 km of ancillary asset and exceeded the annual target by 297 km; and*
  - *49 traffic counts*
- Effectively discharged its assigned Implementation Agent function for implementation of the Municipal Infrastructure Grant (MIG) on behalf of Mafube Local Municipality and noticeable achievement were as follows at year end.
- Attained an expenditure rate of 79.4% which was 20.6 % shy of the set annual target of 100%;
  - Qalabotjha/Villiers construction of 6.5 ML concrete clean water reservoir and pipeline (Phase 2) 100% complete;
  - Namahadi Upgrading of sports ground at Zomba (Phase 1), 100% practical completion;

- Namahadi construction of 0.7 km paved road and storm-water at Mposula, Mashego and Thadi Streets
- Drilling and Equipping of Boreholes in Tweeling, 99% complete;
- Refurbishment of Pump Station in Tweeling, 99% complete;
- Robust and functional IGR Institutional arrangements, the District Coordination Forum, Speakers Forum and Technical IGR meetings coordinated the work of the district and its local municipalities;
- *The Office of the Executive Mayor hosted a series of Outreach Programme on:*
  - *HIV/ AIDS that reached 288 community members;*
  - *Cleaning campaigns, handover of food parcels and blankets to vulnerable families and 327 community member participated and benefitted from this programme;*
  - *Disability and mayoral games that reached 532 participants*
- The Office of the Speaker had convened a series of public meetings to raise anti-crime awareness, civic education and speaker izimbizos during the year under review and 1243 community members participated in these engagements
- *Top management stability attained as all there is no vacancies among the section 54A and 56 managers*
- **35.05 Full time Equivalent and 91 Work Opportunities created through the Expanded Public Works Programme**
- *Ensured compliance with Budget circulars and reviewed Budget Related Policies;*
- *Funded budget;*
- *Prepared and signed-off 4 audit files;*
- *Submitted AFS within the legislated timeframe and a qualification outcome with a significant reduction of qualification matters*
- *12 Monthly bank reconciliation done;*

- *IDP and SDBIP drafted and approved within the legislated timelines;*
- *A series of public participation engagement processes facilitated from the 19-22 February 2025 to afford communities to meaningfully engage with the planning and budgeting processes;*
- *Compliance reports such as section 71, 72 and 52 (d) developed and processed through Portfolio Committees, MAYCO and Council;*

### **3.6. MPAC Observations, comments and recommendations on the Fezile Dabi Annual Report for the period ending 30 June 2025**

As indicated public hearings on the Annual Report were convened from the 20<sup>th</sup> to the 27<sup>th</sup> of February 2026 to afford communities the opportunity to engage the Annual Report and seek further clarity in respect of the report. Where further clarity was sought, MPAC developed a set of questions to obtain further information on the Annual Performance Report.

At a MPAC Special meeting held on 11 March 2026, municipal administration provided detailed written responses to MPAC questions on the Annual Performance Report (APR) for 2024/2025 FY( see annexure C)

MPAC adjudged the written responses to be comprehensive and addresses the request for further information. Critically, an account was provided on the 18 non-achieved KPIs, on details for variance and corrective actions to be taken (see page 22 – page 33 of the report from Management

*MPAC after engaging the audit report, the annual report and representations made by managements in this engagement advises council after deliberations to approve the Annual Report without reservations:*

- a) *That Management has established An Audit Committee that is meeting on a weekly basis to take stock of the extent to which audit action plans are being implemented both for Matters Affecting Audit Report and Other Important Matters*
- b) *Management will be providing a monthly progress report on the implementation of the Audit Action Plan*
- c) *Consequence management should be implemented as expeditiously as possible in instance that cost of UIFWs would attribute to officials negligence and dishonesty*
- d) *Processing and investigations of UIFW should be pursued as the quantum has increased to +R200 million and a clear and implementable plan on these investigations should be developed and implemented. MPAC is heeding the advice of AGSA of compiling a total list of all UIFWEs.*
- e) *The high employee cost recorded at 52% is too high and mitigation measures to reduce the mentioned cost should be implemented forthwith;*

- f) *Lack of internal control should be attended to within the realm of the Audit Action Plan*
- g) *UIFWs should be avoided in the immediate future and all non-compliance matters related to laws and regulation especially supply chain management should be dealt with;*
- h) *The matter of lack of supporting documentation should be dealt with by implementation of support measures that no payment should be effected within the supporting documentation;*

#### 4. RECOMMENDATIONS

It is recommended that the Council;

- a) To approve the annual report, without reservations as the *information presented contained therein is fair and reasonably account for performance of the municipality;*
- b) Notes the reported performance of attained 78.31% **(65) against the set 83 performance indicators, were attained.**
- c) Notes that MPAC has developed an assessment report on the Annual Report as enjoined by Annexure C of the MFMA Circular 32 (the said report is hereto attached for ease of reference)
- d) Note that municipal administration has developed and is implementing an audit action plan and we will be robustly monitoring the implementation of the said audit action plan as monthly progress report thereon are developed and presented;
- e) Council to approve the Oversight on the Annual report for the year ending 30 June 2025.
- f) Note the slow pace of processing and investigating UIFWs is receiving attention. To this end, MPAC will be developing an annual calendar with planned two MPAC meetings per month to deal effectively with UIFW and thus contribute towards the efforts of improving our Audit Outcome; ;
- g) Note that a compiled annual report following the dictates of section 46 of the Local Government Municipal Systems Act is attached to the Oversight Report;
- h) Note that the approved oversight report will be dispatched to the MECs for Treasury and for Cooperative Governance and Traditional Affairs;

- i) The approved oversight report will be published on the municipal website and made public within seven days after being adopted by council.

**Chairperson of MPAC**

**Cllr: Nthabiseng Magengenene**

**31 March 2026**

# **ANNEXURE A**

## **NOTICE FOR PUBLIC PARTICIPATION**



**PUBLIC NOTICE**

**DRAFT AUDITED ANNUAL REPORT: 2024/2025**

Notice is hereby given in terms of Section 127 (5) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003, that Fezile Dabi District Municipality has adopted its Draft Audited Annual Report 2024/2025 during the ordinary council meeting which was held on 27 January 2026 in Sasolburg. The Municipal Manager of Fezile Dabi District Municipality, Mr Sipho Thomas, in terms of Section 127 (a) (ii) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003, hereby invites all interested stakeholders, parties, structures and organisations to make written and oral submission in respect of the Draft Audited Annual Report for the period ending 30 June 2025.

Interested stakeholders, parties, structures and organisations have until 27 February 2026 to make their written and oral submissions to the Office of the Municipal Manager, Fezile Dabi District Municipality, John Vorster Road, P.O Box 10, Sasolburg, 1947 or emailed to [mpacsec@feziledabi.gov.za](mailto:mpacsec@feziledabi.gov.za) . Written submission can also be made at the Municipal Offices of all Local Municipalities constituting Fezile Dabi District Municipality.

Copies of the Annual Report will be available from 6 February 2026 for perusal at all the Public Libraries and Municipal Offices of all Local Municipalities constituting Fezile Dabi District Municipality. In addition electronic version can also be viewed and downloaded on the Municipal website [www.feziledabi.gov.za](http://www.feziledabi.gov.za)

The Municipal Public Accounts Committee (MPAC) will be holding physical consultations on the Draft Annual Report 2024/2025 under the following arrangements:

<b>Municipality</b>	<b>Date and Time</b>	<b>Meeting venue</b>
Mafube Local Municipality	20 February 2026 @ 11:00	Mafube Town Hall, Frankfort
Ngwathe Local Municipality	25 February 2026 @ 11:00	Multipurpose Centre, Parys
Metsimaholo Local Municipality	26 February 2026 @ 11:00	Zamdela Hall, Sasolburg
Moqhaka Local Municipality	27 February 2026 @ 11:00	Constantia Hall, Kroonstad

MPAC meeting will be held on 18 March 2026, at Fezile Dabi District Municipality, John Vorster Road, Sasolburg Enoch Sontonga Council Chamber, at 11:00 where the Accounting Officer will be responding to questions on the Annual Performance Report posed by members of MPAC

**SIPHO THOMAS**  
**MUNICIPAL MANAGER**  
**FEZILE DABI DISTRICT MUNICIPALITY**

## **ANNEXURE B**

# **MINUTES AND PRESENTATION 11 FEBRUARY 2026**

**13 FEBRUARY 2026**

**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE WORKING SESSION WITH THE AUDITOR GENERAL OF SOUTH AFRICA HELD ON THURSDAY, 13 FEBRUARY 2026 AT 11H00 AT THE ENOCH SONTONGA MUNICIPAL CHAMBER, SASOLBURG.**

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See attached register.



register 13 feb  
2026.pdf

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**MINUTES**

**OPENING AND WELCOME**

The chairperson opened the meeting and welcomed all the MPAC members that were present at 10:28.

**APPLICATION FOR LEAVE**

**OFFICIALS**

Mr S. Thomas

Me. M. Letebele

Mr K Masekoane.

**COUNCILLORS**

NONE

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**MOTION OF SYMPATHY AND CONGRATULATIONS**

- The chairperson sympathized with all the families that lost their loved ones during the festive season.
- The chairperson also congratulated everyone that has made it alive into 2026
- Cllr Masiteng congratulated the African National Congress for its successful 114 years birthday celebration that was held in the North West.
- The chairperson congratulated all the class of 2025 matriculants for their exceptional results.

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## **POINT OF DISCUSSION**

### **ITEM 6**

#### **AUDIT REPORT OF THE YEAR ENDING 30 JUNE 2025**

##### **1. PURPOSE**

The purpose of the report is for Municipal Public Accounts Committee to consider the Mid-Year Budget and Performance Assessment for the period ending 31 December 20225 in compliance with the provision of section 52 (d) and 72 (1) (a) of the Local Government: Municipal Finance Management Act and requirements of Budget Reporting Regulations.

##### **DISCUSSIONS**

- Cllr Mnaba asked Mr Lerato to take the committee through the mentioned uninvestigated UIFW's.
- Cllr Mnaba also asked if the AG was also furnished with the skills audit report.
- Mr Lerato responded on the issue of the skills audit by saying they were not made aware as the office of the Auditor General, however what is meant in the report is that there are no regular evaluations.
- Mr Lerato further answered Cllr Mnaba that the management doesn't have systems in place that ensure that officials are regularly enhanced with skills development.
- Mr Lerato alluded that he sympathizes with the current committee that it has to deal with UIFW's from the past few years, however by law the committee should conduct investigations and, in a situation, where there is no information related to them the committee should make means that is including writing to the Provincial treasury, if there is no possible solution those engagements should be attached during audit.

- Cllr Mnaba asked how is the institution functioning without month-to-month evaluation and how does the institution identify the short comings of each department?
- Cllr Mnaba further asked why were the grants underspent?
- Cllr Mnaba pleaded with the management to prioritize the backup of data of the institution as it poses a risk for the municipality.
- Cllr Masiteng commented that the report is very clear and straight forward and also pleaded with the committee that the focus should be more on fixing the identified issues by the AG and also ensure that they are avoided by all means necessary.
- Cllr Serapela asked what is the plan with the issue of data backup.
- The chairperson of MPAC councillor Magengenene posed a question on the issue of consultants, she asked what is the future plan of ensuring that consultants leave a skill in the municipality.
- Director Ramaboea answered that during audit the management only provides what the AG has requested and they never requested the skills audit that is why they are not aware of the skills audit report.
- Director Ramaboea alluded that on the performance management aspect, there is already a commitment from SALGA to assist the municipality with the issue of performance management.
- Director Ramaboea explained that the reason why we don't have backup storage is that the municipality was trying to find a safe backup storage but after researches and exploring from another Municipalities the institution is considering to use cloud as most municipalities like Mangaung Metro are using it and it is safer and more reliable.
- CFO alluded that one of the short comings is that SCM does not have someone that checks the circulars of SCM on daily basis, one of the findings is with regards to THE circular of tax certificates that need to be checked regularly instead FDDM used the circular that allowed the SCM to check the suppliers tax certificate once in 12 months.
- The Municipal Manager alluded that it is the first time in the past 5 years that Fezile Dabi District Municipality has no paragraph in Supply Chain Management which is a huge milestone for the institution. And also, between now and the previous audit, Fezile Dabi District municipality had seven paragraphs. All Those paragraphs are gone. Unfortunately, we had a new paragraph under dubious circumstances, and that is the reason, we have suspended the official concerned.

- The municipal manager also explained that all the issues that councilor Mnaba is raising, the management is busy addressing them and also acknowledge them. And the management is busy with the audit action plan.
- Mr Masekoane answered the question of chairperson by alluding that what was done Is that together with the Compliance officer, they've re-reviewed our compliance checklist to make sure that in the event that we amend, they will then be able to make sure that all the requirements of both the planning regulations and the Municipal Systems Act Are then adhered to.

## **RESOLUTIONS**

- The Municipal Public Accounts Committee took note of the report
- 

## **ANNUAL PERFORMANCE REPORT**

### **DISCUSSIONS**

- Cllr Mnaba raised that in the last session the committee agreed that the audit action plan would come on a monthly basis. Could we please then implement that it comes on a monthly basis to MPAC So that we can track progress?
- The MPAC chairperson asked why does the audit action plan say MPAC meetings will sit bi-weekly
- The CFO clarified that it is a typing error, MPAC meeting are going to sit twice a month.

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## **CLOSING**

The meeting adjourned at 12:45.

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**Presentation**  
**Fezile Dabi Annual Report for**  
**the Period Ending 30 June**  
**2025**  
**MPAC Working Session – 13**  
**February 2026 @ 10:00am**

## **OUTLINE OF THE PRESENTATION**

- Policy and Legislative Framework
- Population and Environmental Overview
- Governance
- Corporate Governance
- Service Delivery Performance
- Audit Action Plan

## **POLICY AND LEGISLATIVE FRAMEWORK**

Section 46 of the Local Government Municipal Systems Act, Act 32 of 2000 (and as amended) read together with section 121 of the Local Government Municipal Finance Management Act, Act 56 of 2003 (and as amended) places an *obligation* on the municipality to prepare and Annual Performance Report for Council

MFMA, Circular No. 63 is instructive as it provides detailed advice on the format to be used in the development of the APR and provide further guidelines on what *chapters should entail*.

The Council of Fezile Dabi District Municipality has duly endorsed the said Circular.  
The 2024/2025 Annual Performance Report of Fezile Dabi District Municipality has been developed in the accordance with the said Circular

## **POPULATION AND ENVIRONMENT OVERVIEW**

Total population - local municipalities of Fezile Dabi District Municipality, 2014, 2019 and 2024  
[Numbers percentage] Source: S&P Global 2025

	2014	2019	2024
<b>Moqhaka</b>	167,000	170,000	173,000
<b>Ngwathe</b>	127,000	132,000	136,000
<b>Metsimaholo</b>	163,000	178,000	192,000
<b>Mafube</b>	61,700	63,900	65,600
<b>Fezile Dabi</b>	518,792	544,408	565,986

The majority of the population in the district is situated in Metsimaholo Local Municipality (FS204), which accounts for 33.92% of the population of the district. It is followed by Moqhaka Local Municipality (FS201), with 30.56% of the district population, then followed by Ngwathe Local Municipality (FS203), with 24.03% of the district population and Mafube Local Municipality (FS205) that has the smallest population percentage in the district at 11.59%.

The population of Fezile Dabi District Municipality increased from 544 408 in 2019 to 565 986 in 2024, a growth rate of 3.9% in the intervening period.

Female constituted 50.27% of the total population while 49.73% were males.

In 2024, the Fezile Dabi District Municipality's population consisted of 87.31% African (494 000), 10.42% White (59 000), 1.95% Coloured (11 000) and 0.32% Asian (1 830) people.

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

Gross value added(GVA) by broad economic sector – Fezile Dabi District Municipality, 2024 [R billions, current prices]

	<b>Fezile Dabi</b>	<b>Free State</b>	<b>National Total</b>	<b>Fezile Dabi as % of province</b>	<b>Fezile Dabi as % of national</b>
<b>Agriculture</b>	3.0	18.4	206.7	16.3%	1.46%
<b>Mining</b>	9.7	27.4	442.7	35.3%	2.18%
<b>Manufacturing</b>	23.5	37.2	940.9	63.1%	2.49%
<b>Electricity</b>	4.7	13.3	244.4	35.3%	1.92%
<b>Construction</b>	1.1	5.5	159.4	19.9%	0.69%
<b>Trade</b>	6.2	42.2	915.3	14.7%	0.68%
<b>Transport</b>	3.0	22.0	518.4	13.7%	0.58%
<b>Finance</b>	12.2	63.3	1,555.5	19.3%	0.79%
<b>Community services</b>	11.4	92.1	1,642.3	12.3%	0.69%
<b>Total Industries</b>	<b>74.7</b>	<b>321.4</b>	<b>6,625.6</b>	<b>23.3%</b>	<b>1.13%</b>

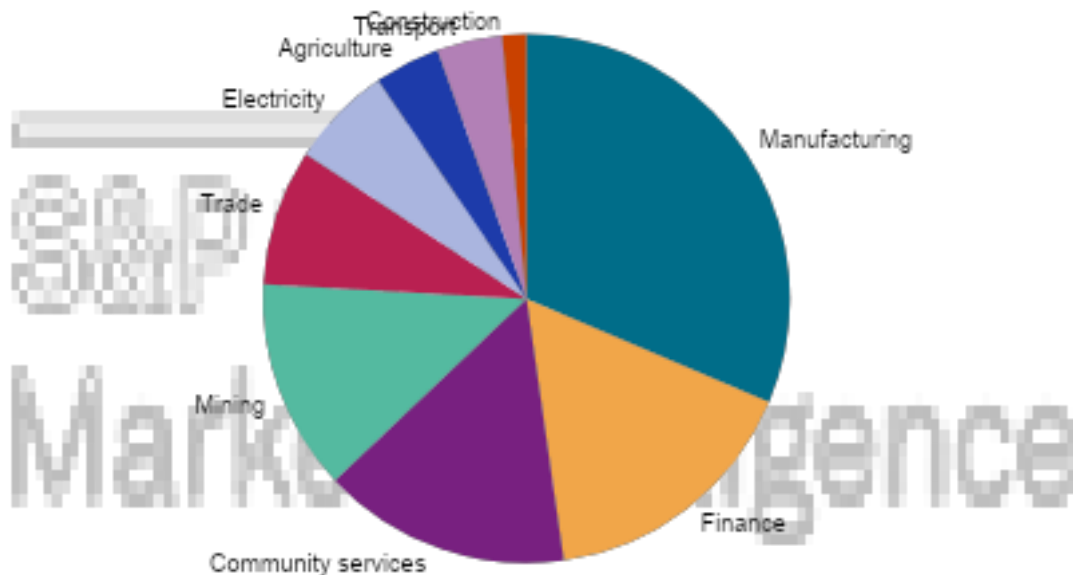
# FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

## SECTORS OF THE ECONOMY

In 2024, *the manufacturing sector* is the largest within Fezile Dabi District Municipality accounting for R 23.5 billion or 31.4% of the total GVA in the district municipality's economy.

The sector that contributes the second most to the GVA of the Fezile Dabi District Municipality is the finance sector at 16.4%, followed by the community services sector with 15.2%.

The sector that contributes the least to the economy of Fezile Dabi District Municipality is the construction sector with a contribution of R 1.1 billion or 1.47% of the total GVA.



## AN OVERVIEW OF SERVICE DELIVERY WITHIN THE DISTRICT

- 158 429 (91.8%) households have access to water services;
- 154 287 (89.4%) households have access to formal dwelling units;
- 153 424 (88.9%) households have access to basic sanitation services;
- 162 743 (94.3%) households have access to electricity services;
- 143 759 (83.3%) households have access to weekly kerb-side refuse removal services

*NB: Sources S& P Global and Census 2022*

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

**TOTAL CAPITAL EXPENDITURE 2024/25**

<b>Detail</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>Original Budget</b>	<b>1 320</b>	<b>3 100</b>	<b>4 200</b>
<b>Adjustment Budget</b>	<b>2 745</b>	<b>4 945</b>	<b>4 682</b>
<b>Actual</b>	<b>2 264</b>	<b>5 439</b>	<b>2 038</b>

The table above indicates that for the year under review (2024-2025), the municipality has underperformed by only registering a worrying expenditure performance of *43.52% in respect of internal capital programmes*

**GOVERNANCE**

- District Coordination Forum, Speakers Forum and Technical IGR meetings were convened for coordinating the work of the district and its local municipalities;
- *The Office of the Executive Mayor hosted a series of Outreach Programme on:*
  - *HIV/ AIDS that reached 288 community members;*
  - *Cleaning campaigns, handover of food parcels and blankets to vulnerable families and 327 community member participated and*

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

*benefitted from this programme;*

- *Disability and mayoral games that reached 532 participants*

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

**STRATEGIC RISKS**

<b>Nature and purpose of meeting</b>	<b>Date of events</b>	<b>Number of Participating Municipal Councillors</b>	<b>Number of Participating Municipal Administrators</b>	<b>Number of Community members attending</b>	<b>Issue addressed (Yes/No)</b>	<b>Dates and manner of feedback given to community</b>
<b>Anti-crime awareness campaign</b>	11/09/2024	4	5	194	Yes	Feedback on the spot by invited stakeholders
<b>Speaker's imbizo</b>	18/09/2024	4	5	170	Yes	Feedback on the spot by invited stakeholders
<b>Anti-crime awareness campaign</b>	06/11/2024	13	3	101	Yes	Feedback on the spot by invited stakeholders
<b>Speaker's imbizo</b>	13/11/2024	9	4	159	Yes	Feedback on the spot by invited stakeholders
<b>Civic education - awareness campaign</b>	10/04/2025	14	3	123	Yes	Feedback on the spot by invited stakeholders
<b>Speaker's imbizo</b>	16/04/2025	16	3	96	Yes	Feedback on the spot by invited stakeholders
<b>Speaker's imbizo</b>	03/06/2025	14	2	214	Yes	Feedback on the spot by invited stakeholders
<b>Civic education - awareness campaign</b>	04/06/2025	18	3	152	Yes	Feedback on the spot by invited stakeholders
<b>Civic education - awareness campaign</b>	16/06/2025	1	2	34	Yes	Feedback on the spot by invited stakeholders
				<b>1243</b>		

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

1	Corporate Support Services	Excessive Employee Cost	Significant part of the total budget goes to Salaries. The salary norm has been exceeded.	Controls are deemed to be effective Treatment plan is in place
2		Non-uniformity regarding salary related benefits to the employees	Travelling allowance policy reviewed and approved by council 28 Oct 2024	Control Effectiveness: Effective  Risk Treatment: Tolerate
3		Organisational Structure in-use, not properly adopted by council	Organisational structure has been reviewed, adopted by Council and submitted to the MEC for feedback and comments.	Control Effectiveness: Effective  Risk Treatment: Tolerate
4		Excessive Sick Leave	Communicating leave balances availability and consultative meetings held with employees on stretched sick leave	Control Effectiveness: Effective  Risk Treatment: Treatment plan is in place

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

10

**Environmental Health and Emergency Services**

Non-compliance with World Health Organization (WHO), National Environmental Health Policy and norms and standards of at least 1 (one) Environmental Health Practitioner for every 10 000 population (1:10 000)

HPs and Lab Technician drive long distances mostly unavoidably as eight (8) of them must render services in all areas which are within jurisdiction of Fezile Dabi District Municipality. Thus 8 Staff members cover approximately 20829,1km<sup>2</sup> during inspections, attending of complaints, investigations, sampling amongst other activities.

1 Post has been budgeted for 2025/26 financial year

Control Effectiveness:  
Not effective

Risk Treatment:  
Treatment plan is in place

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

No.	Key focus area	Top risks	Existing Control	Response measure(s)
11	<b>Environmental Health and Emergency Services</b>	Exposure to the risk of car accident.	Municipal Health Services staff exhaustion and probability of car accident and challenge of bad roads conditions	Control Effectiveness: Not effective  Risk Treatment: Treatment plan is in place
18	<b>Financial Services</b>	Poor budget management.	Monthly expenditure report. Submission of quarterly budget variances report.	Control Effectiveness: Effective  Risk Treatment: Tolerate
22		Banking information on Payroll being updated from unofficial email	All payroll changes are be effected at the Corporate Services Support Services Department.  HR has designed bank details changes form which will be signed by applicant and approved by HR manager.  All changes on the payday financial system are be captured and authorised by Corporate Service Department.	Control Effectiveness: Not effective  Risk Treatment: Treatment plan is in place
11	<b>Environmental Health and Emergency Services</b>	Exposure to the risk of car accident.	Municipal Health Services staff exhaustion and probability of car accident and challenge of bad roads conditions	Control Effectiveness: Not effective  Risk Treatment: Treatment plan is in place

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>11</b>	<b>Environmental Health and Emergency Services</b>	<b>Exposure to the risk of car accident.</b>	<b>Municipal Health Services' inability to fulfill their functions as per scope of practice effectively and adequately</b>	<b>Control Effectiveness: Moderately effective</b>  <b>Risk Treatment: Treatment plan is in place</b>
<b>18</b>	<b>Financial Services</b>	Poor budget management.	Monthly expenditure report. Submission of quarterly budget variances report.	Control Effectiveness: Effective  Risk Treatment: Tolerate
<b>26</b>		Recognition of the Fezile Dabi Stadium as the asset of the institution	The transfer agreement has been signed between Ngwathe LM and FDDM	Control Effectiveness: Effective  Risk Treatment: Treatment plan is in place
<b>32</b>		Lack of ICT infrastructure for the remote workstations	Available infrastructure for virtual platforms.	Control Effectiveness: Not Effective  Risk Treatment: Tolerate
<b>33</b>		Loss of systems information due to theft, system failure and natural disaster.	IT Backup Policy and Procedure. Daily off-site backup of information internally and weekly off-site backup of information externally. Bi-annual testing of off-site tapes	Control Effectiveness: Highly Effective  Risk Treatment: Tolerate

# FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

## OVERSIGHT STRUCTURES

- MPAC Functional
- Audit and Performance Committee Functional

## PERFORMANCE REPORT

- Supported two agricultural cooperatives with their agro-processing initiatives;
- Eighteen (18) Small, Medium and Micro Enterprises (SMMEs) supported with entrepreneurial support by providing business equipments such as *cooking utensils, auto diagnostic full system scanners, gas grillers, etc*
- Reviewed and secured Council approval of thirty-five (35) Human Resources policies;
- Successfully completed the review of the Municipal Staff Establishment to create a fit-for-purpose organisational structure;
- Timeously prepared and submitted the Workplace Skills Plan (WSP), Annual Training Report (ATR), and PIVOTAL Plan for 2024/2025 to the LGSETA;
- Submission of the annual Employment Equity Report to the Department of Labour within the prescribed timelines;
- Successful hosting of environmental health activities – *Environmental Health, Hepatitis A, Food Safety Awareness and Programmes; food hygiene (44 people reached); training of tuck shop owners ( 185 tuck shop and general dealers owners); hand hygiene day (97 children reached);*
- Hosted an Arbor Month Celebration Programme entailing tree planting and environmental conservation that resulted in planting of 52 trees in nine schools, reached 2702 learners and distributed 96 bins in partnership with PETCO
- Compliance monitoring of landfills sites across the districts;
- Effective provision of fire and emergency services (Mafube LM)`, scrutinised 33 building plans and inspected 73 High, medium and low risk buildings;
- Effectively provided disaster management services and conducted 61 risk assessment and 58 risk reduction exercises across the district;
- 100% expenditure rate in respect to capital expenditure in respect of the Roads Asset Management System (RRAMS) that ensured that:
- *1225 km of road network were conditionally assessed and thus exceeded the annual target by 73 KM;*

## FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

- *1152 km of ancillary asset and exceeded the annual target by 297 km; and*
- *49 traffic counts*
  
- Effectively discharged its assigned Implementation Agent function for implementation of the Municipal Infrastructure Grant (MIG) on behalf of Mafube Local Municipality and noticeable achievement were as follows at year end.
  
- Attained an expenditure rate of 79.4% which was 20.6 % shy of the set annual target of 100%;
  - Qalabotjha/Villiers construction of 6.5 ML concrete clean water reservoir and pipeline (Phase 2) 100% complete;
  - Namahadi Upgrading of sports ground at Zomba (Phase 1), 100% practical completion;
  - Namahadi construction of 0.7 km paved road and storm-water at Mposula, Mashego and Thadi Streets
  - Drilling and Equipping of Boreholes in Tweeling, 99% complete;
  - Refurbishment of Pump Station in Tweeling, 99% complete;
  
- Robust and functional IGR Institutional arrangements, the District Coordination Forum, Speakers Forum and Technical IGR meetings coordinated the work of the district and its local municipalities;
  
- Top management stability
- 35.05 Full time Equivalent and 91 Work Opportunities created through the Expanded Public Works Programme
- Ensured compliance with Budget circulars and reviewed Budget Related Policies;
- Funded budget;
- Prepared and signed-off 4 audit files;
- Submitted AFS within the legislated timeframe and a qualification outcome with a significant reduction of qualification matters
- 12 Monthly bank reconciliation done;
- IDP and SDBIP drafted and approved within the legislated timelines;

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

- A series of public participation engagement processes facilitated from the 19-22 February 2025 to afford communities to meaningfully engage with the planning and budgeting processes;
- Compliance reports such as section 71, 72 and 52 (d) developed and processed through Portfolio Committees, MAYCO and Council ;

### **COMPARISION OF PERFORMANCE 2023/24 vs 2024/25**

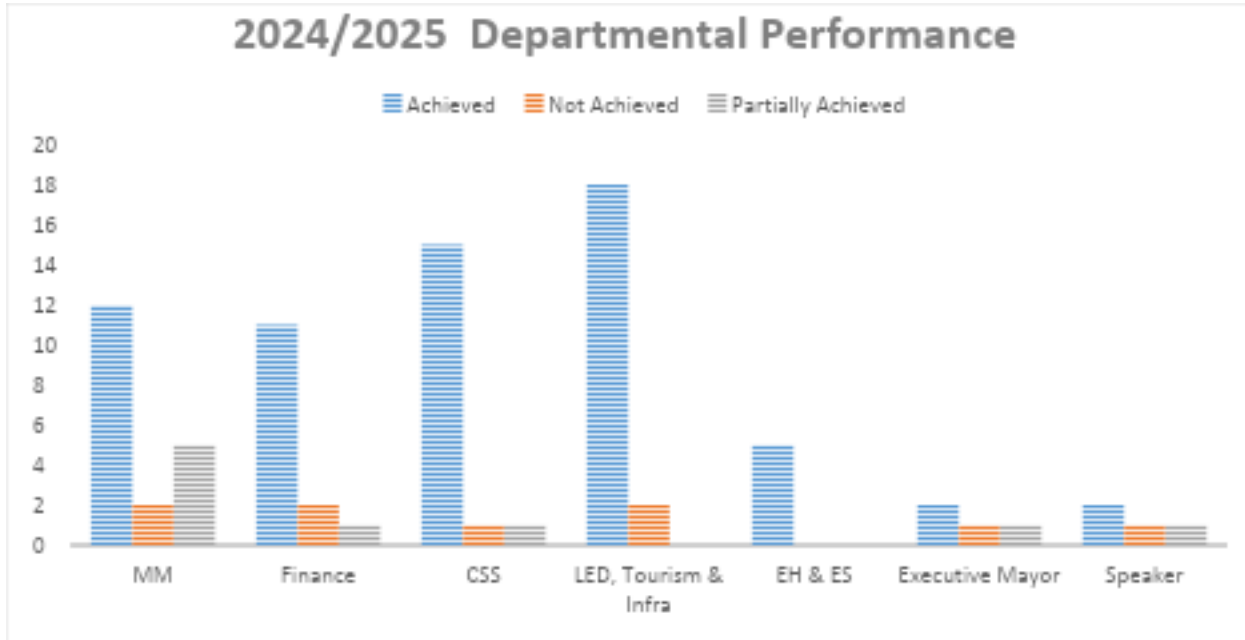
- For the past financial year (2023/2024), the municipality set itself 83 performance targets and 48 (57.83%) of these targets were achieved and the remaining 35 (42.16%) were not achieved;
- For the year under review 2024/ 2025 there was discernible improvement in respect to performance set against 83 performance targets.
- The approved Top-Layer SDBIP is made up of 83 performance indicators and targets. For each of the 4 Quarters performance indicators and attendant measurable performance targets were set and the municipality has cumulatively performed as follows in relation to these performance indicators and targets.

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

**COMPARISION OF PERFORMANCE 2023/24 vs 2024/25**

Reporting Period	Set KPIs and Targets	Performance Number/ %
1 July 2024 – 30 June 2025	83	48 (57,83%) Achieved
		35 (42,17%) Not Achieved

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**



- When comparing this year overall performance of the municipality to that of the previous year, there is a marked improvement of 20.48% year on year from 57.83% to 78.31%.
- Detailed account of municipal performance for the year under review (2024/2025) has been provided

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

**AUDIT ACTION PLAN**

Non-Compliance Issues	Remedial Action Taken
<b>Consequence management - no investigations of prior year UIFW</b>	<ul style="list-style-type: none"> <li>▪ Request Provincial Treasury and Cogta for training of MPAC members</li> <li>▪ MPAC schedule of meetings will be tabled to council, the meetings will be bi-weekly;</li> <li>▪ Internal Audit unit will assist with investigations to deal with backlog;</li> </ul>
<b>Receivables from non-exchange Presentation and Disclosure Narrations</b>	<ul style="list-style-type: none"> <li>▪ Investigate the entire population to establish the extent of an error;</li> <li>▪ Assess whether receivables are recoverable (debtor’s financial position, historical payment patterns, age of debt, and legal enforceability);</li> <li>▪ If recoverability is doubtful, impair receivables to its net realizable value;</li> <li>▪ Prepare monthly reconciliations to avoid recurring of the finding</li> </ul>
<b>HR Management Compliance- Performance agreements for staff members</b>	<ul style="list-style-type: none"> <li>▪ Ensure that municipalities all staff members sign performance agreements;</li> <li>▪ Implement performance appraisals forms and or systems</li> </ul>
<b>Non-tax compliance of the service provider</b>	<ul style="list-style-type: none"> <li>▪ Ensure that the service providers are tax compliant on the date of award;</li> <li>▪ Conduct a Tax Compliance Status verifications with SARS using Central Data-Base</li> <li>▪ Place the appointment on hold until compliance is restored.</li> </ul>
<b>SCM - Advertisement</b>	<ul style="list-style-type: none"> <li>▪ Monitor publication timelines and maintain a register or log that tracks the date of bid opening and bid closure;</li> <li>▪ Regular reviews to ensure that all required documentation, including publication dates, is captured and retained before finalizing the tender</li> </ul>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

	Processes
<b>SCM - Expired CIDB</b>	<ul style="list-style-type: none"> <li>▪ Confirm the contractor’s CIDB status directly on the CIDB Register of Contractors;</li> <li>▪ Place the appointment on hold until the contractor renews their CIDB grading;</li> </ul>
<b>SCM – Deviations Above R200 000</b>	<ul style="list-style-type: none"> <li>▪ Enforce mandatory checklist and reviews for all bids and procurement processes including controls in terms of deviations to ensure compliance with the laws and regulations to support deviations;</li> <li>▪ Ensure that adequate supporting documentation is retained when deviating from the normal procurement process, including evidence of any consultation or justification for limited bidding</li> </ul>
<p><b>Amendments to the IDP and SDBIP were approved and adopted by the council on 25 February 2025, however, during the audit of strategic and annual planning business process, it was noted that:</b></p> <ul style="list-style-type: none"> <li>- the proposed amendments were not published for public comment for a period of at least 21 days.</li> <li>- the district municipality did not consult all the local municipalities in the area of the district and considers all comments before taking a final decision on the proposed amendment as required by MSA.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Updating the municipal compliance checklist to include the requirements of the Municipal Planning and Performance Regulations of 2001</li> <li>▪ In an event that the 2025-2026 IDP and SDBIP are amended and adjusted respectively the municipality that :</li> <li>▪ Such amendments of IDP and adjustment of SDBIP are published for public comments for at least 21 days;</li> <li>▪ Local municipalities that constitute the primary constituencies of the district municipality</li> </ul>
<p><b>Management did not put in place an adequate process to review the Annual Performance report and ensure that the actual achievement reported reconciles with the underlying records</b></p>	<ul style="list-style-type: none"> <li>▪ Quality assurance processes is integral part of reviewing reported performance information and will go through the following processes:</li> <li>▪ Quality assurance by Directors:</li> <li>▪ Quality assurance by the Monitoring and Evaluation Unit;</li> <li>▪ Quality assurance by Internal Audit;</li> </ul>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

	<ul style="list-style-type: none"> <li>▪ Further review by the executive;</li> <li>▪ Auditing and comments by the Audit and Performance Committee;</li> <li>▪ Referral to the Municipal and Public Accounts Committee for further review</li> </ul>
<p><b>The Internal Audit unit did not advise the accounting officer and did not report to the audit committee on the implementation of the internal audit plan on matters relating to risk management, as required by section 165(2)(b)(iv) of the MFMA</b></p>	<p>Development and implementation of a Risk Based Audit Plan that entailed corrective action with clear milestone and timelines on governance and oversight deficiencies highlighted by the AGSA. If there is a need to amend the current Risk Based Audit Plan to ensure appropriateness and completeness in respect on the mentioned deficiencies, these amendments will be concluded by 28 February 2026</p>
<p><b>The Internal Audit unit did not advise the accounting officer and did not report to the audit committee on the implementation of the internal audit plan on matters relating to compliance with MFMA, Dora, and any other applicable legislation, as required by section 165(2)(b)(vii) of the MFMA.</b></p>	<p>Development and implementation of a Risk Based Audit Plan that entailed corrective action with clear milestone and timelines on governance and oversight deficiencies highlighted by the AGSA. If there is a need to amend the current Risk Based Audit Plan to ensure appropriateness and completeness in respect on the mentioned deficiencies, these amendments will be concluded by 28 February 2026</p>
<p><b>The audit committee did not submit an audit report on the review of the performance management system to the council, at least twice during a financial year, as required by regulation 14(4)(a)(iii) on Municipal Planning and Performance Management.</b></p>	<p>Development and implementation of a Risk Based Audit Plan that entailed corrective action with clear milestone and timelines on governance and oversight deficiencies highlighted by the AGSA. If there is a need to amend the current Risk Based Audit Plan to ensure appropriateness and completeness in respect on the mentioned deficiencies, these amendments will be concluded by 28 February 2026</p>
<p><b>The internal audit unit did not submit quarterly reports on the audits of performance measurements of the auditee to the municipal manager and the performance audit committee, as required by regulation 14(1)(c)(ii) on Municipal Planning and Performance Management.</b></p>	<p>Development and implementation of a Risk Based Audit Plan that entailed corrective action with clear milestone and timelines on governance and oversight deficiencies highlighted by the AGSA. If there is a need to amend the current Risk Based Audit Plan to ensure appropriateness and completeness in respect on the mentioned deficiencies, these amendments will be concluded by 28 February 2026</p>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

**The performance audit committee/audit committee did not review the quarterly reports submitted by the internal auditors on the audits of performance measurement as required by regulation 14(4)(a)(i) on Municipal Planning and Performance Management**

Development and implementation of a Risk Based Audit Plan that entailed corrective action with clear milestone and timelines on governance and oversight deficiencies highlighted by the AGSA. If there is a need to amend the current Risk Base Audit Plan to ensure appropriateness and completeness in respect on the mentioned deficiencies, these amendments will be concluded by 28 February 2026

**ANNEXURE C**

**MUNITES AND PRESENTATION 11 MARCH 2026**

**11 MARCH 2026**

# FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

## MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE WORKING SESSION ON OVERSIGHT PUBLIC PARTICIPATION (DRAFT ANNUAL REPORT) HELD ON WEDNESDAY, 11 MARCH 2026 AT 11H00 AT THE ENOCH SONTONGA MUNICIPAL CHAMBER, SASOLBURG.

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See attached register.



minutes 11 March  
26.pdf

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### MINUTES

#### A. OPENING AND WELCOME

The meeting started at 11:10

The chairperson opened the meeting and welcomed everyone that was present in the meeting.

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#### B. APPLICATION FOR LEAVE OF ABSENCE

##### COUNCILLORS

None

##### OFFICIALS

Mr. S. Thomas

Me. G Ramaboea

Mr. G Mgcina

Mr. H. Maphatheni

Me. M Moeketsi

#### C. OFFICIAL ANNOUNCEMENTS BY THE CHAIRPERSON

None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

**D. MOTIONS OF SYMPHATHY AND CONGRATULATIONS**

**E. DISCLOSURE OF INTEREST**

None

**F. MINUTES OF THE PREVIOUS MEETING**

**G. MATTERS ARISING FROM THE PREVIOUS MINUTES**

None

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**H. MATTERS DEFERRED BACK FROM THE PREVIOUS MEETING**

None

**I. POINTS OF DISCUSSION**

**ITEM**

**OVERSIGHT REPORT ON THE DRAFT ANNUAL REPORT**

**PURPOSE**

The purpose of the report is to present questions and responses posed by the community and Councillors to Administration.

**DISCUSSIONS/ QUESTIONS**

- Cllr Mnaba indicated that R200 million UIFW which is a lot, and this means that the workload has increased. Cllr Mnaba sought clarity on the issue of the MPAC Researcher. Another question was whether the invitation was extended to representatives from the Office of the Speaker and the Executive Mayor. Lastly another question was regarding

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

representatives from the local municipalities especially Mafube Local Municipality and the attendance of one Director from the municipality. She indicated that the FFDM website is not functional and the Municipal Manager should engage the relevant Director on the matter. She also argued that the performance should not be reported quarterly but it should be done monthly as the KPI's in the report are either achieved/ partially achieved or not achieved. She also applauded the establishment of Audit Steering Committee for having their weekly meetings as alluded in the presentation. She suggested that Audit Action Plan be submitted on monthly basis.

- Cllr Malherbe indicated that the district should play a role in enforcing tuckshops and rural farming to pay for services. He mentioned that rural roads are in a bad conditions.
- Cllr Serapela indicated that Director Letebele should have a budget special for seeds.
- Cllr Serapela indicated Frankfort Fire Station was established to assist Fezile Dabi, however having a satellite would be taking a burden of the locals.
- Chairperson indicated that she was disappointed in non-attendance of local municipalities as the questions raised were not answered.
- Chairperson indicated that the attendance was very bad, however she requested that the Office of the Speaker should be hands-on in inviting all relevant stakeholders.
- Chairperson indicated MPAC office does not have enough budget for catering hence they were provided with sandwiches.

### **RESPONSES**

- Director Phoofolo indicated that the District Municipality is in a process of ensuring that services are being paid for, as the by-laws are promulgated. She also mentioned that the municipality has already started to charge for services as per the current by-laws. The other services paid for are Air Quality by-law which the tariffs are prescribed.
- Director Phoofolo indicated that FDDM has taken over the Fire Services from Mafube Local Municipality in order to ensuring that the services are provided. In relation to the satellite she indicated that it is needed to have them in other towns as the response time is crucial.
- Director Letebele mentioned that there is a task team established which is working together with the department of EH& ES in finalising the district's by-laws.

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

- Director Letebele mentioned that the department would need to increase the budget in order to provide for seeds.
- Mr. Masekoane indicated that municipality has sent 5 officials to a 4 day course in order to reduce the R200 million UIFW which included the MPAC secretariat. He further indicated that it was an oversight in inviting the Political offices.
- Mr. Masekoane indicated the website has been on and off and hoped that the matter is resolved. He further mentioned that the tables were based on KPI's that were not achieved. The locals has to have credit control measures. Rural roads are the functions of the local municipalities.

### **CLOSING**

The chairperson closed the meeting at 13:23

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**FEZILE DABI DISTRICT MUNICIPALITY**



**WRITTEN RESPONSES TO MPAC QUESTIONS ON THE ANNUAL  
PERFORMANCE REPORT (APR) FOR 2024/2025 FINANCIAL YEAR**

# FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

11 MARCH 2026

## 1. Local Economic Development Oversight,

### 1.1. What measurable outcomes have been achieved by the Local Economic Development programs implemented by Fezile Dabi District Municipality over the past three financial years?

- *The District Municipality has provided support to MSMEs through the Enterprise Support System, where the municipality procured business equipment for qualifying enterprises to enhance productivity and sustainability.*
- *Enterprise development training programmes were conducted by the Municipality in partnership with economic development stakeholders such as the Small Enterprise Development and Finance Agency (SEDFA), DSTE and other government agencies.*
- *Strengthening of the District LED Forums, which serve as platforms for engagement between government, development agencies, and the business community regarding challenges, opportunities, and available funding programmes/initiatives.*
- *Tourism Educational Awareness programmes /campaigns have been conducted in schools, particularly for matric learners, to introduce opportunities in the tourism sector and encourage entrepreneurship.*
- *Facilitated local tourism product owners to market exposure, business deals with local and international buyers through platforms such as **The Africa's Travel Indaba**.*

### 1.2. How many Small, Medium and Micro Enterprises (SMMEs) within the district have received financial or non-financial support from Fezile Dabi District Municipality?

- *The municipality does not provide financial support.*

## FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

- *An amount of R400, 000 is budgeted annually by the Municipality for the implementation of the Entrepreneurial Support Programme (ESP). Through this programme, non-financial support is provided to not less than 16 MSMEs across the four local municipalities. Beneficiaries are assisted with business equipment to strengthen their operational capacity and promote sustainable local economic development.*
- *Through the Enterprise Support System and targeted development initiatives, the District Municipality has successfully advanced local economic growth. To date, over the past three years:*
  - ***55 MSMEs** have been equipped with essential tools and machinery, strengthening their operational capacity and competitiveness.*
  - *A minimum of **103 enterprises** have benefited from structured training programmes delivered in partnership with key stakeholders, enhancing skills and business resilience.*
  - *Enterprises have also gained access to critical development information through LED Forums and stakeholder engagement sessions, fostering collaboration, innovation, and market awareness.*
  - *These interventions collectively demonstrate the municipality's commitment to building a sustainable entrepreneurial ecosystem, driving inclusive growth, and positioning local enterprises as catalysts for job creation and poverty alleviation.*

### **1.3. What monitoring and evaluation mechanisms are in place to assess whether Local Economic Development initiatives implemented by Fezile Dabi District Municipality are creating sustainable employment opportunities?**

- *To ensure accountability and sustainability of LED initiatives, the municipality has established several monitoring and evaluation mechanisms, including:*
- *Annual M&E Assessments*
- ***Conduct structured evaluations of all supported enterprises on annual basis to evaluate business performance, sustainability and employment creation by the end of quarter 4, with reports submitted to Council.***

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

- *Impromptu site visits & Progress Monitoring*
- *Specific: LED officials to verify utilisation of equipment provided through Enterprise Support System.*
  - *The Municipality monitors all the MSMEs/beneficiaries for a period of 24 months to determine the impact of the support provided and determine if any additional non-financial support is required.*
  - *In a case where more support is needed, MSMEs will be referred to other stakeholders such as Small Enterprise Finance Development Agency (SEDFFA) , DESTEA, Free State Development Corporation (FDC) etc for relevant support (e.g. financial training or specific sector trainings).*

### **1.4. What targeted interventions does Fezile Dabi District Municipality have to support youth employment and entrepreneurship, particularly for recent matriculants?**

- *To strengthen youth participation in the local economy and embed entrepreneurship as a viable career path, the municipality has implemented the following targeted interventions:*
  - *Tourism Awareness in Schools – Four Annual tourism awareness programmes/information sharing sessions delivered to matric learners to introduce career pathways and enterprise opportunities within the tourism sector.*
  - *Enterprise Development Support - Youth-owned businesses encouraged to apply for equipment assistance through the Enterprise Support System. (Prioritization of youth-owned businesses in the ESS programme).*
  - *Strategic Partnerships - collaboration with enterprise development agencies such as SEDFA and other key stakeholders in the provision of training, mentorship, and business development support tailored to youth needs.*

### **1.5. How is Fezile Dabi District Municipality addressing concerns raised by communities regarding the dominance of external or “invasive” businesses that may disadvantage local entrepreneurs?**

*The District municipality provides structured platforms of engagement, most notably the Local Economic Development (LED) Forum, where relevant stakeholders—including Environmental Health Practitioners (EHPs), law enforcement officials, Home Affairs,*

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

*SAPS, and local municipalities—converge to deliberate on these challenges and propose sustainable solutions.*

*In addition, FDDM has developed and promulgated Standard By-Laws on Township Economies, which serve as a strategic governance instrument to regulate and protect local enterprise development.*

*Through these interventions, FDDM demonstrates its commitment to inclusive economic growth, regulatory compliance, and sustainable township enterprise development. The overarching intention is to create a fair, competitive, and resilient township economy where local entrepreneurs thrive, external investment is responsibly integrated, and community benefits are maximized.*

### **1.6. What progress has been made in establishing business incubators, enterprise development programs, or industrial development initiatives within the district?**

*Due to budgetary constraints and infrastructure limitations, the district municipality does not currently operate its own full-scale incubation facilities. However, the municipality works closely with partner agencies to ensure that local enterprises can access incubation, mentorship and funding opportunities available through other government programmes.*

*However, there is an agriculture cooperative that has been incubated at the Koppies Greenhouses Project since 2017. Support to this cooperative has been provided by the municipality in partnership with the Rand Water Foundation.*

### **1.7. There is a need of training of shop-owners. What has been done in training shop-owners during the course of the financial year under audit?**

*Although, not solely dedicated for shop owners, the Municipality provided the following trainings:*

- *24-25 September 2025 – Customer Care Training*
- *10 December 2025 – Customer Care Training*
- *21 December 2025 – Food handling training*

# FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

*(Training was done in collaboration with the Environmental Health & Emergency Services Department).*

## 2. Environmental Health and Compliance Oversight

**2.1. How many environmental health inspections of tuck-shops and informal food outlets were conducted by Environmental Health Practitioners from Fezile Dabi District Municipality during the previous financial year?**

*1070 Food premises inspections at food premises during 2024/25 financial year. These include ALL food premises inspected.*

**2.2. How many tuck-shops were found to be non-compliant with environmental health regulations, and what enforcement actions were taken?**

*662 of ALL food premises inspected were found not complying with R638, regulations governing general hygiene requirements for food premises, the transport of food and related matters as published under the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972)*

*First inspection reports / compliance notice gets issued **detailing the areas of non-compliance and a deadline for rectification.***

### ***Prohibition Orders***

*If there is an immediate risk to the public health, a prohibition order gets issued to stop specific activities or close the shop entirely*

### ***Spot Fines***

*FDDM developed MHS By-Laws that is in process now to be promulgated. Once promulgated and fines are approved the EHPs will be in a position to issue spot fines for violations*

### ***Seizure of Foodstuffs***

*Unsafe or contaminated food were seized and destroyed*

*Shops were also closed by EHPs because of non-compliance reasons*

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

### **2.3. What steps are being taken by Fezile Dabi District Municipality to address the proliferation of illegal tuck-shops operating without health compliance certification?**

*MHS forms part of a bigger task team under LED responsible for coordination of the registration and licensing of spaza shops in the district. It must be noted that registration and licensing of businesses lies with Local Municipalities. MHS only provide COAs to compliant shops. Without proper zoning, building plans, consent use, MHS does not issue COAs and Local Municipality Law enforcement is then responsible not to issue business license and or close the shop if already in operation. Local Municipalities are the custodians of the Standard Draft By-Laws on township economies. All four local municipalities in the FDDM area promulgated the bylaws and can enforce such in their respective areas.*

#### **2.3.1. The District and Local Municipalities should coordinate through formal engagement to strengthen the enforcement of Local Municipality by-laws and law enforcement against illegal tuckshops, as this remains a pressing concern for many residents across the district**

*MHS forms part of a bigger task team under LED responsible for coordination of the registration and licensing of spaza shops in the district. It must be noted that registration and licensing of businesses lies with Local Municipalities. MHS only provide COAs to compliant shops. Without proper zoning, building plans, consent use, MHS does not issue COAs and Local Municipality Law enforcement is then responsible not to issue business license and or close the shop if already in operation. Local Municipalities are the custodians of the Standard Draft By-Laws on township economies. All four local municipalities in the FDDM area promulgated the bylaws and can enforce such in their respective areas.*

### **2.4. How does Fezile Dabi District Municipality ensure consistent monitoring of hygiene standards in food outlets across the district?**

*On a monthly basis MHS forms part of a multi-sectoral team that do blitz operations throughout the district. MHS also do routine inspections at food premises throughout the district which gets reported through management to Council on a monthly and quarterly basis.*

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

**2.5. What awareness or training programs are provided by Fezile Dabi District Municipality to educate informal traders about environmental health compliance requirements?**

- *Information sessions are conducted to spaza shops /tuck shops and community members*
- *Awareness to school learners on safe food handling and preparation practices*
- *Awareness on food safety and hygiene practices to food handlers at schools.*
- *Awareness to food hawkers at schools on regulatory requirements and their roles in compliance.*
- *During inspections EHPs also do one- on- one trainings to shop owners / person in charge in order to understand requirements.*

**2.6. The community of Mafahlaneng / Tweeling contend that there are not benefitting from fire-fighting services that are co-ordinated at the Frankfort fire station due to inherent distance to be travelled between the two towns of Mafube Local Municipality. *What is the FDDM plan to ensure the provision of equitable, prompt and effective fire and emergency services across the district?***

*FDDM is envisaging to have satellite fire station in all town, **budget constrains is still a challenge**, the immediate remedy is to conduct fire awareness's and establish Community Emergency Response Team (CERT) that will be the first responders whilst waiting for Fire Services to arrive on scene.*

### **3. Agricultural Development and Commonage Support Oversight**

**3.1. What role does Fezile Dabi District Municipality play in supporting agricultural development and emerging farmers within the district?**

*The District Municipality (FDDM) plays an important facilitative and developmental role in supporting agricultural development and assisting emerging farmers within the district. Its role focuses mainly on creating an enabling environment, coordinating support programmes, and promoting agricultural economic growth.*

**3.2. How many agricultural support programs have been implemented by Fezile Dabi District Municipality to promote food security and local agricultural production?**

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

*The Municipality also provide non-financial assistance **through trainings for agriculture cooperatives and also by coordinating Agriculture Stakeholders engagement forums** to foster collaboration with farmers, private and government sectors with the aim to promote agricultural development, food security and address challenges experienced by farmers within the district.*

*On annual basis in October the municipality conducts a World Food Day event wherein the District distributes vegetable production inputs, plant trees and gardening tools or equipment to enhance food security.*

### ***Assistance with agriculture equipment:***

- *In 2023- 2024 assistance was provided to **1 Cooperative in Metsimaholo, 1 in Ngwathe and 1 Agro processing in Metsimaholo with equipment and 1 Food Security project in Moqhaka.***
- *In 2024-2025 assistance was provided to **1 Cooperative in Ngwathe, 1 in Metsimaholo 1 Agro Processing in Metsimaholo and 1 Food Security project in Metsimaholo.***

*Agricultural Training Development – Cooperatives training was provided with attendees from Metsimaholo & Ngwathe Local Municipalities in the year under review.*

### **3.3. What coordination mechanisms exist between Fezile Dabi District Municipality and local municipalities to ensure fair and transparent allocation of commonage land to emerging farmers?**

#### ***District Agriculture Stakeholder Engagement (Feb 2025):***

*The District convened stakeholders, including local municipalities and the Department of Cooperative Governance & Traditional Affairs (CoGTA), to prioritize commonage issues. This created a formal platform for dialogue and alignment.*

*CoGTA committed to assisting local municipalities in drafting Commonages Standard By-Laws. This ensures that municipalities operate under a uniform legal framework, reducing inconsistencies and potential favoritism in land allocation.*

*Alongside the By-Laws, Standard Operating Procedures (SOP) manuals will guide the practical implementation of allocations. These procedures are critical for transparency, as they set out clear steps for application, evaluation, and approval processes.*

## FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

### 3.4. What progress has been made by Fezile Dabi District Municipality in supporting farmers with infrastructure such as boreholes, fencing, or irrigation systems?

*The District Municipality can only directly assist farmers with production inputs valued up to R30, 000. This ensures that limited funds are spread across more beneficiaries, preventing concentration of resources in a few hands.*

*Farmers whose requests exceed the R30, 000 threshold are referred to the Department of Agriculture and other relevant stakeholders (such as commodity organizations, provincial agencies, or development finance institutions).*

### 3.5. Are there partnerships between Fezile Dabi District Municipality and provincial or national agricultural institutions to support small-scale farmers and agricultural entrepreneurs?

#### ***Stakeholder Collaboration:***

- *Fezile Dabi District Municipality has established strong partnerships with key stakeholders, including the Department of Agriculture, the Rand Water Foundation, and SEDFA. Through these collaborations, the District **has facilitated training programmes, capacity-building initiatives, and funding opportunities**. These interventions are coordinated via Agricultural Forums, which serve as platforms for emerging farmers and cooperatives to access resources, share knowledge, and strengthen their operational capacity.*

#### ***Catalytic Project Partnerships:***

- *The Department of Rural Development has identified Fezile Dabi District Municipality as a strategic partner for the implementation of catalytic projects. These projects, prioritized by the Municipality, are designed to unlock agricultural potential and stimulate local economic development. Negotiations with the Department are currently underway, with the aim of formalizing joint implementation frameworks that will ensure sustainable impact.*

## 4. Municipal Service Delivery Oversight

### 4.1. What oversight mechanisms does Fezile Dabi District Municipality use to monitor the performance of local municipalities in delivering basic services?

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

- *FDDM uses the Service Delivery and Budget Implementation Plan (SDBIP) as a central strategic oversight mechanism or framework to monitor objectives and performance across the district.*
- *District Coordinating Forum (DCF): A platform where the district and local municipalities share experiences and align strategies.*
- *Intergovernmental Relations (IGR) Forums (Such as Waste Management Officers Forum, Air Quality Officers Form, Disaster Management Forum): Used for planning and monitoring implementation frameworks.*
- *Intervention in Failures: While FDDM is not a primary Water Services Authority, it intervenes through:*
  - *Direct Support Functions:\* Conducting water quality monitoring, providing expertise advice and water sampling then sharing the analytical results with the local municipalities for their prompt action and intervention*
  - *Assisting the local municipalities to develop sector plans such as Disaster Management Plan, Waste Management Plan and Fire Services plans.*
  - *FDDM MHS and Disaster Management Services form part of the Local blitz programmes of the local municipalities and local municipalities's disaster management teams as well as expertise advice on issues that affect Fire and Rescue Services.*

### **4.2. How does Fezile Dabi District Municipality intervene when local municipalities experience persistent service delivery failures such as water outages or waste management challenges?**

- *Service delivery and waste management responsibilities and attendant powers and functions thereon are assigned to local municipalities according to Schedule 4 Part B and Schedule 5 Part B of the Constitution of the Republic of South Africa*
- *Section 139 Interventions: In cases of severe collapse (e.g., Ngwathe and Mafube LMs), the provincial government is often compelled to intervene legally to mandate structural changes.*

### **4.3. What support programmes does Fezile Dabi District Municipality provide to assist local municipalities in strengthening infrastructure planning and maintenance?**

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

*Joint Projects, programmess and responses: Collaborating on regional issues like water quality and waste management through cross-border cooperation.*

*Fezile Dabi District Municipality has established and maintains Intergovernmental Relations (IGR) structures such as the Water Sector Forum, Energy Forum, and the MIG Steering Committee. These platforms provide coordinated support to local municipalities on key service delivery issues, ensuring joint planning, alignment, oversight and shared accountability.*

*District Implementation Support:*

*In line with its mandate to strengthen municipal capacity, **the District is currently implementing infrastructure projects on behalf of Mafube Local Municipality under the Municipal Infrastructure Grant.** This intervention ensures that service delivery is not disrupted, particularly where Mafube faces operational or financial constraints.*

*Implementing Agent Role:*

*Acting as an **Implementing Agent of the Department of Water and Sanitation (DWS), the District is overseeing the rollout of Water Services Infrastructure Grant (WSIG) projects within Mafube Local Municipality.** This arrangement safeguards continuity of service delivery and ensures compliance with national standards, despite Mafube's current inability to implement these projects independently.*

### **4.4. What mechanisms are available for communities to escalate unresolved service delivery issues to Fezile Dabi District Municipality?**

- *Residents can escalate unresolved issues through:*
- *Public Participation Engagements\*: Including budget roadshows and IDP consultation meetings*
- *Office walk-ins: Communities can walk in to escalate issues.*
- *Telephonic and email platforms: Communities can access employees who have the work's email addresses and cellphones through those services.*

## FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

**4.5. The road conditions at Extension One Tweeling are bad and these are impassable and hamper effective provision of ambulance services. What will FDDM do to ensure that Mafube LM upgrade and maintains its service delivery infrastructure assets?**

*FDDM will utilize its Intergovernmental Relations (IGR) structures—including the MIG Steering Committee and Infrastructure Forum to ensure that Mafube LM prioritizes the upgrading and maintenance of its road infrastructure. These structures provide oversight, coordination, and accountability mechanisms.*

**4.6. The municipality correctly identifies the road network as a critical economic lifeline within the district. However, further clarity is required regarding progress made through the Road Asset Management System (RRAMS). Feedback should be requested from the provincial and national government regarding the number of roads that have been repaired since the initial data collection identified roads in poor condition.**

*The Fezile Dabi District Municipality's Road Asset Management System (RRAMS) programme is a programme funded by the National Government to maintain a road asset management system for Local Municipalities internal roads. It should be noted that the programme only include roads within Local Municipalities but exclude Provincial and National Roads as well as S, R and N roads that run through, around and between towns. (**These roads belong to Provincial and National DoT respectively**).*

*It will be difficult to determine through the RRAMS programme how many roads was fixed since the previous data collection, since the data collection for different items run in a 5 year cycle and if a road was attended to by a LM it might be again in bad condition due to a lack or no maintenance in that period. A better indication might be to get information on how many and which roads were newly built or rehabilitated from Local Municipalities within a financial year and compare it against the data for poor roads. The latter exercise will however take some time to collect the data from Local Municipalities in order to compile a*

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

*useful report on the size and impact of the maintenance and repairs of roads in each municipality over a specific period.*

- *100% expenditure rate in respect to capital expenditure in 2024/2025 FY respect of the Roads Asset Management System (RRAMS) that ensured that:*
  - *1225 km of road network were conditionally assessed and thus exceeded the annual target by 73 KM;*
  - *1152 km of ancillary asset and exceeded the annual target by 297 km; and*
  - *49 traffic counts.*

### **▪ Governance and Accountability Oversight**

#### **5.1. What progress has been made in implementing the Action Audit Plan adopted by Fezile Dabi District Municipality to address audit findings?**

- *The Audit Action Plan was compiled and formally tabled before Council for adoption on 24 February 2026.*
- *An Audit Steering Committee has been established to monitor and track progress on all findings raised by the Auditor-General. **The Committee convenes every Monday at 08:30 to review implementation and ensure accountability.***
- *Progress reports on the implementation of the Audit Action Plan will be tabled before Council and MPAC on a quarterly basis.*

**5.1.1. In line with the Auditor-General’s recommendations earlier this year, the municipality should ensure that a comprehensive Performance Management System (PMS) is implemented to monitor the performance of all staff members. Continuous monitoring and corrective action will assist the municipality in fulfilling its responsibilities in accordance with its strategic goals and legislative mandate.**

*The municipality has drafted the FDDM Performance Management and Development System (PMDS) Policy Framework that entails the Standard Operation Procedures ( which is a step-by-step guide on implementing the said Policy Framework.*

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

*A workshop was convened with SALGA on the 3<sup>rd</sup> of February 2026 to discuss the said Policy Framework;*

*A decision has been taken on cascading the implementation of PMS to all members of staff and it will be phased-out in stages from 2026/2027 onwards ;*

*A support plan has been co-developed with SALGA on the implementation of Local Government Municipal Staff Regulations;*

*A process plan has been development on the implementation of the new organogram approved by Council and key milestones will completion of placement, job description, performance agreement, quality assurance, change management*

### **5.2. What accountability measures are in place when departments fail to implement corrective actions outlined in the Action Audit Plan?**

- *Directors would be censured for poor performance within the ambit of Performance Management System (PMS) evaluation for section 54 and 56 managers*
- *Accounting Officer can summon departmental heads to explain delays or failures;*
- *Non-compliance may trigger disciplinary processes for poor performance;*

### **5.3. How does Fezile Dabi District Municipality ensure full departmental participation during public participation engagements?**

- *Full departmental participation*
- *The municipality ensures participation through:-\*Strategic Planning: Aligning all departmental SDBIPs with the overall Integrated Development Plan (IDP).*
- *Physical Presence and Active Participation in the Roadshows involving Budget, IDP, MPAC and community awareness and education campaigns.*

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

### **5.4. What strategies are being implemented to improve community mobilization and attendance at public participation meetings organized by Fezile Dabi District Municipality?**

*The Office of the Speaker (FDDM) liaises with the Offices of the Speaker (local municipalities) through the Heads of Office and Public Participation Offices (PPOs) to assist with community mobilisation through their Ward Committees, stakeholders' WhatsApp group, and in some instances, where wider public participation is needed, through loud-hailing. Also, targeted stakeholders are mobilized telephonically, and through other social media platforms, e.g. Facebook, X, and FDDM website, by the ward committee members and the PPOs. Often times when the required stakeholders come from towns and parts of the township far away from the venue, provision is made to provide transport for them in order to enhance attendance and public participation.*

#### **5.4.1. Many community members are unclear about the roles of District and Local Municipalities; therefore, public participation presentation and documents for Annual Report and IDP Roadshows should include a brief explanation of their respective responsibilities to improve community understanding of service delivery?**

*It is customary in stakeholders / community participation sessions by the Office of the Speaker to explain and delineate roles and responsibilities assigned to local and district municipalities. These approach will be extended to the forthcoming community and stakeholders hearings and engagement to be convened during the months of April and May 2026 in consulting and soliciting comments on the Draft Reviewed IDP for 2027/2028 on the Medium Term Revenue and Expenditure Framework (MTREF) for 2027/2028 to 2029/20230*

#### **5.4.2. Low community attendance at engagement sessions suggest weak stakeholder mobilization and limited awareness of participation opportunities; therefore, the municipality should strengthen outreach through improved invitation, digital communication platforms, loud-hailing notifications and ward based mobilization through councilors and community structures**

*The Office of the Speaker (FDDM) liaises with the Offices of the Speaker (local municipalities) through the Heads of Office and Public Participation Offices (PPOs) to*

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

*assist with community mobilisation through their Ward Committees, stakeholders' WhatsApp group, and in some instances, where wider public participation is needed, through loud-hailing. Also, targeted stakeholders are mobilized telephonically, and through other social media platforms, e.g. Facebook, X, and FDDM website, by the ward committee members and the PPOs. Often times when the required stakeholders come from towns and parts of the township far away from the venue, provision is made to provide transport for them in order to enhance attendance and public participation.*

### **5.5. Community of Mafahlaneng / Tweeling are still struggling with reliable access to water despite completion of boreholes drilling projects. Why are communities of Mafahleng and Tweeling accessing water service intermittently?**

*The District Municipality will engage Mafube Local Municipality on this matter regarding the access of water services in Tweeling.*

### **5.6. There is an incomplete Electricity Installation Project at Mafahlaneng Extension One for more than 3 years that was allegedly occasioned by the attachment of the municipal bank account. Are there any plans for resuscitating and completing the said project**

*The District Municipality will engage Mafube Local Municipality on this matter to establish if the local municipality has plans in place for the resuscitation and completion of the said project.*

*What are the reasons for under-spending on conditional grants*

*Late Re-gazetting and Transfer of funds:*

*Re-gazetting: 10 November 2025*

*Transfer: 21 November 2025*

- *Fezile Dabi District Municipality therefore could not budget for the allocation without confirmation of re-gazetting.*
- *Were the delays due to administrative delays by the District, capacity constraints or inadequate planning? If yes, provide details*

*No, the delays were attributed to administration challenges but due to the late re-gazetting and transfer of funds from the national departments to FDDM.*

## FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

- *What measures have been implemented to address the challenge of this recurring?*

*The matters has been raised with DCoG on a number of occasions and they have since committed to addressing the matter.*

- *What was done to ensure full utilisation of the allocated funds and achieving the intended objectives and outcomes of these grants?*
- *Contractors are appointed for all projects except for the Mamello toilet structures project which is at the evaluation stage. Appointment will be done before the end of March 2026.*
- *Enhance project monitoring through weekly MIG steering committee meetings between FDDM and Mafube LM.*
- *Regular coordination of meetings with the consultant and contractor to support project delivery and mitigate future delays.*

### **5.7. The quantum of UIFWEs, seem to be increasing on an annual basis. What mechanisms are put in place for early detection on UIFWEs and what corrective measures were implemented?**

- *Early detection on UIFWEs\*Internal Audit Reviews: Verifying departmental information before it is submitted for formal auditing to prevent preventable errors.*
- *Strengthened Internal Controls - Pre-approval processes for procurement and expenditure;*
- *Risk-based audits focusing on supply chain management and expenditure;*
- *Automated accounting systems configured to detect non-compliance with MFMA thresholds.*
- *MPAC reviews quarterly reports on UIFWEs.*

### **5.8. What were the key factors contributing to the qualified audit outcome?**

*The qualified audit opinion was primarily informed by the matter relating to receivables from non-exchange transactions*

- ***Were there any significant improvement in financial management and internal controls?***
- *Yes – The overall audit paragraphs have been reduced from six to one, reflecting a notable improvement in financial management practices*

### **What measures are in place to ensure the sustainability of the municipal finances?**

- ***Audit Action Plan Implementation - Corrective actions from Auditor-General findings are tracked through the Audit Steering Committee***

## **FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

- **Strengthened Internal Controls** - Segregation of duties in financial processes to reduce risk of mismanagement
- **Supply Chain Management Compliance** - Strict adherence to MFMA and SCM Regulations in procurement.
- **Alignment with the District Development Model** to integrate financial planning with service delivery priorities.

**What measures are in place to contain the ever increasing salary bill that was 52% in 2024/2025 audit year?**

- **Vacancy Management** - Critical posts are prioritized, while non-essential vacancies are frozen
- **Budget Controls** - Personnel costs are capped at a set percentage of the total operating budget
- **Capacity Building** - Upskilling existing staff to take on broader responsibilities.

**5.9. For the 2024/2025 FY under audit, FDDM has achieved 65 (78.1%) of the 83 set key performance indicators against a variance of 18 (21.68%) not achieved?**

*The table below give an account of 18 Key Performance Indicators (KPIs) that were not achieved for the year under review*

**What were the primary reasons for not achieving the mentioned 18 KPIs as outlined in the IDP and SDBIP?**

*The said tabular report provide reasons for variance in respect of these KPIs*

- **What remedial steps have been implemented to address the short-comings;**

*The said tabular report provide corrective action that will be taken in the following financial year to achieve the reported short-coming occasioned by poor performance*

- **What is the status of the remedial actions? Provide details**

*The said tabular report provide a status quo in respect of the mentioned remedial actions.*

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

Key Performance Area 1: Municipal Transformation and Organisational Development											
PERFORMANCE OBJECTIVES AND INDICATORS					ANNUAL PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE						
FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025											
ID	Strategic Objective	Strategies	Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2024/25	2024-25 Annual Actual Performance	Reasons for Variance	Corrective Measure(s) Taken/ To be Taken to Improve Performance	Compliance Officer /Comments for Annual Performance	Status - Quo	
1.2(a)	To maintain sound labour relations so as to minimise labour disputes and improve efficiency in work.	Ensure compliance with Collective Agreements, Basic Conditions of Employment Act, Labour Relations and & institutional policies pertaining to labour relations.	Percentage reduction in disputes filed by employees due to the municipality's non-compliance with Collective Agreements, Basic Conditions of Employment Act, Labour Relations and & institutional policies pertaining to labour relations by 30 June 2025	Number of disputes filed by employees due to the municipality's non-compliance with Collective Agreements, Basic Conditions of Employment Act, Labour Relations and & institutional policies pertaining to labour relations by 30 June 2025	Nil / Zero disputes filed by employees due to the municipality's non-compliance with Collective Agreements, Basic Conditions of Employment Act, Labour Relations and & institutional policies pertaining to labour relations by 30 June 2025.	<i>Achieved:</i> Nil / Zero disputes filed by employees due to the municipality's non-compliance with Collective Agreements, Basic Conditions of Employment Act, Labour Relations and & institutional policies pertaining to labour relations by 30 June 2025.	N/A	N/A	Not achieved. Numerous disputes have been filed in the financial Year.	<i>Different interpretation of the KPI between IA and municipal administration</i>	

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

Key Performance Area 1: Municipal Transformation and Organisational Development										
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FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025										
ID	Strategic Objective	Strategies	Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2024/25	2024-25 Annual Actual Performance	Reasons for Variance	Corrective Measure(s) Taken/ To be Taken to Improve Performance	Compliance Officer /Comments for Annual Performance	Status - Quo
1.2 (d)			Percentage resolution of litigation in favour of or against the municipality	% of litigations resolved in favor of the municipality	70% of litigations in favor of or against the municipality has been resolved by 30 June 2025	<b>Partially Achieved: 53% (8 out of 15) litigations in favor of or against the municipality has been resolved by 30 June 2025</b>	Internal capacity to prosecute these cases.	A panel of law firm have been appointed to expedite all legal and labour related matters	<b>Partially Achieved. Only 53% (8 of 15 litigations resolved) of litigations resolved.</b>	<b>The mentioned panel of law firms will assist FDDM in concluding its litigations</b>
1.3(a)	Improve administrative and financial capability of the municipality.	Ensure continuous institutional development by embracing and implementing sector reforms as introduced by Treasury, CoGTA and other sector leaders and ensure proper risk management, adequate internal controls for improved financial management,	100% of Auditor-General's findings relating to financial management, leadership, predetermined objectives and other matters addressed by 30 June 2025.	% of Auditor-General's findings relating to financial management, leadership, predetermined objectives and other matters addressed by 30 June 2025.	100% of Auditor-General's findings relating to financial management, leadership, predetermined objectives and other matters addressed by 30 June 2025.	<b>Partially Achieved: A report on the Audit Outcome of FDDM developed for the Portfolio Committee of COGTA indicate the overall progress attained against the set targets in the Audit Action Plan was 70% albeit this has to be ascertained by the IA functionary</b>	Unforeseen disciplinary process against the two IA functionaries	Enlisting a seconded functionary from PT and/or Metsimaholo LM	<b>Partially Achieved. 100% of the Audit Action Plan not addressed.</b>	<b>A clean Audit steering committee meet on weekly –basis and commitment made to AGSA are being pursued.</b>  <b>Monthly progress reports to be provided to Council and MPAC</b>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

Key Performance Area 1: Municipal Transformation and Organisational Development										
PERFORMANCE OBJECTIVES AND INDICATORS					ANNUAL PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE					
FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025										
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		and improved overall organisational performance.								
1.3(d)			Fifteen (15) prescribed mSCOA minimum business processes fully implemented by 30 June 2025	Number of prescribed mSCOA minimum business processes fully implemented by 30 June 2025.	Fifteen (15) prescribed mSCOA minimum business processes fully implemented as from 01 July 2024	<b>Not Achieved: Fifteen (15) prescribed mSCOA minimum business processes not fully implemented as from 01 July 2024</b>	Limited resources to on-board mSCOA minimum business processes	Resources secured from the FMG and 2 applications will be on-boarded in the 2025/2026 FY	<b>Not Achieved. 15 prescribed mSCOA minimum Business processes not fully implemented.</b>	<b>Two prescribed mSCOA minimum business processes application are being implemented</b>
1.4(b)	Ensure that the district's approach to integrated development planning and policy formulation is informed by relevant, up to date and timely sector plans.	To ensure that the municipality integrated approach to planning and policy formulation that is informed by up to date and timely sector plans and frameworks.	Percentage improvement in annual assessment ratings of the municipality's IDP by CoGTA by 30 June 2025.	Annual assessment ratings provided by COGTA on the municipal IDP	80% improvement in annual assessment ratings of the municipality's IDP by CoGTA by 30 June 2025.	<b>Partially Achieved. An assessment report has been provided indicating that District has received an annual assessment rating of 75%</b>	Unforeseen delays in concluding the review of the SDF	Expediting the SDF Review Process to ensure a draft SDF by 31 December 2025	<b>Partially Achieved. IDP assessed by COGTA</b>	<b>Revised Spatial vision adopted by SDF Review Project Steering committee;</b>  <b>Draft reviewed SDF for 2026/2027;</b>  <b>Draft Advert inviting communities to comment on the draft reviewed SDF</b>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

Key Performance Area 1: Municipal Transformation and Organisational Development										
PERFORMANCE OBJECTIVES AND INDICATORS					ANNUAL PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE					
FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025										
ID	Strategic Objective	Strategies	Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2024/25	2024-25 Annual Actual Performance	Reasons for Variance	Corrective Measure(s) Taken/ To be Taken to Improve Performance	Compliance Officer /Comments for Annual Performance	Status - Quo
2.2	To provide for and support integrated, efficient and sustainable settlements in the district.	Review and align the municipality's SDF and the 5 year IDP for new term of council to ensure an integrated district SDF that facilitates sustainable human settlement and improved quality of household life within the district.	Percentage Review of SDF of the municipality for 2025/2026 FY	Reviewed SDF document of the municipality	Reviewed SDF of the municipality for 2025/26 FY, submitted for approval by Council by 30 June 2025	<b>Not Achieved: the Reviewed SDF for 2025/2026 not presented to Council as an IDP Sector Plan</b>	Unforeseen delays in concluding the review of the SDF	Expediting the SDF Review Process to ensure a draft SDF by 31 March 2026  Following phases will be pursued: Phase 1: Start-up – July –October 2025 Phase 2: Policy Context, Sep-Dec 2025 Phase 3: Status-quo, situational analysis and Draft vision Phase 4: Spatial proposals, public participation Process and finalisation of the Vision. One of the deliverable is Draft SDF Review approved with the draft IDP –	<b>Not Achieved. SDF not submitted to Council for approval.</b>	<b>Revised Spatial vision adopted by SDF Review Project Steering committee;</b>  <b>Draft reviewed SDF for 2026/2027;</b>  <b>Draft Advert inviting communities to comment on the draft reviewed SDF</b>  <b>FDDM on course in implementing corrective measures</b>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

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								Feb-March 2026 Phase 5: Implementation Framework and Capital Expenditure Framework, Feb-April 2026 Phase 6: Approval of the Final Draft SDF, March-June 2026		
2.6(a)	To ensure effective & efficient disaster management & emergency services in the district.	To take proactive actions in a form of planning, preparation and community and stakeholder so as to ensure a well-coordinated response to any eventuality of disaster or emergency that may occur	Number of HIV/AIDS awareness campaigns held or supported in the district targeting youth, men, women schools, Correctional Centers and private sector institutions by 30 June 2025.	Supported HIV/AIDS awareness campaigns in the district targeting youth, men, women schools, Correctional Centers and private sector institutions by 30 June 2025.	Four HIV/AIDS awareness campaigns held or supported in the district targeting youth, men, women schools, Correctional Centers and private sector institutions by 30 June 2025.	<b>Partially Achieved Two HIV/AIDS awareness campaigns held or supported in the district targeting youth, men, women schools, Correctional Centers and private sector institutions by 30 June 2025.</b>	Limited capacity in the Office of EM	Enlisting and appointing additional personnel	<b>Partially Achieved. 02 of 04 HIV/AIDS awareness campaigns held for the period under review.</b>	<b>Chief of Staff has been appointed</b>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

Key Performance Area 1: Municipal Transformation and Organisational Development										
PERFORMANCE OBJECTIVES AND INDICATORS					ANNUAL PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE					
FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025										
ID	Strategic Objective	Strategies	Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2024/25	2024-25 Annual Actual Performance	Reasons for Variance	Corrective Measure(s) Taken/ To be Taken to Improve Performance	Compliance Officer /Comments for Annual Performance	Status - Quo
2.6(b)	To contribute towards the national government's goal of reduction in the prevalence of HIV/AIDS in the district.	Develop and implement HIV/AIDS awareness campaigns and promote regular HIV testing & disclosure amongst communities within the District.	Number of Annual HIV/AIDS commemorations held aimed at creating HIV/AIDS awareness held	Held Annual HIV/AIDS commemorations aimed at creating HIV/AIDS awareness held by 30 June 2025.	One (1) Annual HIV/AIDS commemoration held aimed at creating HIV/AIDS awareness by 30 June 2025.	<b>Not achieved</b>	Not effective conceptualization of the HIV/AIDS commemoration	Event will be repurposed for future activation	<b>Not Achieved. No HIV/AIDS commemoration was held for the period under review.</b>	<b>A draft concept paper on the HIV/AIDS commemoration event has been developed</b>
3.2(a)	To plan, coordinate & support sports and recreation programmes in the district.	To strengthen civic pride and patriotism amongst communities in the district and contribute to social cohesion and nation brand ambassadorship through sport.	Number of adventure sports activities coordinated in collaboration with the relevant sector departments and stakeholders	Coordinated sports adventure activities	Two adventure sports activities coordinated in collaboration with the relevant sector departments and stakeholders by 30 June 2025.	<b>Partially Achieved: One adventure sports activity coordinated in collaboration with the relevant sector departments and stakeholders by 30 June 2025.</b>	Limited capacity in the Unit and uncertainty on the future of the unit	Better and timely planning to achieve annual targets	<b>Partially Achieved: 01 of 02 adventure sports activity coordinated in collaboration with the relevant sector departments and stakeholders for the period under review.</b>	<b>Sport and arts does not fall within the ambit of powers and functions for FDDM</b>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

Key Performance Area 1: Municipal Transformation and Organisational Development											
PERFORMANCE OBJECTIVES AND INDICATORS					ANNUAL PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE						
FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025											
ID	Strategic Objective	Strategies	Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2024/25	2024-25 Annual Actual Performance	Reasons for Variance	Corrective Measure(s) Taken/ To be Taken to Improve Performance	Compliance Officer /Comments for Annual Performance	Status - Quo	
4.1(j)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA & other relevant legislation	Plan, implement, monitor and report financial management activities in accordance with MFMA, its associated regulations and prescribed accounting norms and standards.	Number of biannual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items	Reports of biannual assets verification performed  Updated FAR	Two biannual assets verification performed and asset registers updated with all assets movements, and reports any damaged / missing items developed by 30 June 2025.	<b>Partially Achieved:</b> One biannual assets verification performed and asset registers updated with all assets movements, and reports any damaged / missing items developed by 01 July to 31 August 2024.	Late appointment of a SP	Timely approval of a SP	<b>Partially Achieved:</b> 01 of 02 assets verification performed for the year under review.	<b>Only one biannual assets verification to be performed</b>	
4.1(k)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA & other relevant legislation	Plan, implement, monitor and report financial management activities in accordance with MFMA, its associated regulations and prescribed accounting norms and standards.	Percentage reduction of the amount of unauthorized, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA	Amount UIFW as contained in registers	50% reduction of the amount of UIFWs not complying to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2025.	<b>Not Achieved 1.5% (R1.4 million against opening balance of R96million)</b> reduction of the amount of UIFWs not complying to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2025.	Lack of capacity of MPAC	Annual Training Programme and Annual Calendar for MPAC members	<b>Not Achieved.</b> UIFW reduced by 2% processed through the Municipal Public Accounts Committee.	<b>Some investigations done and these must be processed through Council</b>	

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

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FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025											
ID	Strategic Objective	Strategies	Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2024/25	2024-25 Annual Actual Performance	Reasons for Variance	Corrective Measure(s) Taken/ To be Taken to Improve Performance	Compliance Officer /Comments for Annual Performance	Status - Quo	
5.1(c)	To enforce, promote and adhere to Good Governance practices by complying with prescribed laws and regulations at all levels within the organisation.	Fully comply with the provisions of the municipality's Performance Management System from planning to report.	Number of quarterly performance assessment reports for the Municipal Manager and four (4) senior managers concluded and signed-off not later than 30 days after the end of each quarter and 1 annual performance report for signed-off and submitted to the Auditor-General by 31 August 2024		Four (4) quarterly performance assessment reports for the Municipal Manager and four (4) senior managers concluded and signed-off not later than 30 days after the end of each quarter and 1 annual performance report for signed-off and submitted to the Auditor-General by 31 August 2024.	<b>Not Achieved.</b> No performance assessment was concluded on the Municipal Manager and Senior Managers for the year under review.	Biannual performance assessment arranged in the 3 <sup>rd</sup> Quarter but deferred	Part of signed Performance Assessment and 2 formal bi-annual performance assessment of section 54A and 56 managers will be done in the next FY	<b>Not Achieved.</b> No performance assessment was concluded on the Municipal Manager and Senior Managers for the year under review.	<b>Performance evaluation of section 54 &amp; 56 managers scheduled for the month of March 2026.</b>  <i>There is a support plan to be implemented in partnership with SALGA on the implementation of LG Municipal Staff Regulations</i>	
5.2(c)			Public Participation Strategy developed, reviewed annually and submitted to council for approval by 30 JUNE 2025	Number of Public Participation strategy developed, reviewed annually and submitted to council for approval by 30 JUNE 2025		<b>One (1) Public Participation Strategy developed, reviewed annually and submitted to council for approval by 30 JUNE 2025</b>	<b>Not Achieved</b>	Not properly assigned for execution	To be developed in 2025/2026	<b>Non-formalised stakeholder participation strategy has been agreed to and this has yielded results in mobilizing stakeholders to</b>	

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

Key Performance Area 1: Municipal Transformation and Organisational Development										
PERFORMANCE OBJECTIVES AND INDICATORS					ANNUAL PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE					
FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025										
ID	Strategic Objective	Strategies	Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2024/25	2024-25 Annual Actual Performance	Reasons for Variance	Corrective Measure(s) Taken/ To be Taken to Improve Performance	Compliance Officer /Comments for Annual Performance	Status - Quo
5.3	To support & capacitate Councillors, Ward committees & Community Development workers in an effort to enhance governance in within the municipality.	Provide regular workshops & training with the view of capacity building to Councillors , Ward Committees & Community Development workers so as to enhance the system of cooperative governance within the district.	Number of workshops & training, Speaker's Imbizos, Ward Committee training , convened	Convened workshops & training, Speaker's Imbizos, Ward Committee Conferences, CDW Conferences	Four workshops & training, four Speaker's Imbizos, one (1) Ward Committee training, by 30 June 2025	<b>Partially Achieved:</b> Three workshop and training for councillors; Three speakers imbizos and two ward committee training	Following through on the set calendar	Quarterly monitoring of set measurable performance targets	<b>Partially Achieved:</b> 03 of 04 workshop and training for councillors; 03 of 04 speakers imbizos and 01 ward committee training	<b>Office of the Speaker will ensure that their annual implementation plan is implemented</b>
5.4 (j)		Number of Communications Forum meetings convened	Convened Communications Forum meetings		Four Communications Forum meetings convened by 30 June 2025.	<b>Partially Achieved</b> Three Communications Forum meetings convened by 30 June 2025.	Competing assignments	Quarterly monitoring of set quarterly measurable performance targets	<b>Partially Achieved</b> 03 of 04 Communications Forum meetings convened for the period under review.	<b>Will be implemented in the 2025/2026 FY</b>

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

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PERFORMANCE OBJECTIVES AND INDICATORS					ANNUAL PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE						
FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025											
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		To ensure effective oversight over the affairs of the municipality.	Facilitate continuous oversight over the performance of the municipality by designated oversight structures of the council.		Four Internally Audited quarterly performance reports of the Municipal Manager and 4 Senior Managers and One draft annual reports prepared and submitted to the Audit Committee & MPAC by 30 June 2025.	<b>Not Achieved:</b> Four Internally Audited quarterly performance reports of the Municipal Manager and 4 Senior Managers and One draft annual reports prepared and submitted to the Audit Committee & MPAC by 30 June 2025.	Biannual performance assessment arranged in the 3 <sup>rd</sup> Quarter but deferred	Part of signed Performance Assessment and 2 formal bi-annual performance assessment of section 54A and 56 managers will be done in the next FY	<b>Not Achieved:</b> 01 of 04 performance reports were audited by Internal Audit	<i>IA capacity has been supplemented by secondment of IAE from Metsimaholo LM.</i>  <i>Internal Audit Plan has been implemented accordingly and three IA reports have been issued on SDBIP Q1 and Q2 Reports and Section 72 report</i>	
5.5 (c)		Number of quarterly Internal Audit reports on the assessment of the effectiveness of controls within the municipality submitted to the Audit – Committee by 30 June 2025.	Submitted quarterly Internal Audit reports on the assessment of the effectiveness of controls within the municipality.		Submit four (4) quarterly Internal Audit reports on the assessment of the effectiveness of controls within the municipality to the Audit – Committee by 30 June 2025.	<b>Partially Achieved:</b> Two Quarterly IA reports for Q1 and Q2 were submitted to Audit and Performance Committee.	Limited capacity and capability of IA	Timely approval of the Audit Action Plan and other compliance related plans such as Audit Charter  Enhancing the capacity of IA	<b>Partially Achieved:</b> 02 of 04 Internal Audit Report submitted to the Audit Committee	<i>capacity has been supplemented by secondment of IAE from Metsimaholo LM.</i>  <i>Internal Audit Plan has been implemented accordingly and three IA reports have been issued on SDBIP Q1 and Q2 Reports and Section 72 report</i>	

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

Key Performance Area 1: Municipal Transformation and Organisational Development										
PERFORMANCE OBJECTIVES AND INDICATORS					ANNUAL PERFORMANCE TARGETS AND FEEDBACK ON ACTUAL PERFORMANCE					
FOR THE PERIOD 1 JULY 2024 – 30 JUNE 2025										
ID	Strategic Objective	Strategies	Key Performance Indicator (KPI)	Unit of Measurement	Annual Target 2024/25	2024-25 Annual Actual Performance	Reasons for Variance	Corrective Measure(s) Taken/ To be Taken to Improve Performance	Compliance Officer /Comments for Annual Performance	Status - Quo
5.6	To build a risk conscious culture within the organisation.	Reduction of high risk levels to tolerable levels by performing regular risk assessment, updating risk registers and following up on implementation of risk treatment plans by departments	Number of quarterly risk assessments performed and risk register and risk mitigation plans	Updated quarterly risk registers and risk mitigation plans	Four quarterly risk assessments conducted and updated risk register and risk mitigation plans by 30 June 2025.	<b>Partially Achieved</b> , only three risk assessment were held as at 30 June 2025	Ineffective Risk Management Committee	Reconstitute the RMC	<b>Partially Achieved</b> , 03 of 04 risk assessment performed for the year under review.	<b>Two Quarterly risk assessment reports developed for the period ending 31 December 2026</b>  <i>Risk Management Committee is functional</i>

# FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025

## Corporate Support Services

*The total staff complement for 2024/2025 FY was 146 (see page 111 of the APR). Chapter 4 of the APR on the Organisation Development Performance gives a detailed account of human resources matters and provide clarity on these matters:*

- *Vacancies and Turnover;*
- *Policies;*
- *Workplace Policy Development;*
- *Injury and Sick Leave*
- *Suspensions and cases of financial misconduct*
- *Performance Rewards*
- *Skills Development and Training;*
- *Workforce Expenditure*

***End***

**ANNEXURE D**

**OVERSIGHT ASSESSMEMENT REPORT**

**19 MARCH 2026**



## **1. INTRODUCTION**

This Oversight Assessment Report is prepared in terms of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) - Circular No.32. The circular was developed by the National Treasury to provide *councillors with practical guidance in financial governance and to assist in maintaining oversight within the broader governance context. It focuses on the oversight process that councils must follow when considering the annual report and how to deal with the Oversight Report by encouraging continuous improvement and promoting accountability to stakeholders.*

## **2. THE ASSESSMENT TEMPLATE**

The assessment template below as enshrined as Annexure C of the MFMA Circular 32 on ***the Oversight Report*** covers various issues such as financial matters, Auditor General's Report, audit action plan, performance against measurable performance objectives, financial allocations, outstanding debtors and creditors, disclosures in notes to Annual Financial Statements (AFS) etc..

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT FOR THE PERIOD ENDING 30 JUNE 2025**

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**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Munic Public Accounts Committee (MPAC)</b>
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
The annual financial statements (AFS) for the municipality and, if applicable, consolidated statements (with all entities) as submitted to the <i>Auditor-General</i>	Where the municipality has sole or effective control of a municipal entity, consolidated financial statements are required. The AFS are to be in the form as required by the applicable accounting standards.	Not applicable, FDDM does not have a sole control of a municipal entity	Volume 2 of the annual report	None
	MFMA Circular 18 with annexures, 23 June 2005, provides guidelines on the new accounting standards for municipalities.	The Consolidated AFS complies with the accounting standards	Volume 2 of the annual report	None
	<i>Have the required standards been met – refer to audit report and report of audit committee for views on this?</i>	The Separate financial statements were prepared in accordance with applicable legislation	Auditor General's Report	None
The Auditor-General's reports on the financial statements of the municipality and the entities	<i>Is the audit report included in the annual report as tabled?</i>	Yes. Chapter 6 and an attached Audit Report for 2024/2025 FY from the Office of the Auditor-General of South Africa	Chapter 6	None
	<i>If not, when will the audit report be tabled?</i>	N/A.	N/A	None
	<i>What are causes of the delays?</i>	N/A.	N/A	None
	<i>What actions are being taken to expedite the report?</i>	N/A. There are no delays.	N/A	None
Any explanations that may be necessary to clarify issues in connection with the financial statements	The accounting standards require that notes accompany the Annual Report.	There are notes attached to AFS	N/A	None
	Statements to provide explanations of issues and matters reported. Refer also points below on information in notes to AFS.	No explanatory issues were raised.	None	None
	<i>Taking into consideration the audit report and the audit committee comments, is sufficient explanation of financial issues contained in the notes to the statements?</i>	Yes explanation provided are sufficient	None	None
An assessment by the accounting officer on any arrears on municipal taxes and service charges, including municipal entities	<i>Has an adequate assessment been included?</i>	Not Applicable	Not Applicable	None
	<i>Is there sufficient explanation of the causes of the arrears and of actions to be taken to remedy the situation?</i>	Not Applicable	Not Applicable	None
	<i>Is any other action required to be taken?</i>	Not Applicable	Not Applicable	None
Particulars of any corrective action taken or	The conclusions of the annual audit may be either –	Not Applicable	Not Applicable	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Municipal Public Accounts Committ (MPAC)</b>
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
to be taken in response to issues raised in the audit reports	an unqualified audit opinion with or without management issues, which means that the financial statements are acceptable;			None
	a qualified audit opinion setting out reasons for qualification, which means that certain issues need to be addressed before an unqualified opinion can be achieved; or	A qualified audit outcome with reduction of qualification matters from Six to One as reported in the Audit Report	Refer to the AGSA presentation for 2024/2025 Audit Year	None
	The auditor general will disclaim the statements and not offer an opinion. In this case there may be serious financial issues to be addressed.	Not Applicable	Not Applicable	None
	The objective of the municipality should be to achieve an unqualified audit opinion.	The municipality will be striving to attain an unqualified audit opinion with no matters	Refer to Chapter 6.	None
	<i>Taking into account the audit report, audit opinion and the views of the audit committee, council should consider:</i>			None
	<i>To what extent does the report indicate serious or minor financial issues?</i>	Points 3 of the Auditor General's report highlight receivables from non-exchange transactions	Refer to Audit Report	None
	<i>To what extent are the same issues repeated from previous audits?</i>	The issue of receivables from non-exchange transactions has been raised previously but the extent is different	Refer to Audit Report	None
	<i>Is the action proposed considered to be adequate to effectively address the issues raised in the audit report?</i>	Yes	Not Applicable	None
	<i>Has a schedule of action to be taken been included in the annual report, with appropriate due dates?</i>	Yes	Refer to Chapter 6	None
	Note that actions taken on audit issues are to be reported to the provincial legislature, the MECs for local government and finance to report on any omissions by municipalities in addressing issues. Council should confirm that the audit report has been forwarded to the MECs.	The draft annual report was forwarded to the Provincial Treasury and COGTA-Free State and AG. Upon approval of the final report it will be provided to the provincial legislature, MECs for local government and Treasuries.	Not Applicable	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and Considerations	Reference	Comments of Municipal Public Accounts Committ (MPAC)
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
An assessment by the municipality's accounting officer of the municipality's performance against measurable performance objectives for revenue collection from each revenue source and for each vote in the approved budget	The budget of the municipality must contain measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the IDP (MFMA s17 (3) (b)). The accounting on page 21 of the Annual Report officer must include these objectives in the annual report and report on performance accordingly.	<p>The budget refers to the Key Performance Areas (KPA's) as reflected in the IDP</p> <ol style="list-style-type: none"> <li>1) Municipal Transformation and Organisational Development</li> <li>2) Basic Service Delivery and Infrastructure Development</li> <li>3) Local Economic Development,</li> <li>4) Financial management and viability and</li> <li>5) Good Governance and public participation).</li> </ol> <p>These in- turn have clear strategic objectives, KPIs, Annual Targets related to each KPI in the Annual <u>Performance Report</u> and in the structuring of Chapter 3 on the Service Delivery Performance (Performance Report Part 1)</p>	Refer to Chapter 3 of the APFR page 26-to page 109 of the APR	None
	<i>Has the performance met the expectations of council and the community?</i>	Yes. MPAC did not raise any issues or concerns around performance. No issues were raised by the community.	N/A	None
	<i>Have the objectives been met?</i>	<p><i>78.31 % (65 out of 83) / KPIs were met.</i></p> <p><i>75% of sampled KPI and Targets were adjudged as achieved by AGSA</i></p>	<p>Refer to Chapter 3 of the APR page 26-to page 109 of the APR 2024/2025</p> <p>Refer to page 5 of the Audit Report of AGSA</p>	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and Considerations	Reference	Comments of Munic Public Accounts Committee (MPAC)
<p><i>Financial Matters</i></p>	<p><b><i>Financial reporting matters to be considered</i></b></p>	<p>Limited capacity to prosecute litigation cases of the municipality;</p> <p>Unforeseen disciplinary processes against employees;</p> <p>Limited resources to deploy mSCOA minimum business process applications</p> <p>Unforeseen delay in completing the review of the Spatial Development Framework</p> <p>Limited capacity in the OEM;</p> <p>Not properly conceptualized the HIV/AIDS commemoration; Uncertainty of the Sports and Arts Unit in FDDM</p> <p>Lack of capacity of MPAC in investigation UIFWEs</p> <p>Deferment of performance assessment of section 54A and 56 managers</p> <p>Limited capacity and capability of IA</p> <p>Ineffective Risk Management committee</p>	<p>See Annual Refer to Chapter 3 of the APR page 26-to page 109 of the APR 2024/2025</p> <p>Refer to page 22- page 33 of the Written Responses to MPAC Questions on the APR for 2024/2025 FY</p>	<p>None</p>
	<p><i>What explanations have been provided for any non- achievement?</i></p>	<p>There was no direct impact on the budget</p>	<p>N/A</p>	<p>None</p>
	<p><i>What was the impact on the service delivery and expenditure Objectives in the budget?</i></p>	<p>The explanations provided are satisfactory particularly those dealing with reasons for variance in respect of reported performance</p>	<p>Refer to Chapter 3 of the APR page 26-to page 109 of the APR 2024/2025</p>	<p>None</p>
<p>Council should comment and draw conclusions on performance and explanations provided.</p>				

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Municipal Public Accounts Committ (MPAC)</b>
<b><i>Financial Matters</i></b>	<b><i>Financial reporting matters to be considered</i></b>			
An assessment by the municipal entity's accounting officer of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and the municipality	Agreements between the municipality and its entities for service delivery are to include measurable performance objectives. This will include measures of services delivered to the community, financial targets, expenditure targets etc. The entity's annual report must include an assessment by the accounting officer, of performance against these objectives. In order to show the linkage between the entity and the municipality, the report of the municipality should also include the performance of entities.	Not Applicable, FDDM does not has a municipal entity	Not Applicable	None
	<i>Has the performance met the expectations of council and the community?</i>	Not Applicable	Not Applicable	None
	<i>Have the performance objectives been met?</i>	Not Applicable	Not Applicable	None
	<i>What explanations have been provided for any non-achievement?</i>	Not Applicable	Not Applicable	None
	<i>What was the impact on the service delivery and expenditure objectives in the budget?</i>	Not Applicable	Not Applicable	None
	Council should comment and draw conclusions on performance and <i>explanations provided.</i>	Not Applicable	Not Applicable	None
Any information as determined by the municipality, the entity or its parent municipality	Review any other information that has been included in regard to the AFS.	No additional information was provided		None
Recommendations of the audit committee in relation to the AFS and audit reports of the municipality and its entities	<i>Have the recommendations of the audit committee in regard to the AFS been adequately addressed by the municipality and/or the entity?</i>	Yes. All issues were addressed.	Audit Report	None
	<i>What actions need to be taken in terms of these recommendations?</i>	A post audit Action Plan has been developed. A Audit Steering Committee has been established that meet weekly to pursue and track performance in respect of the Audit Action Plan	See Chapter 6 of APR	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Municipal Public Accounts Committ (MPAC)</b>
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	Conclusions on these recommendations and the actions required should be incorporated in the oversight report.	This was done.		None
<b>Allocations received and made</b>	<b>Considerations</b>			None
Allocations received by <u>and</u> made to the municipality	The report should disclose:			None
	Details of allocations received from another organ of state in the national or provincial sphere.	The annual report does disclose allocations received from other organs of state and allocations made to other organs of state and municipalities.	See page 129 of APR 2024/2025	None
	Details of allocations received from a municipal, entity or another municipality.	No allocations were received.		None
	Details of allocations made to any other organ of state, another municipality or a municipal entity.	Yes	See AFS notes	None
	Any other allocation made to the municipality under Section 214(1) (c) of the Constitution.	Yes	See AFS notes	None
	<i>Have these allocations been received and made?</i>	Yes	AFS notes	None
	<i>Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?</i>	Yes	See Audit Report	None
	<i>Does the audit report or the audit committee recommend any action?</i>	<ul style="list-style-type: none"> <li>▪ Dealing with AFS misstatements by compiling quarterly AFS;</li> <li>▪ Implementation of PMS in line with the dictates of the Local Government Municipal Staff Regulations</li> <li>▪ Capital projects that are delayed, with reasons provided;</li> <li>▪ Increasing the pace of concluding UIFWEs investigations</li> </ul>		

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Municipal Public Accounts Committ (MPAC)</b>
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	Council should comment and draw conclusions on information and explanations provided.	Council is satisfied with the report.		None
Allocations received by and made to the municipal entity	The report should disclose:			None
	Details of allocations received from any municipality or other organ of state.	Yes	See Annual Report	None
	Details of any allocations made to a municipality or other organ of state.	Yes	See Annual Report	None
	Other information as may be prescribed.	Yes	See Annual Report	None
	<i>Have these allocations been received and made?</i>	Yes. Allocation were received from the national fiscus	See AFS	None
	<i>Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?</i>	Yes. These figures were restated.	See Annual Report – page 129	None
	<i>Does the audit report or the audit committee recommend any action?</i>	No	N/A	None
	Council should comment and draw conclusions on information and explanations provided.	Council is satisfied with the report	N/A	None
Information in relation to the use of allocations received	Section 123 of the MFMA and MFMA guidance Circular 11, require that the municipality provide information per allocation received per vote and include:			None
	The current year and details of spending on all previous conditional grants, for the previous two financial years. Information is to be provided per vote. (For example, municipalities must report on all transfers received from provincial housing departments for housing subsidy grants for three financial years, and indicate how such funds were spent, and for what projects.	Yes	See AFS notes	None
	Information stating whether the municipality has complied with the conditions of the grants, allocations in terms of section 214(1) (c) of the Constitution and allocations received from other than another organ of state. Where there is non-compliance, details of the seasons for non-compliance are to be provided.	Yes	See AFS notes	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and Considerations	Reference	Comments of Municipal Public Accounts Committ (MPAC)
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	Information on whether allocations under the DORA were delayed or withheld and the reasons advanced for this.	No allocations as defined under DORA were delayed or withheld. However, there was late gazetting of MIG allocated to Mafube LM	See AFS notes	None
	This information is required on all allocations excluding the municipality's portion of the equitable share and where prescribed otherwise by the nature of the allocation.	All necessary information is declared in the AFS	See AFS notes	None
	The Auditor-General will ensure that the audit process includes a proper assessment (and reconciliation) on all national grants received by a municipality. Council should consider this aspect of the audit report and comments by the audit committee on the use of allocations received.	All necessary information is declared in the AFS	See AFS notes	None
	Council should be satisfied that –			None
	the information has been properly disclosed;	Yes	See AFS notes	None
	conditions of allocations have been met; and	Yes.	See AFS notes	None
	that any explanations provided are acceptable.	Yes.	See AFS notes	None
	The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.	Yes	Please see report of the Audit Committee	None
Information in relation to outstanding debtors and creditors of the municipality and entities	Municipalities and entities are reminded of the requirement to include in their annual financial statements, amounts owed to them and persistently delayed beyond 30 days, by national or provincial departments and public entities.	Not applicable	Not applicable	None
	It is also a requirement to report on whether the municipality or entity has met its statutory commitments, including the payment of taxes, audit fees, and contributions for pension and medical aid	Not applicable	Not applicable	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Municipal Public Accounts Committ (MPAC)</b>
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	funds.			
	Council should be satisfied that –			None
	the information has been properly disclosed;	All information has been properly disclosed	See AFS	None
	conditions of allocations have been met; and	All grant conditions were met.	N/A	None
	also that any explanations provided are acceptable.	All provided explanation are satisfactory.	N/A	None
	The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.	The information supplied in the AFS is accurate and appropriate.	AFS notes	None
<i>Disclosures in notes to AFS</i>	<i>Considerations relating to section 124</i>			None
Information relating to benefits paid by municipality and entity to councillors, directors and officials	Information on the following items is to be included in the notes to the annual report and AFS:			None
	salaries, allowances and benefits of political office bearers, councillors and boards of directors, whether financial or in kind;	Salaries, allowances and benefits of political office bearers, councillors have been included in the AFS	See AFS notes	None
	any arrears owed by individual councillors to the municipality or entity for rates and services, which at any time were outstanding for more than 90 days, including the names of councillors;	Not applicable	Not applicable	None
	salaries allowances and benefits of the municipal manager, CEO of a municipal entity, CFO and every senior manager;	Yes	See AFS notes	None
	contributions for pensions and medical aid;	Salaries allowances and benefits of the municipal manager, and senior manager are included in the AFS.	See AFS notes	None
	travel, motor car, accommodation, subsistence and other allowances;	All staff benefits are detailed in the AFS	See AFS notes	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Municipal Public Accounts Committ (MPAC)</b>
<b><i>Financial Matters</i></b>	<b><i>Financial reporting matters to be considered</i></b>			
	housing benefits and allowances;	All staff benefits are detailed in the AFS	See AFS notes	None
	overtime payments;	All staff benefits are detailed in the AFS	See AFS notes	None
	loans and advances, and;	No loans are provided by the municipality.	See AFS notes	None
	any other type of benefit or allowance related to staff.		See AFS notes	None
	<i>Council should be satisfied that –</i>		See AFS notes	None
	<i>the information has been properly disclosed;</i>	All information on staff benefits has been properly disclosed	See AFS notes	None
	<i>conditions of allocations have been met; and</i>	Yes	N/A	None
	<i>that any explanations provided are acceptable.</i>	Yes	N/A	None
	The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.			None
<b><i>Municipal Performance</i></b>	<b><i>Considerations</i></b>			None
The annual performance reports of the municipality and entities	Section 46, MSA requires municipalities to submit a performance report reflecting the performance of the municipality and each service provider, a comparison of the performance with targets set for the previous year and measures taken to improve performance. The report must form part of the annual report. Questions that may be considered are –			None
	<i>Has the performance report been included in the annual report?</i>	The annual performance report was included in the Annual Report	Refer to Chapter 3 of the APR page 26-to page 109 of the APR 2024/2025	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Municipal Public Accounts Committ (MPAC)</b>
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	<i>Have all the performance targets set in the budgets, SDBIP, service agreements etc, been included in the report?</i>	Yes	See Annual Report	None
	<i>Does the performance evaluation in the annual report compare actual performance with targets expressed in the budgets and SDBIP approved for the financial year?</i>	Yes	See Annual Report	None
	<i>In terms of key functions or services, how has each performed? E.g. Have backlogs for water, sanitation and electricity been reduced? What are the refuse collection volumes, library usage statistics etc?</i>	Not applicable, as FDDM has no powers and functions to provide municipal services	Not applicable	None
	<i>To what extent has performance achieved targets set by council?</i>	78.31% of all targets set were achieved during the financial year.	See Annual Report page 155	None
	<i>Is the council satisfied with the performance levels achieved?</i>	Yes.	See Annual Report	None
	<i>Is the community satisfied with performance? Has a customer satisfaction survey been undertaken and, if so, how do the results align with the annual report contents? What were the outcomes of public consultation and public hearings?</i>	Yes. The Annual Report and Annual Performance Report were advertised for community comments.	None	None
	<i>What actions have been taken and planned to improve performance?</i>	Corrective Action is detailed under each target in the annual performance report	See Annual Performance Report	None
	<i>Is the council satisfied with actions to improve performance?</i>	The Council is satisfied with corrective actions	See Annual Performance Report	None
	<i>Did the targets set in the budgets, SDBIP agree with the targets set in the performance contracts of the municipal manager and each senior manager?</i>	Yes. No misalignment issues were raised by the AG and Audit Committee	See Annual Performance Report and Audit Report	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

Information required to be included in annual reports	Council Considerations and Questions	Management Comments on Questions and Considerations	Reference	Comments of Municipal Public Accounts Committ (MPAC)
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	<i>Does the report evaluate the efficiency of mechanisms applied to deliver the performance outcomes?</i>	Yes. No matters of inefficiency were raised by the AG and the Audit Committee	See Annual Performance Report and Audit Report	None
	<i>Taking into account the audit report and opinion and the views of the audit committee, is performance considered to be efficient and effective?</i>	Yes.	See Annual Performance Report and Audit Report	None
	<i>To what extent have actions planned for the previous year been carried over to the financial year reported upon?</i>	All issues addressed in the previous audit were addressed	N/A	None
	<i>Have any actions planned in the reported year been carried over to the current or future years? If so are any explanations been provided by the municipal manager and are these satisfactory?</i>	Continuous improvement in financial reporting frameworks and budget function control	N/A	None
	Council should comment and draw conclusions on information and explanations provided.	Issues identified are constantly being monitored and implemented. Annual audit actions plans are developed after each audit and these are implemented and where necessary these are included in the action plans of the following years as the issues may be same or similar.	N/A	None
Audit reports on performance	Section 45, MSA requires that the Auditor-General must audit the results of performance measurements, as part of the internal auditing processes and annually.	The AG indicated satisfaction with the functioning of the audit committee and was concerned by the capacity of the internal audit as part of quality assurance value chain	None	None
	<i>Have the recommendations of internal audit been acted on during the financial year?</i>	Yes.it will be acted on	None	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

<b>Information required to be included in annual reports</b>	<b>Council Considerations and Questions</b>	<b>Management Comments on Questions and Considerations</b>	<b>Reference</b>	<b>Comments of Municipal Public Accounts Committ (MPAC)</b>
<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	<i>Have recommendations by internal audit and/or the auditor-general been included in action plans to improve performance in the following year?</i>	Actions identified by the AG have been acted on in the development of the Audit Action Plan	See Annual Report	None
Performance of municipal entities and municipal service providers	The annual report of the municipality should provide an assessment of the performance of the municipal entities and all contracted service providers. This is in addition to the separate annual reports of the entities.	Not applicable	Not applicable	None
	The report should evaluate the effectiveness of these services and whether alternative mechanisms should be considered.	The SDBIP and performance agreements of senior management provides for the monitoring of all programmes implemented by the municipality. Reporting occurs monthly, quarterly and annually.	See Annual Performance Report	None
	<i>Is the council satisfied with the evaluation and conclusions of the municipality?</i>	Yes. Corrective actions are detailed in the annual performance report.	See Annual Performance Report	None
	<i>What other actions are considered necessary to be taken by the accounting officers?</i>	Corrective Action is detailed under each target in the annual performance report	See Annual Performance Report	None
For municipal entities – an assessment of the entity’s performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and municipality	This is the separate report of the <b>municipal entity</b> and should contain details of service delivery agreements with the municipality and the performance measures therein.	Not Applicable	Not Applicable	None
	Council should consider similar issues to that outlined above for municipal performance to determine a view on the performance of municipal entities.	Not Applicable	Not Applicable	None
	<i>To what extent were the objectives and performance measures of the entity aligned to the overall strategic objectives of the municipality and its IDP?</i>	Not Applicable	Not Applicable	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

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<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	<i>Is the report of the municipal entity consistent with the conclusions on performance evaluation by the municipality?</i>	Not Applicable	Not Applicable	None
	<i>What specific actions should be taken by the entity and the municipality to improve performance?</i>	Not Applicable	Not Applicable	None
<b>General information</b>	<b><i>The following general information is required to be disclosed in the annual report.</i></b>			None
Relevant information on municipal entities	The municipality should disclose all information relating to the <b>municipal entities</b> under the sole or effective control of the municipality. Information to be disclosed includes names and types of entities, members of the board, addresses and contact details for entities, the purpose of the entity, the functions and services provided, the type and term of service level agreements with the entities.	Not Applicable	Not Applicable	None
The use of any donor funding support	<i>What donor funding has the municipality received?</i>	No donor funding was received	See Annual Report	None
	<i>Have the purposes and the management agreements for the funding been properly agreed upon?</i>	Not Applicable	Not Applicable	None
	<i>Have the funds been used in accordance with agreements?</i>	Not Applicable	Not Applicable	None
	<i>Have the objectives been achieved?</i>	Not Applicable	Not Applicable	None
	<i>Has the use of funds been effective in improving services to the community?</i>	Not Applicable	Not Applicable	None
	<i>What actions need to be taken to improve utilisation of the funds?</i>	Not Applicable	Not Applicable	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

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<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
Agreements, contracts and projects under Private-Public-Partnerships	Information similar to the details of municipal entities should be provided. Council should ensure that all details have been supplied.	No public private partnerships are in place.	N/A	None
Service delivery performance on key services provided	This may be a high level summary, in addition to detailed information on performance, which sets out overall performance under the strategic objectives of the municipality.	78.31% of all targets set were fully met.	Refer to Chapter 3 of the APR page 26-to page 109 of the APR 2024/2025	None
	Overall results on the strategic functions and services should be summarised.	The performance of each KPA is provided in the Annual Report	Refer to Chapter 3 of the APR page 26-to page 109 of the APR 2024/2025	None
	This should cover all services whether provided by the municipality, entities or external mechanisms.	Refer to APR	Refer to Chapter 3 of the APR page 26-to page 109 of the APR 2024/2025	None
	Council may draw conclusions on the overall performance of the municipality.	The Council achieved most of its targets and this showed an improvement compared to the previous financial years.	Refer to Chapter 3 of the APR page 26-to page 109 of the APR 2024/2025	None
	This information may be found in an executive summary section of the annual report and or in statistical tables.	Further information is provided in the executive summary of the Annual Report	See Executive summary in the Annual Report	None
Information on long-term contracts	Details of all long-term contracts including levels of liability to the municipality should be included. Council should ensure all information is correctly supplied.	<b>Not Applicable</b>	<b>Not Applicable</b>	None
Information technology and systems purchases and the effectiveness of these systems in the delivery of services and for ensuring compliance with statutory obligations	Details of significant IT activities should be outlined indicating the effectiveness of the IT projects and the quality of IT services.	Details of the IT activities have been included in the annual report. <b>However there are extensive deficiencies in term of IT services</b>	See Annual Performance Report and Audit Report	None
	Council should consider how effectively the IT services support and facilitate performance of the municipality and whether value for money has been obtained.	Details of the IT activities have been included in the annual report. <b>However there are extensive deficiencies in term of IT services</b>	See Annual Performance Report and Audit Report	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

	Details of any future IT proposals should be summarised.	IT targets are contained in the post audit Action Plan of FDDM the APR	See Annual Performance Report. Chapter 6	None
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**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

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<i>Financial Matters</i>	<i>Financial reporting matters to be considered</i>			
	Council should comment and draw conclusions on the information provided.	The information provided is accurate and appropriate. The IT systems are being improved as evidenced by the IT audit action plan.	N/A	None
Three year capital plan for addressing infrastructure backlogs in terms of the Municipal Infrastructure Grant (MIG) framework	A summary of the long-term capital plans and how these address the backlogs of services in the municipality should be provided.	Not applicable, FDDM is implementing MIG Programme the behalf of Mafube Local Municipality	Not Applicable	None
	This should include details of types and scale of backlogs, projected cost implications, strategies to address the backlogs and plans proposed and/or approved.	Not applicable, FDDM is implementing MIG Programme the behalf of Mafube Local Municipality	Not Applicable	None
	The summary here should cross reference to the performance reports in the annual report and also will be highlighted in the coming budgets.	Not applicable, FDDM is implementing MIG Programme the behalf of Mafube Local Municipality	Not Applicable	None
	Council should consider whether the plans appropriately address the backlogs and are consistent with the strategic policy directions of council and needs of the community.	Not applicable, FDDM is implementing MIG Programme the behalf of Mafube Local Municipality	Not Applicable	None
<b><i>Other considerations recommended</i></b>				
Timing of reports	<i>Was the report tabled in the time prescribed?</i>	Yes, legislated deadlines were met for the submission of the Annual Report. The legislation and MFMA guidelines and circulars provide concrete and clear guidelines.	None	None
	<i>Has a schedule for consideration of the report been adopted?</i>		None	None
Oversight committee or other mechanism	<i>What mechanisms have been put in place to prepare the oversight report?</i>	A process plan for processing of the APR has been adopted and approved by MPAC	None	None
	<i>Has a schedule for its completion and tabling been adopted?</i>		N/A	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**

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<b><i>Financial Matters</i></b>	<b><i>Financial reporting matters to be considered</i></b>			None
Payment of performance bonuses to municipal officials	Refer to Section 57 MSA as amended. Bonuses based on performance may be awarded to a municipal manager or a manager directly accountable to the municipal manager after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the municipal council. Preferably such evaluation should be considered along with the annual report. The basis upon which performance is evaluated for payment of bonuses should be reconciled with the municipal performance reported in the annual report.			None
	<i>Have bonuses been paid based on achievements of agreed outputs and after consideration of the annual report by council?</i>	No performance bonuses relating to the year under review have been paid as yet. The process will only start after the annual report is approved by council.	N/A	None
	<i>If so has a proper evaluation of performance been undertaken?</i>	N/A. Nevertheless, evaluation are conducted annually as per legislation	N/A	None
	<i>Was the evaluation approved by council?</i>	N/A. However during the time of assessment evaluations are presented before Council for consideration and approval.	N/A	None
	<i>Does the performance evaluation align and reconcile with the performance reported in the annual report? If not, what reasons have been given for non-reporting of the basis of evaluation in the annual report?</i>	Yes. Evaluation is aligned with information reported in the IDP, Budget, Annual Report, AG's Report and Audit Committee Reports	N/A	None
	<i>Are the payments justified in terms of performance reported in the annual report?</i>	Yes. Evaluation is aligned with information reported in the Annual Report, AG's Report and Audit Committee Reports	N/A	None
	Conclusions and comments on the evaluation and payment of performance bonuses of council should be included in the oversight report.	Performance evaluations are conducted after the approval of the annual report by Council.  Assessment panels are constituted as per the legislation and regulations. Assessment results are then presented before Council for adoption.	N/A	None

**FEZILE DABI DISTRICT MUNICIPALITY: OVERSIGHT REPORT ON THE ANNUAL REPORT  
FOR THE PERIOD ENDING 30 JUNE 2025**