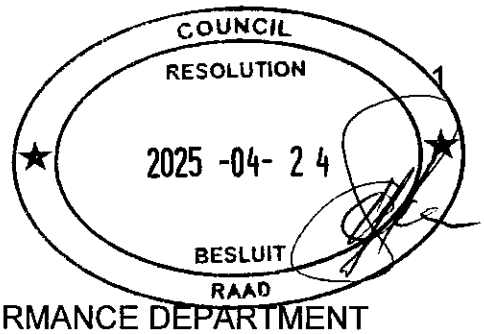


Reference no. 95914/1
Anisha Dharumrajh (1673)
COUNCIL: 24 April 2025

14. CITY STRATEGY AND ORGANISATIONAL PERFORMANCE DEPARTMENT LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT SECTION 52 (D) QUARTER 3 REPORT ON THE IMPLEMENTATION OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)
(From the Special Executive Committee: 14 April 2025 and the Mayoral Committee: 16 April 2025)

1. PURPOSE

The purpose of the report is to table –

- the performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year;
- the reporting status on the C88 indicators;
- the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects; and
- the performance of the Municipal Entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

2. STRATEGIC PRIORITIES

The report addresses the following strategic priority:

- A professional public service that drives accountability and transparency

3. BACKGROUND

The City develops its Service Delivery and Budget Implementation Plan (SDBIP) for each financial year in accordance with the provisions of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA) and the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA). Over the financial year under review, the adjusted SDBIP Scorecard was presented and structured in terms of various tables with different indicators differentiated as follows:

- Performance Indicators;
- Reporting Indicators;
- Compliance Indicators; and
- Compliance Questions.

This report presents the performance of the City against the targets set to be achieved over the Quarter 3 of the 2024/25 financial year in line with Sections 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003). It also presents the reporting status on the C88 indicators as well as the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects.

The performance results are reported based on the first level assurance conducted by each input line function department and the entities. The auditing of the evidence supporting the results for the end of quarter 3 by the City Strategy and Organisational Performance and Group Audit and Risk Departments is currently underway. The audited results will be reported to Council in the quarterly report for the end of quarter 4.

Audited results for quarter two are presented in this report.

4. DISCUSSION

4.1 Quarter three Performance Summary against performance indicators

Quarter 3 Performance Summary

The adjusted SDBIP consists of 78 performance indicators (indicators with predetermined targets). Of these 78 performance indicators, a total of 48 have their targets due for reporting at the end of Quarter 3 of the 2024/25 financial year.

Of the 48 performance indicators with targets set to be delivered over the Quarter 3 of the 2024/25 financial year, performance on these targets was recorded as follows:

- A total of 34 targets were achieved. This accounts for 70.83% target achievement;
- A total of 14 targets were not achieved, translating to 29.17% non-achievement of targets committed to over the period under review; and
- The Energy and Electricity Department, Group Financial Services Department and Office of the Chief Whip reported performance on one indicator each. These indicators do not have targets set for the quarter under review but are planned to be reported at the end of the financial year (quarter 4). Reporting on these KPIs is acknowledged but performance is not rated.

The following table summarises performance comparison for Q3 2024/25 vs Q3 2023/24 financial year.

Table 1: Year-Year Comparison

Financial Year	Total number of performance indicators per financial year	Targets due for reporting at the end of Quarter 3	Targets achieved (Quarter 3)	Targets not achieved (Quarter 3)	Targets not assessed (Quarter 3)	Percentage Target Achievement
2024/25	78	48	34	14	0	70.83%
2023/24	86	56	31	25	0	55.36%

The improvement in target achievement is attributed to:

- the implementation of critical interventions including the key appointments made at the top management level,
- a dedicated focus on the implementation of service delivery improvement actions;
- other routine service delivery monitoring interventions; and
- the dedicated financial recovery improvement actions.

The following table summarises cluster performance on predetermined targets at the end of Quarter 3 of the 2024/25 financial year.

Table 2: Statistical summary of Quarter 3 performance per cluster

Assessment issue	Operations Cluster	Governance and Support Cluster	Departments Directly Reporting to the City Manager	City Management and Strategic Support Cluster
Total number of targets	27	12	35	4
Number of targets applicable for Quarter 3	14	9	23	2
Number of targets achieved	10	8	15	1
Number of targets not achieved	4	1	8	1
Number of targets not assessed	0	0	0	0

Of the 24-line function departments in the City, 17 departments have performance indicators on the SDBIP Scorecard. The following table summarises performance against performance indicators (indicators with pre-determined targets) per department over the period under review

Table 3: Statistical summary of Quarter 3 performance per department

Department	Total number of performance indicators for the 2024/25 FY	Targets due for reporting at the end of Quarter 3	Targets achieved (Quarter 3)	
Tshwane Metro Police Department	3	3	3	
Emergency Services Department	2	2	2	
Group Financial Services Department	30	18	10	
Group Human Capital Management Department	4	2	1	
Economic Development and Spatial Planning Department	6	5	5	
Customer Relations Management Department	1	1	1	
Shared Services Department	1	1	1	
Office of the City Manager	1	0	N/A	
Office of the Speaker	2	2	1	
Office of the Chief Whip	1	0	N/A	

Department	Total number of performance indicators for the 2024/25 FY	Targets due for reporting at the end of Quarter 3	Targets achieved (Quarter 3)	
Community and Social Development Services Department	2	2	2	
Energy and Electricity Department	2	1	0	
Environment and Agriculture Management Department	4	2	2	
Health Department	4	4	4	
Housing and Human Settlements Department	4	0	N/A	
Roads and Transport Department	3	1	1	
Water and Sanitation Department	8	4	1	
Totals	78	48	34	14

1. Main reasons cited for the notable variances

- Some of the necessary recruitment processes (security vetting, medical and physical assessments etc) take longer and thus lead to delays in finalising appointments;
- Delays in the appointment of sub-contractors;
- Delays in the commencement of projects to which target achievement depends on;
- Delays encountered which were caused by adverse weather conditions (many rainy days), hard rock encountered and changes in pipe material for the water pipelines project;
- The site closure during the month of March 2025 following a trench collapse negatively affected progress on the sewer pipelines project; and
- Non-compliance with statutory requirements (Councillors not convening community meetings as required)

2. Analysis of indicators with targets that were not achieved.

In the quarter under review, the city recorded unsatisfactory performance in the following service delivery and performance areas:

- Governance related performance areas i.e. appointment of ward committees, councillor convened community meetings, vacancy rate etc.;

- Provision of basic services i.e. connections to mains electricity supply and sewer connections etc.); and
- Infrastructure development and improvement (upgrading of sewer and water pipes, etc.)

3. Risk analysis

The inability to meet set targets and deliver on the services that these unachieved targets relate to can trigger the manifestation of the risks presented below:

- The inability to convene community meetings by Councillors impacts negatively on the expression of inclusive and participatory governance and can trigger the manifestation of the risk on noncompliance with statutory requirements and community unrests when communities are not engaged and not receiving feedback on many issues of their interests within the City;
- Non-provision of basic services as planned poses a risk of excluding the households that did not receive the services; and
- Inadequate performance in developing the targeted infrastructure and its maintenance impacts negatively on service provision and is a threat to other developments that depend on such infrastructure. If this persists overtime, it has a potential of leading to disinvestments over service frustrations and inability to attract new investments.

4.2 IMPLEMENTATION OF CAPITAL PROJECTS FOR THE CITY

The information presented in this section of the report is reported by line function departments to the Enterprise Project Management Unit (EPMU), located in the Office of the Chief Operations Officer.

4.2.1 Overview of Quarter 3 Project Performance

The city is implementing a total of 190 capital projects with a total budget of R2,3 billion for the 2024/25 MTREF Budget after adjustment. A Supplementary Adjustment Budget was approved on 3 April 2025. The Capex report for Q3 is based on the original milestones and plans submitted, and the total budget of R2,3 billion was approved for capital projects for the 2024/25 financial year. All the 190 projects were reported. Of the 190 projects only 1 project is suspended.

The Quarter 3 budget Projection is R1,207,546,718.71 and actual expenditure is R1,185,222,360.60 which translates to 51% against the total budget.

Summary of 190 projects which were reported is as below:

Targeted milestones that achieved projected targets are 86 (45%).

A total of 104 (54%) projects had their targeted milestones delayed and were not achieved, 01 project was suspended and the overall % of achievement has been classified as follows:

- 24 projects= 0% achievements;
- 43 projects = 1% - 39% achievement;
- 23 projects = 40% - 69% achievement; and
- 15 projects = 70% - 99% achievement.

The table below summarises projects performance status per department.

Table 4: Projects Milestone Status

Division	Number of Projects Reported	Number of Projects Achieved	Projects Achieved 0%	Projects Achieved 1-40%	Projects Achieved 41-70%	Projects Achieved 71-99%
Economic Development and Spatial Planning	1		1			
Emergency Services	2	2				
Energy and Electricity	38	14	4	11	7	3
Enterprise Programme Management Unit (ePMU)	2	1		1		
Group Financial Services	4	2	1		1	
Group Property Management	1					1
Health Services	2	2				
Housing Company Tshwane	3	3				
Human Settlements	37	10	8	12	5	1
ICT, Applications & Infrastructure	7	6			1	
Integrated Rapid Public Transport Network IRPTN	12	6	1	2	1	2
Metro Police Department	1	1				
Office of the City Manager	1	1				
Regional Operations & Coordination ROC	1	1				
Shared Services	1	1				
Sports, Recreation & Infrastructure Development	2	1		1		
Transport Infrastructure Design & Construction	41	22	3	4	7	5
Tshwane Economic Development Agency	1	1				
Tshwane Leadership and Management Academy	2	2				
Waste Management Services	1	1				
Water and Sanitation	30	9	6	11		4
Grand Total	190	86	24	43	22	15

For more details on the statistics herein, refer to Annexure E of this report.

4.3 SUMMARY OF PERFORMANCE OF MUNICIPAL ENTITIES AS AT THE END OF QUARTER 3

Municipal entities are separate legal entities headed by a board of directors. These entities deliver certain services on behalf of the City. The City has two municipal entities: Housing Company Tshwane (HCT) and the Tshwane Economic Development Agency (TEDA), which are bound by shareholder agreements to assist the City to achieve its development objectives. Therefore, in each financial year, the municipal entities develop Business Plans which are approved by Council.

This section of the report presents the performance of the municipal entities against their commitments set to be delivered over the Quarter 3 period of the 2024/25 financial year.

Table 5: Summary of Quarter 3 performance for municipal entities

Entity	Total number of targets for the 2024/25 financial year	Targets due for reporting at the end of Quarter 3	Targets achieved (Quarter 3)	Targets not achieved (Quarter 3)
Tshwane Economic Development Agency	14	7	7	
Housing Company Tshwane	23	21	16	

- In the 2024/25 financial year, TEDA has a total of 14 targets and seven were due for reporting at the end of Quarter 3:
  - All the seven targets committed to be delivered at the end of Quarter 3, were achieved, translating to 100% target achievement.

- In the 2024/25 financial year, HCT has a total of 23 targets and 21 were due for reporting at the end of Quarter 3:
  - Of the 21 targets committed to be delivered at the end of Quarter 3, 16 were achieved, translating to 76.19% target achievement and five were not achieved, translating to 23.81% non-achievement of targets set.

For more details on the statistics herein, refer to Annexures B and C of this report.

4.4 SUMMARY OF THE STATUS OF REPORTING AGAINST CIRCULAR 88 INDICATORS AS AT THE END OF QUARTER 3 OF THE 2024/25 FINANCIAL YEAR

This section of the report presents the status of reporting on the Circular 88 indicators as prescribed by the National Treasury. Reporting in this section is focused on how the city complied with reporting on Circular 88 indicators. This reporting is in line with the phased approach adopted by the city in its efforts to institutionalise the Circular 88 reporting requirements.

4.4.1 Reporting summary

The status of reporting on the Circular 88 indicators and their data elements, together with the compliance indicators and questions as at the end of Quarter 3 of the 2024/25 financial year, is recorded as follows:

- In total, the city has 229 Circular 88 indicators including compliance questions (output indicators; data elements; compliance indicators; and compliance questions) that were due for reporting at the end of Quarter 3. All the 229 indicators were reported translating to 100% compliance with reporting requirement.

The reporting status presented above is further unpacked according to various reporting categories as presented below:

In Quarter 3, the city had to report on 49 output indicators (performance), 63 compliance indicators, 103 data elements linked to the output indicators, and 14 compliance questions.

- All the 49 output indicators were reported;
- All the 103 data elements linked to the output indicators were reported;
- All the 63 compliance indicators were reported; and
- All the 14 compliance questions were reported.

The following table presents the status of reporting on Circular 88 in Quarter 3 of the 2024/25 financial year. The table indicates how the city fared in Quarter 3 of the current financial year regarding compliance with Circular 88 reporting requirements.

Table 6: Statistical summary of Circular 88 reporting per quarter

Indicators per category	Total number of indicators	Quarter 1		Quarter 2		Quarter 3	
		Number of indicators Reported	Number of indicators Not reported	Number of indicators Reported	Number of indicators Not reported	Number of indicators Reported	Number of indicators Not reported
Output indicators	49	49		49		49	
Data elements linked to the above 49 output indicators	103	103		103		103	
Compliance indicators	63	62		63		63	
Compliance questions	14	14		14		14	
Total reporting elements	229	228		229		229	
Percentage of reporting compliance	100%	99.56%		100%		100%	

The following table summarises the indicators that were not reported in Quarter 3:

Table 7: Output Indicators, Data Elements, and Compliance Indicators not reported in Quarter 3

Reference Numbers	Output and Compliance Indicators	Data Elements	Comment or Department

N/A	N/A	N/A	N/A

The following table presents the prescribed Circular 88 Output Indicators and Data Elements that are not applicable to the city:

Table 8: Output Indicators and Data Elements not applicable to the city

Reference Numbers	Key Performance and Compliance Indicators (KPIs) or Compliance questions	KPI Data Elements	Comment or Department
ENV5.12	Number of coastal water samples taken for monitoring purposes.	ENV5.12(1) Simple count of the number of coastal water samples taken for monitoring purposes.	The indicator and its data element are not applicable to the city.

For more details on the information above, refer to Annexure D of this report.

5. COMMENTS OF THE STAKEHOLDER DEPARTMENTS

5.1 COMMENTS OF THE CHIEF AUDIT EXECUTIVE

Group Audit and Risk (GAR) takes note of the report presented by City Strategy and Organisational Performance Department (CSOP) regarding:

- The performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year;
- The performance of the municipal entities against the targets set for Quarter 3 of the 2024/25 financial year in line with their approved business plans;
- Reporting status on Circular 88 indicators; and
- The performance against milestones set for third quarter of 2024/25 financial year on City's Capital Projects.

GAR as a third line of assurance provider together with CSOP as second line assurance provider are currently reviewing and validating monthly evidence submitted by the departments to support reported performance for Quarter 3.

The overall objective of the reviews is to assess and conclude whether the reported performance against the predetermined objectives is useful and reliable. The evidence submitted is accurate and complete.

Verify if Circular 88 indicators (Tier1 & Tier 2) are all included in the approved SDBIP for 2024/25, and its documented processes are aligned to National Treasury Technical Indicator Description (TID).

Any variance/discrepancies found during the validation process will be communicated to the affected departments through individual departmental internal audit reports. The anticipated completion date for the audit is 09 May 2025. Thereafter the AOPI Audit Consolidation Report for Q3 will be shared with CSOP, various Group Heads and Cluster Heads and finally present to the Audit Performance Committee (APC) for meeting scheduled in May month.

5.2 COMMENTS OF THE CHIEF FINANCIAL OFFICER

Cognisance is taken of the content of the report.

There are no additional financial implications emanating as a result of this report for the City of Tshwane as the purpose of this report is to table –

- the performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year;
- the reporting status on the C88 indicators;
- the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects; and
- the performance of the municipal entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

5.3 COMMENTS OF THE CHIEF OF EMERGENCY SERVICES

The purpose of this report is to table –

a. the performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year;
b. the reporting status on the C88 indicators;
c. the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects; and
d. the performance of the municipal entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

The Emergency Services Department (ESD) agrees with the contents of the report , it is in line with what the department submitted.

5.4 COMMENTS OF THE CHIEF OF POLICE

The purpose of the report is to table the performance of the City of Tshwane against the SDBIP. TMPD takes cognizance of the content of the report.

5.5 COMMENTS OF THE CHIEF OF STAFF

The Office of the Executive Mayor takes cognisance of the report and supports its recommendations.

5.6 COMMENTS OF THE CHIEF OPERATIONS OFFICER

The Office of the Chief Operations Officer takes cognisance of the MFMA Section 52(d) third quarter report on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP).

The under-performance of the cluster for the reporting period is noted and plans are put in place to address this and ensure that the quality of reporting improves going forward.

The recommendations are supported.

5.7 COMMENTS OF THE GOVERNANCE AND SUPPORT OFFICER

Awaiting Comments.

5.8 COMMENTS OF THE GROUP HEAD: GROUP LEGAL AND SECRETARIAT SERVICES

The purpose of this report is to table –

- the performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year;
- the reporting status on the C88 indicators;
- the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects; and
- the performance of the municipal entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

Section 46 (1) & (2) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (hereafter referred to as the "MSA") provides that, (1) A municipality must prepare for each financial year a performance report reflecting-

a. the performance of the municipality and of each external service provider during that financial year;
b. a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
c. measures taken to improve performance.

(2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act.

In terms of Section 52 (d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (hereafter referred to as "MFMA"), the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.
This report is in compliance with the provisions of Regulation 13 of the Local Government: Municipal Planning and Performance Management Regulations, 2001 published in terms of the "MSA" and the Performance Management Policy and Procedure developed by the City of Tshwane (dated 28 August 2008), whereby the purpose of reporting or giving feedback is to assist in monitoring, which aims to provide Managers, decision makers and other stakeholders with a regular feedback on the progress made with implementation so that corrective measures may be put in place, where necessary.

Having taken regard to the aforesaid and with specific reference to the contents of the report, Group Legal and Secretariat Services Department supports the approval of the report and the recommendations.

5.9 COMMENTS OF THE GROUP HEAD: COMMUNICATIONS, MARKETING AND EVENTS

The purpose of this report is to table –

- the performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year.
- the reporting status on the C88 indicators.
- the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects; and

- the performance of the municipal entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

"The Communication, Marketing and Events Department (CME) acknowledges the report and supports the content of the report and its recommendations."

5.10 COMMENTS OF THE GROUP HEAD: COMMUNITY AND SOCIAL DEVELOPMENT SERVICES

CSDS supports the report.

5.11 COMMENTS OF THE GROUP HEAD: CUSTOMER RELATIONS MANAGEMENT

The Customer Relations Management Department acknowledges the compliant of the report in line with Sections 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) in presenting performance of the City against the targets set to be achieved over the Quarter 3 of the 2024/25 financial year.

The Customer Relations Management Department managed to achieve both corporate and C88 KPI for quarter 3 performance reporting period.

Therefore, the CRM Department takes cognisance of the report contents as recommended for line departments to implement measures that will improve performance and address all the root causes of underperformance and reporting challenges.

5.12 COMMENTS OF THE GROUP HEAD: ECONOMIC DEVELOPMENT AND AMP; SPATIAL PLANNING

The Economic Development and Spatial Planning Department takes cognisance of the contents of the report and supports its objectives and recommendations.

5.13 COMMENTS OF THE GROUP HEAD: ENERGY AND ELECTRICITY

Awaiting Comments

5.14 COMMENTS OF THE GROUP HEAD: ENVIRONMENT AND AGRICULTURE MANAGEMENT

The report on the city's performance against the approved adjusted SDBIP targets is noted.

The Environment and Agriculture Management Department also concurs with the report which shows that the Department has achieved all the KPI targets that were due for reporting at the end of quarter 3. The report and its recommendations are therefore supported.

5.15 COMMENTS OF THE GROUP HEAD: GROUP HUMAN CAPITAL MANAGEMENT

The purpose of this report is to table –

- the performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year.
- the reporting status on the C88 indicators.
- the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects; and

- the performance of the municipal entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

Group Human Capital Management takes cognisance of the contents of the report and support recommendations of the report.

The implementation of the approved recruitment policy and the drafting of the new Standard Operating Procedures (SOP's) which includes the added Selection Criteria and recruitment Processes will speed up the filling of funded and approved vacancies within stipulated timeframe.

5.16 COMMENTS OF THE GROUP HEAD: GROUP PROPERTY

Awaiting Comments.

5.17 COMMENTS OF THE GROUP HEAD: HEALTH

Health takes cognisance of the report and supports the recommendations of the report.

5.18 COMMENTS OF THE GROUP HEAD: HUMAN SETTLEMENT

In line with Sections 52(d) of the Local Government: Municipal Finance Management Act 56 of 2003 in presenting performance of the City against the targets set to be achieved in the Quarter 3 of the 2024/25 financial year.

Therefore, the Human Settlements Department takes cognisance of the report contents and recommendations for line departments to implement measures that will improve performance. Majority of the Department's SDBIP Key Performance Indicators have annual targets, however, the Department is on course to achieve the set targets.

5.19 COMMENTS OF THE GROUP HEAD: REGIONAL OPERATIONS AND COORDINATION

The purpose of this report is to table –

the performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year.

- the reporting status on the C88 indicators.

- the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects; and

- the performance of the municipal entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

ROC takes cognisance of the contents of the report.

The following should be noted in relation to the SDBIP KPIs within the ROC department:

1. All 4 service delivery KPIs (pothole repairs, sewer blockages, water leaks, unplanned outages) within the ROC department have been downgraded to the business plan level to address the root causes that led to Audit findings in the 2023-24 financial year, and

2. An action plan with clear timelines has been developed to indicate the reasons for downgrading the KPIs, and when will the KPIs be returned to the corporate scorecard.

ROC supports the report, its objectives and recommendations.

5.20 COMMENTS OF THE GROUP HEAD: ROADS AND TRANSPORT

Roads and Transport departments takes cognisance of the contents of the reports and support its objectives and recommendations.

5.21 COMMENTS OF THE GROUP HEAD: SHARED SERVICES

The purpose of this report is to table:

- the performance of the City of Tshwane against the targets in the approved adjusted Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 period of the 2024/25 financial year;
- the reporting status on the C88 indicators;
- the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital project; and
- the performance of the municipal entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

Q3 progress achievement as reported is noted. The recommendations of the report are supported.

5.22 COMMENTS OF THE GROUP HEAD: WATER AND SANITATION

The Water and Sanitation Department has perused the report and the recommendations thereof are noted.

5.23 COMMENTS OF THE MANAGEMENT SUPPORT OFFICER (MSO)

Awaiting Comments.

5.24 COMMENTS OF THE MMC

Awaiting Comments.

6. IMPLICATIONS

6.1 HUMAN RESOURCES

In areas where human resources challenges have been identified, the city must, within its means, undertake to resolve such challenges.

6.2 FINANCES

The report does not have any financial implications.

6.3 CONSTITUTIONAL AND LEGAL FACTORS

This report is developed in compliance with Section 52 (d) of the MFMA. It focuses predominantly on the non-financial performance. The report developed by the Group Financial Services Department focuses on the City's financial performance.

6.4 COMMUNICATION

This report must be made public in line with Section 21A of the Local Government: Municipal Systems Act, 2000. The report must be submitted to the National Treasury, the Gauteng Provincial Treasury, and the provincial department responsible for Local Government.

6.5 PREVIOUS COUNCIL OR MAYORAL COMMITTEE RESOLUTIONS

None.

7. CONCLUSION

The report indicates that there has been an improvement in the achievement rate of targets. However, target achievement remains a challenge that requires line departments to implement measures that will improve performance. Each department and entity affected by underperformance on the targets set and affected by other performance and reporting challenges as documented in the sections above, must address all the root causes of underperformance as well as address other performance and reporting challenges identified.

Each department and entity must prioritise implementing quality assurance measures on the information that it will use or uses to report its performance to ensure that the City accounts properly and reliably (accurately, completely, and validly) and that the City uses quality and credible information in developing its reports.

During consideration of this item by Council on 24 April 2025, and after Councillors JJ Baloyi, Ald D Selowa, ST Moloisane, JK Kgosiemang and NC Pascoe addressed Council on this matter, it was resolved as set out below:

A. 2024/25 Q3 SDBIP Performance Report Edited Version AD 10.04.2025
B. Quarter 3 TEDA Performance Report
C. Quarter 3 HCT Performance Report
D. Quarter 3 National Treasury Circular 88 Report
E. CAPEX Report March - Q3 2025 11 April 2025

RESOLVED:

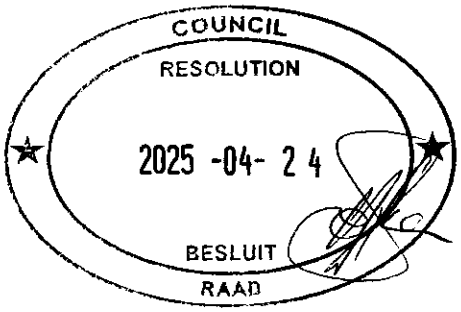
1. That cognisance be taken of the performance of the City of Tshwane against targets set to be delivered over the Quarter 3 of the 2024/25 financial year in line with Sections 52(d) of the MFMA, as well as the performance against the milestones for capital projects set to be delivered over the third quarter.

2. That cognisance be taken of the performance of the municipal entities against the targets set for Quarter 3 of the 2024/25 financial year in line with their approved business plans.

3. That cognisance be taken of the reporting status on the National Treasury Circular 88 indicators for Quarter 3 of the 2024/25 financial year.

4. That this Quarter 3 performance assessment report be submitted to all external stakeholders, and that all the required legislated processes be followed in processing these reports further.

5. That Council note that the audited performance results for quarter 3 will be submitted to Council in the quarter 4 SDBIP report.



CITY OF
TSHWANE
IGNITING EXCELLENCE

ANNEXURE A

QUARTER 3 PERFORMANCE ASSESSMENT REPORT

FY 2024/25

Table of Contents

List of Tables

1. PURPOSE

The purpose of this report is to table-

- the performance of the City of Tshwane against the targets in the approved Service Delivery and Budget Implementation Plan (SDBIP) set to be achieved over the Quarter 3 Budget and Performance Assessment of the 2024/25 financial year in line with Sections 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), reporting status on the C88 indicators as well as the performance against the milestones set for the third quarter of the 2024/25 financial year on the City's capital projects.
- the performance of the municipal entities against the targets set for the Quarter 3 of the 2024/25 financial year in line with their approved business plans.

2. PERFORMANCE ON SERVICE DELIVERY TARGETS

2.1 Background

The City develops its Service Delivery and Budget Implementation Plan (SDBIP) for each financial year in line with the guidance provided in the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA) and the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA). Over the financial year under review, the SDBIP Scorecard was presented and structured in terms of various tables with different indicators differentiated as follows:

- Performance Indicators
- Reporting Indicators
- Compliance Indicators
- Compliance Questions

This report presents the performance of the City against the targets set to be achieved over the Quarter 3 of the 2024/25 financial year in line with Sections 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).

The reported performance results are based on the first level assurance conducted by each input line function department and the entities. The auditing of the evidence supporting the results for the end of quarter 3 by the City Strategy and Organisational Performance and Group Audit and Risk Departments is currently underway. The audited results will be included in the quarterly report for the end of quarter 4.

The audited results for quarters one and two have been included in this report.

2.2 Quarter 3 Performance Summary against performance indicators (indicators with predetermined targets

The adjusted SDBIP consists of **78** performance indicators (indicators with predetermined targets). Of these **78** performance indicators, a total of **48** have their targets due for reporting at the end of Quarter 3 of the 2024/25 financial year.

Of the **48** performance indicators with targets set to be delivered over the Quarter 3 of the 2024/25 financial year, performance on these targets was recorded as follows:

- A total of **34** targets were achieved. This accounts for **70.83%** target achievement.
- A total of **14** targets were not achieved, translating to **29.17%** non-achievement of targets committed to over the period under review.
- The Energy and Electricity Department, Group Financial Services Department and Office of the Chief Whip reported performance on **one** indicator each. These indicators do not have targets set for the quarter under review but are planned to be reported at the end of the financial year (quarter 4). Reporting on these KPIs is acknowledged but performance is not rated.

The following table summarises performance comparison for Q3 2024/25 vs Q3 2023/24 financial year.

Table 1: Year-Year Comparison

Financial Year	Total number of performance indicators per financial year	Targets due for reporting at the end of Quarter 3	Targets achieved (Quarter 3)	Targets not achieved (Quarter 3)	Targets not assessed (Quarter 3)	Percentage Target Achievement
2024/25	78	48	34	14	0	70.83%
2023/24	86	56	31	25	0	55.36%

The improvement in target achievement is attributed to:

- the implementation of critical interventions including the key appointments made at the top management level,
- a dedicated focus on the implementation of service delivery improvement actions;
- other routine service delivery monitoring interventions; and

the dedicated financial recovery improvement actions.

Legend:

- Achieved targets are highlighted in green.
- Non achieved targets are highlighted in red.
- Performance recorded without planned targets for the quarter, are highlighted in yellow.

The table below presents the indicators with clear targets set to be achieved over the financial year under review. Reference is made to “actual results not yet validated” where the performance was audited, and the results are not yet finalised or the performance was not yet audited. Audit is ongoing and will be reported to Council on a quarterly basis.

Table 2: Performance Indicators

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 1: Prioritisation of the electrical grid and water infrastructure	Water & Sanitation	Number of new water connections meeting minimum standards	1,851	1,500	250	329	321	675	527	535	1100	**1290**	190	The target has been achieved due to the contractor’s increased effort.	Not provided	1100	1290[1]

[1] Audit in progress

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 1: Prioritisation of the electrical grid and water infrastructure	Water & Sanitation	Number of new sewer connections meeting minimum standards	120	950	0	0	0	0	0	0	550	**0**	-550	Delays in the installation of collector main pipe due to encroachment which will service 220 toilets already constructed. Delays also encountered on the appointment of subcontractors because of variations in rates.	To request the intervention of City Planning and encroachment section in April 2025. Negotiations are still underway between the contractor and the subcontractor.	550	0
Priority 1: Prioritisation of the electrical grid and water infrastructure	Water & Sanitation	Length of water pipelines replaced/ upgraded	14220	13000m	2000 m	3354m	3354m	4000m	2102m	2102m	4000m	**1017.25m**	-2982.75 m	Target is not achieved due to adverse rainy weather, hard rock encountered and changes in pipe material.	Variation order has been processed for the hard rock. The contractors will issue the recovery plan by 10 April 2025.	10000 m	**6473.25m**
Priority 1: Prioritisation of the electrical grid and water infrastructure	Water & Sanitation	Length of new sewer pipelines installed	0	2815m	2500 m	0m	0m	2000m	815m	816m	800m	**782m**	-18m	98% of the planned target has been achieved. The site closure during the month of March 2025 following trench collapse, has affected the project.	Site has been reopened on 10 March 2025. The contractor will issue the recovery plan by 10 April 2025.	1615m	1598m
Priority 1: Prioritisation of the electrical grid and water infrastructure	Water & Sanitation	Percentage of water treatment capacity unused	N/A	45%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 1: Prioritisation of the electrical grid and water infrastructure	Water & Sanitation	Percentage of wastewater treatment capacity unused	N/A	-10%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 1: Prioritisation of the electrical grid and water infrastructure	Water & Sanitation	Percentage of industries with trade effluent inspected for compliance	N/A	92%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 1: Prioritisation of the electrical grid and water infrastructure	Water & Sanitation	Infrastructure leakage index	N/A	7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 1: Prioritisation of the electrical grid and water infrastructure	Electricity & Energy	Number of dwellings provided with connections to the mains electricity supply by the municipality	2 701	1905	505	0	0	1305	40	40	1600	128	-1472	Activation of EED Tender number 23 of 2023/24 in Quarter 1 where the SLA approval process and Projects Safety Files sign off was finalised at the end of Q1 2024/2025 which result in delay to implementing EFA project. Projects within regions 1, 5 & 7 require supply feeders which require additional budget and materials.	Service providers to increase capacity to fast-track progress. Supply feeders require an additional budget. Ensure that there is community involvement to protect infrastructure.	1600	**128**

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 1: Prioritisation of the electrical grid and water infrastructure	Electricity & Energy	Installed capacity of approved embedded generators on the municipal distribution network	4.98MVA	6,5MVA	Annual	13,679MVA	13,679MVA	Annual	0,2MVA	0,2MVA	Annual	9,32MVA	9,32 MVA	KPI is application and demand driven	KPI is application and demand driven where one application can achieve the annual target.	Annual	23,199 MVA
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Total Capital Expenditure as a percentage of Total Capital Budget	N/A	100%	8%	10.25%	10.12%	50%	35%	35%	55%	51%	-4%	Departments reported that the underperformance in capital expenditure was mainly due to delays in procurement processes; internal dependencies (departmental approvals); designs and documentation; and poor performance by contractors.	Procurement processes must be fast tracked and project management improved.	55%	51%
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	N/A	100%	27%	20%	20.12%	52%	46%	46%	70%	71%	1%	The quarterly target has been achieved	Operational expenditure is expected to increase further as the financial year progresses, departments to ensure processing and accruing of invoices timeously.	70%	71%

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					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Total Operating Revenue as a percentage of Total Operating Revenue Budget	N/A	100%	26%	28%	28%	49%	53%	53%	78%	78.12%	0.12%	The quarterly target has been achieved	Closer monitoring of electricity service charges revenue and improve performance on operating conditional grants so that revenue can be recognised.	78%	78.12%
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget	N/A	100%	26%	26%	29.27%	49%	52%	50%	75%	72%	-3%	The quarterly target was not achieved due to under performance in the billing for service charges, especially for electricity impacted by various factors such as illegal connections, estimations, distribution losses and demand.	The city must address illegal connections, estimations, and distribution losses.	75%	72%
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Funded budget (Y/N) (Municipal)	N	N	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Cash backed reserves reconciliation at year end	-R8 798 06570	R1 363 168 216	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Cash/Cost coverage ratio	N/A	0.6	0.2	0.19	Actual result not yet validated	0.2	0.18	Actual result not yet validated	0.2	0.1	-0.1	Not provided	Not provided	0.2	0.01
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Current ratio (current assets/current liabilities)	0.57	0.08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.14	1.14	Not provided	Not provided	N/A	1.14
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Trade payables to cash ratio	0.1	0.08	0.05	0.26	Actual result not yet validated	0.05	0.21	Actual result not yet validated	0.08	0.49	0.41	Not provided	Not provided	0.08	0.49
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Liquidity ratio	0.1	0.06	0.04	0,14	0.14	0.04	0.10	0.00112	0.06	0.27	0.21	Not provided	Not provided	0.06	0.27
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	9.7%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Creditors payment period	95.46 days	114 days	149 days	4,73 days[2]	Actual result not yet validated	160 days	141.22 days	Actual result not yet validated	122 days	61.44 days	-60.56 days	The City's creditors' balance has substantially declined in Q3	The city has managed to reduce the amount owed to its bulk creditors as of March 2025	122 days	61.44 days
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Percentage of total capital expenditure funded from own funding (Internally generated funds + Borrowings)	17.82%	16.5 %	10.4%	15,90%	15,91%	10,4%	10.84%	11%	11%	15%	4%	The quarterly target has been achieved	Procurement processes must continue to be fast tracked and project management improved.	11%	15%
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Percentage of total capital expenditure funded from capital conditional grants	82.18%	83.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Percentage of total capital expenditure on renewal/upgrading of existing assets	45.56%	44%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment	37.7%	44.2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

[2] This result was erroneously reported in Q1 due to a formula error

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Repairs and Maintenance as a percentage of property, plant, equipment and investment property	N/A	2.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Percentage of awarded tenders [over R200k], published on the municipality's website	100%	100%	100%	100%	Actual result not yet validated	100%	0%	320%	100%	100%	0%	Depends on the awarded tenders Based on the completion of the Bid Evaluation	Special BEC established to fast track the evaluation of bids	100%	100%
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Percentage of tender cancellations	14.63% %	12%	0%	600%	Actual result not yet validated	0%	3%	45%	10%	41%	31%	Cancellations informed by bids being non-responsive where bidders did not submit competitive bids	The BSC and user departments do reviews of the specifications to minimise cancellations	10%	41%

Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Debtors' payment period	67.56 days	30 days	30 days	56.8 days	Actual result not yet validated	30 days	80.4 days	247 days	30 days	52.91 days	22.91 days	1.Illegal reconnections. 2. Fraud and corruption 3.Low payment levels due to economic conditions 4.Theft and tampering of metered services 5.Default on payment arrangement 6.Reconnection of services on partial payment without payment arrangement 7.Intimidations on credit control staff or contractors when doing disconnections	1. The Incentive and Debt-relief report was approved by Council on 27 February 2025 which is earmarked as one of the interventions to improve debt collection in exchange for writing-off a portion of the debt. As at 31 March 2025 a total of 102 residential customers have chosen option 1 of the debt-relief scheme, whilst 3 businesses have chosen option 2. A total debt of R3.330million is affected and R1,590million has been return-off via the scheme. 2. The Incentive and Debt-relief Scheme approved by Council on 27 February 2025, is all encompassing, in that, it takes into account all service types such as electricity, water, sanitation, refuse removal and property rates. In addition the scheme includes an amnesty component which focuses on normalising	30 days	29 52.91 days

															electricity supply for customers that have tampered with the electricity meter. As at 31 March 2025 a total of 10,200 amnesty applications has been received. 3. As part of the RTTA weekly monitoring the debtors book has been segmented to Top 500 debtors and Top 2,500 debtors for targeted approach in implementing credit control and debt collection measures. Further, an accelerated Revenue Recovery Strategy has been developed that identifies high-value customers. 4.High power users i.e. customers that consume over 1,000 Kwh of electricity have been migrated to Smart Prepaid Meters which requires them to prepay their electricity consumption. A dedicated team that handles Smart Prepaid Meters is in place and manages these high power		30

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
															users on a daily basis.		

Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Collection rate ratio	N/A	95.00%	95%	89.2%	Actual result not yet validated	95.00%	88.12%	79%	95.00%	86%	-9%	1.Illegal reconnections. 2. Fraud and corruption 3.Low payment levels due to economic conditions 4.Theft and tampering of metered services 5.Default on payment arrangement 6.Reconnection of services on partial payment without payment arrangement 7.Intimidations on credit control staff or contractors when doing disconnections	1. The Incentive and Debt-relief report was approved by Council on 27 February 2025 which is earmarked as one of the interventions to improve debt collection in exchange for writing-off a portion of the debt. As at 31 March 2025 a total of 102 residential customers have chosen option 1 of the debt-relief scheme, whilst 3 businesses have chosen option 2. A total debt of R3.330million is affected and R1,590million has been return-off via the scheme. 2. The Incentive and Debt-relief Scheme approved by Council on 27 February 2025, is all encompassing, in that, it takes into account all service types such as electricity, water, sanitation, refuse removal and property rates. In addition the scheme includes an amnesty component which focuses on normalising	95.00 %	32 86%

															electricity supply for customers that have tampered with the electricity meter. As at 31 March 2025 a total of 10,200 amnesty applications has been received. 3. As part of the RTTA weekly monitoring the debtors book has been segmented to Top 500 debtors and Top 2,500 debtors for targeted approach in implementing credit control and debt collection measures. Further, an accelerated Revenue Recovery Strategy has been developed that identifies high-value customers. 4. High power users i.e. customers that consume over 1,000 Kwh of electricity have been migrated to Smart Prepaid Meters which requires them to prepay their electricity consumption. A dedicated team that handles Smart Prepaid Meters is in place and manages these high power		33

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					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
															users on a daily basis.		
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Net Surplus /Deficit Margin for Electricity	4.0%	1.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Net Surplus /Deficit Margin for Water	30.5%	9.2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Net Surplus /Deficit Margin for Wastewater	68.5%	50%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Net Surplus /Deficit Margin for Refuse	25.4%	17.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Percentage of budgeted rates revenue collected	81.9%	95%	95%	81%	25%	95%	89%	51%	95%	84%	-11%	1.Illegal reconnections. 2. Fraud and corruption 3.Low payment levels due to economic conditions 4.Theft and tampering of metered services 5.Default on payment arrangement 6.Reconnection of services on partial payment without payment arrangement 7.Intimidations on credit control staff or contractors when doing disconnections	1. The Incentive and Debt-relief report was approved by Council on 27 February 2025 which is earmarked as one of the interventions to improve debt collection in exchange for writing-off a portion of the debt. As at 31 March 2025 a total of 102 residential customers have chosen option 1 of the debt-relief scheme, whilst 3 businesses have chosen option 2. A total debt of R3.330million is affected and R1,590million has been return-off via the scheme. 2. The Incentive and Debt-relief Scheme approved by Council on 27 February 2025, is all encompassing, in that, it takes into account all service types such as electricity, water, sanitation, refuse removal and property rates. In addition the scheme includes an amnesty component which focuses on normalising	95%	35 84%

															electricity supply for customers that have tampered with the electricity meter. As at 31 March 2025 a total of 10,200 amnesty applications has been received. 3. As part of the RTTA weekly monitoring the debtors book has been segmented to Top 500 debtors and Top 2,500 debtors for targeted approach in implementing credit control and debt collection measures. Further, an accelerated Revenue Recovery Strategy has been developed that identifies high-value customers. 4.High power users i.e. customers that consume over 1,000 Kwh of electricity have been migrated to Smart Prepaid Meters which requires them to prepay their electricity consumption. A dedicated team that handles Smart Prepaid Meters is in place and manages these high power		36

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
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															users on a daily basis.		
Priority 2: Provide stringent financial management and oversight.	Group Financial Services	Percentage of the municipality's operating budget spent on indigent relief for free basic services.	5%	11,8%	10,8%	0,015	1%	11,3%	5,92%	3%	11,8%	5%	-6.8%	The number of the City's indigent residents was not as projected in the year-to-date budget.	Qualifying City residents should be encouraged to apply for registration as indigent and receive the budgeted relief.	11,8%	5%
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Percentage of revenue clearance certificates issued within 10 working days from the time of completed application received	99%	90%	90%	95.2%	Actual result not yet validated	90%	91%	Actual result not yet validated	90%	99%	9%	Modernisation of application process	Maintain improved service level	90%	99%
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	187 days	120 days	120 days	0 days	Actual result not yet validated	120 days	66.19 days	198 days	120 days	31.75 days	-88.25 days	Not provided	Not provided	120 days	31.75 days
Priority 2: Provide stringent financial management and oversight	Group Financial Services	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission	45,25%	90%	90%	58%	Actual result not yet validated	90%	42%	Actual result not yet validated	90%	35%	-55%	The city managed to pay 2836 out of 8085 invoices within 30 days	The city's liquidity is still unstable, the City is currently embarking on several initiatives in order to address its liquidity issues.	90%	35%

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 3. A business-friendly city that promotes employment and economic growth	Economic Development and Spatial Planning	Rand value of investment facilitated into the city (annual)	R5.350 Billion	R1,8 billion	R0	R0	R0	R0	R0	R0	R0	R0	N/A	Six company engagement were reported ,Neopak,TATA motors, GNI Property Group, Toyota Godrich,Investicore,Kotex Textiles, Bellagio Gaming and Entertainment.	No mitigation required as the actual will be reported at the end of June.	R0	R0
Priority 3. A business-friendly city that promotes employment and economic growth	Economic Development and Spatial Planning	Number of co-operatives supported through the co-operative development program	166	160	45	45	45	35	46	46	35	38	3	The stakeholder invited co-operatives from their own database without prior communication resulting in an increased number of co-operatives receiving support.	Enhance communication and mutual agreement between stakeholders on the target number of co-operatives to receive support.	115	129
Priority 3. A business-friendly city that promotes employment and economic growth	Economic Development and Spatial Planning	Average number of days taken to process building applications of less than 500 square meters	12.91 Days	30 days	30 days	15 days	15 days	30 days	13 days	13 days	30 days	14 days	16 days	Effective and efficient systems and processes implemented by management to improve compliance with the legislative framework	No mitigation required as the target was achieved	30 days	14 days
Priority 3. A business-friendly city that promotes employment and economic growth	Economic Development and Spatial Planning	Average number of days taken to process building application of 500 square meters or more	18.62 Days	60 days	60 days	18.92 days	18.92 days	60 days	17.6 days	17.6 days	60 days	19 days	41 days	Effective and efficient systems and processes implemented by management to improve compliance with the legislative framework	No mitigation required as the target was achieved	60 days	19 days

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 3. A business-friendly city that promotes employment and economic growth	Economic Development and Spatial Planning	Average time taken to finalize business license applications	5.93 Days	21 days	21 days	7.6 days	7.6 days	21 days	6.2 days	6.2 days	21 days	6 days	15 days	Effective and efficient systems and processes implemented by management to improve compliance with the legislative framework	No mitigation required as the target was achieved	21 days	6 days
Priority 3. A business-friendly city that promotes employment and economic growth	Economic Development and Spatial Planning	Average time taken to finalize informal trading permits	3.10 Days	21 days	21 days	6.19 days	6.19 days	21 days	6.6 days	6.6 days	21 days	6 days	15 days	Effective and efficient systems and processes implemented by management to improve compliance with the legislative framework	No mitigation required as the target was achieved	21 days	6 days
Priority 3. A business-friendly city that promotes employment and economic growth	Group Human Capital	Number of individuals connected to apprenticeships and learnerships through municipal interventions	116	120	NA	NA	NA	N/A	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 3. A business-friendly city that promotes employment and economic growth	Community & Social Development	Number of work opportunities created by the municipality through public employment programmes (incl. EPWP, CWP and other related employment programmes)	20 088	11360	3067	3090	3056	5225	10212	11360	7611	14254	2894	The annual target is 11 360 and has been exceeded by 3079. The overachievement is due to more projects being reported and implemented.	The annual target is 11 360 and has been overachieved by 3079. The overachievement is due to more projects being reported and implemented.	7611	14254

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 4: Enhancing city safety, security, and emergency services.	Emergency Services	Percentage compliance with the required attendance time for structural firefighting incidents	76.79%	75%	75%	77%	Actual result not yet validated	75%	77%	Actual result not yet validated	75%	77%	2%	The Emergency Services Department's continuous and persistent monitoring of attendance times, fleet downtime, and appointment of Company Commanders and District Commanders contributed significantly to this KPI's outstanding performance of 77% during Q3 performance reporting.	Not provided	75%	77%
Priority 4: Enhancing city safety, security, and emergency services.	Emergency Services	Number of municipal critical infrastructure plans that are in place to deal with impending and actual disasters	10	12	3	2	Actual result not yet validated	3	4	Actual result not yet validated	3	9	6	Not provided	Not provided	9	9
Priority 4: Enhancing city safety, security and emergency services	Tshwane Metro Police Department	Number of By-Law Policing Operations/ Interventions executed	536	514	128	148	Actual result not yet validated	128	148	Actual result not yet validated	129	149	20	The variance is as a result of unplanned operations which are conducted in response to unforeseen demands and activities within the community of Tshwane.	TMPD will always respond to unforeseen demands for interventions even if they were not forecasted at the time of setting targets. As the demands for interventions arise based on the ongoing intelligence gathering, will lead to over achievement.	385	445

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 4: Enhancing city safety, security and emergency services.	Tshwane Metro Police Department	Number of Road Policing Operations/ Interventions executed	952	824	206	277	Actual result not yet validated	206	249	Actual result not yet validated	206	238	32	The variance is as a result of unplanned operations which are conducted in response to unforeseen demands and activities within the community of Tshwane.	TMPD will always respond to unforeseen demands for interventions even if they were not forecasted at the time of setting targets. As the demands for interventions arise based on the ongoing intelligence gathering, will lead to over achievement.	618	764
Priority 4: Enhancing city safety, security and emergency services.	Tshwane Metro Police Department	Number of Crime Prevention Operations/ Interventions executed	1,892	1632	408	422	Actual result not yet validated	408	409	Actual result not yet validated	408	429	21	The variance is as a result of unplanned operations which are conducted in response to unforeseen demands and activities within the community of Tshwane.	TMPD will always respond to unforeseen demands for interventions even if they were not forecasted at the time of setting targets. As the demands for interventions arise based on the ongoing intelligence gathering, will lead to over achievement.	1224	1260

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 5: Maintaining a clean and protected natural environment.	Environmental and Agricultural Management	Percentage of recognised informal settlements receiving basic waste removal services	73.53%	100%	100%	100%	81%	100%	100%	99%	100%	100%	0%	N/A	N/A	100%	100%
Priority 5: Maintaining a clean and protected natural environment.	Environmental and Agricultural Management	Percentage of formal areas provided with weekly waste collection services	74%	100%	100%	98.3%	67%	100%	100%	99.89%	100%	100%	0%	N/A	N/A	100%	88.96%
Priority 5: Maintaining a clean and protected natural environment	Environmental and Agricultural Management	Percentage of biodiversity priority area within the municipality	6.80%	6.80%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	This is an annual reporting indicator.	This is an annual reporting indicator.	N/A	N/A
Priority 5: Maintaining a clean and protected natural environment	Environmental and Agricultural Management	Percentage of biodiversity priority areas protected	71.07%	100.00 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	This is an annual reporting indicator.	This is an annual reporting indicator.	N/A	N/A
Priority 6: Maintenance and expansion of road infrastructure and public transportation	Roads & Transport	Number of scheduled public transport access points added (IRPTN Feeder Stops and BRT Stations)	10	10	0	0	0	0	0	0	0	0	0	N/A	N/A	0	0

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 6: Maintenance and expansion of road infrastructure and public transportation	Roads & Transport	Number of scheduled public transport access points added (by TBS _Bus Stops)	8	10	2	9	9	4	9	9	7	11	4	None, the target was achieved.	Not provided	10	11
Priority 6: Maintenance and expansion of road infrastructure and public transportation	Roads & Transport	Number of Intermodal Facilities Completed	0	1	0	0	0	1	1	0	0	0	0	N/A	N/A	1	0
Priority 7: A caring city that supports the vulnerable and provides social relief	Community & Social Development	Number of new indigent households supported by the city through its social package per year	3 455	3000	750	832	821	750	1096	1096	750	889	139	The Roadshows from the MMC's Road shows and the Registration Campaign awareness contributed to IPM exceeding the target	The Roadshows from the MMC's Road shows and the Registration Campaign awareness contributed to IPM exceeding the target	2250	2806
Priority 7: A caring city that supports the vulnerable and provides social relief	Human Settlements	Hectares of land acquired for human settlements in the municipal area	18.611	10.35	0	0	0	0	0	0	0	0	0	Detailed progress is provided in table five below.	N/A	0	0

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 7: A caring city that supports the vulnerable and provides social relief	Human Settlements	Number of subsidised housing units constructed using various Human Settlements Programmes	N/A	400	0	0	0	0	0	0	0	0	0	Detailed progress is provided in table five below.	N/A	0	0
Priority 7: A caring city that supports the vulnerable and provides social relief.	Human Settlements	Number of serviced sites - Water	1,496	2,834	0	0	0	900	0	0	0	0	0	Detailed progress is provided in table five below.	N/A	0	0
Priority 7: A caring city that supports the vulnerable and provides social relief.	Human Settlements	Number of serviced sites - Sewer	1,543	2,834	0	0	0	900	0	0	0	0	0	Detailed progress is provided in table five below.	N/A	0	0

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 8: Modernisation and digitisation of city processes	Shared Services	Number of City's records digitalized.	50 751	40 000	10 000	27 264	Actual result not yet validated	10 000	13 598	Actual result not yet validated	10 000	18 855	8 855	The scanning of files increases as more Departments are onboard to the EDRM system.	The volumes digitised are influenced by the rate at which departments are scanning documents. The introduction of the EDRM system resulted in documents being uploaded electronically. In the new FY the KPI will be adjusted in line with the baseline of 2024/25FY.	30 000	59 717
Priority 9: A professional public service that drives accountability and transparency	Office of the City Manager	Number of repeat audit findings	64%	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Priority 9: A professional public service that drives accountability and transparency	Customer Relations Management	Percentage of official complaints responded to through the municipal complaint management system	88.03%	90%	90%	95%	Actual result not yet validated	90%	93%	Actual result not yet validated	90%	94%	4%	The positive variance is attributed to notable efficiencies in responding to complaints received which are as a result of effective cooperation by line unction departments in attending to the complaints.	The efficiencies observed will be used as the baseline for setting targets in the next planning cycle.	90%	94%

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 9: A professional public service that drives accountability and transparency	Office of the Chief Whip	Percentage of Councilors who have declared their financial interests	99%	100%	100%	97%	Actual result not yet validated	N/A	N/A	Actual result not yet validated	N/A	3%	3%	Not provided	N/A	100%	100%
Priority 9: A professional public service that drives accountability and transparency	Office of the Speaker	Percentage of ward committees with 6 or more ward committee members (excluding the ward Councilor)	0%	100%	100%	91.60%	Actual result not yet validated	100%	92%	Actual result not yet validated	100%	100%	0%	N/A	N/A	100%	100%
Priority 9: A professional public service that drives accountability and transparency	Office of the Speaker	Percentage of wards that have held a quarterly Councillor-convened community meeting	48.60%	80%	80%	33.60%	Actual result not yet validated	70%	21%	Actual result not yet validated	100%	34.6%	-65.4%	Meetings are either postponed or Councilors do not respond to emails or any communication regarding meetings.	Councillors are encouraged to comply with the council resolution to hold quarterly public meetings and to keep abreast communities with the affairs of the municipality.	100%	**34.6%**
Priority 9: A professional public service that drives accountability and transparency	Group Human Capital	Percentage compliance to employment equity plan	50.61%	95%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 9: A professional public service that drives accountability and transparency	Group Human Capital	Staff vacancy rate	39.30%	≤ 30%	≤ 30%	39.80%	Actual result not yet validated	≤ 30%	40.37%	40.37%	≤ 45%	40.50%	4.5%	Not provided	N/A	≤ 45%	40.50%
Priority 9: A professional public service that drives accountability and transparency	Group Human Capital	Percentage of vacant posts filled within 6 months	56%	95%	25%	75%	75%	50%	99%	99%	75%	48%	-27%	The recruitment process of the warrant officers includes large number of candidates and additional process like medical and physical assessments need to be done prior to the finalisation of the appointments. Security vetting was introduced for all candidates prior to appointments which resulted in the delay in finalisation of appointments. These challenges contributed to the negative variance observed.	The implementation of the approved recruitment policy and the drafting of the new SOPs to include the added selection criteria and processes.	75%	**48%**
Priority 10: Creating a healthy and vibrant city	Health	Percentage of City of Tshwane PHC fixed clinics providing immunization for children under 1 year of age	100%	100%	100%	100%	Actual result not yet validated	100%	100%	Actual result not yet validated	100%	100%	0%	N/A	N/A	100%	100%
Priority 10: Creating a healthy and vibrant city	Health	Percentage of City of Tshwane PHC fixed clinics implementing PMTCT program	100%	100%	100%	100%	Actual result not yet validated	100%	100%	Actual result not yet validated	100%	100%	0%	N/A	N/A	100%	100%

Strategic Priority	Department	Key Performance Indicator	Baseline (2023/24 APR)	Annual Target for 2024/25	Quarter 1			Quarter 2			Quarter 3					Year-to-Date	
					Q1 Target	Q1 Actual (Reported)	Q1 Actual (Audited)	Q2 Target	Q2 Actual (Reported)	Q2 Actual (Audited)	Q3 Target	Q3 Actual (Reported)	Variance	Reasons for Variance	Mitigation Measures	Target YTD	Actual YTD (including Q1 and Q2 audited results where applicable)
Priority 10: Creating a healthy and vibrant city	Health	Percentage of City of Tshwane PHC fixed clinics providing HIV testing facilities for pregnant women	100%	100%	100%	100%	Actual result not yet validated	100%	100%	Actual result not yet validated	100%	100%	0%	N/A	N/A	100%	100%
Priority 10: Creating a healthy and vibrant city	Health	Number of inland water samples tested for monitoring purposes	240	240	60	60	Actual result not yet validated	120	120	120	180	180	0	N/A	N/A	180	180

2.3 Quarter 3 SDBIP Performance per Cluster

The following table summarises cluster performance (indicators with pre-determined targets) at the end of Quarter 3 of the 2024/25 financial year.

Table 3: Statistical summary of Quarter 3 performance per cluster

Assessment issue	Operations Cluster	Governance and Support Cluster	Departments Directly Reporting to the City Manager	City Management and Strategic Support Cluster
Total number of targets	27	12	35	4
Number of targets applicable for Quarter 3	14	9	23	2
Number of targets achieved	10	8	15	1
Number of targets not achieved	4	1	8	1
Number of targets not assessed	0	0	0	0

2.4 Quarter 3 SDBIP Performance per Department

Of the 24-line function departments, 17 departments have performance indicators on the SDBIP Scorecard. The following table summarises performance against performance indicators (indicators with pre-determined targets) per department over the period under review.

Table 4: Statistical summary of Quarter 3 performance per department

Department	Total number of performance indicators for the 2024/25 FY	Targets due for reporting at the end of Quarter 3	Targets achieved (Quarter 3)	Targets not achieved (Quarter 3)
Tshwane Metro Police Department	3	3	3	**0**
Emergency Services Department	2	2	2	**0**
Group Financial Services Department	30	18	10	**8**
Group Human Capital Management Department	4	2	1	**1**

Department	Total number of performance indicators for the 2024/25 FY	Targets due for reporting at the end of Quarter 3	Targets achieved (Quarter 3)	Targets not achieved (Quarter 3)
Economic Development and Spatial Planning Department	6	5	5	**0**
Customer Relations Management Department	1	1	1	**0**
Shared Services Department	1	1	1	**0**
Office of the City Manager	1	0	N/A	**N/A**
Office of the Speaker	2	2	1	**1**
Office of the Chief Whip	1	0	N/A	**N/A**
Community and Social Development Services Department	2	2	2	**0**
Energy and Electricity Department	2	1	0	**1**
Environment and Agriculture Management Department	4	2	2	**0**
Health Department	4	4	4	**0**
Housing and Human Settlements Department	4	0	N/A	**N/A**
Roads and Transport Department	3	1	1	**0**
Water and Sanitation Department	8	4	1	**3**
Totals	**78**	**48**	**34**	**14**

2.5 Progress made in relation to performance indicators with no quarterly targets

This section of the report presents progress made (milestones) in relation to performance indicators where there are no targets set for the quarter under review (Quarter 3).

Table 5: Progress in relation to KPIs with no quarterly targets

Department	Key Performance Indicator	Annual Target	Progress reported at the end of Quarter 3
Electricity & Energy	Installed capacity of approved embedded generators on the municipal distribution network	6,5MVA	The indicator is application and demand driven. The year-to-date actual is 23,06708 MVA.
Economic Development and Spatial Planning	Rand value of investment facilitated into the city (annual)	R1,8 billion	Six company engagements were reported, i.e. Neopak, TATA motors, GNI Property Group, Toyota Godrich, Investicore, Kotex Textiles, Bellagio Gaming and Entertainment.
Group Human Capital	Number of individuals connected to apprenticeships and learnerships through municipal interventions	120	The indicator will be reported at the end of the financial year.
Environmental and Agricultural Management	Percentage of biodiversity priority area within the municipality	6.80%	The indicator will be reported at the end of the financial year.
Environmental and Agricultural Management	Percentage of biodiversity priority areas protected	100%	The indicator will be reported at the end of the financial year.
Roads & Transport	Number of scheduled public transport access points added (IRPTN Feeder Stops and BRT Stations)	10	The Contractor will be commencing with the installation of access points as from the 9th April 2025, actual progress will be provided by the end of April 2025.
Roads & Transport	Number of Intermodal Facilities Completed	1	The annual target on this KPI is 1and the department has achieved 1 in Q2 already.
Housing and Human Settlements	Hectares of land acquired for human settlements in the municipal area	10.35	Pre-feasibility studies completed and submitted to Group Property Department to facilitate the land acquisition process. C9 report currently circulating for comments.
Housing and Human Settlements	Number of subsidised housing units constructed using various Human Settlements Programmes	400	Subsidised housing units are being constructed using various Human Settlements Development Grant. Target to be reached once Olievenhoutbosch Ex 60 is completed. Olievenhoutbosch Ext 60: "Foundations -100% Wall plate - 100% Roof - 100% Plastering - 100% Ceiling - 100% Painting -100% Doors - 100% Windows - 100% Electrical works - 100% Plumbing - 100% 90% Completion - 100% Water connections - 95% 95% Completion – 95%

Department	Key Performance Indicator	Annual Target	Progress reported at the end of Quarter 3
			Overall – 98%
Housing and Human Settlements	Number of serviced sites - Water	2 834	The Consultant is appointed on all projects. Contractor Appointed 4 of the projects and the progress is at different levels. Annual target to be achieved in Q4. • **Booysens X4**: Consultant commenced with design review. Presentation of the outcomes of the design review was conducted on 28 March 2025. The Consultant is to submit the design review report. Conditional assessment of the installed infrastructure is still underway and planned to be completed by 11 April 2025. • **Andeon X37**: 16.1% Of excavation, bedding, laying and backfilling of 1987m 0f 200mm pipeline and 564m of 250mm pipeline. Excavation, laying and backfilling of 150m of the 200mm diameter water pipeline. • **Pretorius Park:** The draft site development is in progress and circulation for comments dependent on approval of SG Diagrams. A meeting was held on 25 March 2025 and the issue not resolved. • **Rama City:** 85 leakages completed to date and 186 erf connections completed • **Mabopane X12:** Consultant has finalized the draft tender doc. Approval letter is awaited from Water and Sanitation. • **Olievenhoutbosch X60**: Project has been completed. Completion inspection conducted on the 28th of January 2025. As-built survey has been completed and drafting of the As-built drawings in progress. A draft closeout report has been received, and comments have been made. Final submission expected on 11 April 2025. • **Garankuwa x10:** Draft tender Doc has been submitted to ePMU and Approval letter has been received Draft Tender Doc has been submitted to SCM and awaiting BSC presentation • **Refilwe x7:** The draft tender document submitted to SCM on 28 February 2025 for review before being presented at the BSC. The tender document could not be presented at the BSC due to insufficient budget on the MTREF. • **Kopanong X1 Phase 2:** The engineer submitted and presented the assessment report, however, the report was not detailed. As a result, the department requested a more detailed report to be submitted . • **Mamelodi X6 erf 34041 (Phomolong) Phase 2:** Evaluation of tender for civil engineer was done on the 24 March 2025. The specification for CHS has been revised and resubmitted to EPMU for approval on 20 March 2025. • **Gatsebe:** The preparation of concept report in progress. Geotechnical studies and CCTV inspection of the existing sewer network conducted. The report submitted however needs to be revised. The revised report has not been submitted. • **Winterveldt:** Setting out and exposing existing services currently underway. Relocation of affected structures has commenced, and more working space has been created.
Housing and Human Settlements	Number of serviced sites - Sewer	2 834	The Consultant is appointed on all projects. Contractor Appointed 4 of the projects and the progress is at different levels. Annual target to be achieved in Q4. • **Booysens X4**: Consultant commenced with design review. Presentation of the outcomes of the design review was conducted on 28 March 2025. The Consultant is to submit the design review report. Conditional assessment of the

Department	Key Performance Indicator	Annual Target	Progress reported at the end of Quarter 3
			installed infrastructure is still underway and planned to be completed by 11 April 2025. • **Andeon X37**: Setting out of the pipeline route. Excavation, laying and backfilling of 372m of the 200mm diameter sewer pipeline. • **Pretorius Park:** The draft site development is in progress and circulation for comments dependent on approval of SG Diagrams. A meeting was held on 25 March 2025 and the issue was not resolved. • **Rama City:** A specialist pipe jacking contractor appointed by main contractor. Molotlegi street wayleave approved. Pilane street wayleave in progress. The crosscut approved by wayleave management system. PRASA wayleave – The road and rail access letter received on 21 January 2025. Pipe jacking at Molotlegi street - Site establishment by sub-contractor completed. 238 erf connections completed for the month of March 2025, with 738 connections to be tested. • **Mabopane X12:** Consultant has finalized the draft tender doc. Consultant has finalized the draft tender doc. Approval letter is awaited from Water and Sanitation. • **Olievenhoutbosch X60**: Project has been completed. Completion inspection conducted on the 28th of January 2025. As-built survey has been completed and drafting of the As-built drawings in progress. A draft closeout report has been received, and comments have been made. Final submission expected on 11 April 2025. • **Garankuwa x10:** Draft tender Doc has been submitted to ePMU and Approval letter has been received Draft Tender Doc has been submitted to SCM and awaiting BSC presentation. • **Refilwe x7:** The draft tender document submitted to SCM on 28 February 2025 for review before being presented at the BSC. The tender document could not be presented at the BSC due to insufficient budget on the MTREF. • **Kopanong X1 Phase 2:** The engineer submitted and presented the assessment report; however, the report was not detailed. As a result, the department requested a more detailed report to be submitted. • **Mamelodi X6 erf 34041 (Phomolong) Phase 2:** Tender for appointment of Civil Engineer closed. Evaluation of tender for civil engineer was done on the 24 March 2025. The specification for CHS has been revised and resubmitted to EPMU for approval on 20 March 2025. • **Gatsebe:** The preparation of concept report in progress. Geotechnical studies and CCTV inspection of the existing sewer network conducted. The report submitted however needs to be revised. The revised report has not been submitted. • **Winterveldt:-** 1850m of 160mm pipe laid. A total of 480m of existing sewer has been cleaned and unblocked. 180 platforms for the toilet structures have been constructed.

2.6 Main reasons cited for the notable variances

- Some of the necessary recruitment processes (security vetting, medical and physical assessments etc) take longer and thus lead to delays in finalising appointments
- Delays in the appointment of sub-contractors

- Delays in the commencement of projects to which target achievement depends on
- Delays encountered which were caused by adverse weather conditions (many rainy days), hard rock encountered and changes in pipe material for the water pipelines project.
- The site closure during the month of March 2025 following a trench collapse negatively affected progress on the sewer pipelines project.
- Non-compliance with statutory requirements (Councillors not convening community meetings as required)

2.7 Analysis of indicators with targets that were not achieved

In the quarter under review, the city recorded unsatisfactory performance in the following service delivery and performance areas:

- Governance related performance areas i.e. appointment of ward committees, councillor convened community meetings, vacancy rate etc.
- Provision of basic services i.e. connections to mains electricity supply and sewer connections etc.)
- Infrastructure development and improvement (upgrading of sewer and water pipes, etc.)

2.8 Risk analysis

The inability to meet set targets and deliver on the services that these unachieved targets relate to can trigger the manifestation of the risks presented below:

- The inability to convene community meetings by Councillors impacts negatively on the expression of inclusive and participatory governance and can trigger the manifestation of the risk on noncompliance with statutory requirements and community unrests when communities are not engaged and not receiving feedback on many issues of their interests within the City

- Non-provision of basic services as planned poses a risk of excluding the households that did not receive the services or were not connected to the targeted services.
- Inadequate performance in developing the targeted infrastructure and its maintenance impacts negatively on service provision and is a threat to other developments that depend on such infrastructure. If this persists overtime, it has a potential of leading to disinvestments over service frustrations and inability to attract new investments.

2.9 Progress made in relation to reporting indicators

The corporate SDBIP scorecard for the 2024/25 financial year consists of a total of **six** reporting indicators. Of the **six** reporting indicators in the approved SDBIP, reporting information was presented on **four** indicators.

The following table presents indicators where the phenomenon or service tracked cannot be predetermined and thus targets cannot be set but the phenomenon tracked can be reported as-and-when it happens or as observed.

Table 6: Reporting Indicators

Nr	StrategicPriority	Department	Code	Key Performance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
1.	Priority 1: Prioritisation of the electrical grid and water 2. infrastructure.	Water & Sanitation	C88: WS5.31	Percentage of total water connections metered	This KPI is only reported at the end of the financial year (last quarter of the financial year)	This KPI is only reported at the end of the financial year (last quarter of the financial year)	This KPI is only reported at the end of the financial year (last quarter of the financial year)	This KPI is only reported at the end of the financial year (last quarter of the financial year)
2.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	The system is not configured to provide information on payment made to service providers within the municipal area.	The system is not configured to provide information on payment made to service providers within the municipal area.	The system is not configured to provide information on payment made to service providers within the municipal area.	The system is not configured to provide information on payment made to service providers within the municipal area.
3.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: HS2.21	Number of residential properties developed through state-subsidised human settlements programmes entering the municipal valuation roll	This KPI is reported on an annual basis.	This KPI is reported on an annual basis.	296	296

Nr	StrategicPriority	Department	Code	Key Performance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
4.	Priority 4: Enhancing city safety, security and emergency services.	Emergency Services	N/A	Number of fire related deaths per 100 000 population	0.0036	0	0.5376669	0.5376669
5.	Priority 7: A caring city that supports the vulnerable and provides social relief.	Human Settlements	C88: HS1.31	Number of informal settlements assessed (enumerated and classified)	0	0	0	0
6.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: GG5.11	Number of active suspensions longer than three months	20	43	55	55

2.10 Status of reporting on compliance indicators

The corporate SDBIP scorecard for the 2024/25 financial year consists of a total of **86** compliance indicators. Of the **86** compliance indicators in the approved SDBIP, reporting information was presented on **81** indicators.

The following table presents the status of reporting on indicators that are for compliance purposes and serving governance (transparency) requirements.

Table 7: Compliance Indicators

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
1.	Priority 1: Prioritisation of the electrical grid and water infrastructure.	Electricity & Energy	C88: C58 (EE)	Number of registered electricity consumers with an embedded generation system	N/A	N/A	5	5

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
2.	Priority 1: Prioritisation of the electrical grid and water infrastructure.	Electricity & Energy	C88: C58 (EE)	Total non-technical electricity losses in MWh (estimate)	374,216,00 MWh	636,260,00 MWh	840,790.00 MWh	840,790.00 MWh
3.	Priority 1: Prioritisation of the electrical grid and water infrastructure.	Electricity & Energy	C88: C59 (EE)	Number of municipal buildings that consume renewable energy	3	3	3	3
4.	Priority 1: Prioritisation of the electrical grid and water infrastructure.	Electricity & Energy	C88: C99 (EE)	Number of electricity connection applications received	183	373	553	553
5.	Priority 1: Prioritisation of the electrical grid and water infrastructure.	Water and Sanitation	C88: C60 (WS)	Total number of sewer connections	This KPI is only reported at the end of the financial year (last quarter of the financial year)	This KPI is only reported at the end of the financial year (last quarter of the financial year)	This KPI is only reported at the end of the financial year (last quarter of the financial year)	This KPI is only reported at the end of the financial year (last quarter of the financial year)
6.	Priority 1: Prioritisation of the electrical grid and water infrastructure.	Human Settlements	C88: C61 (WS)	Total number of chemical toilets in operation	6 101	6 213	6251	6251
7.	Priority 1: Prioritisation of the electrical grid and water infrastructure.	Human Settlements	C88: C62 (WS)	Total number of ventilation improved pit toilets (VIPs)	0	0	0	0
8.	Priority 1: Prioritisation of the electrical grid and water infrastructure.	Human Settlements	C88: C63 (WS)	Total volume of water delivered by water trucks	485 970 000	1 387 770 000	1 928 850 000	1 928 850 000

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
9.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C26 (GG)	R-value of all tenders awarded	R0	R 798,157,163.00	R700 102 386.60	R700 102 386.60
10.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	[C88: C27 (GG)	Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations	1	20	0	21
11.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C28 (GG)	R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations	R158 000 000	R 237,048,586.00	R0	R395 048 586
12.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C71 (LED)	Number of procurement processes where disputes were raised	0	0	0	0
13.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C77 (LED)	B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based	The system is not configured to provide information on payment made to service provides within the municipal area.	R 64,561,479.00	R23 102 386.56	R23 102 386.56

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
14.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C78 (LED)	B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned	The system is not configured to provide information on payment made to service provides within the municipal area.	R 12,194,457.00	R19 602 386.56	R19 602 386.56
15.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C79 (LED	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement	The system is not configured to provide information on payment made to service provides within the municipal area.	Records are not readily available, but the current S4HANA System will support the reporting requirement.	R23 102 386.56	R23 102 386.56
16.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C93 (FM)	Number of awards made in terms of SCM Reg 32	0	0	0	0
17.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C94 (FM)	Number of requests approved for deviation from approved procurement plan	0	0	0	0
18.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C95 (FM)	Number of residential properties in the billing system	639633	This KPI is only reported at the end of the financial year (last	643145	643145

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
						quarter of the financial year)		
19.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C96 (FM)	Number of non-residential properties in the billing system	57710	This KPI is only reported at the end of the financial year (last quarter of the financial year).	61879	61879
20.	Priority 2: Provide stringent financial management and oversight.	Group Financial Services	C88: C97 (FM)	Number of properties in the valuation roll	702326	711 617	710110	710110
21.	Priority 2: Provide stringent financial management and oversight.	Group Human Capital	C88: C100 (GG)	Quarterly salary bill of suspended officials	R7 856 212	R9 366 463	R20 262 736	R20 262 736
22.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C29 (GG)	Number of approved applications for rezoning a property for commercial purposes	29	46	55	55
23.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C76 (LED)	Number of SMMEs and informal businesses benefitting from municipal digitization support programs rolled out directly or in partnership with other stakeholders	0	0	51	51

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
24.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C80 (LED)	Date of the last Council adopted Development Charges policy	The department is unable to provide progress, the crafting of such policies rests with the service departments.	The department is unable to provide progress, the crafting of such policies rests with the service departments.	The department is unable to provide progress, the crafting of such policies rests with the service departments.	The department is unable to provide progress, the crafting such policies rests with the service departments.
25.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C81 (LED)	Number of new business license applications	301	562	670	670
26.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C82 (LED)	Value of Commercial Projects Constructed by adding all the estimated costs of construction values on building permits	R10 985 376	R1 839 104 384	R2 092 878 845	R2 092 878 845
27.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C83 (LED)	Number of building plans approved after first review	188	400	485	485
28.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C84 (LED)]	Number of building plans submitted for review	1 967	3 865	5 277	5 277

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
29.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C85 (LED)	Number of business licenses renewed	344	539	931	931
30.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C87 (LED)	Number of firms in the formal sector split across 1-digit SIC codes	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).
31.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C88 (LED)	Number of businesses registered with the South African Revenue Service within the municipal area	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).
32.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	C88: C98 (LED)	Number of building plan applications approved	1 758	3 136	4 337	4 337
33.	Priority 4: Enhancing city safety, security and emergency services.	Emergency Services	C88: C67 (FD)	Number of paid full-time firefighters employed by the municipality	681	664	661	661
34.	Priority 4: Enhancing city safety, security and emergency services.	Emergency Services	C88: C72 (FD)	Date of the last municipal Disaster Management Plan tabled at Council	30 June 2022	30 June 2022	30 June 2022	30 June 2022

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
35.	Priority 4: Enhancing city safety, security and emergency services.	Emergency Services	C88: C73 (FD)	Number of structural fires occurring in informal settlements	51	73	95	95
36.	Priority 4: Enhancing city safety, security and emergency services.	Emergency Services	C88: C74 (FD)	Number of dwellings in informal settlements affected by structural fires (estimate)	1 143	1 164	1 173	1 173
37.	Priority 4: Enhancing city safety, security and emergency services.	Emergency Services	C88: C75 (FD)	Number of people displaced within the municipal area	2 830	2 838	3 461	3 461
38.	Priority 4: Enhancing city safety, security and emergency services.	Tshwane Metro Police Department	C88:C25 (GG)	Number of protests reported	53	81	138	138
39.	Priority 5: Maintaining a clean and protected natural environment.	ROC	C88: C52 (HS)	Number of maintained sports facilities	13	11	20	20
40.	Priority 5: Maintaining a clean and protected natural environment.	ROC	C88: C53 (HS)	Square meters of maintained public outdoor recreation space	209 927 373	209 927 373	209 927 373	209 927 373
41.	Priority 5: Maintaining a clean and protected natural environment.	Office of the Chief Operations Officer	C88: C90 (ENV)	Date of the last Climate Change Needs and Response Assessment tabled at Council	May 2022	May 2022	May 2022	May 2022

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
42.	Priority 5: Maintaining a clean and protected natural environment.	Office of the Chief Operations Officer	C88: C91 (ENV)	Date of the last Climate Change Response Implementation Plan tabled at Council	September 2023	September 2023	September 2023	September 2023
43.	Priority 5: Maintaining a clean and protected natural environment.	Health	C88: C102 (ENV)	Number of incidents of improper disposal of medical waste responded by the municipality	0	0	0	0
44.	Priority 6: Maintenance and expansion of road infrastructure and public transportation.	Roads & Transport	C88: C65 (TR)	Total number of scheduled public transport access points	3 869	3 869	3 870	3 870
45.	Priority 6: Maintenance and expansion of road infrastructure and public transportation.	Roads & Transport	C88: C66 (TR)	Number of passenger trips on scheduled municipal bus services	2 134 804	3 902 052	5 899 649	5 899 649
46.	Priority 7: A caring city that supports the vulnerable and provides social relief.	Community & Social Development	C88: C69 (FD)	Number of 'displaced persons' to whom the municipality delivered assistance	29	36	62	62
47.	Priority 7: A caring city that supports the vulnerable and provides social relief.	Human Settlements	C88: C55 (HS)	Number of housing recipients issued with title deeds	603	814	1 267	1 267
48.	Priority 7: A caring city that supports the	Group Financial Services	C88: C86 (LED)	Number of households in the	Not reported	147 626	149 378	149 378

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
	vulnerable and provides social relief.			municipal area registered as indigent				
49.	Priority 9: A professional public service that drives accountability and transparency.	Community & Social Development	C88: C54 (HS)	Number of municipality-owned community halls	49	49	49	49
50.	Priority 9: A professional public service that drives accountability and transparency.	Roads & Transport	C88: C64 (TR)	R-value of all direct municipal vehicle operational costs for public transport	R80 419 847	R208 856 307	R345 892 641,45	R345 892 641,45
51.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Chief Whip	C88: C8 (GG)	Number of Councilors completed training	39	80	141	141
52.	Priority 9: A professional public service that drives accountability and transparency.	Group Legal Services	C88: C11 (GG)	Number of litigation cases instituted by the municipality	1	1	0	0
53.	Priority 9: A professional public service that drives accountability and transparency.	Group Legal Services	C88: C12 (GG)	Number of litigation cases instituted against the municipality	138	242	357	357
54.	Priority 9: A professional public service that drives	Group Audit and Risk	C88: C13 (GG)	Number of forensic investigations instituted	21	51	62	62

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
	accountability and transparency.							
55.	Priority 9: A professional public service that drives accountability and transparency.	Group Audit and Risk	C88: C14 (GG)	Number of forensic investigations concluded	26	44	92	92
56.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C9 (GG)	Number of municipal officials completed training	1 814	3 505	4 896	4 896
57.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C10 (GG)	Number of work stoppages occurring	0	0	0	0
58.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C15 (GG)	Number of days of sick leave taken by employees	31 530	61 057	105 211.81	105 211.81
59.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C17 (GG)	Number of temporary employees employed	7 563	10 146	17 180	17 180
60.	Priority 9: A professional public service that drives	Group Human Capital	C88: C23 (GG)]	Number of disciplinary cases for misconduct relating to fraud and corruption	105	109	204	204

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
	accountability and transparency.							
61.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C101 (GG)	Number of dismissals for fraud and corruption	3	7	7	7
62.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C41 (GG)	Number of approved engineer posts in the municipality	492	492	492	492
63.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C42 (GG)	Number of registered engineers employed in approved posts	54	54	54	54
64.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C43 (GG)	Number of engineers employed in approved posts	251	251	251	251
65.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C44 (GG)	Number of disciplinary cases in the municipality	321	358	662	662
66.	Priority 9: A professional public service that drives	Group Human Capital	C88: C45 (GG)	Number of finalized disciplinary cases	26	88	111	111

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
	accountability and transparency.							
67.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C46 (ENV)	Number of approved waste management posts in the municipality	1 653	1 653	1 653	1 653
68.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: C47 (ENV)	Number of waste management posts filled	1 252	1 240	1 227	1 227
69.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	C88: GG1.2	Top Management Stability	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).	This KPI is only reported at the end of the financial year (last quarter of the financial year).
70.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Executive Mayor	C88: C89 (GG)	Number of meetings of the Executive or Mayoral Committee postponed due to lack of quorum	0	0	0	0
71.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Executive Mayor	C88: C2 (GG)	Number of Executive Committee or Mayoral Executive meetings held	12	20	32	32
72.	Priority 9: A professional public service that drives	Office of the Executive Mayor	C88: C6 (GG)	Number of formal (minuted) meetings between the Mayor, Speaker and MM	3	7	11	11

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
	accountability and transparency.			were held to deal with municipal matters				
73.	Priority 9: A professional public service that drives accountability and transparency.	Tshwane Metro Police Department	C88: C18 (GG)	Number of approved demonstrations in the municipal area	46	74	131	131
74.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Speaker	C88: C19 (GG)	Number of recognized traditional and Khoi-San leaders in attendance (sum of) at all council meetings	2	2	2	2
75.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Speaker	C88: C22 (GG)	Number of Council meetings held	6	12	19	19
76.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Speaker	C88: C24 (GG)	Number of council meetings disrupted	0	0	0	0
77.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Speaker	C88: C92 (GG)	Number of agenda items deferred to the next council meeting	0	0	103	103
78.	Priority 9: A professional public service that drives	Office of the Speaker	C88: C3 (GG)	Number of Council portfolio committee meetings held	26	35	73	73

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
	accountability and transparency.							
79.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Speaker	C88: C4 (GG)	Number of MPAC meetings held	2	3	7	7
80.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Speaker	C88: C5 (GG)	Number of recognized traditional leaders within your municipal boundary	2	2	2	2
81.	Priority 9: A professional public service that drives accountability and transparency.	Office of the City Manager	C88: C1 (GG)	Number of signed performance agreements by the MM and section 56 managers	8	N/A	8	8
82.	Priority 9: A professional public service that drives accountability and transparency.	Office of the City Manager	[C88: C7 (GG)	Number of formal (minuted) meetings - to which all senior managers were invited - held	7	12	18	18
83.	Priority 10: Creating a healthy and vibrant city.	Health	C88: C20 (ENV)	Number of permanent environmental health practitioners employed by the municipality	77	77	84	84
84.	Priority 10: Creating a healthy and vibrant city.	Health	C88: C21 (ENV)	Number of approved environmental health practitioner posts in the municipality	94	94	94	94

Nr	Strategic Priority	Department	Code	Compliance Indicator	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Year-to-date Actual
85.	Priority 10: Creating a healthy and vibrant city.	Health	C88: C103 (ENV)	Number of notifiable medical condition investigations following the prescribed protocols	14	34	84	84
86.	Priority 10: Creating a healthy and vibrant city.	Health	C88: C104 (ENV)	Number of foodborne disease outbreak investigations following the prescribed protocols	14	34	47	47

2.11 Status of reporting on compliance questions

The corporate SDBIP for the 2023/24 financial year consists of a total of **14** compliance questions from Circular 88. Responses were provided on all **14** compliance questions in the approved SDBIP.

The following table presents the status of reporting on compliance questions from Circular 88:

Table 8: Compliance Questions from Circular 88

No.	Priority	Department	Question Number	Compliance Question	Q1 Compliance Answer	Q2 Compliance Answer	Q3 Compliance Answer
1.	Priority 2: Provide stringent financial management and oversight	Group Financial Services	Q19	Is the municipal supplier database aligned with the Central Supplier Database?	Yes, the information is pulled directly from Central Supplier Database during the supplier registration process.	Yes, the information is pulled directly from Central Supplier Database during the supplier registration process.	Yes - COT Vendor Master and the central payment system.

No.	Priority	Department	Question Number	Compliance Question	Q1 Compliance Answer	Q2 Compliance Answer	Q3 Compliance Answer
2.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	Q17	Does the Municipality have a dedicated SMME support unit or facility in place either directly or in partnership with a relevant role-player?	Yes, the municipality does have a dedicated SMME support unit in place, and it also works closely with Small Enterprise Development Agency on the Business Support Centres located across all the regions of Tshwane.	Yes, the municipality does have a dedicated SMME support unit in place, and it also works closely with Small Enterprise Development Agency on the Business Support Centres located across all the regions of Tshwane.	Yes, the municipality does have a dedicated SMME support unit in place, and it also works closely with Small Enterprise Development Agency on the Business Support Centres located across all the regions of Tshwane.
3.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	Q18	What economic incentive policies adopted by Council does the municipality have by date of adoption?	There is no Economic Incentive Policies adopted by Council.	There is no Economic Incentive Policies adopted by Council.	There is no Economic Incentive Policies adopted by Council.
4.	Priority 3. A business-friendly city that promotes employment and economic growth.	Economic Development and Spatial Planning	Q20	What is the number of steps a business must comply with when applying for a construction permit before final document is received?	17 Steps are taken from submission of Building plans and Site Development plans to the issuing of construction permit.	17 Steps are taken from submission of Building plans and Site Development plans to the issuing of construction permit.	17 Steps are taken from submission of Building plans and Site Development plans to the issuing of construction permit.
5.	Priority 4: Enhancing city safety, security and emergency services.	Emergency Services	Q21	What is the organisational location of the disaster risk management function within your municipality? (Specify the	Section within Business Operations Division in Emergency Services Department. The highest level filled within the Section Disaster Risk Management is Deputy Chief (Director).	Section within Business Operations Division in Emergency Services Department. Highest level filled within the Section Disaster Risk Management is Deputy Chief (Director).	Section within Business Operations Division in Emergency Services Department. Highest level filled within the Section Disaster Risk Management is Deputy Chief (Director).

No.	Priority	Department	Question Number	Compliance Question	Q1 Compliance Answer	Q2 Compliance Answer	Q3 Compliance Answer
				placement and highest level filled post within it).			
6.	Priority 9: A professional public service that drives accountability and transparency.	City Strategies and Organizational Strategies	Q2	Has the IDP been adopted by Council by the target date?	Yes, the 2024/25 Review of the IDP of 2022-2026 was approved (adopted) by Council on 06 June 2024.	Yes, the 2024/25 Review of the IDP of 2022-2026 was approved (adopted) by Council on 06 June 2024.	Yes, the 2024/25 Review of the IDP of 2022-2026 was approved (adopted) by Council on 06 June 2024.
7.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	Q4	What are the main causes of work stoppage in the past quarter by type of stoppage?	No work stoppage for the period under review.	No work stoppage for the period under review.	No work stoppage for the period under review.
8.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Executive Mayor	Q5	How many public meetings were held in the last quarter at which the Mayor or members of the Mayoral/Executive committee provided a report back to the public?	Five public meetings	Nine public meetings	Four public meetings
9.	Priority 9: A professional public service that drives accountability	Customer Relations Management	Q6	When was the last scientifically representative community feedback survey	March to July 2021	March to July 2021	March to July 2021

No.	Priority	Department	Question Number	Compliance Question	Q1 Compliance Answer	Q2 Compliance Answer	Q3 Compliance Answer
	and transparency.			undertaken in the municipality?			
10.	Priority 9: A professional public service that drives accountability and transparency.	Customer Relations Management	Q7	What are the biggest causes of complaints or dissatisfaction from the community feedback survey? Indicate the top four issues in order of priority.	1. Customer Care (Timelines of handling the request or complaint) 2. Tshwane Metro Police (Crime prevention) 3. Confidence in the City (no confidence in City of Tshwane's ability to root out corruption) 4. By-law enforcement services (Control of substance abuse, illegal dumping of solid waste).	1. Customer Care (Timelines of handling the request or complaint) 2. Tshwane Metro Police (Crime prevention) 3. Confidence in the City (no confidence in City of Tshwane's ability to root out corruption) 4. By-law enforcement services (Control of substance abuse, illegal dumping of solid waste).	1. Customer Care (Timelines of handling the request or complaint) 2. Tshwane Metro Police (Crime prevention) 3. Confidence in the City (no confidence in City of Tshwane's ability to root out corruption) 4. By-law enforcement services (Control of substance abuse, illegal dumping of solid waste).
11.	Priority 9: A professional public service that drives accountability and transparency.	City Strategies and Organizational Strategies	Q22	Please list the name of the structure and date of every meeting of an official IGR structure that the municipality participated in this quarter	1. Development Bank of Southern Africa, and City of Tshwane had engagements on the 25th of July 2024 and the 25th of August 2024. 2. SALGA Municipal Awards were held on the 5th of July 2024. 3. SALGA Municipal visit: Performance Management Benchmarking /peer Learning between Mpumalanga Province and Gauteng. 4. National Credit Regulator (NCR) and the City of Tshwane had an engagement on the 22nd of July 2024 and the 26th of September 2024. 5. Rand Water meeting was held on the 24th of July 2024. 6. Human Sciences Research Council (HSRC) engagement	1. Gauteng Department of Infrastructure Development (GDID) 21 November 2024. 2. Home Affairs CoT Steering Committee - 15 October, 23 October 2024, 08 November 2024, 06 December 2024 3. Gautrain Management Agency - 10 October 2024. 4 GPG-Department of E-governance - 01 October 2024. 5. Postbank - 24 October 2024. 6. Rand Water CoT Steering Committee - 28 November 7. GPG-E-governance - 13 November 2024 8. DDG Bilateral Session between Gauteng Department of Infrastructure Development (GDID) and City of Tshwane - 13 November 2024 9. SARS - SALGA Tshwane, eThekwini Forum on shared data - 12	1. 23 January 2025 - U20 Project Task Meeting in partnership with the City of Johannesburg, 2. 27 January 2025 MEC/MMC Political IGR Spaza Shop Registration Committee, 3. 04 February - Gauteng Department of Social Development/ Tshwane Forum on Infrastructure and Facilities, 4. 17 February 2025 - Gauteng Legislature Planning Committee on the State of the Province Address, 5. 18 February 2025 - IDP IGR Broad Inter-Sectorial Engagement,6. 18 February 2025 - Office of the Premier/ Tshwane Working Committee on the Presidential Hotline,7. 20 February 2025 - COGTA Q4 Local Governance

No.	Priority	Department	Question Number	Compliance Question	Q1 Compliance Answer	Q2 Compliance Answer	Q3 Compliance Answer
					with the City of Tshwane was held on the 31st of July 2024. 7. COGTA Local Governance Workstream was held on the 1st of August 2024. 8. Gauteng Department of Education engagement with City of Tshwane was held on the 16th of August 2024. 9. Gauteng Department of Infrastructure Development (GDID) engagements with the City of Tshwane were held on the 29th of August 2024 and the 18th of September 2024. 10. Department of Home Affairs (DHA), meeting was held on the 5th of September 2024. 11. DHA engagement with the City of Tshwane was held on the 17th of September 2024. 12. DHA engagement with the City of Tshwane was held on the 26th of September 2024. 13. The GPG-Department of E-Governance meeting with the City of Tshwane was held on the 9th of September 2024.	November 2024 10. SALGA Tshwane Capacity building Forum - 21 & 25 November 2024. 11. Gauteng Department of Economic Development on the registration of Spaza Shops - 18 November 2024. 12. Steering Committee Meeting: Township Commercial Property Owners Imbizo 15 November 2024 13. SALGA Steering Committee on the registration of Spaza shops - 20 November 2024. 14. Portfolio Committee on Cooperative Governance and Traditional Affairs - 20 November 2024. 15. COGTA - Amendments to the Municipal Planning and Performance Regulations of 2001, to discuss the interim guidelines for the development of Municipal Report/State of Local Government - 20 November 2024 16. Science Forum South Africa - 04 December - 07 December 2024 17. Gauteng Economic Development Registration of Spaza Shops - 11 December & 19 December 2024 18. SALGA - Provincial Members Assembly - 04 December 2024. 19. Water Research Commission - 13 December 2024. 20. SALGA Governance and Performance Management Seminar 21 to 22 November 2024 21. City of Tshwane IDP Intergovernmental Broad	Workstream, 8. 01 March 2025 - MEC/MMC Political IGR, 9. 03 March 2025 - Department of Home Affairs/ Tshwane ICT Sub-Committee, 10. 04 March 2025 - District Development Model (DDM) Week - COGTA, 11. 04 March 2025 - Viability and Validation of Innovations for Service Delivery Programme (VVISDP) Project 5 Committee, the committee includes SALGA and the HSRC, 12. 05 March 2025 - Gauteng Province Infrastructure Development DDG Bilateral with the CoT, 13. 06 March 2025 - Department of Arts and Culture/ CoT Freedom Day Planning Committee (GBV Awareness Campaign), 14. 13 March 2025 - Tshwane Regional IGR Gauteng Department of Social Development/ CoT, 15. 14 March 2025 - MEC/MMC Political IGR Forum Gauteng Department of Human Settlements,16. 19 March 2025 - SALGA, 17. 24 March 2025 - Tshwane/Department of Science Technology and Innovation Joint Working Committee, 18. 25 March 2025 - NECOM/CoT Tast Team on Land Issues, 19. 28 March 2025 Q4 Technical IGR Forum.

No.	Priority	Department	Question Number	Compliance Question	Q1 Compliance Answer	Q2 Compliance Answer	Q3 Compliance Answer
						Intersectoral Engagement 3 October 2024.	
12.	Priority 9: A professional public service that drives accountability and transparency.	Group Human Capital	Q23	Where is the organisational responsibility for the IGR support function located within the municipality (inclusive of the reporting line)?	The organisational responsibility for the IGR support function is located in the Office of the City Manager, under the City Strategy Organisational Performance (CSOP) Department.	The organisational responsibility for the IGR support function is located in the Office of the City Manager, under the City Strategy Organisational Performance (CSOP) Department.	The organisational responsibility for the IGR support function is located in the Office of the City Manager, under the City Strategy Organisational Performance (CSOP) Department.
13.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Speaker	Q24	Is the MPAC functional? List the reasons why if the answer is not 'Yes'.	Yes	Yes	Yes
14.	Priority 9: A professional public service that drives accountability and transparency.	Office of the Executive Mayor	Q25	Has a report by the Executive Committee on all decisions it has taken been submitted to Council this financial year?	Yes, it has been submitted.	Yes, it has been submitted.	Yes, it has been submitted.

3. CONCLUSION

The report presents performance for quarter 3 as well as year to date performance, giving an indication of targets at risk. Certain areas remain a challenge and affects the realisation of the City's commitments on service delivery. Therefore, there is a need for underperforming line departments to implement measures that will improve performance. Each department and entity affected by underperformance on the targets set and affected by other performance and reporting challenges as documented in this report, are required to address all the root causes of underperformance as well as address other performance and reporting challenges identified. Each department and entity must prioritise implementing quality assurance measures on the information that it will use or uses to report its performance to ensure that the City accounts properly and reliably (accurately, completely, and validly) or that the City uses quality and credible information in developing its reports.

The audited quarter three results will be reported in the quarterly performance report for the end of quarter 4.

TSHWANE ECONOMIC DEVELOPMENT AGENCY

3rd QUARTER PERFORMANCE REPORT

(JANUARY – MARCH 2025)

TABLE OF CONTENTS

1. GLOSSARY OF TERMS

Attracted investor: means any form of engagement or interaction between TEDA and potential investor(s) as defined in TEDA's Standard Operating Procedure, which culminates in an investment pipeline.

Benchmarking: means the process of comparing TEDA's business processes and performance measurements to those of similar national and international agencies

Business plan: A business plan is a document that contains the detailed business intent of the entity, its Strategic Objectives, Key Performance Areas and the Goals the business has set for itself. It articulates the processes, systems, institutional arrangements, and planned activities that will be followed to attain such a goal, as well as the cost associated with delivering on its mandate.

Catalytic and strategic projects: This refers to projects that will speed up the achievements of the City of Tshwane's economic and developmental priority goals as and when determined by the City of Tshwane from time to time.

Deliverables: These are the entity's business unit set targets for the financial year and relate to the overall strategic objectives of the entity.

Export Promotion: This is primarily to facilitate the trade and export promotion of Tshwane companies and products, as well as services to international markets. This purpose is achieved through the provision of outward and inward trade missions, exhibitions, and national pavilions, including the facilitation of export incentives, provision of market intelligence, and collaboration with key stakeholders.

Facilitation: is the intentional action of assisting, helping, coordinating and integrating through applicable statutes to make it easier for investors to locate their investments in the city, thereby unlocking bottlenecks and proposing solutions across the investment or project value chain.

Impact: this means the economic, developmental and socioeconomic effects and/or consequences of TEDA's actions in fulfilling its responsibilities as stipulated in the agreement on the City of Tshwane's development priorities.

Investment: this means putting money and/or assets into a project or programme with the expectation of long-term gain.

Investment Promotion and Facilitation: entails promoting the city as an investment destination, attracting, and facilitating foreign direct investments. The unit undertakes investment promotion activities in partnership with local and foreign entities.

Key Performance Indicators: these are either financial or non-financial instruments to measure the performance of a business unit, individual or organization. Helpful in quantifying activities against organizational goal statements of

measurement, and is used to indicate whether progress is being made in achieving the goals. In addition, they should be impactful and consist of quantitative and qualitative indicators.

Mandate: the command and authorization given by the City of Tshwane to TEDA in terms of the business plan or as directed in writing from time to time.

Processes: means the collection of related and structured activities and/or tasks that TEDA will employ in implementing its projects and programmes.

Programme: means a set of related measures or activities with a particular long-term aim.

Project: means a temporary assignment implemented in a collaborative effort to accomplish particular tasks within a determined time, scope, and budget.

Project closure phase: entails completion of the project phases 1, 2 and 3. At this phase, all project requirements by stakeholders as defined should have been met. This will result in the development of project close-out reports with various elements of the successful delivery of the project.

Project execution phase: includes the implementation of project works, which entails the design, management and contract administration of the construction projects, including the preparation and coordination of the necessary documentation, e.g. signed contract agreement or SLA, to facilitate effective execution of the works. The periodic progress reports will be produced, which cover elements of the project execution phase.

Project facilitation: is the intentional action of assisting, helping, coordinating and integrating through applicable statutes to make it easier for investors to locate their investments in the city, thereby unlocking bottlenecks and proposing solutions across the project value chain.

Project initiation phase or stage: includes identification of economic or social need or demand, competitive opportunity, developmental opportunity, and opportunities which add value to the economy. This phase may result in commissioning a high-level investigation or study, which may lead to the development of a report, i.e. desktop study or a pre-feasibility study, depending on the availability of the information.

Project life cycle: is the series of phases or stages that a project passes through from its initiation to its closure. The phases are generally sequential or overlapping, and their names and numbers are determined by the management and control needs of the organization or organizations involved in the project, the nature of the project itself, and its area of application. The life cycle provides the basic framework for managing the project, regardless of the specific work involved. This describes what you need to do to complete the work. The phase or stage activities may overlap, considering the uniqueness of the envisaged project.

Project packaging: a systematic process of collating project information through the commissioning of the research study/pre-feasibility study/feasibility study/business case/operating model or plan etc., to define elements of success and this will cover key elements namely, technical, financial, economic, legal, social, environment, etc.

Project planning phase: entails the design and development of the project in detail. This will include investigation or due diligence elements requirements as determined i.e. technical, financial, economic, legal, social, environment, stakeholder, procurement, etc. A pre-feasibility (overlapping) or feasibility study, concept and viability report, business plan or case report will be developed.

Strategic projects identified: investment projects identified in the TEDA investment pipeline and committed to the City of Tshwane. This also includes the following:

- The priority projects identified by the Executive Mayor / MMC / City Manager / Board / Priority Projects as per the IDP /BEPP emerging nodes and others/ Projects as informed by Precinct Development/ Strategic Investment Projects as identified in the Local Economic Development (LED) strategy / Projects developed by other government departments or entities.

- Catalytic or Special projects as identified by the private sector which will speed up the achievement of the City of Tshwane's economic and developmental priority goals Projects undertaken by the private sector or sponsor that have a high impact on the economic sector and attract investment to the City of Tshwane and where TEDA is required or requested to facilitate and accelerate delivery. These are projects that drive and encourage support and collaboration with private developers in the city of Tshwane.

Strategic projects planned: a structured process guided by the activities in the project planning phase**.** This results in the development of a pre-feasibility (overlapping) or feasibility study, concept and viability report, business plan or case report to enable the project to proceed to the next stage.

Strategic projects facilitated: this includes the identified and packaged projects whereby TEDA facilitates technical and administrative activities (inputs and comments) in the value chain, which are external to the city of Tshwane.

TEDA Scorecard: The scorecard reflects the entity's planned activities in line with its functions. Targets set in the scorecard are broken down into quarterly targets. This scorecard will be used to monitor the entity's performance every quarter.

Value chain: means a step-by-step model of how and where TEDA acquires its resources, how it adds value to these resources through various processes, and how it eventually achieves its goals and objectives through utilising these resources.

2. EXECUTIVE SUMMARY

The report aims to present the performance for the third quarter of the 2024/25 financial year, in line with Key Performance Indicators (KPIs) on the adjusted business plan. Two performance indicators were considered in the third quarter alongside seven performance targets. The following KPIs were considered in the current quarter, namely, the "Number of strategic projects at the planning phase" and the "Number of investment events hosted (investment promotion/recruitment)". All seven performance targets set for the quarter have been achieved, translating to 100% achievement of targets.

The highlights for the quarter can be summed up as follows: -

- There were six projects in the planning phase with targets set for the third quarter: -
  i. Wonderboom Airport Development – The Management Agency Agreement and Power of Attorney have been developed.
  ii. Rooiwal Power Station – Specifications documents for the market have been finalised.
  iii. Renewal Energy Project - Specifications documents for the market have been finalised.
  iv. Tshwane Events Centre (TEC)- The Management Agency Agreement and Power of Attorney have been developed.
  v. Tshwane Bon Accord Quarry (BAQ) - The Management Agency Agreement and Power of Attorney have been developed.
  vi. Tshwane Fresh Produce Market (TFPM) - The Management Agency Agreement and Power of Attorney have been developed.
- Two investment events were hosted in the third quarter as follows: -
  i. Tshwane Investment Dialogue on 25 March 2025.
  ii. Urban 20 (U20) Economic Opportunities Webinar on 31 March 2005.

3. PERFORMANCE AGAINST ENTITY BUSINESS PLAN

The following tables summarize the performance for the quarter under review:

Table 1: Business plan targets achieved

No.	Key Performance Indicator	Project Name	3rd Quarter Target	3rd Quarter Actual	Comments on the deviation
1	Number of strategic projects at the planning phase	Wonderboom Airport Development	Develop Management Agency (MAA) and Power of Attorney (POA)	The Management agreement and the Power of Attorney have been developed.	None. The target has been achieved as planned.
2.		Rooiwal Power Station	Finalise the specification documents for the market	The specification documents are now complete and ready for the bidding process.	None. The target has been achieved as planned.

No.	Key Performance Indicator	Project Name	3rd Quarter Target	3rd Quarter Actual	Comments on the deviation
3.		Renewable Energy Project	Finalise the specification documents for the market	The specification documents have been completed	None. The target has been achieved as planned.
4.		Tshwane Events Centre (TEC)	Develop Management Agency (MAA) and Power of Attorney (POA)	The Management agreement and the Power of Attorney have been developed.	None. The target has been achieved as planned.
5.		Tshwane Bon Accord Quarry (BAQ)	Develop Management Agency (MAA) and Power of Attorney (POA)	The Management agreement and the Power of Attorney have been developed.	None. The target has been achieved as planned.
6.		Tshwane Fresh Produce Market (TFPM)	Develop Management Agency (MAA) and Power of Attorney (POA)	The Management agreement and the Power of Attorney have been developed.	None. The target has been achieved as planned.
7.	Number of investment events hosted (investment promotion/recruitment)	N/A	2	Two investment events were hosted	None. The target has been achieved as planned.

Table 2: Business plan targets not achieved,

No.	Key Performance Indicator	Project Name	2nd Quarter Target	Reasons for non-achievement	Corrective measures to be implemented	The official responsible for the corrective measure	Due date
None							

4. PERFORMANCE ON OTHER STRATEGIC MATTERS

The section below presents a comprehensive update on the Key Performance Indicators (KPIs) for the 2024/25 financial year.

4.1 PROGRAMME 1: ADMINISTRATION, FINANCE AND STRATEGIC MANAGEMENT

A key objective of this programme is to provide efficient and effective services to the entity and ensure that good corporate governance principles are followed.

4.1.1 UNQUALIFIED AUDIT OPINION RECEIVED FROM AGSA

The purpose of KPIs is to ensure compliance with financial audits, objectives, laws, and regulations. A planned performance target for quarter two was a 2024/25 unqualified audit report without findings (clean audit report), and the entity obtained an unqualified audit outcome with material findings identified on non-compliance with supply chain management regulations. TEDA management will enforce new internal controls systems and focus on strategies that will eradicate material non-compliance.

4.1.2 NUMBER OF STRATEGIC STAKEHOLDER ENGAGEMENT HELD

The purpose of this KPI is to provide corporate communications and stakeholder relations for TEDA. This KPI is also responsible for promoting the work of TEDA, managing the TEDA brand. The planned performance target for the KPI is to host the Tshwane Energy Summit (TES 2025), which is scheduled to take place in the fourth quarter. Preparations are in place to host TES in June 2025 under the theme “Energy is a catalyst for economic development”. This is a follow-up of the inaugural instalment of TES 2024. The target audiences for the summit are public sector organisations, including the regulator(s), private sector stakeholders, banking and other finance institutions within the energy and electricity sector space academia, research institutions, DFIs, and investors.

4.1.3 RAND VALUE OF REVENUE GENERATED

The KPI is designed to ensure that TEDA attains financial independence and sustainability, thereby alleviating the strain on the City of Tshwane’s limited resources. For the 2024-25 financial year, TEDA’s planned performance target is to generate revenue of R2mil from sponsorships and exhibitions at the upcoming Tshwane Energy Summit.

4.2 PROGRAMME 2: PROJECT PORTFOLIO MANAGEMENT

The function of the Project Portfolio Management (PPM) programme is seen as a mandate statement and a better approach to practicing project management. It is a widely used technique adopted to align a project portfolio with the strategic goals of the organisation. The portfolio’s strategic thrust is to identify, conceptualize and package catalytic projects for investment attraction for the City of Tshwane. These will result in economic growth and job creation. The catalytic and strategic projects refer to projects that will speed up the achievement of the City of Tshwane's economic and developmental priority goals as and when determined by the City of Tshwane from time to time.

4.2.1 NUMBER OF STRATEGIC PROJECTS AT PLANNING PHASE

The aim of the KPI entails the design and development of the project in detail. This will include investigation or due diligence requirements as determined, i.e. technical, financial, economic, legal, social, environmental, stakeholder, procurement, etc. A prefeasibility (overlapping) or feasibility study or concept and viability report or business plan, or case report will be developed. For the period under review, the programme progress is articulated against the following assets, namely: Wonderboom National Airport, Rooiwal Power Station, Renewable Energy IPPs programme, Tshwane Events Centre (Showground), Bon Accord Quarry and Tshwane Fresh Produce Market.

4.2.1.1 WONDERBOOM AIRPORT DEVELOPMENT

TEDA has a mandate to facilitate the process of establishing a lease-based private operating model for Wonderboom National Airport that is in line with the legislation. The performance target for the third quarter was to develop the Management Agency Agreement (MAA) and Power of Attorney (POA). The MAA and POA have been developed. The MAA between the City and TEDA is very important to among others, to define the "rules of engagement, the role and responsibilities of the parties to seamlessly drive collaboration towards the execution of the scope. Additionally, the POA is aligned with the mandate given to TEDA, and to avoid confusion, thereby ensuring that the Mayco resolution does not involve the transfer of the day-to-day management of the Airport to TEDA or the transfer of any statutory obligations of the City in relation to the Airport to TEDA.

4.2.1.2 ROOIWAL POWER STATION

City of Tshwane owns the Rooiwal power station, a licensed facility that was historically used to generate electricity for the city's needs. It is located along R101 in Pretoria, towards Hammanskraal. This coal-fired power station has an installed capacity of 300 MW, consisting of five turbo-generator units, each rated at 60 MW. The first unit was commissioned in 1963, and the last one was commissioned in 1970. The station last operated in 2013 and has since been under care and maintenance. It is currently non-operational, meaning it is not generating electricity for the electrical network. The power station has approximately 10 years of remaining useful life. The goal is to upgrade, refurbish, and repurpose the power plant to generate electricity while identifying the most cost-effective and reliable energy solutions to maximize its potential use. These solutions must align with climate action goals and comply with minimum emission standards.

TEDA has been allocated the responsibility to facilitate the procurement of the energy transition initiative of the City. To this end, a service level agreement (SLA) was entered into between the City of Tshwane - Office of the Chief Operations Officer (COO) and TEDA. In terms of the adjusted business plan for the financial year 2024/25, the planned performance target for the period under review was to finalise the specifications documents for the market. The terms of reference and bid committee memos for the appointment of members have been developed.

4.2.1.3 RENEWABLE ENERGY PROJECT

The City of Tshwane is creating a supportive environment for private sector investment in renewable energy through its Renewable Energy Independent Power Producer (IPP) Procurement Programme. This initiative will contract IPPs to design, build, own, and operate renewable energy sources and sell the energy produced to the city via Power Purchase

Agreements (PPAs). To explore renewable energy solutions, the city has issued a request for information (RFI) and is conducting a network impact study to identify potential connection points within its infrastructure. The Council for Scientific Research (CSIR) is responsible for this study, which is set to be completed by the end of 2024.

TEDA has been allocated the responsibility to facilitate the procurement of the energy transition initiative of the City. To this end, a service level agreement (SLA) was entered into between the City of Tshwane - Office of the Chief Operations Officer (COO) and TEDA. The planned performance target for the period under review was to finalise the specifications documents for the market. The terms of reference and bid committee memos for the appointment of members have been developed.

4.2.1.4 TSHWANE EVENTS CENTRE (TEC)

The City owns the Tshwane Events Centre, which is located in Pretoria West. The property has been vacant and unused for almost four years. The property is characterised by poor maintenance with aged infrastructure. The resolution of Mayco on the 15th of May 2024 states that *"Conduct studies, due diligence and determine the best procurement and transactions models for the Tshwane Events Centre".* To this end, TEDA intends to sweat the TEC in consultation with various stakeholders interested in investing at the centre, thereby generating revenue for the City. For the period under review, the Management Agency Agreement (MAA) and Power of Attorney (POA) were developed. The MAA and POA between TEDA and CoT outline the rules of engagement and roles and responsibilities for the parties.

4.2.1.5 TSHWANE BON ACCORD QUARRY (BAQ)

The Bon Accord Quarry (BAQ) is an open-cast mine located in Region 2, along the R101 to Hammanskraal, covering 49.94 hectares on the Norite mountain. Owned and operated by the City of Tshwane, it was established to supply materials for road construction and maintenance, including an asphalt plant for road surfacing. The quarry's estimated lifespan is about 50 years, with approximately 5 million m³ of material still available for extraction.

The resolution of Mayco on the 15th of May 2024 states *"That the City Manager be authorized to conclude a management agency agreement with Tshwane Economic Development Agency (TEDA) in respect of overseeing the operations of the following business Units – Bon Accord Quarry".* The agreement is meant to outline the scope, roles and terms of the agreement. The entity therefore started intervention planning activities. For the period under review, the Management Agency Agreement (MAA) and Power of Attorney (POA) have been developed.

4.2.1.6 TSHWANE FRESH PRODUCE MARKET (TFPM)

The City of Tshwane manages the Tshwane Fresh Produce Market (TFPM) in Region 3, covering 32.9 hectares. The market features two trading halls with a combined floor space of 60,100 m² and a ripening center of 6,377 m², which includes 49 rooms and can handle 60,380 boxes weekly. It serves as a central hub for agricultural trade, supplied by over 6,000 farmers from South Africa and neighbouring countries. Eleven market agents conduct sales, attracting around 4,800 buyers daily.

The resolution of Mayco on the 15th of May 2024 states *"That the City Manager be authorized to conclude a management agency agreement with Tshwane Economic Development Agency (TEDA) in respect of overseeing the operations of the following business Unit – Tshwane Fresh Produce Market".* For the period under review, the Management Agency Agreement (MAA) and Power of Attorney (POA) were developed. The MAA and POA between TEDA and CoT outline the rules of engagement and roles and responsibilities for the parties.

PROGRAMME 3: TRADE AND INVESTMENT PROMOTION

TEDA is mandated by the City of Tshwane to facilitate trade and investment with the sole purpose of growing the economy and creating jobs. Trade and Investment Promotion is divided into two sub-programmes, which are investment promotion and facilitation, and export/trade promotion and facilitation. Investment promotion entails promoting the City as a destination for local and foreign investors. This will be done through advertising, missions and events, presentations, and direct investor meetings or investor targeting for lead generation on key focus sectors. Whereas investment facilitation is the intentional action of assisting, helping, coordinating, and integrating through applicable statutes to make it easier for investors to locate their investments in the City, thereby unlocking bottlenecks and proposing solutions across the value chain.

4.3.1 NUMBER OF INVESTMENT EVENTS HOSTED (INVESTMENT PROMOTION /RECRUITMENT)

The entity facilitates investment events as a means to promote the City as an investment destination. These events aim to provide valuable insights and networking opportunities for investors and stakeholders looking to explore potential investment opportunities. The following events took place in the reporting period:

- **TSHWANE INVESTMENT DIALOGUE**

The entity hosted an investment dialogue on 25 March 2025 at River Meadow Manor, Irene, Centurion. The event was meant to provide a platform for investment dialogue to attract investment in the City of Tshwane, to share information on the areas of focus for foreign direct investment attraction and present the investment opportunities available in the City. The event wished to host Investment Deal Makers in Gauteng to share insights on deal-making and deal-breaking, and how the City of Tshwane can position itself for favourable investment attraction. Furthermore, to present the current investment opportunities and future development plans of the City of Tshwane. Some of the organizations that attended include the Gauteng Growth and Development Agency, Tshwane Automotive Special Economic Zone, the Development Bank of Southern Africa, Infrastructure South Africa, Black Business Council and legal firms.

- **URBAN 20 ECONOMIC OPPORTUNITIES WEBINAR**

The entity coordinated and hosted the Urban 20 (U20) webinar under the heading "Empowering the Cities for Inclusive Growth" on 31 March 2025. The platform is facilitated by C40 for cities to engage in the broader G20 engagements. This is a diplomatic city-led initiative that brings a local perspective to the G2O agenda, thereby facilitating discussions between countries and cities from the G20.

The knowledge webinar aimed to facilitate knowledge sharing on urban economic development strategies and present innovative approaches to building a resilient urban economy. The webinar explored how cities can capitalise on global opportunities while addressing local challenges to achieve sustainable and inclusive economic growth and provide actionable insights for the global urban agenda at the U20 Summit. The audiences that attended the webinar were U20 conveners, city leaders, policy makers, industry experts, academic and research institutions, international organisations, potential investors, financial institutions, economic development experts, group heads, divisional heads, directors, deputy directors, functional heads and interested municipal officials.

4.3.2 NUMBER OF REGIONAL TRADE INTELLIGENCE REPORTS GENERATED

The aim of this Key Performance Indicator (KPI) is to gather intelligence/conduct research on goods and services manufactured in all regions of Tshwane with the aim of creating a brand identity and appeal that can be promoted into the international market. The export intelligence report refers to an information gathering or insights document on the Tshwane-based companies with potential to be exposed to the outside market in South Africa. These insights will be used to meaningfully develop a clear programme of action to assist these companies in collaboration with TEDA partners. The programme of action may include export development, export promotion, access to markets, etc.

In the upcoming fourth quarter, a series of seven comprehensive trade intelligence reports will be developed. These reports will delve into the unique challenges and emerging opportunities encountered by companies based in Tshwane. Each analysis aims to provide valuable insights that will help local businesses navigate the complexities of their operating environment and capitalize on potential growth areas.

TEDA has participated and exhibited at the Africa Agri-Tech (AAT) Conference held at the CSIR from 18 – 20 March 2025. The event focused on advancing science and technology in agriculture across three distinct themes: Animal Agri-Tech, Plant Agri-Tech, and Agri-Business. The conference provided a platform to address global trends and innovations, focusing on data-driven, technology, biotechnology, and bioscience advancements. TEDA procured an exhibition stand wherein five Tshwane-based companies were allowed to exhibit under the TEDA banner. The focus of the exhibition was on agricultural products and agro-processing products. The companies were able to interact and network with prospective clients to establish trade and business leads. TEDA's participation was significant as it directly aligned with the city's economic development objectives by raising the visibility of Tshwane-based companies in the global agricultural tech market. The Agri-Tech conference was opened by the Executive Mayor of the City of Tshwane, Dr Nasiphi Moya, and the Gauteng MEC for Agriculture, Ms Vuyiswa Ramokgopa, delivered speeches at the conference. The conference was attended by local and international agriculture players.

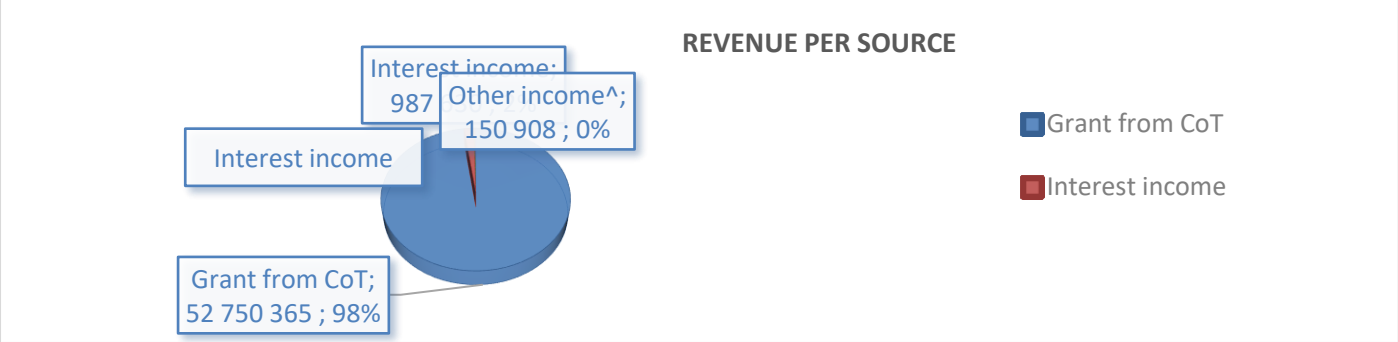
5. FINANCE

5.1 STATEMENT OF FINANCIAL PERFORMANCE SUMMARY

Description	Approved budget	Approved Adjusted Budget	Earned/Spent as at 31 March 2025	Earned/Spent %	Variance as at 31 March 2025	Commitments	Remaining Budget after commitments
Revenue by source:	a	b	c	d	e	f	g
Grant from CoT	70,333,817	80,333,817	52,750,365	66%	27,583,452		
Interest income	895,263	1,245,263	987,630	79%	257,633		
Interest income Taxation	0	0	30,622	0%	-30,622		
Other income	5,282,230	2,000,000	150,908	8%	1,849,092		
Total revenue*	**76,511,310**	**83,579,080**	**53,919,524**	**65%**	**29,659,555**	**0**	**0**
***Excludes savings from other financial years**							
Expenditure by source:	a	b	c	d	e	f	g
Remuneration of board members	3,124,898	3,124,898	2,286,140	73%	838,758	0	838,758
Salaries and wages	50,344,683	47,898,726	31,713,617	66%	16,185,108	0	16,185,108
General operating expenditure	4,053,331	4,053,331	2,490,089	61%	1,563,242	982,738	580,504
Operating lease (office space)	3,955,982	3,955,982	3,122,612	79%	833,370	0	833,370
Audit fees	1,080,471	1,080,471	1,076,980	100%	3,491	0	3,491
Other materials (fuel)	36,499	36,499	3,810	10%	32,689	0	32,689
Depreciation	980,210	1,180,210	1,095,626	93%	84,585	0	84,585
Interest on leases	183,054	183,054	29,521	16%	153,533	0	153,533
Loss on disposal of assets	49,767	49,767	0	0%	49,767	0	49,767
Contracted services	12,702,414	22,016,142	973,817	4%	21,042,325	912,419	20,129,905
Total budget expenditure before tax	**76,511,310**	**83,579,080**	**42,792,213**	**51%**	**40,786,867**	**1,895,157**	**38,891,709**
Taxation	544,264	544,264	544,264	100%	0	0	0
Surplus/(Deficit)	**-544,264**	**-544,264**	**10,583,047**	**-1**	**0**	**0**	**0**
		0					
Capital expenditure	861,783	801,783	776,681	97%	25,102	0	25,102
Total budget/expenditure	**77,917,357**	**84,925,127**	**44,113,158**	**52%**	**40,811,969**	**1,895,157**	**38,916,811**

5.2 REVENUE DETAILED ANALYSIS

Description	Approved budget	Working Budget	Earned/Spent as at 31 March 2025	Earned/Spent %	Variance as at 31 March 2025	Commitments	Remaining Budget after commitments
Revenue by source:	a	b	c	d	e	f	g
Grant from CoT	70,333,817	80,333,817	52,750,365	66%	27,583,452		
Interest income	895,263	1,245,263	987,630	79%	257,633		
Interest income Taxation	0	0	30,622	0%	-30,622		
Other income^	5,282,230	2,000,000	150,908	8%	1,849,092		
Total revenue*	**76,511,310**	**83,579,080**	**53,919,524**	**65%**	**29,659,555**	**0**	**0**
**Excludes savings from other financial years*							
^Budget approved by the City before the approval of TEDA's business plan, therefore total budget amount will be aligned during the adjustment period.							



i. Grant income from CoT

The grant income from CoT is normally received at the start of every quarter in four equal instalments, and as at the reporting period, R52,750,365 has been received. An unspent portion of the grant is a saving as the grant is not conditional.

ii. Interest income

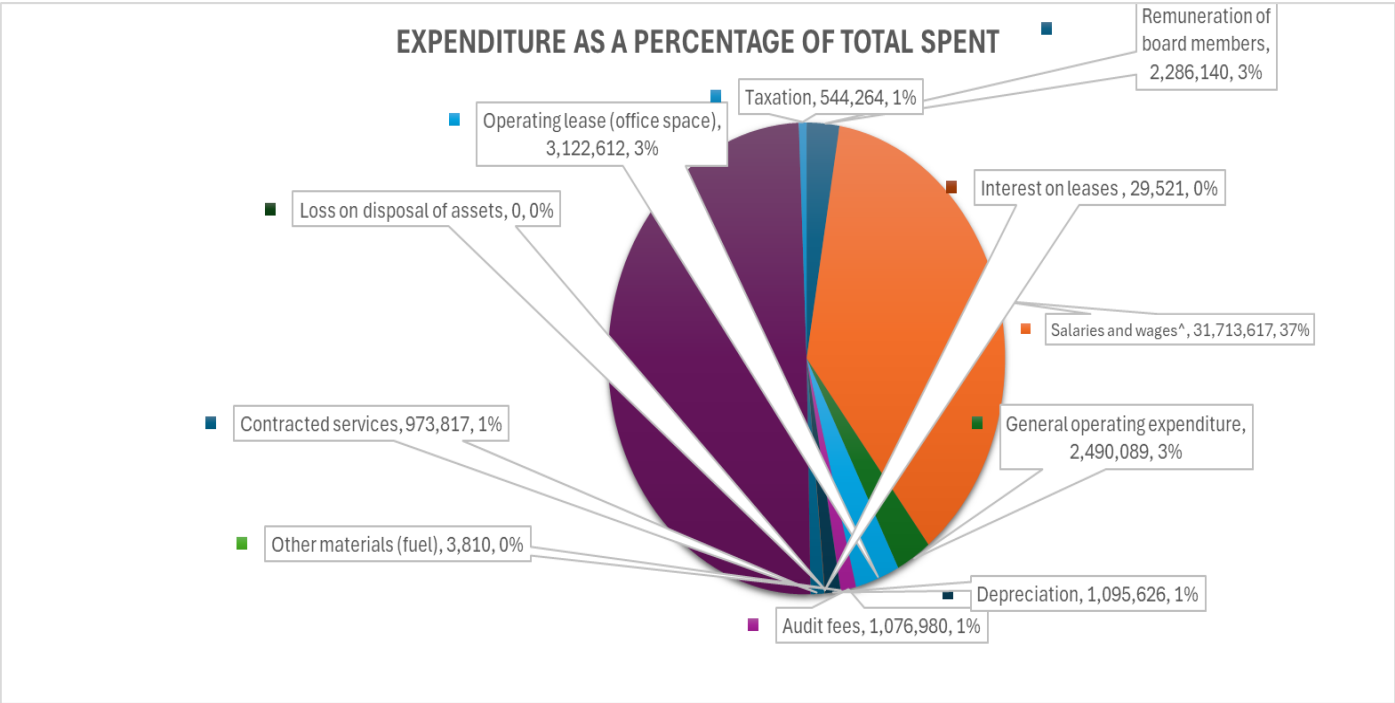
Refers to interest income generated from both primary and call deposit accounts, which constitutes 2% (R987,650) of total revenue received. Interest income is at 79% against budget, it is important to note that this type of revenue depends on the funds available in the bank account and the prevailing interest rate. Given the current balance, excess funds will be invested into the Investec account to earn more interest.

iii. Other income

Other income earned as at the reporting period is R150,908, driven by TWIBA sponsorship and LGSETA return funds received. Revenue from TES as part of the financial sustainability is not included as no funds or commitment were generated as at the reporting date.

5.3 DETAILED EXPENDITURE ANALYSIS

The graphical presentation of actual expenditure as of 31 March 2025



VARIANCE ANALYSIS OF ACTUAL EXPENDITURE AS AT 31 MARCH 2025

a) Remuneration of Board Members

Remuneration of Board members constitutes 3% of total expenditure at 73% (R2,286,140) against budget, which is in line with the budget and the board's annual work plan.

b) Employee Costs

Expenditure is at 66% of the budget at R31,713,617 and contributes 37% to total expenditure. The long service awards costing R230,000 were paid in February as part of the condition of service implementation provision allocation.

c) General Expenses

General expenditure is at 61% (R2,490,089) compared to the budget, which constitutes 3% of total expenditure.

d) Other Materials (fuel) and interest on leases

The other materials at 10% (R3,810) compared to the budget, and interest on leases is at 16% (R29,521) compared to the budget.

e) Operating lease (office space)

Rental for office space is within budget at 79% (R3,122,612) and contributing 7% to total expenditure.

f) Audit fees

Expenditure for audit fees is at 100% in line with the budget and audit strategy, amounting to R1,076,980, contributing 1% to total expenditure.

g) Contracted Services

The contracted services in alignment with the budget represent the core functions of the entity and is at (R973,817), which is 1% of total expenditure. It is expected to increase in Q4.

h) Depreciation and Capital Expenditure

Depreciation is a non-cash item and expenditure is 93% (R1,095,626), which constitutes 1% of the total expenditure. Capital expenditure is R 776,681 as at the reporting date.

i) Taxation

Income tax expenditure as at the reporting date is 100% (R544,265), which constitutes 2% of the total expenditure. Management has undertaken a process that will guide the conversion of the portion of the grant into share capital. The guide will also serve as a tool to review the MoI. The conversion tool or guide will ensure compliance with all applicable legislation as prioritised.

6. GOVERNANCE

6.1 BOARD COMPOSITION

Table 3: Board Composition

Board Member	Capacity: Executive / non-executive	Race	Gender	Board Committee Membership
K. Maimela	Non-executive director	African	Male	Board Chairperson
A.Hirachund	Non-executive director	Indian	Female	Social and Ethics Committee (Chair) Finance and Risk Committee (Member) HR and Remunerations Committee (Member)
J. Mocke	Non-executive director	White	Male	Projects and Investment Committee (Chair) Finance and Risk Committee (Member) Social and Ethics Committee (Member)
P. Serote	Non-executive director	African	Male	Finance and Risk Committee (Chair) Projects and Investments Committee (Member) HR and Remunerations Committee (Member)
S. Mbanjwa	Non-executive director	African	Male	HR and Remunerations Committee (Chair) Projects and Investments Committee (Member) Social and Ethics Committee (Member)
L Stander	Executive director	White	Male	Chief Executive Officer
O Mokoena	Executive director	African	Male	Acting Chief Financial Officer

6.2 BOARD AND COMMITTEES

The record of attendance of each non-executive director at TEDA board meetings for the period under review:

Table 4: Board and committee meetings for the quarter

Board Members	Number of meetings						
	Board meetings (1)	Finance & Risk Committee (1)	Remuneration and Human Resource Committee (1)	Projects & Investments Committee (1)	Social & Ethics (1)	Audit and Performance Committee	Other meetings* (10)
K Maimela	1	1	-	-	-	-	10
A Hirachund	1	1	1	-	1	-	6
J Mocke	1	1	1	1	1	-	7
P Serote	1	1	1	1	-	1	8
S Mbanjwa	1	1	1	1	1	-	6

6.3 DIRECTORS REMUNERATION

The City of Tshwane sets upper limits for non-executive directors, the Chief Executive Officer, and the Chief Financial Officer's remuneration. At the same time, the board determines the remuneration of executive managers using the City's guidelines.

Table 5: Non–Executive Directors' remuneration for the quarter

Board Members	January	February	March	Total
K Maimela	R43 936.00	R89 326.00	R27 252.00	**R160 514.00**
A Hirachund	R63 588.00	R56 018.00	R3028.00	**R122 634.00**
J Mocke	R81 831.70	R64 420.70	R3482.20	**R149 734.60**
P Serote	R66 616.00	R56 018,00	R15 140.00	**R137 774.00**
S Mbanjwa	R81 831.70	R64 420.70	R17 411.00	**R163 663.40**
Total	**R340 801.40**	**R330 203.40**	**R66 411.00**	**R734 320.00**

Table 6: Executive remuneration for the quarter

Name	Designation	Total Cost to the Company (before deductions) including acting allowance
Dr Lardo Stander	Chief Executive Officer	R 532 089
Gabriel Motlotsi*	Acting Executive: TIPP	R 88 738
Masilo Maepa*	Acting Executive: Corporate Services	R 88 738
Osiame Mokoena*	Acting Chief Financial Officer	R 88 738
Tshifhiwa Luvhimbi*	Acting Company Secretary	R 178 908
Total		**R 1 027 211**

*** Acting allowance**

6.4 RISK MANAGEMENT AND INTERNAL CONTROLS

6.4.1 RISK MANAGEMENT

In terms of Section 95(1)(c)(i) of the Municipal Finance Management Act, 2003: "The accounting officer of a municipal entity is responsible for managing the financial administration of the entity, and must for this purpose take all reasonable steps to ensure –

(c) that the entity has and maintains effective, efficient, and transparent systems:

(i) of financial and risk management and internal control".

A process to embed risk culture within the entity's business model continues. To this end, the reports are regularly submitted to the following structures to provide oversight on risk management: Audit and Performance Committee, Board of Directors, Finance and Risk Committee, and Operational Clean Audit.

RISK ASSESSMENT

Risk identification and assessment are ongoing processes. TEDA conducted its annual strategic risk assessment workshops in the period under review. The strategic risk register has been reviewed and updated accordingly to the revised mandate (See Annexure B). Management provided progress on action plans for the reporting period, and Enterprise Risk Management analysed the information provided to ensure that all action plans that are relevant for the second quarter are accurately monitored.

Although there are several interdependencies, the entity has made progress in implementing the management action plans listed to mitigate the identified risks. The entity has managed to complete 86% of the action plans, and 14% of

the action plans are in progress. The current status of the monitoring conducted in the entity is listed in the table below, and the detailed progress on the identified action plans is included in Annexure B.

Entity	Number of risks identified	Break-down	No. of tasks	Completed	In progress	Not yet implemented
TEDA	2	Overall	23	20	3	-
		Q3	14	12	2	-

Chart 1

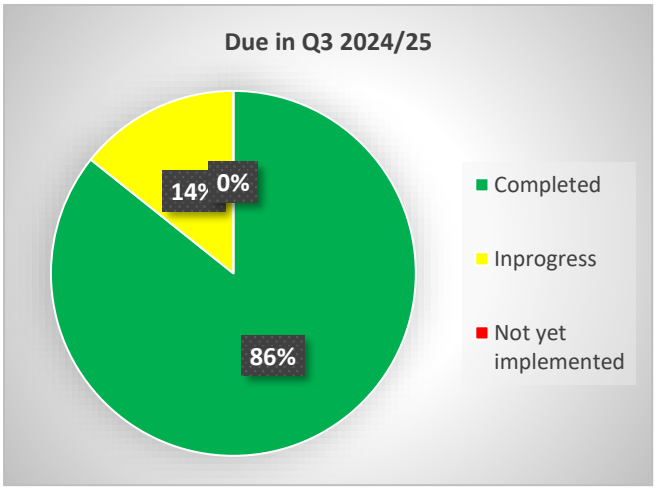
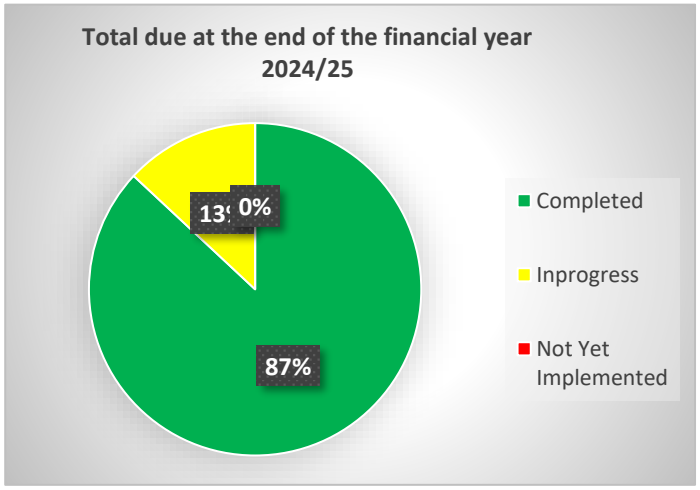


Chart 2



6.4.2 INTERNAL CONTROLS

In terms of section 165 sub-section (2) of the Municipal Finance Management Act, the internal audit unit of a municipality or municipal entity must prepare a risk-based audit plan and an internal audit program for each financial year and advise the Accounting Officer and the audit committee on the implementation following:

- Internal controls.
- Risk and risk management.
- Performance Management.
- Compliance with this Act, the annual Division of Revenue Act, and any other applicable legislation.

PROGRESS ON IMPLEMENTATION OF COVERAGE PLAN

The following table and graph depict the progress on the planned audit for 2024/2025 as of 31st March 2025

Description			Qtr. 1 Jul – Sep 2024	Qtr. 2 Oct – Dec 2024	Qtr. 3 Jan – Mar 2025	Qtr. 4 Apr-Jun 2025
Status of delivering on the approved coverage audit plan						
Planned Audit (Target) 1	**Cumulative Targets**		**4**	**6**	**9**	**14**
	Quarterly Targets		**4**	**2**	**3**	**5**
	Cancelled Audits		**-**	**-**	**-**	**-**
	Revised cumulative target		**4**	**6**	**9**	**14**
Actual Audit Finalised *(Total Target (Planned) / Total Actual)* 1		Number	**4**	**6**	**7**	
		%	**100%**	**100%**	**78%**	
Status Ad-hoc /or Special Requests 0						
Number of ad-hoc /or special requests 1			**0**	**0**	**0**	

Description		Qtr. 1 Jul – Sep 2024	Qtr. 2 Oct – Dec 2024	Qtr. 3 Jan – Mar 2025	Qtr. 4 Apr-Jun 2025
Actual ad-hoc /or special requests finalised *(Total requests / Total actual)* [2]	Number	**0**	**0**	**0**	
	%	**0%**	**0%**	**0%**	
Total on status of both approved coverage audit plan and ad-hoc & special request					
Total Target [1]		**4**	**6**	**9**	
Actual Finalised *(Total Planned Audit / Total actual per coverage plan and ad-hoc/special requests)* [2]	Number	**4**	**6**	**7**	
	%	**100%**	**100%**	**78%**	

From the first quarter to the third quarter, a total of nine audits were planned, and seven audits were completed according to the approved coverage plan for 2024/25. This completion rate represents 78% (7 out of 9, or 7/9 x 100) of the activity level. As of the end of March 2025, the following two audits were still in progress:

- Adjusted Business Plan Review
- MCAM (AG and Internal Audit Follow-up)

The review for Q2 MCAM internal audit log was still in progress at the time of reporting.

Below is a summary of the overall control assessment for audits completed during the quarter:

Audit Focus Areas / Process Areas	Overall Controls Assessment		
	Control Design	Control Implementation	Trend
Audit of Performance Information (Q4) of 2023/24	☺	😐	Neutral
Annual Report Review and Annual Performance (2023/24)	☺	😐	Neutral
Annual Financial Statements Review (2023/24)	☺	😐	Improvement
MCAM – Internal Audit (Q1 of 2024/25)	😐	😐	Neutral
Audit of Performance Information (Q1 of 2024/25)	😐	😐	Neutral
Audit of Performance Information (Q2 of 2024/25)	😐	😐	Neutral
MCAM – Internal Audit (Q2 of 2024/25)	😐	😐	Neutral

☺- Adequate/Effective 😐- Requires Improvement ☹- Inadequate/Ineffective

Trend = either improving; neutral; deteriorating or N/A= not applicable

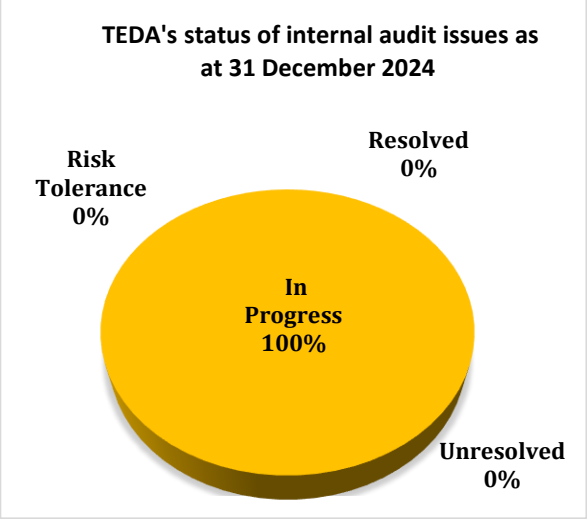
MUNICIPAL CONTINUOUS AUDIT MONITORING

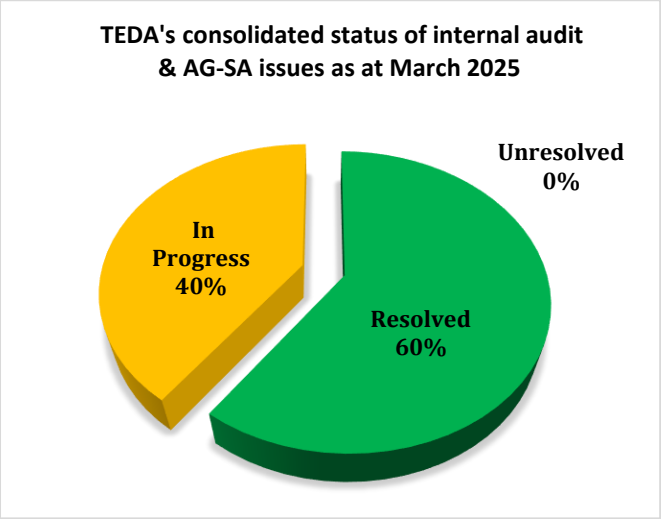
The parent municipality (CoT) has constituted an oversight governance structure called Municipal Continuous Audit Monitoring (MCAM). MCAM is a structure that is chaired by the City Manager, where all Group Heads reporting directly to the City Manager, including Chief Financial Officers and Chief Executive Officers of entities, have standing invitations. The purpose of the MCAM was to monitor progress made on corrective action taken or to be taken in

response to issues raised in the AG (SA) management letter, as well as Internal Audit's previous findings, to ensure that those issues are ultimately resolved. Furthermore, the structure focuses on the performance of risk to deal with emerging and materialised risks in pursuit of clean administration, sound governance, and sound financial management. The bigger picture is for the City and its Entities to achieve their mandate of achieving good governance and sound financial administration, with its outcome being integrated reporting in general and a clean audit outcome in particular.

Group Audit & Risk of the city has a role as part of MCAM to validate issues that management purports to have resolved to give reasonable assurance that those issues are indeed resolved /or not. Below is a consolidated summary table and graph of progress made regarding the implementation of action plans to address the Internal Audit and AG (SA) log as at the end of March 2025. The status is based on management assertion. Internal Audit is still in the process of validating issues management asserted to have been resolved:

Summary of Status of Internal Audit findings as at end of December 2024						Summary of Status of Internal Audit findings as at end of 31st March 2025					
Total no. of IA TEDA findings logs	Resolved by assertion	In Progress	Repeat IA issues	Unresolved items	Risk Tolerance	Total no. of IA TEDA findings log	Resolved by assertion	In Progress	Repeat IA issues	Unresolved items	Risk Tolerance
IA - 2	0	2	0	0	0	IA - 5	3	2	0	0	0
AG – 0	-	-	-	-	-	AG – 2	1	1	0	0	0
2						7	4	3	0	0	0
Rate	0%	100%		0%		Rate	60%	40%		0%	





6.5 LITIGATIONS

There were no litigations in the period under review.

6.6 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

The entity is currently reviewing the TEDA Business Continuity Plan (BCP), and to this effect, the engagements with business units have been completed. The BCP is being consolidated and will be presented once finalized.

The implementation of the ICT hardware plan is underway, and the below provides an update of the status of ICT system initiatives:

ICT initiative	Status	Target date
Implementation of the Mberego -E-leave system	TEDA engaged with CoT on the request to implement a leave management system, Mberego, and TEDA has since been included in the CoT project plan to map the system for TEDA.	To be completed and installed by the end of 2024/25FY
Implementation of SAP4-Sahana	The system is being implemented, and data is migrated into the new system. Currently, the system is in a testing phase.	Ongoing
Implementation EDMRS system	The system's records (file plan) part has already been installed. The CoT has offered training and onboarding on the system for the staff in various units. TEDA EXCO session is scheduled for 07 April 2025.	The record management part of the system is being rolled out
Board members tablets	The tablets were procured and are currently being configured before handover to the board members.	The tablets will be handed over to board members before the end of April 2025
Procurement of laptops	To augment the capacity for the tool of trade six laptops are being sourced through the supply chain process.	Targeted to be procured before the end of the 2024/25FY
Procurement of Interactive ICT screens for boardrooms	More interactive ICT screens are being procured to be installed in other board rooms to assist with efficiency meetings.	Targeted to be procured before the end of the

7. HUMAN RESOURCES

7.1 HEAD-COUNT AND RECRUITMENT

As per the approved organizational structure, the table below presents information about the filled and vacant positions.

Table 7: Headcount per business unit and total vacancies

Business unit	Number of posts	Number of filled posts	Number of vacancies	Percentage of vacancies
Office of the CEO	5	5	0	0%
Company Secretary	3	2	1	33%
Office of the CFO	9	7	2	22%
Corporate and Shared Services	17	14	3	18%
Trade, Investment and Projects Portfolio*	17	8	9	53%
Total	**51**	**36**	**15**	29%

7.1.1 RECRUITMENT

The organisation has prioritised the key positions to be filled to expedite the facilitation and packaging of projects. To augment capacity, the position of Project Administrator has been filled, and recruitment of the Chief Financial Officer is also further underway with shortlisting having been completed.

Division	Position	Date vacant	Line Manager	Advert date	Closing date	Successful candidate	Appointment date	F	M	A	C	I	W	Recruitment Status
FS	Chief Finacial Officer	01.05.2024	Chief Executive Officer	23.02.2025	07.03.2025	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC	Interview scheduled for 04 April 2024
TIPP	Project Administrator	01.07.2024	Senior Manager: Catalytic	11.08.2024	25.08.2024	Manthoadi Rose Marumo	01.04.2025	X		X				Filled

The organization is working on enhancing its human resources by employing interns and, where possible, utilizing a panel of service providers. One intern has been recruited in the Supply Chain Management department to help increase capacity. Additionally, the organization has advertised for interns across several units to build a database of potential candidates for future needs.

7.1.2 TERMINATIONS

During this period, there were no resignations, retirements, or dismissals recorded.

7.2 SKILLS DEVELOPMENT

7.2.1 MINIMUM COMPETENCIES FOR FINANCIAL OFFICIALS

The entity strives to comply with the requirements of the MFMA by extending learning and development opportunities to finance and supply chain management officials. The MFMA training is aimed at strengthening municipal financial competency levels and financial governance, among others. The following table presents progress with regard to financial competency development for both finance and supply chain management officials.

Financial competency development: progress report				
Description	**Total number of officials employed by the municipal entity (Regulation 14(4)(a) and (c))**	**Consolidated: competency assessments completed (Regulation 14(4)(b) and (d))**	**Consolidated: total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))**	**Consolidated: total number of officials who meet prescribed competency levels (Regulation 14(4)(e))**
Financial officials				
Accounting Officer (CEO)	1	Attending course	1	1
Chief Financial Officer (CFO) Vacant	0	Vacant	0	0
Senior managers	1	Awaiting result	1	1
Any other financial officers	2	One completed One awaiting results	2	1
Head of Supply Chain Management Unit	-	-	-	-
Supply Chain Management: Senior Manager	1	Completed	1	1
Any other Supply Chain Management Unit officials	2	One completed Attending course	2	1
TOTAL	**7**	**3**	**7**	**3**

7.2.2 PLANNED TRAINING INTERVENTIONS

The following training intervention was implemented in the period under review:

Competency for development	Course	Service provider	Delegates
Leadership Development	Training on Leadership	City of Tshwane Leadership Academy	1
Training programme	Municipal Finance Management Programme	City of Tshwane Leadership Academy	2

7.2.3 EMPLOYEE STUDY ASSISTANCE

TEDA will continue to support employees who wish to pursue further studies by providing financial assistance, particularly for registration fees. For the calendar year 2025, the study financial assistance has increased from R10,000 to R30,000 per year. Since January 2025, a total of six employees have been awarded the maximum study financial assistance of R30,000. This support will significantly enhance employees' skills through formal educational programs.

7.3 PERSONNEL EXPENDITURE

The following table depicts the personnel expenditure for the period under review:

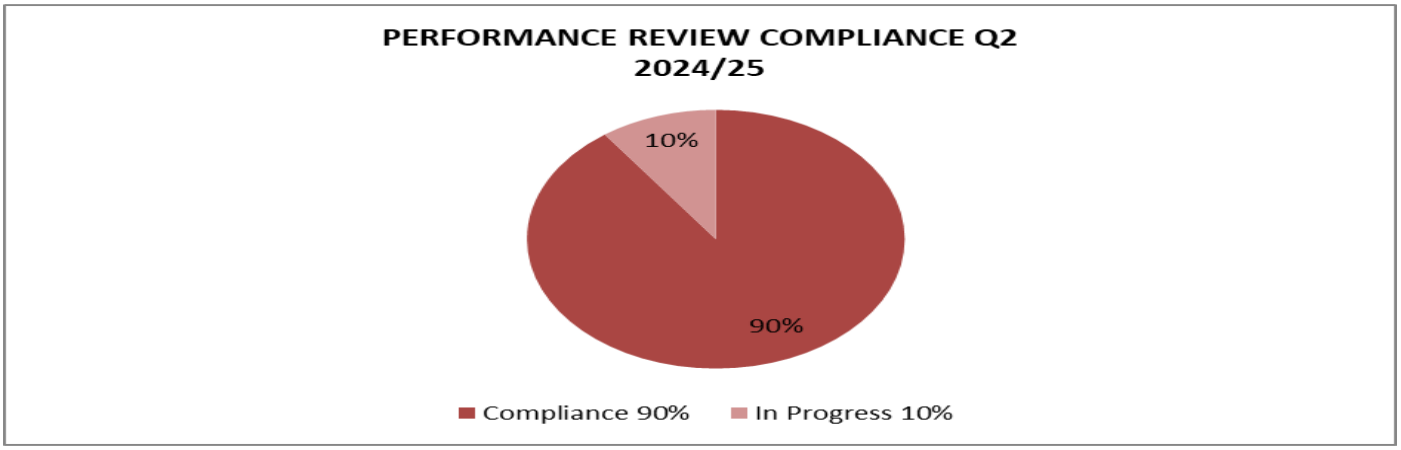
Salary band	Personnel expenditure	Number of employees
Executives	R 532 089	1
Senior Managers	R 3 682 896	9
Managers	R 2 124 503	7
Specialist	R 2 279 780	10

Salary band	Personnel expenditure	Number of employees
Administration	R 1 035 368	7
Support	R 116 445	2
Total	R 9 771 081	**36**

7.3.1 PERFORMANCE MANAGEMENT

TEDA continues to manage performance through performance management and development systems where performance is reviewed on a quarterly basis. The quarterly performance reviews for the second quarter were done, and a few are still outstanding. The figure below indicates the level of progress for the second quarter performance review process.

Figure 1: Illustration of performance reviews Q2 compliance



The headcount at that time was thirty-six. Ninety percent (90%) compliance has been achieved, while ten percent (10%) is still in process.

7.4 HUMAN RESOURCES MANAGEMENT POLICY REVIEWS

The entity has proactively engaged a legal service provider to facilitate the comprehensive alignment of the delegation of authority framework with the vital terms of reference of the board committee, alongside the memorandum of incorporation, the service delivery agreement, and the overarching legislative framework. This process of alignment is essential, as it will ensure that all policies are coherently integrated with the delegation of authority and other pertinent frameworks during their scheduled reviews.

As part of this initiative, a range of human resources policies will be aligned with both the delegation of authority and the board committee's terms of reference once they are finalized. These policies are set to be submitted for formal approval before the end of the financial year.

8. DEPENDENCIES AND CROSS-CUTTING ISSUES

Engagements are ongoing with CoT departments such as the Economic Development and Spatial Planning, Group Property, Roads and Transport, etc., to strengthen and build relationships.

9. OPERATION CLEAN AUDIT

Table 9: Evidence

Evidence for the quarter submitted with the report (Yes/ No)	Entity evidence files updated, centralised and verified in the department (Yes/ No)	If no, indicate a corrective measure	Entity project files for the quarter compiled, centralised and verified (Yes/No)	If no indicate a corrective measure
Yes	Yes	N/A	Yes	N/A

Table 10: Action plan based on the 2023/24 Auditor General's report

Classification	Number of findings	Repeat findings	Number of findings resolved	The number of findings not yet resolved
Annexure A: Matters affecting the audit report	8	0	0	8
Annexure B: Other important matters				
Annexure C: Administrative matters				
Total	**8**	**0**	**0**	**8**

Table 11: OPCA controls and interventions

<table>
<tr><th>Number</th><th>Finding</th><th>Detail finding description</th><th>Management response</th><th>Action plan</th><th>Responsible person</th><th>Due date</th></tr>
<tr><td>1.</td><td>General expenditure not recognized in the correct accounting period</td><td><u>Audit finding</u>
During the audit of general expenditure, it was noted that the entity recognised in the current year the expenditure that relates to the prior year.
See the table below:
General Expenditure
<table><tr><th>Supplier</th><th>Invoice number</th><th>Invoice date</th><th>Service rendering date</th><th>Goods or service description</th><th>Amount relates to prior year per GL</th></tr><tr><td>Mantombazane Holdings (Pty) Ltd</td><td>#2023-35000</td><td>2023/08/22</td><td>30/06/2023</td><td>Website maintenance</td><td>R12 315, 04</td></tr></table><u>Impact</u>
This has resulted into non-compliance with MFMA Section 95(2)(b) and GRAP 1
<u>Internal control deficiencies</u>
Financial and performance management
Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.
Management did not adequately review and reconcile the accruals transactions to ensure that all expenditure is recorded in the correct accounting period.

<u>Recommendation</u>
Reconcile and review the expenditure transactions and ensure that all expenditure is recorded on the correct financial period, based on when the expenditure was incurred.
Update the prior year’s accruals to ensure they include all expenditure incurred in the 2022/23 financial year.</td><td><u>Management comment on audit finding:</u>
The management agrees as the contract was drafted to cover a period of 3 months in terms of invoices as when the work is completely concluded in updating of the website and maintenance. The invoice included expenditure for May and June 2023 which was not recognised correctly.
<u>Impact</u>
Management agrees that there is non-compliance with MFMA Section 95(2)(b) and GRAP 1.
<u>Management comment on internal control deficiencies</u>
Management agree that it did not adequately review and reconcile the accruals transactions to ensure that all expenditure is recorded in the correct accounting period.

<u>Management comment on recommendation</u>
Management agrees with the recommendation.</td><td>Management agreed that expenditure amounting to R12 315.04 was not recognised in the correct period and financial year. Management recognises that the occurrence is isolated furthermore that amount is below that materiality framework policy as such the adjustment will not be processed</td><td>ACFO</td><td>Resolved during the audit</td></tr>
<tr><td>2.</td><td>No public invitation of at least 14 days regarding the</td><td><u>Audit finding</u>
During the audit of the supply chain management of TEDA for 2023/24 financial year, we noted that the award relating to the venue hire in connection with Tshwane Energy Summit was not advertised for a minimum period of not less than 14 days as required by SCM regulation 22 (1) (b) (i). There was a MEMO</td><td><u>Management comment on audit finding:</u>
Management disagreed with the findings as follow, it was unnecessary to advertise for a minimum period of 14 days, as TEDA operated under a valid contract: Bid 02/10/22 for the appointment of</td><td><u>Remedial action:</u>
i. Irregular Expenditure note</td><td>ACFO</td><td>Remedial action number 2 is ongoing (awaiting</td></tr>
</table>

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date
	bid of venue hiring	drafted and dated 06 February 2024 and terms of reference dated 07 December 2023 indicating that the award will be given to the travelling agent supplier (City of Choice travel). The agent sourced the venue hiring award from the third party (Sunbet Arena) at an estimated cost of R 1 811 302 without advertising the bid for a minimum period of not less than 14 days. **Impact** This results in non-compliance with MFMA and additional irregular expenditure. **Internal control deficiency** Leadership The accounting officer did not exercise oversight responsibility regarding financial reporting, compliance, and related internal controls to ensure that irregular expenditure is prevented. **Recommendation** It is recommended that management designs and implement a compliance checklist to avoid recurring instances of non-compliance and that accounting officer should implement consequence management for officials who have contravened the laws and regulations resulting in the irregular expenditure. **Background to the finding (Similar for all findings from 9 to 13)** ***Requirement*** *The Municipal Finance Management Act section 95(d) states that the accounting officer of a municipality entity is responsible for managing the financial administration of the entity and must for this purpose take all reasonable steps to ensure that irregular and fruitless and wasteful expenditure and other losses are prevented.* *MFMA Section 106(2)(a) provides that the Accounting Officer, in order for the proper application of MFMA in the municipal entity's administration, to develop an appropriate system of delegation that will both maximise administrative and operational efficiency and provide adequate checks and balances in the municipality's financial administration and delegate to a top management official or any other municipality official, the powers or duties assigned to an accounting officer in terms of this Act, and such delegation must be reduced into writing.*	service providers for Travel, Accommodation, Venues, and the facilitation of Events Management and Conferences. This contract was awarded through a competitive bidding process and remains valid until 30 October 2025. Additionally, Management has observed that AGSA has relied on case law to audit compliance. However, the audit strategy did not reference such case law as a compliance evaluation tool and management views the approach inconsistent with established auditing protocols. Nonetheless management contends that the interpretation of the judgement is not relevant to this matter as indicated above. Management asserts that the procurement processes adhered strictly to the stipulated regulations and contractual obligations. To this end the finding has been escalated to National Treasury for guidance. **Impact** Management disagreed that there is non-compliance with MFMA and additional irregular expenditure. **Management comment on internal control deficiencies** Management did not agree that the accounting officer did not exercise oversight responsibility regarding financial reporting, compliance, and related internal controls to ensure that irregular expenditure. **Management comment on recommendation** Management did not agree with the finding and the recommendations. **Auditor's conclusion:**	in the 2023-24 AFS has be revised to include the amounts. ii. The finding has been escalated to National Treasury for guidance (response received from NT agrees with TEDA).		feedback from AGSA).

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date
		Section 82(1)(c) also allows the Chief Financial Officer to sub-delegate any of the duties referred to in section 81 (1) (b), (d) and (e) with the concurrence of the Accounting Officer, to: - *(i)any other official of the municipal entity; or* *(ii)any person contracted by the municipal entity for the work of the office.* *However, section 82(2) and (3) (a) and (c) allows the sub-delegation of section 82(1) (c) (ii) above, if.* *(iii)The delegation does not divest the chief financial officer of the responsibility concerning the delegated duty.* *Based on the above legal requirements and the recent Court judgement in the case of (AllPay Consolidated Investment Holdings (Pty) Ltd and Others v Chief Executive Officer of the South African Social Security Agency and Others (No 2) [2014] ZACC 12), the court ruled that all organs of state must be held accountable in respect of delegation of functions to another entity. The judge referred to a decided case, AAA Investments stating that government cannot be released from its rule of law obligations simply because it employs the strategy of delegating its functions to another entity.* *Treasury guidelines stipulate the following on irregular expenditure that arises as a result of an implementing agent relationship:* *-Entity specific contract implementing agency relationships (including capital project done through DPW, IDT, etc.) are regarded as entity specific contracts for which the receiving institution is still accountable for the spending of the funds and ultimate delivery of the project. They cannot delegate the accountability of ensuring that the public funds which have been voted to them are spent in accordance with all applicable legislation.* *-The principal institution retains the right to be involved in the procurement processes and in some instances, the power to approve or reject the recommendation to approve the final award. The resultant irregular expenditure will, therefore, be reported in the books (AFS) of the principal institution.* *Section 41 of the Constitution encourages the principles of co-operative government and inter-governmental relations. Public and other entities which are used for implementation of infrastructure projects and other projects are normally established for such purpose and/ or the function is within their mandate. (e.g. IDT).*	Auditors note management response and engagement with National Treasury, and the audit finding remains.			

<table>
<tr><th>Number</th><th>Finding</th><th>Detail finding description</th><th>Management response</th><th>Action plan</th><th>Responsible person</th><th>Due date</th></tr>
<tr><td></td><td></td><td>Section 217 of the Constitution and sections 112 of the MFMA require an organ of state to procure goods and service in accordance with a system that is fair, equitable, transparent, competitive, and cost effective. SCM systems/ policies of public entities are established in terms of section 112 of the MFMA, and they therefore comply with the principles of “fair, equitable, cost-effective, competitive and transparent”.
In these types of arrangements, the funds belong to the municipal entity and must therefore be spent in accordance with the principles of MFMA.
Non-government institutions are not required by any legislation to implement an SCM policy that is fair, equitable, transparent, cost-effective, and competitive. In this case, implementing or procuring agents who are non-governmental institutions may not use their SCM policies in contracting with Third parties.
The agreement between the principal municipal entity and the implementing or procuring agent must specifically stipulate the processes that must be followed, which must be guided by the municipal entity’s SCM policy.
By requiring non-governmental institutions to use their own policies in procuring goods and services on behalf of the municipal entity, the entity is in essence contravening section 217 of the constitution and section 112 of the MFMA therefore be spent in accordance with the principles of the PF.
SCM regulation 22 (1) (b) (i) requires the bids to be advertised for a minimum period of not less than 30 days in the case of transactions over R10 million (Vat included) or of long-term nature, or 14 days in any other case.</td><td></td><td></td><td></td><td></td></tr>
<tr><td>3.</td><td>No evidence that tax matters of suppliers were in order before awarding</td><td><u>Audit finding</u>
During the audit of the supply chain management of TEDA for 2023/24 financial year, we noted that there were awards made by an agent to third parties on behalf of TEDA, and the awarded suppliers’ tax matters were either not verified or non-compliant. The following table below show the examples of such suppliers.
<table>
<tr><th>No.</th><th>PO or reference</th><th>TEDA’s agent</th><th>Supplier awarded a bid by the agent</th><th>Awarded amount</th><th>Tax status</th></tr>
<tr><td>1</td><td>PO 2966</td><td>City of Choice</td><td>Expo Solutions (Pty) Ltd</td><td>R943 823,90</td><td>Non-complaint</td></tr>
<tr><td>2</td><td>PO 2966</td><td>City of Choice</td><td>Aural Sense Entertainment & Publishing</td><td>R45 000,00</td><td>Non-complaint</td></tr>
</table></td><td><u>Management comment on recommendation:</u>
Management agrees with the findings, which is supported by the advice received from National Treasury (Strategic Procurement Office) after the audit.</td><td><u>Remedial action:</u>
i. Irregular Expenditure note in the 2023-24 AFS has be revised to include the amounts.</td><td>ACFO</td><td>Remedial action number 2 concluded.</td></tr>
</table>

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date
		3 | PO 2966 | City of Choice | Momnate Wa Setso Promotions | R10 000,00 | Non-complaint 4 | PO 2966 | City of Choice | King Cargo Onsite (Pty) Ltd | R5 520,00 | Non-complaint 5 | PO 2966 | City of Choice | Etcreg | R48 860,00 | Not verified 6 | PO 2966 | City of Choice | Orange Orbit Productions | R55 487,50 | Not verified 7 | PO 2966 | City of Choice | Tailored Spaces Lux ZA (Pty) Ltd | R31 610,00 | Not verified **Impact** This results in non-compliance with MFMA, SCM regulations and additional irregular expenditure. **Internal control deficiency** Leadership The accounting officer did not exercise oversight responsibility regarding financial reporting, compliance, and related internal controls to ensure that irregular expenditure is prevented. **Recommendation** It is recommended that management designs and implement a compliance checklist to avoid recurring instances of non-compliance and that accounting officer should implement consequence management for officials who have contravened the laws and regulations resulting in the irregular expenditure.		ii. The finding has been escalated to National Treasury for guidance (response has been received which agrees with AGSA).		
4.	Quotations awarded to suppliers who are not in the supplier database & CSD	**Audit finding** During the audit of the supply chain management of TEDA for 2023/24 financial year, we noted that some quotations were obtained via city of choice agent from suppliers that neither registered in the prospective supplier's list or NT's central supplier database (CSD). SCM regulations 17 (1) (a) and (b) requires the quotations to be obtained from suppliers that are registered in the prospective supplier's list or NT's central supplier database. The following table below shows the examples of such suppliers.	**Management comment on recommendation:** Management agrees with the findings, which is supported by the advice received from National Treasury (Strategic Procurement Office) after the audit.	**Remedial action:** i. Irregular Expenditure note in the 2023-24 AFS has be revised to	ACFO	Remedial action awaiting feedback from the irregular expenditure investigati

<table>
<tr><th>Number</th><th>Finding</th><th>Detail finding description</th><th>Management response</th><th>Action plan</th><th>Responsible person</th><th>Due date</th></tr>
<tr>
<td></td>
<td></td>
<td>
<table>
<tr><th>No.</th><th>PO or reference</th><th>TEDA's agent</th><th>Supplier awarded a bid by the agent</th><th>Awarded amount</th><th>Supplier in CSD or SD</th></tr>
<tr><td>1</td><td>PO 2966</td><td>City of Choice</td><td>Ricovich</td><td>R7 850,00</td><td>Not in CSD or SD</td></tr>
<tr><td>2</td><td>PO 2966</td><td>City of Choice</td><td>Mookodi L S Enterprise</td><td>R20 000,00</td><td>Not in CSD or SD</td></tr>
<tr><td>3</td><td>PO 2966</td><td>City of Choice</td><td>Etcreg</td><td>R48 860,00</td><td>Not in CSD or SD</td></tr>
<tr><td>4</td><td>PO 2966</td><td>City of Choice</td><td>Orange Orbit Productions</td><td>R55 487,50</td><td>Not in CSD or SD</td></tr>
<tr><td>5</td><td>PO 2966</td><td>City of Choice</td><td>Tailored Spaces Lux ZA (Pty) Ltd</td><td>R31 610,00</td><td>Not in CSD or SD</td></tr>
</table>
<u>Impact</u>
This results in non-compliance with MFMA, SCM regulations and additional irregular expenditure.
<u>Internal control deficiency</u>
Leadership
The accounting officer did not exercise oversight responsibility regarding financial reporting, compliance, and related internal controls to ensure that irregular expenditure is prevented.
<u>Recommendation</u>
It is recommended that management designs and implement a compliance checklist to avoid recurring instances of non-compliance and that accounting officer should implement consequence management for officials who have contravened the laws and regulations resulting in the irregular expenditure.
</td>
<td></td>
<td>include the amounts.
ii. The finding has been escalated to National Treasury for guidance (response has been received which agrees with AGSA).</td>
<td></td>
<td>on process.</td>
</tr>
<tr>
<td>5.</td>
<td>Bids awarded without following competitive bidding process</td>
<td><u>Audit finding</u>
During the audit of the supply chain management of TEDA for 2023/24 financial year, we noted that there were awards made by TEDA via an agent to third parties, where a competitive bidding process was no followed. SCM regulations 19 (a), states that goods and services within the prescribed transaction value for</td>
<td><u>Management comment on recommendation:</u>
Management raises concerns with the finding and disagreed with the application of regulations 19 (a) as cited by AGSA.
The procurement process referenced does not pertain to subcontracting or appointing a</td>
<td><u>Remedial action:</u>
i. Irregular Expenditure note in the</td>
<td>ACFO</td>
<td>Remedial action number 2 is ongoing (awaiting feedback</td>
</tr>
</table>

<table>
<tr><th>Number</th><th>Finding</th><th>Detail finding description</th><th>Management response</th><th>Action plan</th><th>Responsible person</th><th>Due date</th></tr>
<tr>
<td></td>
<td></td>
<td>competitive bids or long-term contracts must be procured through a competitive bidding process.
The following table below show the examples of such awards.
<table>
<tr><th>No.</th><th>PO or reference</th><th>TEDA's agent</th><th>Supplier awarded a bid by the agent</th><th>Invoice number</th><th>Awarded amount</th></tr>
<tr><td>1</td><td>PO 2966</td><td>City of Choice</td><td>Expo Solutions (Pty) Ltd</td><td>INV21709</td><td>R246 960,20</td></tr>
<tr><td>2</td><td>PO 2966</td><td>City of Choice</td><td>Expo Solutions (Pty) Ltd</td><td>INV21710</td><td>R696 863,78</td></tr>
</table>
<u>Impact</u>
This results in non-compliance with MFMA, SCM regulations and additional irregular expenditure.
<u>Internal control deficiency</u>
Leadership
The accounting officer did not exercise oversight responsibility regarding financial reporting, compliance, and related internal controls to ensure that irregular expenditure is prevented.
<u>Recommendation</u>
It is recommended that management designs and implement a compliance checklist to avoid recurring instances of non-compliance and that accounting officer should implement consequence management for officials who have contravened the laws and regulations resulting in the irregular expenditure.</td>
<td>procurement agent but rather to the appointment of a Travel Management Company (TMC), offering various services such as Accommodation, Air travel, Vehicle rental, Payment procedures, Travel by Train, Events management, etc as specified in the Terms of Reference. It is critical to distinguish between these two approaches, outlined as follows:
<u>Subcontracting:</u>
1. TEDA contracts a third-party supplier for specific services (e.g., transportation, accommodation).
2. The supplier operates under TEDA's direct supervision.
3. TEDA retains control over the provision of services.
4. TEDA bears the responsibilities and liabilities of the services provided.
<u>City of Choice as a Travel Management Company (TMC) offers the following solutions to TEDA.</u>
1. Accommodation,
2. Air travel,
3. Vehicle rental,
4. Payment procedures,
5. Travel by Train,
6. Events management, etc
In this instance, TEDA appointed City of Choice as a service provider to assist with services as highlighted above, not as a subcontractor. Consequently, TEDA does not have authority or access to the TMC's third-party supplier database. The appointment was made under a valid contract, awarded through a competitive bidding process. During procurement, the tax compliance of the contracted TMC, City of Choice, was thoroughly</td>
<td>2023-24 AFS has be revised to include the amounts.
ii. The finding has been escalated to National Treasury for guidance (feedback was received which agrees with TEDA).</td>
<td></td>
<td>from AGSA).</td>
</tr>
</table>

<table>
<tr><th>Number</th><th>Finding</th><th>Detail finding description</th><th>Management response</th><th>Action plan</th><th>Responsible person</th><th>Due date</th></tr>
<tr><td></td><td></td><td></td><td>validated. The listed service providers in question are not contracted directly by TEDA but by the City of Choice in line with the listing of services in this case events management.
Additionally, Management has observed that AGSA has relied on case law to audit compliance. However, the audit strategy did not reference such case law as a compliance evaluation tool and management views the approach inconsistent with established auditing protocols. Nonetheless management contends that the interpretation of the judgement is not relevant to this matter as indicated above.
Management asserts that the procurement processes adhered strictly to the stipulated regulations and contractual obligations. To this end the finding has been escalated to National Treasury for guidance.
<u>Auditor's conclusion</u>
Auditors note management response and engagement with National Treasury, and the audit finding remains.</td><td></td><td></td><td></td></tr>
<tr><td>6.</td><td>Quotations awarded without requesting RFQs</td><td><u>Audit finding</u>
During the audit of the supply chain management of TEDA for 2023/24 financial year, we noted that there were quotation awards made by TEDA via an agent to third parties, where no three written price quotations were received. SCM regulations 17 (a) & 17(1) (c), states that goods and services within the prescribed transaction value for quotations be procured through at least three written price quotations.
The following table below show the examples of such awards.
<table>
<tr><th>No.</th><th>PO or reference</th><th>TEDA's agent</th><th>Supplier awarded a quotation by the agent</th><th>Invoice number</th><th>Awarded amount</th></tr>
<tr><td>1</td><td>Various</td><td>City of Choice</td><td>Aural Sense Entertainment & Publishing</td><td>1010</td><td>R45 000,00</td></tr>
</table></td><td><u>Management comment on recommendation:</u>
Management raises concerns with the finding and disagreed with the application of regulations 19 (a) as cited by AGSA.
The procurement process referenced does not pertain to subcontracting or appointing a procurement agent but rather to the appointment of a Travel Management Company (TMC), offering various services such as Accommodation, Air travel, Vehicle rental, Payment procedures, Travel by Train, Events management, etc as specified in the Terms of Reference. It is critical to distinguish</td><td><u>Remedial action:</u>
i. Irregular Expenditure note in the 2023-24 AFS has be revised to include the amounts.</td><td>ACFO</td><td>Remedial action number 2 is ongoing (awaiting feedback from AGSA).</td></tr>
</table>

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date

2	Various	City of Choice	Orange Orbit Productions	03138	R55 487,50
3	Various	City of Choice	Tailored Spaces Lux (Pty) Ltd	000086	R31 610,00
4	Various	City of Choice	Etcreg	0325	R48 860,00

Impact

This results in non-compliance with MFMA, SCM regulations and additional irregular expenditure.

Internal control deficiency

Leadership

The accounting officer did not exercise oversight responsibility regarding financial reporting, compliance, and related internal controls to ensure that irregular expenditure is prevented.

Recommendation

It is recommended that management designs and implement a compliance checklist to avoid recurring instances of non-compliance and that accounting officer should implement consequence management for officials who have contravened the laws and regulations resulting in the irregular expenditure.

between these two approaches, outlined as follows:

Subcontracting:

1. TEDA contracts a third-party supplier for specific services (e.g., transportation, accommodation).
2. The supplier operates under TEDA's direct supervision.
3. TEDA retains control over the provision of services.
4. TEDA bears the responsibilities and liabilities of the services provided.

City of Choice as a Travel Management Company (TMC) offers the following solutions to TEDA.

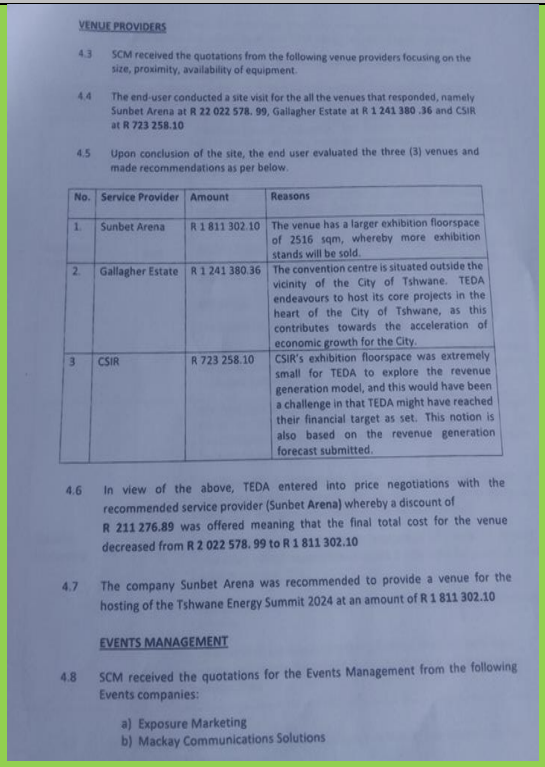
1. Accommodation,
2. Air travel,
3. Vehicle rental,
4. Payment procedures,
5. Travel by Train,
6. Events management, etc

In this instance, TEDA appointed City of Choice as a service provider to assist with services as highlighted above, not as a subcontractor. Consequently, TEDA does not have authority or access to the TMC's third-party supplier database. The appointment was made under a valid contract, awarded through a competitive bidding process. During procurement, the tax compliance of the contracted TMC, City of Choice, was thoroughly validated. The listed service providers in question are not contracted directly by TEDA but by the City of Choice in line with the listing of services in this case events management.

Additionally, Management has observed that AGSA has relied on case law to audit compliance.

ii. The finding has been escalated to National Treasury for guidance (feedback was received which agrees with TEDA).

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date
			However, the audit strategy did not reference such case law as a compliance evaluation tool and management views the approach inconsistent with established auditing protocols. Nonetheless management contends that the interpretation of the judgement is not relevant to this matter as indicated above. Management asserts that the procurement processes adhered strictly to the stipulated regulations and contractual obligations. To this end the finding has been escalated to National Treasury for guidance. **Auditor's conclusion** Auditors note management response, and the audit finding remains.			
7.	Bid evaluated based on functionality and other criteria that was not indicated in the original bid documentations or terms of reference	**Audit finding** During the audit of the supply chain management of TEDA for 2023/24 financial year, we noted that there were awards made by an agent to third parties on behalf of TEDA, and the evaluation criteria used cited functionality and other requirements that were not indicated or specified in the original bid documents or terms of reference. The evaluation was conducted as follows: Figure 1 – Extract from bid evaluation documents	**Management comment on recommendation:** Management did not concur with the findings during the audit for the following reasons: The Travel Management Company referenced was appointed through a competitive bidding process based on its own Terms of Reference, as outlined in Figure 2. Following their appointment, TEDA requested the Travel Management Company to assist with event and conference facilitations services as per the listing of services they are appointment for amongst others. The request had specific terms of reference (provided to the auditors) to guide the request in obtaining quotations for a venue, see extract below:	**Remedial action:** i. Irregular Expenditure note in the 2023-24 AFS has be revised to include the amounts. ii. The finding has been escalated to National Treasury	ACFO	Remedial action number 2 is ongoing (awaiting feedback from AGSA).

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date
				for guidance (feedback was received which agrees with TEDA).		

VENUE PROVIDERS

4.3 SCM received the quotations from the following venue providers focusing on the size, proximity, availability of equipment.

4.4 The end-user conducted a site visit for the all the venues that responded, namely Sunbet Arena at **R 22 022 578. 99**, Gallagher Estate at **R 1 241 380 .36** and CSIR at **R 723 258.10**

4.5 Upon conclusion of the site, the end user evaluated the three (3) venues and made recommendations as per below.

No.	Service Provider	Amount	Reasons
1.	Sunbet Arena	R 1 811 302.10	The venue has a larger exhibition floorspace of 2516 sqm, whereby more exhibition stands will be sold.
2.	Gallagher Estate	R 1 241 380.36	The convention centre is situated outside the vicinity of the City of Tshwane. TEDA endeavours to host its core projects in the heart of the City of Tshwane, as this contributes towards the acceleration of economic growth for the City.
3	CSIR	R 723 258.10	CSIR's exhibition floorspace was extremely small for TEDA to explore the revenue generation model, and this would have been a challenge in that TEDA might have reached their financial target as set. This notion is also based on the revenue generation forecast submitted.

4.6 In view of the above, TEDA entered into price negotiations with the recommended service provider (Sunbet Arena) whereby a discount of **R 211 276.89** was offered meaning that the final total cost for the venue decreased from **R 2 022 578. 99 to R 1 811 302.10**

4.7 The company Sunbet Arena was recommended to provide a venue for the hosting of the Tshwane Energy Summit 2024 at an amount of **R 1 811 302.10**

EVENTS MANAGEMENT

4.8 SCM received the quotations for the Events Management from the following Events companies:

a) Exposure Marketing
b) Mackay Communications Solutions

On the evaluation, it is noted that other bidders were disqualified on the basis of floor space size and location that were not indicated as evaluation criteria in the original bid documents or terms of reference extracted below. No points were allocated for a floor space or location as per evaluation criteria in order to benchmark each supplier per the stipulated requirements and accumulate functionality points to meet the minimum functionality requirements set.

The additional requirements used in the evaluation were not specified in the original bid documents and therefore, other suppliers were unfairly disqualified.

Figure 2 – Extract of evaluation criteria set out as per original bid documents or terms of reference.

1 Venue Specification

TEDA requires a venue which can accommodate the following activities betwe
20th – 23rd May 2023:

1.1 Exhibition venue with a capacity of 2400sqm or above within the
Tshwane vicinity or proximity (SunBet Arena, Gallagher Convention
and other venues).

1.2 Conference Venue which can accommodate 200 pax

1.3 Cocktail or Gala Dinner Venue for 300 pax.

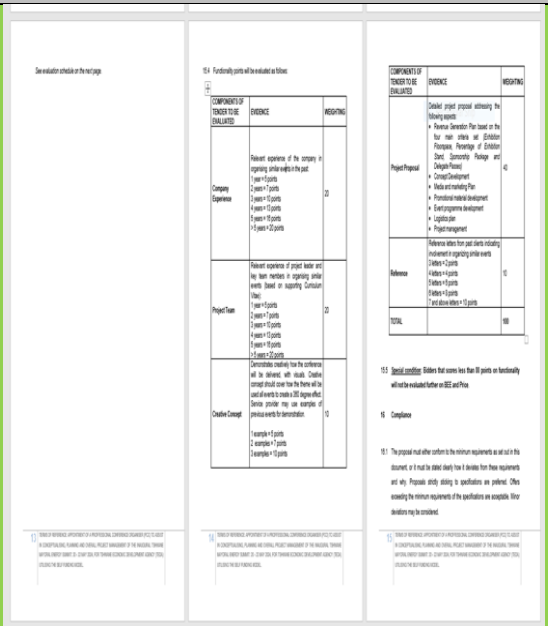
The evaluation and selection criteria detailed in Figure 1 pertain solely to the venue selection process which is detailed in the documents provided to the auditors.

It is important for the auditors to distinguish between the TORs for the appointment of City of Choice and TORs for ancillary requests post their appointment case in point venue specification provided by TEDA to City of Choice.

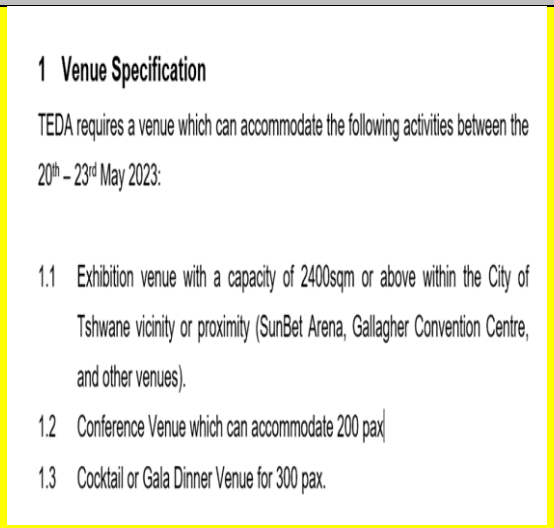
Additionally, Management has observed that AGSA has relied on case law to audit compliance. However, the audit strategy did not reference such case law as a compliance evaluation tool and management views the approach inconsistent with established auditing protocols. Nonetheless management contends that the interpretation of the judgement is not relevant to this matter as indicated above.

Management asserts that the procurement processes adhered strictly to the stipulated regulations and contractual obligations. To this end the finding has been escalated to National Treasury for guidance.

Auditor's conclusion

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date
		 SCM regulation 28(1) (a) (i), Bid evaluation committee must evaluate bids in accordance with the specifications for a specific procurement. PPR (5**) Tenders to be evaluated on functionality.** — (1) An organ of state must indicate in the invitation to submit a tender if that tender will be evaluated on functionality. (2) The evaluation criteria for measuring functionality must be objective. (3) The tender documents must specify- (a) the evaluation criteria for measuring functionality. (b) the points for each criterion and if any, each sub-criterion; and (c) the minimum qualifying score for functionality **must** be clearly specified in the invitation to submit a tender **PPPFA: Preferential Procurement Regulations (1) Definitions: -** defines functionality as follows:	Auditors note management response and engagement with National Treasury, and the audit finding remains.			

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date
		"Functionality" means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents. **Impact** This results in non-compliance with MFMA, SCM regulations and additional irregular expenditure. **Internal control deficiency** Leadership The accounting officer did not exercise oversight responsibility regarding financial reporting, compliance, and related internal controls to ensure that irregular expenditure is prevented. **Recommendation** It is recommended that management designs and implement a compliance checklist to avoid recurring instances of non-compliance and that accounting officer should implement consequence management for officials who have contravened the laws and regulations resulting in the irregular expenditure.				
8.	Bid specifications drafted in a manner clearly restrictive to favour the winning provider	**Audit finding** During the audit of the supply chain management of TEDA for 2023/24 financial year, we noted that there were awards made by an agent to third parties on behalf of TEDA, where the specifications or terms of references were drafted in a biased manner which did not allow all potential providers to offer their goods and services and was clearly restrictive to favour the winning provider (SunBet Arena). Moreover, the specifications were not based on relevant characteristics and/ or performance requirements or the requirements themselves were not realistic, because the size of Exhibition venue with a capacity of 2400sqm or above was set as a requirement without taking into account the information of exhibitors who already confirmed to participate at the Tshwane Energy Summit (TES) exhibitions by the time the specifications were being drafted. The actual exhibition capacity used at TES was only 342sqm which was far below from the 2400sqm that was set as a requirement of specifications. Some prospective suppliers which had exhibition venues of 342sqm capacities were disadvantaged by the specifications set by TEDA. Lastly, the specifications made reference to particular brand names such as SunBet Arena (winning provider) and Gallagher Convention Centre. The extract of those brand names as per the specifications is included below. Figure 1 – Extract from terms of reference documents/specifications	**Management comment on recommendation:** Management agrees with the finding. **Auditor's conclusion** Auditors note management response and engagement with National Treasury, and the audit finding remains.	**Remedial action:** i. Irregular Expenditure note in the 2023-24 AFS has be revised to include the amounts. ii. Management will review the bid specifications documents and ensure that they	ACFO	Remedial action number 2 is ongoing.

Number	Finding	Detail finding description	Management response	Action plan	Responsible person	Due date
		 1 Venue Specification TEDA requires a venue which can accommodate the following activities between the 20th – 23rd May 2023: 1.1 Exhibition venue with a capacity of 2400sqm or above within the City of Tshwane vicinity or proximity (SunBet Arena, Gallagher Convention Centre, and other venues). 1.2 Conference Venue which can accommodate 200 pax 1.3 Cocktail or Gala Dinner Venue for 300 pax. SCM regulation 27(2) (a) and (e), requires specifications be drafted in an unbiased manner which allow all potential providers to offer their goods and services and not clearly restrictive to favour the winning provider. Specifications should be based on relevant characteristics and/ or performance requirements. The specifications should not make any reference to any particular brand name, catalogue number or similar classification. **Impact** This results in non-compliance with MFMA, SCM regulations and additional irregular expenditure. **Internal control deficiency** Leadership The accounting officer did not exercise oversight responsibility regarding financial reporting, compliance, and related internal controls to ensure that irregular expenditure is prevented. **Recommendation** It is recommended that management designs and implement a compliance checklist to avoid recurring instances of non-compliance and that accounting officer should implement consequence management for officials who have contravened the laws and regulations resulting in the irregular expenditure.		are fair for each appointment where applicable.		

10. CONCLUSION AND RECOMMENDATION

The third-quarter report has been completed based on the approved adjusted business plan. It highlights an overall improvement in organizational performance, largely due to the institutional arrangements established with the City of Tshwane. The realistic performance targets outlined in the approved adjusted business plan have facilitated a strong focus on planning activities for projects that TEDA intends to undertake.

11. ANNEXURE A: STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 31 MARCH 2025

TSHWANE ECONOMIC DEVELOPMENT AGENCY - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	Ref	2023/24	Current Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue	1									
Exchange Revenue								–		
Interest		1,180	895	1,245	92	988	933,947	54	5.7%	1,245
Operational Revenue		1,741	5,282	2,000	33	182	1,500,000	(1,318)	-87.9%	2,000
Non-Exchange Revenue										
Transfer and subsidies - Operational		62,282	70,334	80,334	17,583	52,750	60,250,362	(7,500)	-12.4%	80,334
Interest		89						–		
Total Revenue (excluding capital transfers and contributions)		**65,292**	**76,511**	**83,579**	**17,709**	**53,920**	**62,684**	**(8,765)**	**-14.0%**	**83,579**
Expenditure By Type										
Employee related costs		39,057	50,345	47,899	1,594	31,714	35,924,044	(4,210)	-11.7%	47,899
Remuneration of board members		2,700	3,125	3,125	67	2,286	2,343,673	(58)	-2.5%	3,125
Bulk purchases - electricity		–		–	–	–	-	–		–
Inventory consumed		–	36	36	–	4	27,374	(24)	-86.1%	36
Debt impairment		–		–	–	–	-	–		–
Depreciation and asset impairment	2	1,019	980	1,180	430	1,096	885,158	210	23.8%	1,180
Interest		88	183	183	(0)	30	137,291	(108)	-78.5%	183
Contracted services		10,032	12,702	22,016	217	1,535	16,512,106	(14,978)	-90.7%	22,016
Transfers and subsidies		–		–	–	–	-	–		–
Irrecoverable debts written off		–		–	–	–	-	–		–
Operational costs		9,122	9,090	9,090	372	6,129	6,817,338	(688)	-10.1%	9,090
Losses on disposal of Assets		39	50	50	–	–		–		50
Other Losses		–		–	–	–		–		–
Total Expenditure	3	**62,056**	**76,511**	**83,579**	**2,680**	**42,792**	**62,647**	**(19,855)**	**-31.7%**	**83,579**
Surplus/(Deficit)		**3,236**	**(0)**	**(0)**	**15,029**	**11,127**	**37**	**11,090**	**29712.0%**	**(0)**
Transfers and subsidies - capital (monetary allocations)								–		
Transfers and subsidies - capital (in-kind)								–		
Surplus/(Deficit) before taxation		3,236	(0)	(0)	15,029	11,127	37	**11,090**	**29712.0%**	(0)
Income Tax		1,888	544	544	–	544		544	#DIV/0!	544
Surplus/(Deficit) for the year		**1,348**	**(544)**	**(544)**	**15,029**	**10,583**	**37**	**10,546**		**(544)**
References										
1. Revenue includes sales of: (insert description)										
2. Bulk purchases - electricity										
2. Bulk purchases - water										
3. Expenditure includes repairs & maintenance of:										

'All committee members and other authorised persons reading this report are reminded that they are doing so in an official capacity and are requested to respect the confidentiality thereof.'

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

TSHWANE ECONOMIC DEVELOPMENT AGENCY - Table F4 Monthly Budget Statement - Financial Position - M09 March

Vote Description	Ref	2023/24	Current Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands						
ASSETS						
Current assets						
Cash and cash equivalents		16,818	5,011	5,011	13,008	5,011
Trade and other receivables from exchange transactions		1,852		–		–
VAT		2,216	213	213	169	213
Other current assets		1,046	224	224		224
Total current assets		**21,932**	**5,448**	**5,448**	**13,178**	**5,448**
Non current assets						
Property, plant and equipment		2,119	5,291	5,291	2,459	5,291
Intangible assets		4	6	6	3	6
Other non-current assets			327	327		327
Total non current assets		**2,122**	**5,624**	**5,624**	**2,462**	**5,624**
TOTAL ASSETS		**24,054**	**11,072**	**11,072**	**15,640**	**11,072**
LIABILITIES						
Current liabilities						
Trade and other payables from exchange transactions		4,377	1,824	1,824	9	1,824
Provision			2,370	2,370	1,651	2,370
VAT						
Other current liabilities		633				
Total current liabilities		**5,010**	**4,193**	**4,193**	**1,660**	**4,193**
Non current liabilities						
Other non-current liabilities		503	1,138	1,138		1,138
Total non current liabilities		**503**	**1,138**	**1,138**	**–**	**1,138**
TOTAL LIABILITIES		**5,513**	**5,331**	**5,331**	**1,660**	**5,331**
NET ASSETS	1	**18,541**	**5,741**	**5,741**	**13,980**	**5,741**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		18,540	5,740	5,740	13,979	5,740
Reserves		1	1	1	1	1
TOTAL COMMUNITY WEALTH/EQUITY	1	**18,541**	**5,741**	**5,741**	**13,980**	**5,741**

References

1. Net assets must balance with Total Community Wealth/Equity

'All committee members and other authorised persons reading this report are reminded that they are doing so in an official capacity and are requested to respect the confidentiality thereof.'

CASHFLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2025

TSHWANE ECONOMIC DEVELOPMENT AGENCY - Table F5 Monthly Budget Statement - Cash Flows - M09 March

Description	Ref	2023/24	Current Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–			–	–		–		
Service charges		–			–	–		–		
Other revenue		734	687	687	33	2,531	515,064	2,016	391.4%	687
Transfers and Subsidies - Operational		75,282	70,334	80,334	–	35,167	60,250,362	(25,083)	-41.6%	80,334
Transfers and Subsidies - Capital		–		–	–	–	-	–		–
Interest		1,126	762	762	92	988	571,769	416	72.7%	762
Dividends		–			–	–		–		
Payments										
Suppliers and employees		(67,375)	(71,854)	(81,854)	(3,883)	(45,939)	-61,390,408	15,451	-25.2%	(81,854)
Interest		(85)	(190)	(190)	(0)	(30)	-142,276	112	-79.1%	(190)
Dividends paid		–		–	–			–		–
Transfers and Subsidies		–		–	–			–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**9,682**	**(261)**	**(261)**	**(3,758)**	**(7,284)**	**(195)**	(7,088)	**3625.8%**	**(261)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		(131)	(452)	(802)	–	(716)	-601,337	(115)	19.1%	(802)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(131)**	**(452)**	**(802)**	**–**	**(716)**	**(601)**	(115)	**19.1%**	**(802)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits								–		
Payments										
Repayment of borrowing		(870)						–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(870)**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**8,681**	**(712)**	**(1,062)**	**(3,758)**	**(8,000)**	**(797)**	**(7,203)**	**903.9%**	**(1,062)**
Cash/cash equivalents at the beginnig of year	2	8,137	4,727	6,073	–	73,825	6,073	67,752	1115.5%	73,825
Cash/cash equivalents at the end of year	**2**	**16,818**	**4,015**	**5,011**	**(3,758)**	**65,825**	**5,277**	**60,549**	**1147.5%**	**72,763**

12. ANNEXURE B: RISK REGISTER

NO	STRATEGIC PRIORITY	RISK NAME / ISSUE	ROOT CAUSES	CURRENT CONTROLS	MANAGEMENT ACTION PLANS	ACTION DATE
	SO1: To build TEDA as a more efficient and effective entity for the City of Tshwane.	Inability to build TEDA as a more efficient and effective entity for the City of Tshwane.	1.1. Inadequate financial resources. 1.2. Complete dependency on the grant from CoT	1. Financial sustainability model. 2. Operational Grant from CoT.	1. Review the financial sustainability implementation plan 2. Report on the progress of the deliverables	1. 30 June 2025 2. Quarterly
			2. Inadequate human resource capacity	1. Temporary human resource allocation 2. Training and development	1. Review of the organisational structure 2. Approval by the Board of the organisation structure 3. Filling of key identified positions	1. 30 September 2024 2. 30 June 2025 3. Quarterly
			3. Litigations (internal, SCM, service provider)	1. Implemented approved policies and legislation to avoid possible litigations. 2. Organisational contingency liabilities and litigation register. 3. Contract Management. 4. Fraud and Ethics training and awareness (Unethical behaviour). 5. Appointed legal services provider	1. Awareness of fraud and ethics 2. Awareness of fraud/conflict of interests' information bites. 3. Perform SCM contract management appraisals. 4. Legal vetting of SLAs with suppliers before approval 5. Maintain current controls	1. Annual. 2. Quarterly. 3. Monthly 4. Ad hoc (Based on new contracts)
			4. Business disruptions	1. Approved business continuity plan	1. Continuous update and awareness of the BCP. 2. User awareness training/communication (tips) on cyber security.	1. Quarterly 2. Quarterly
			5. Inadequate ICT tools of trade.	1. ICT hardware quarterly assessment	1. Develop an ICT hardware replacement plan. 2. Implement an ICT hardware replacement plan 3. Progress report on the ICT hardware implementation plan	1. 30 September 2024 2. Quarterly 3. Quarterly
			6. Non-compliance with applicable legislation and policies of TEDA.	1. Policy registers 4. Quarterly Compliance schedule monitoring report. 5. Workshop on policies and procedures.	1. Review of the compliance schedule monitoring report. 2. Maintain current controls	1. 30 December 2024 2. Quarterly
2.	SO2: To identify, conceptualise and package catalytic projects for investment attraction for the City of Tshwane.	Inability to conceptualise and package strategic projects/city assets for investment attraction	1. Inadequate human (Technical expertise) and financial capacity to conceptualise and package investment projects.	1. Financial sustainability model. 2. Mayco resolutions (additional TEDA mandate)	1. Develop the financial sustainability implementation plan 2. Recruit and fill the required technical human capital	1. 30 June 2025 2. 30 June 2025
			2. Ineffective management changes and lack of city stakeholder support (assigned assets).		1. Management agency agreement between TEDA and the city (assigned assets).	1. 30 June 2025
			3. Inadequate capacity in SCM.		1. Capacitate SCM unit	1. 30 June 2025
			4. Ineffective SCM contract management		1. Perform contract management appraisals. 2. Legal vetting of SLAs with suppliers before approval	1. Quarterly. 2. Ad hoc (depends on new contracts)

NO	STRATEGIC PRIORITY	RISK NAME / ISSUE	ROOT CAUSES	CURRENT CONTROLS	MANAGEMENT ACTION PLANS	ACTION DATE
			5. No power of attorney over land/assets assigned to TEDA (also delegations).		1. Draft and share the required power of attorney and delegations with the city.	1. 30 June 2025

HOUSING COMPANY TSHWANE
affordable housing solutions

CITY OF TSHWANE
IGNITING EXCELLENCE

HCT Q3 PERFORMANCE REPORT

2024-2025 FINANCIAL YEAR

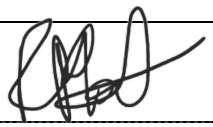
SIGN-OFF	
ACTING CHIEF EXECUTIVE OFFICER: Ms M. Makwela	
DATE:	05 April 2025

TABLE OF CONTENT

1. EXECUTIVE SUMMARY

Housing Company Tshwane's (HCT) performed acceptably well against its pre-determined objectives for Quarter 3 of the (2024/25) financial year. The Shareholder appointed one additional Board Member as of the 1st of July 2024, Mr Mandla Sithole and retired one Member as of the 1st July 2024, Mr Themba Dlamini. Mrs Portia Tau-Sekati has been appointed as the Board Chairperson for the 2024/2025 financial period. The Entity's conditional accreditation status from SHRA expired in May 2024 and the Entity is awaiting for the assessment report from the Regulator.

Property Development:

The HCT has received a transfer of four well-located Council land. These projects were designed and packaged to deliver approximately **3171 units.** Due to various challenges, the Entity only commenced with construction of 2 projects, namely, Townlands with **1200 units** and Phase 1 of Chantelle with **600 units**. These projects are aligned to the strategic objectives identified to ensure the growth of the Entity by increasing the number of rental units and thus contributing to revenue of the Entity.

1.1 Chantelle: Work package 3 – Phase 1 (600 Units)

The key performance indicator for Quarter 3 of 2024/2025 is 0 units. The contractor was terminated on the 15th May 2024 due to poor performance and breach of contract. Following the termination, the contractor vacated the site, and HCT deployed security personnel to safeguard the premises.

A demand letter requesting payment in accordance with the Guarantee Agreement was issued to the Guarantor on May 30, 2024. Additionally, following the completion of the final account, a subsequent demand letter reflecting its outcome was sent to the Guarantor on November 12, 2024. Both letters were disregarded by the Guarantor.

Legal assistance was sought to address the matter, and after multiple consultations with the attorneys, MMMG Attorneys issued a formal demand letter. This letter was served to the Guarantor by the Sheriff on March 28, 2025. The Guarantor has 14 days from the date of the letter to make payment, failing which legal proceedings will be initiated. All costs associated with such proceedings, including legal fees, will be borne by the Guarantor.

The process to appoint a new contractor will commence once funding application process is completed. The funding application has been submitted to the Social Housing Regulatory Authority (SHRA) and is currently under review.

1.2 Timberlands- 609 Units

Following the court judgment in favour of Vharanani regarding the termination of the contract due to HCT's failure to grant possession of the site, the settlement payment agreement has now been finalized and all outstanding amounts settled according to the agreement.

The Principal Agent, Metroprojects, was terminated on 4 November 2024 due to recurring audit findings deeming the contract irregular, as the contract period exceeded five years, contrary to MFMA policies. There is currently no budget for this project in the current financial year.

1.4 Townlands – 1200 units

This project has achieved practical completion for both phases and is currently at close-out stage. De-snagging activities are ongoing.

Occupation certificate was successfully achieved on the 18 March 2025 and subsequently submitted to the SHRA. A claim was submitted to SHRA for the remaining drawdown.

Property Management

The Q3 reporting for the 2024/25 financial year is based on **2096 of the 2107** units. The difference of 11 units is due to the use of the 11 units as Caretakers' units and/ or offices in various buildings.

The Property Management Unit is measured against 7 KPIs, and 7 have been achieved, translating to an achievement of **100%**. The repairs and maintenance requests resolved within turnaround around is achieved at **90%** against a target of 90%**.** The occupancy rate for Eloff and SSEs is achieved at **98%** against a target of **95%**, for transferred GP stock, the target is achieved at **87%** against 70%, and lastly, **79%** for Townlands Phase 2 against the target of **65%**. The Townlands Phase 1 target was achieved at 74**%** against the **62%** target. The stakeholder engagement is achieved at **87%** against the 75% target for Quarter 3 of the 2024/2025 financial year.

Financial Performance

The Entity closed with surplus of R18, 8 million. The following variances between budget and actual year-to-date were due to the following significant areas:

Total Revenue:

1. The total revenue including operating grant and other income was R114 million against the budget of R132 million due to additional operational revenue received from the City of Tshwane to honour court order claim for profit & loss by the contractor for Timberlands as a result of the Entity's failure to hand over site timeously.

Total Expenditure:

2. The employee related costs were underspent by R2,5 million due to delay in filling vacant positions. The Entity has advertised the position of the Chief Financial Officer, the selection and appointment process will be concluded in Quarter 4 of the 2024/25 financial year. The process of advertising for other vacant positions is underway and is expected to be filled by the end of Quarter 4 of the 2024/25 financial year.

3. The Remuneration of Directors was underspent by R92,558 due to effectiveness of Board and Committee meetings and the current vacancies on the Board.
4. Contracted service was overspent by R8,4 million due more expenditure on legal fees and security costs.
5. Other expenditure was underspent by R2,8 million due to delay in finalising Townlands and Group Property rates and taxes account with the City of Tshwane.
6. Other materials budget was underspent by R293,349 due to plumbing, tilling, electrical, painting and carpentry material bought in bulk during the previous financial year (2023/2024). The initiative assisted the Entity with the implementation of maintenance plan on buildings under management.
7. Debt impairment was underspent by R797,944 due to improved rent collection of tenants from Group Property Stock transferred to the Entity. The entity implemented stop orders for City employees residing in those properties and these credit control measures have resulted in positive results.
8. Depreciation underspent by R6,7 million due to the review of useful life of assets and revaluation conducted for the entire class of assets.

Overall Performance

The Entity's quarterly performance represents **76% in Quarter 3.** The Entity applied a proactive approach on the repairs and maintenance of building despite the limited budget and work executed on buildings owned and managed by the Entity to ensure OHS Compliance. Management is determined to ensure a sustained and improved performance going forward.

During the quarter, the revenue and expenditure of the Entity improved due to enhanced procurement planning and revenue collection mechanisms. The **rental collection on average** inclusive of Clarina was **84**% in **Quarter 3**.

2. PERFORMANCE AGAINST THE ENTITY'S DEPARTMENTAL BUSINESS PLAN

In terms of the Social Housing Act, 2008 (Act 16 of 2008), the City of Tshwane Metropolitan Municipality (CoT), does not qualify to implement social housing. However, the City creates the milieu and facilitates the environment for the delivery of social housing units. Within that, the social housing grants can thus only be accessed by accredited social housing institutions. Social housing institutions must adhere to the general principles laid down in the Housing Act, 1997 (Act 107 of 1997). Moreover, the entity must comply with Part 1 Section 2 and further subsequent legislation such as the Housing Rental Act, 1999 (Act 60 of 1999). In addition, the act must be read in conjunction with the White Paper on Housing (1994), the Urban Development Framework (1997) and with the National Housing Code.

The HCT targets are in line with the City's Strategic Pillars, specifically:

A City that facilitates economic growth through its contribution to spending at least 40% of its expenditure on SMME's and BBBEE qualifying service providers and contractors.

- A City that cares for residents and promotes inclusivity through the execution of its mandate, by the provision of affordable rentals in and around the City through its current rental stock and with its ongoing Greenfield projects.

- A City that delivers excellent services and protects the environment, through the maintenance and refurbishment of property under its management and building a good relationship with tenants.

- A City that is open, honest and responsive through ensuring that critical positions are filled to deliver on its mandate and further managing and monitoring its strategic and operational risks.

- The CFO will drive the strategic financial management of the Entity and ensure that the Entity's financial ratios exceed the norm and a working capital strategy is developed and implemented. The collection rate at Clarina remains a challenge as the collections ratio remains low. The Human Settlements Department is currently in a litigation process for the Schubart Park tenants.

2.1 SUMMARY OF PROGRESS AGAINST ENTITY'S BUSINESS PLAN TARGETS

Table 1: Summary of performance against the Business Plan

Total No of targets for the financial Year	Number of targets for the quarter	No of targets not achieved for the quarter	No of targets achieved for the quarter	No of targets not achieved year to date	No of targets achieved year to date
23	21	5	16	5	16

Table 2: Business Plan Targets

THE SCORECARD: Entity's Scorecard										
Division	**Focus Area**	**Key Performance Indicator**	**2024/25 Target**	**Baseline**	**Project Name**	**Budget (R)**	**Quarter 3 Target**	**Quarter 3 Actual**	**Comments Work done / Reasons for non-performance**	**Mitigation plan**
Property Development	Strengthen and rebuild an effective and realistic social housing plan for the City of Tshwane	Number of new social housing units constructed to shell units – Chantelle	106 shell units	50 shell units	Chantelle	R78,483,096	0 Units	0 units	**No target for the quarter**	SHRA application has been submitted and awaiting approval
		Townlands 1200 – Final completion	Final completion	0	Townlands	R18,000,000	0 Final completion	0 Final completion	**No target for the quarter**	SHRA fund drawdown has been submitted.
Property Management	Deliver good property and tenant management services and facilitating and supporting community development initiatives	Occupancy rate as a percentage of housing units under management	95%	95%	Self-sufficient elderly (SSEs), Eloff and Clarina	R9,207,958 (rental revenue)	95%	98%	**Achieved**	N/A
		Occupancy rate as a percentage of housing units under management	70%	70%	Group Property Stock – Portfolio	R7,343,398 (rental revenue)	70%	87%	**Achieved**	N/A
		Occupancy rate as a percentage of housing units under management	62%	75%	Townlands phase 1	R8,264,738 (rental revenue)	62%	74%	**Achieved**	N/A
		Occupancy rate as a percentage of housing units under management	70%	New KPI	Townlands phase 2	R7,102,571 (rental revenue)	65%	79%	**Achieved**	N/A
		% of repairs and maintenance budget spent at all buildings under management.	90% of annual budget	90% of annual budget	All units under management including the transferred rental stock	R1,018,509	30%	36%	**Achieved**	N/A
		Percentage of maintenance requests resolved within the turnaround time in accordance with the HCT Property Management Policy	90%	90%	All stock under property management, including the transferred rental stock	R1,418,216 (employee costs)	90%	90%	**Achieved**	N/A

THE SCORECARD Entity's Scorecard										
Division	**Focus Area**	**Key Performance Indicator**	**2024/25 Target**	**Baseline**	**Project Name**	**Budget (R)**	**Quarter 3 Target**	**Quarter 3 Actual**	**Comments Work done / Reasons for non-performance**	**Mitigation plan**
Stakeholder Management		Percentage of complaints resolved within the stipulated time frames as per the Tenant Management Policy	% of complaints resolved	75%	All stock under property management including the transferred rental stock	R1,390,955 (employee costs)	75%	87%	**Achieved**	N/A
Finance & SCM	Revitalize Urban growth/dismantling poverty and inequality.	Percentage of goods and services procured from BBBEE-compliant entities and SMMEs	40% of total expenditure	40%	Goods and services	R 87,170,595	37%	75,25%	**Achieved** Capex spending on active greenfield projects contributed 31%.	N/A
	Enhance our financial sustainability	Percentage of capital budget spent	95% of capital budget spent	95%	Budget management	R 40,804,400	70%	47,53%	**Not Achieved** Chantelle terminated contract contributed significantly to non-achievement on the capital budget expenditure	The appointment of a new contractor is planned for Quarter 4 of 2024/25
		Percentage of operational budget spent	95% of operational budget spent	96%	Budget management	R 125,798,278	70%	95,08%	**Achieved**	N/A
		Rental revenue collected as a percentage of amount billed	95%	95%	Eloff	R3,884,923	95%	104,63%	**Achieved** Effective credit control	N/A
		Rental revenue collected as a percentage of amount billed	95%	95%	Townlands	R22,725,039	95%	99.68%	**Achieved** Effective credit control	N/A
		Rental revenue collected as a percentage of amount billed	96%	96%	Silwerkroon, Oos-Moot (Villieria), Capital Park, BeterWag, Claremont 50, Danville S and D, Danville Flats, Noordepark and Hercules	R5,379,068	96%	99.59%	**Achieved** Effective credit control	N/A

THE SCORECARD Entity's Scorecard										
Division	**Focus Area**	**Key Performance Indicator**	**2024/25 Target**	**Baseline**	**Project Name**	**Budget (R)**	**Quarter 3 Target**	**Quarter 3 Actuals**	**Comments Work done / Reasons for non-performance**	**Mitigation plan**
Finance & SCM	**Enhance our financial sustainability**	Rental revenue collected as a percentage of amount billed	33%	20%	Group Property Stock	R3,147,171	33%	33.28%	**Achieved** Effective credit control	N/A
		Liquidity ratio achieved in line with National Treasury norms	2:1	2:1	Working capital management	R2,087,717	2:1	0,55:1	**Not achieved** The entity is experiencing financial constraints to meet its commitments	Continuous monitoring of cash flow to ensure commitments are honored
		Solvency ratio achieved in line with National Treasury norms	1:1	1:1	Gearing management	R1,675,393	1:1	17,31:1	**Achieved** The total assets exceed total liabilities significantly due increase on PPE (Townlands and Group Property Stock)	N/A
		Percentage implementation of approved Audit Action Plan	100% implementation of corrective actions against audit findings	100% implementation of corrective actions against audit findings		R1,569,978	25% implementation of corrective actions against audit findings	42% implementation of corrective actions against audit findings.	**Achieved** From the 38 outstanding findings in Q2, 16 audit findings were resolved in Q3 which represents 42%.	Bi-monthly meetings are held to resolved findings timeously.
		Percentage of valid invoices paid within 30 days of invoice receipt	100% of valid invoices paid within 30 days of invoice receipt	100% of valid invoices paid within 30 days of invoice receipt		R1,339,058 (employee costs)	100% of valid invoices paid within 30 days of invoice receipt	59% of valid invoices paid within 30 days of invoice receipt	**Not achieved** The entity is experiencing cash flow changes to honor commitments	Continuous monitoring of cash flow to ensure commitments are honored

THE SCORECARD Entity's Scorecard										
Division	**Focus Area**	**Key Performance Indicator**	**2024/25 Target**	**Baseline**	**Project Name**	**Budget (R)**	**Quarter 3 Target**	**Quarter 3 Actuals**	**Comments Work done / Reasons for non-performance**	**Mitigation plan**
Governance	Promote effective and efficient management of HCT and Social Housing portfolio	Number of reviewed and approved policies	15 policies to be reviewed or developed	8	Policy review and approval	R1,498,316 (employee costs)	1	0	**Not Achieved** The target of 1 approved policy was not achieved. In Q1,13 policies were approved from the target of 12 policies, making an over achievement for the entire financial year. The Adjusted Business Plan added 3 policies to increase the annual target to 15 policies. The Occupational Health and Safety Policy was tabled during Q2 reporting and received inputs from the RemSec Committee.	The Occupational Health and Safety Policy will be tabled in again during the Q3.
Stakeholder and Communication	Create a client- to-brand experience orientation to build relationships with key stakeholders	Percentage implementation of stakeholder engagement plan and communication activities	70% implementation of stakeholder engagement plan and communication activities	30% implementation of stakeholder engagement and communication plan	Marketing and communication	R 531,038 (employee costs)	25%	25%	**Achieved** Social media: 100%, updated daily. • Twitter • Facebook • LinkedIn • WhatsApp • TikTok Website live, updated as and when. e.g., CFO vacant position advertised. SCM RFQs: 19 Oct -HCT Community Development -Games Day, hosted at Townlands on the 29th March 2025. HCT SSEs Garden Competition, prizes awarded at ceremonies held in respective SSEs on the 31st March 2025. HAYANI (HCT newsletter), Published to Residents & staff on the 31st MARCH 2025	

THE SCORECARD Entity's scorecard										
Division	**Focus Area**	**Key Performance Indicator**	**2024/25 Target**	**Baseline**	**Project Name**	**Budget (R)**	**Quarter 3 Target**	**Quarter 3 Actuals**	**Comments Work done / Reasons for non-performance**	**Mitigation plan**
Human Resources	Redesign, reposition, restructure and resource the organisation, ensuring that there is competent and solid capacity to manage and execute financial and operational requirements for a sustainable HCT	Percentage of implementation of HR Strategy activities	20% implementation of HR Strategy activities	57% implementation of HR Strategy activities	Human Resources	R542,941	10%	0%	**Not achieved** Management in the process of revising the current HR implementation strategy to align with the revised mandate as per the signed SDA.	HR implementation strategy to be finalized in May 2025

3. PERFORMANCE AGAINST THE CORPORATE SDBIP

3.1 PERFORMANCE AGAINST THE SDBIP TARGETS

Not Applicable to the Entity.

Table 3: Summary of performance against the SDBIP targets

Total No of targets for the financial Year	No of targets for the quarter	No of targets not achieved for the quarter	No of targets achieved for the quarter	No of targets not achieved year to date	No or targets achieved year to date
N/A	N/A	N/A	N/A	N/A	N/A

3.2 SUMMARY OF PROGRESS ON PROJECTS

The Entity had 4 Capital projects within its 2024/2025 Business plan. These were:

1. Chantelle x39 (1098 units);
2. Townlands (1200 units);
3. Sunnyside Erf 708 and 709 (264 units); and
4. Timberlands (609 units).

3.2.1 Chantelle: Work package 3 – Phase 1 (600 Units)

The key performance indicator for Quarter 3 of 2024/2025 is 0 units. The contractor was terminated on the 15th May 2024 due to poor performance and breach of contract. Following the termination, the contractor vacated the site, and HCT deployed security personnel to safeguard the premises.

A demand letter requesting payment in accordance with the Guarantee Agreement was issued to the Guarantor on May 30, 2024. Additionally, following the completion of the final account, a subsequent demand letter reflecting its outcome was sent to the Guarantor on November 12, 2024. Both letters were disregarded by the Guarantor.
Legal assistance was sought to address the matter, and after multiple consultations with the attorneys, MMMG Attorneys issued a formal demand letter. This letter was served to the Guarantor by the Sheriff on March 28, 2025. The Guarantor has 14 days from the date of the letter to make payment, failing which legal proceedings will be initiated. All costs associated with such proceedings, including legal fees, will be borne by the Guarantor.

The process to appoint a new contractor will commence once funding application process is completed. The funding application has been submitted to the Social Housing Regulatory Authority (SHRA) and is currently under review.

Town Planning: Opening of Township Register - Conveyancer Received Deeds Office Notes on 4th December 2024 and Conveyancer is now attending to the Comments.

The next milestones are as follows:

1. Proclamation of the Township: Awaiting registration of township register;
2. Rezoning: Awaiting proclamation of the Township.

3.2.2 Sunnyside – 264 units

This project has been put on hold due to financial constraints and final approval from the SHRA before construction can commence. There have been subsequent discussions with the City relating to obtaining additional adjacent land parcels that will potential increase the number of units on the site. A report in this regard is currently in circulation for comments in the City for submission to Council.

3.2.3 Timberlands- 609 Units

Following the court judgment in favour of Vharanani regarding the termination of their contract due to HCT's failure to grant possession of the site, the settlement payment agreement has now been finalized and all outstanding amounts settled according to the agreement.

The principal agent, Metroprojects, was terminated on 4 November 2024 due to recurring audit findings deeming the contract irregular, as the contract period exceeded five years, contrary to MFMA policies. There is no budget allocation for this project in the current financial year.

3.2.4 Townlands – 1200 units

This project has achieved practical completion for both phases and is currently at close-out stage. There is currently unpaid invoices due to the Contractors and the professional team by the Employer, which is impacted by the SHRA drawdown. De-snagging activities are ongoing.

Occupation certificate was successfully achieved on the 18 March 2025 and subsequently submitted to the SHRA. A claim was submitted to SHRA for the remaining drawdown.

Townlands 1200 units - progress pictures:

3.3 Property Management

The Q3 reporting for the 2024/25 financial year is based on **2096 of the 2107** units. The difference of 11 units is due the use of some units for Caretakers' units or offices in various buildings.

3.3.1 The portfolio can be summarized as follows:

- SSE's & Eloff portfolio (693 units);
- Group Property transferred for ownership portfolio (214 units); and
- Townlands (1200 units).

The Q3 reporting for the 2024/25 financial year is based on **2096 of the 2107** units. The difference of 11 units is due to some units used for caretakers' units or offices in various buildings.

The Property Management Unit is measured against 7 KPIs, and 7 have been achieved, translating to an achievement of **100%**. The repairs and maintenance requests resolved within turnaround around is achieved at **90%** against a target of 90%**.** The occupancy rate for Eloff and SSEs is achieved at **98%** against a target of **95%**, for transferred GP stock, the target is achieved at **87%** against 70%, and lastly, **79%** for Townlands Phase 2 against the target of **65%**. The Townlands Phase 1 target was achieved at 74**%** against the **62%** target. The stakeholder engagement is achieved at **87%** against the 75% target for Quarter 3 of the 2024/2025 financial year.

3.3.2 Townlands Estate Application Process Update

In the last month of the quarter under review the project has reached almost full occupancy at 96%, the application process closed as of 19 February 2025. As of the end of Q3 of the 2024/25 financial year, the consolidated occupation level for Phase 1 is at 74% and Phase 2 is at 79%.

3.3.3 Community Development Activities

This section of the report relates to matters within the Property Management and Client Services departments which are of social and community development nature for various buildings that HCT owns or manages.

a) Cases reported for incident/case management:

There were fifteen (15) cases/incident reported, fourteen (14) were resolved and one (1) is still pending. The details of the resolved cases/incident are as follows:

- Seven (7) emotional abuse cases:
  - Danville: four (4)
  - Beterskaap: two (2)
  - Townlands: one (1)

- Six cases were resolved, and one is pending as the other party was not available on the set date;
- There were five (5) psychosocial non incident, four (4) in Danville and one (1) in Beterskap and all cases were resolved.
- One mental case was reported in Danville and it was resolved, the client was referred to the frail care.
- One suicidal case reported from Townlands and the family is receiving continuous psychosocial support.
- Lastly was the case of child neglect at Townlands, was resolved.

b) Elderly programs

i. Charity programmes/donations

Most of the initiatives mentioned below are organized by the tenants and different welfare organisations operating in the vicinity of the buildings.

The SSEs portfolio receive several donations from different organisations in line with HCT's donation policy. The donations also include home-based care for frail elderly tenants at some of the SSEs such as Silwerkroon Service Centre Club which provides frail care, and food services for the most vulnerable subsidised by the Department of Social Development, Tshwane Fresh Produce Market, Pick n' Pay, Careson Angel and Kairos, etc.

During the month of February, the tenants organised a Valentine's celebration at Capital Park.

Figure 1: Valentine's day celebration

Figure 2: Donations received from Careson Angel

c) Charity Programmes and Sponsorships

The school holiday program was conducted by Captured by Grace Church. It was a one-day program comprised of fun & games in the form of learning and provision of refreshments. The event was well attended, and well received by the intended recipients which is the children of the tenants of Townlands

Figure 3: School holiday program fun & games

d) Gardening competition to all SSE's

This is an annual event which commenced in the 2023/24 financial year aimed at encouraging tenants to care for the living spaces. This has gained momentum as there are many tenants in the SSEs who have taken an initiative to improve the respective gardens. HCT conducted a visit to all schemes to assess the gardens. There were four categories for this year, which were sustainable garden of the year, edible garden of the year, most beautiful garden of the year and the most creative garden of the year. One tenant in Oosmot won sustainable garden of the year, two tenants from Silwerkroon won the most creative garden and edible garden of the year and the fourth winner was from Beterskap for the most beautiful garden of the year. They each received a voucher worth R500.00 from convenient supermarkets. The winners were happy and appreciated the effort made by HCT.

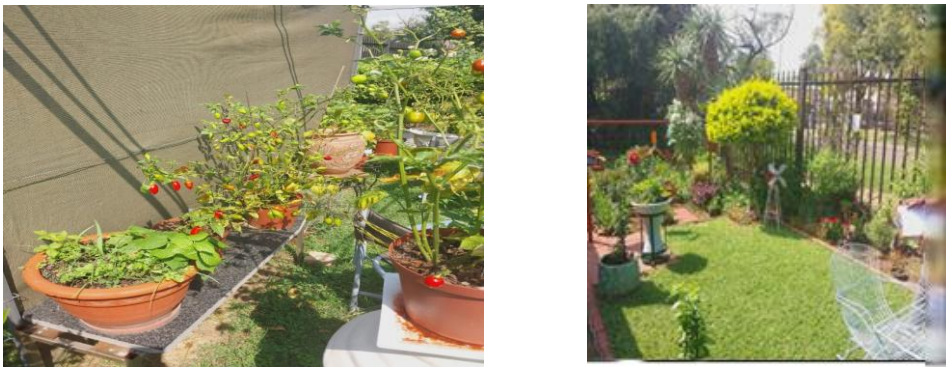


Figure: 4 SSEs Gardens

e) Bereavements

There has been a total of five (5) bereavements of tenants in the SSE's in Quarter 3 of the 2024/2025 financial year from different buildings under ownership and management.

- Silwerkroon (2);
- Danville (2); and
- Oosmoot (1).

4. PERFORMANCE ON THE 180 DAY AND 18 MONTH PROGRAMME

The Entity does not have a 180 day and 18 month programme.

Table 4: Summary of performance on the 18 month programme:

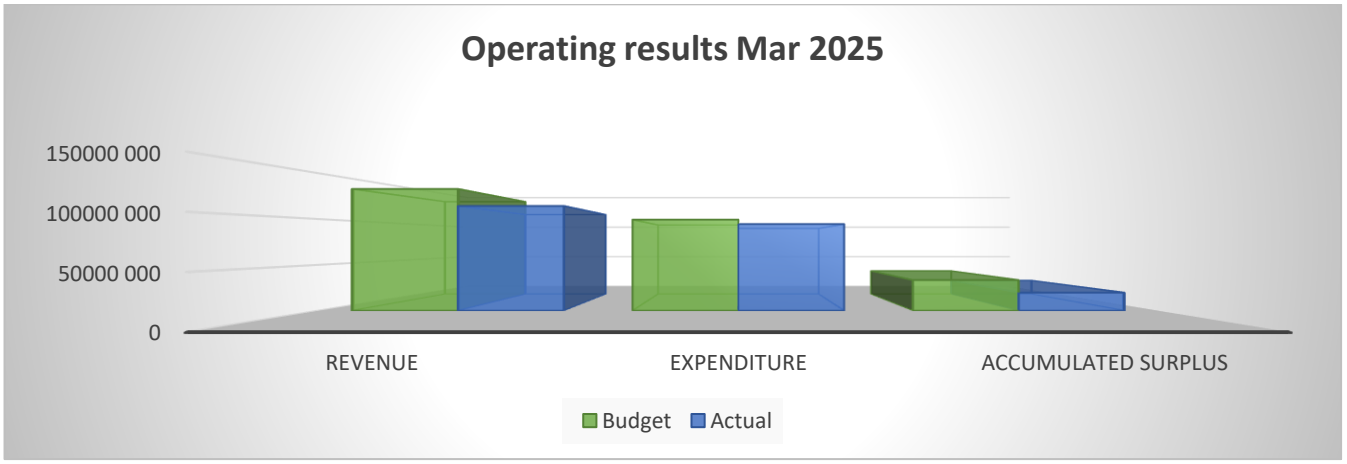
Programme/ project	Non-achieved targets year to Date	Reasons for non-achievement	Corrective measures	Date for corrective measures	Responsible official
N/A	N/A	N/A	N/A	N/A	N/A

5. FINANCIAL PERFORMANCE

5.1 REVENUE

5.1.1 Summary of financial operating results

The financial performance of the Entity for the year (July 2024 - Mar 2025) resulted in a surplus of R19,7 million. This was attributed to the capital grant revenue recognized on Townlands project development and operational revenue received from the City of Tshwane to honour profit claim by the contractor as a result of the Entity's failure to hand over site timeously. Below is the graphical presentation of operating results:



5.1.2 Operating Revenue

Recorded year-to-date variances from the budget were from revenue categories such as rental from fixed assets, operational interest income, and operational revenue and capital grant transfers. The variances are explained as follows:

Item	Budget (R)	Actual (R)	Variance (R)
Income	132 767 363	114 201 932	-18 565 431
Expenditure	99 314 430	94 432 054	-4 882 376
Surplus	**33 452 933**	**19 769 878**	**-13 683 055**

5.1.3 Rental from Fixed Assets

For the period under review, the Entity realized revenue of R35,7 million from the rental of stock as compared to the budgeted amount of R34 million year-to-date. The variance of R1,7 million was due to improved occupancy rate at Townlands as the Entity tenanted 1,133 units and billed R19, 7 million for the period under review.

5.1.4 Operational grant

For the period under review, the Company recognized an operational grant of R 45, 2 million as compared to the budgeted amount of R50,4 million year-to-date. The variance of R5,2 million has not been claimed as pending engagement with the Human Settlement department to resolve the misunderstand regarding the approved budget.

5.1.5 Interest Income

For the period under review, the Company earned interest income of R228,554 as compared to the budgeted figure of R225, 744 year-to-date. The variance of R2,810 was attributed to more interest accrued in cash investments. As at 31 March 2025 the call account balance was R4,3 million with an interest of 8.1% compounded daily.

5.1.6 Interest Earned from Receivables

For the period under review, the Company earned interest income of R63,924 as compared to the budgeted figure of R56,709 year-to-date. The variance of R7,215 was attributable to lower rent collection rate experienced at Townlands as a result of increased rental amount charged after the installation of biometric access control.

5.1.7 Operational Revenue - Exchange Transactions

The Company realized revenue of R19,3 million as compared to the budget figure of R 17,8 million year-to-date. The variance of R1,5 million was due to lease fees, Keys and DSTV fees charged at Townlands due increased occupancy rate.

5.1.8 Capital Grant Transfers

The Company realized capital grant revenue of R 13,5 million as compared to the budget figure of R30,2 million year-to-date. The variance of R16,7 million was due to grant from Social Housing Regulatory Authority (SHRA) for Townlands project, R11 million has been claimed and the amount will be received in April 2025.

5.2 OPERATING EXPENSES

5.2.1 Expenditure

Major expenditure variances were recorded from broad expenditure categories such as employee related costs, remuneration of directors, inventory consumed, debt impairment, depreciation and asset impairment and other expenditures.

5.2.2 Employee related costs

The Company has spent R30,4 million as compared to the budgeted figure of R32, 9 million year-to-date. The variance of R2,5 million was due to delay in filling vacant positions. The Entity has advertised the position of the Chief Financial Officer, the selection and appointment process will be concluded at the end of Quarter 4 and the Supply Chain process is underway for advertising of the other vacant positions.

5.2.3 Remuneration of Directors

The Entity has spent R1,579,102 on Directors' remuneration as compared to the budgeted amount of R 1,671,660 year-to-date. The variance of R92,558 was due to effectiveness of Board and Committee meetings and the vacant positions on the Board.

5.2.4 Debt impairment

For the period under review, the Entity recorded debt impairment of R6,429,018 as compared to the budget amount of R7,226,962 year-to-date. The variance of R797,944 was due to improved rent collection of tenants from Group Property Stock transferred to the Entity and Clarina. The entity implemented stop orders for City employees residing in those properties and the credit control measures are bearing positive results.

5.2.5 Depreciation and assets impairment

For the period under review, the Entity recorded depreciation of R17, 5 million as compared to the budget amount of R 24,2 million year-to-date. The variance of R6,7 million was due to the review of useful life of assets and revaluation conducted for entire class of assets.

5.2.6 Contracted Services

For the period under review, the Entity has spent R30,5 million on contracted services as compared to the budget amount of R22,1 million year-to-date. The variance of R8,4 million was due more spending on legal fees and security costs.

5.2.7 Other Expenditures

The Company has spent R 7,8 million on other expenditures as compared to the budgeted amount of R10, 6 million year-to-date. The variance of R2,8 million was attributable to delay in finalising Townlands' and Group Property stock's rates and taxes account with the City of Tshwane.

5.2.8 Other Materials

The Company has spent R66,533 on other material as compared to the budgeted amount of R359,882 year-to-date. The variance of R293,349 was due to plumbing, tilling, electrical, painting and carpentry material bought in bulk during the previous financial year (2023/2024). The initiative assisted the entity with the implementation of maintenance plan on buildings under management.

5.3 CASH FLOW

For the period under review, the Entity received operational, capital grant and other revenue amounting to R81,5 million from the City of Tshwane and R6,7 from Social Housing Regulatory Authority (SHRA) with a total amount of R88,3 million. The Entity ended quarter 3 in a favourable cash position with cash on hand being R8,5 million.

5.4 STATEMENT OF FINANCIAL POSITION

The financial position reflects that the Entity is not capable of meeting its financial obligations given that the total assets exceed total liabilities by R987 million. Current assets are below current liabilities by R27,3 million which indicates that the entity is not liquid. The current ratio is currently 0,55:1 versus standard norm of 2:1.

5.5 IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

The Entity incurred new Irregular expenditure for the appointment of security panel during the previous financial year (2023/24). The composition of the panel was declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bids submission instead of Visitors/ Clients Register. The other Irregular relates to the recurring expenditure from the BAC Composition incurred since 2018 and the Legal panel that was declared as irregular expenditure in 2021 financial period.

Summary	
Non- compliance	**Amount paid**
BAC composition	R225 596
Panel - Non- compliance with regulations 32 - Bid of LT nature advertised for less than 30 days	R1 182 327
Non- compliance - Supply Chain Regulation 23(1)c	R4 998 499
Total	**R6 406 422**

Non- compliance - BAC Composition				
Company Name	**Service Rendered**	**Amount paid to date**	**Reason**	**Expiry Date of the contract**
MIH Projects(Pty) Ltd	Project Management of Townlands Construction.	R225 596	> Junior SCM officer appointed, SCM manager post vacant, however City SCM Director Contracts and Performance management was part of panel 2 members are Managers (One acting CFO) > One other Director CoT	Until the end of the Townlands project
Total		**R225 596**		

Panel - Non- compliance with regulations 32 - Bid of LT nature advertised for less than 30 days				
Company Name	**Service rendered**	**Amount paid**	**Description**	**Expiry Date of the contract**
Ngoato Attorneys	Legal Representation for HR Manager case	R26 548	Legal panel advertised for less than 30 days	6/30/2023 However the matter is still ongoing and the ACFO will assist with regularisation in quarter 4 through the new panel.
Buthelezi Vilakazi	Eviction process for non-paying tenants	155 092	Legal panel advertised for less than 30 days	6/30/2023 However the matter is still ongoing and the ACFO will assist with regularisation in quarter 4 through the new panel.
Rambevha Morobane Attorneys	Legal Representation for Arbitration Purposes. HCT vs Vharanani (Pty) Ltd	1 000 687	Legal panel advertised for less than 30 days	6/30/2023 However the matter is still ongoing and the ACFO will assist with regularisation in quarter 4 through the new panel.
Total		**R1 182 327**		

Non- compliance - Supply Chain Regulation 23(1)c - Procedure for handling, opening and recording bids				
Company Name	**Service Rendered**	**Amount paid to date**	**Reason**	**Expiry Date of the contract**
Elkon Security Group	Security and Guarding Services (Townlands)	R908 101	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Oct-26
Triotic Protection Services	Security and Guarding Services (Rooiwaal)	R669 669	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Nov-26
Nist investment	Security and Guarding Services (Sunnyside Park/ Bridgeway and Michael Court)	R839 367	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Nov-26
Mathabang Trading	Security and Guarding Services (Claremont)	R339 397	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Nov-26
Phiriphiri Security Services	Security and Guarding Services (Silverton Fire Station)	R113 132	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Nov-26

Sika Investigative	Security and Guarding Services (Hercules/ Noordepark and Capital Park)	R509 096	Bids submitted was recorded in the Visitors/Client Register and the bid was evaluated by the Bid evaluation committee and appointed to the panel	30-Nov-26
Batlhokomedi Management Services	Security and Guarding Services (Vervoer North and Vervoer South)	R577 830	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Nov-26
Lionshield Security & Dephethogo	Security and Guarding Services (Oosmoot)	R110 091	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Nov-26
Matome and Moloto Protection services CC.	Security and Guarding Services (Clarina)	R224 744	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Nov-26
Salute Security Group	Security and Guarding Services (Eloff)	R230 207	Bids submitted was recorded in the Visitors/Client Register and the bid was evaluated by the Bid evaluation committee and appointed to the panel	30-Nov-26
Maberete	Security and Guarding Services (Chantelle)	R476 865	The composition of the panel declared Irregular as the Supply Chain Management division did not effectively manage the bids' submission register to ensure all bids received were recorded in a bid's submission instead of Visitors/ Clients Register	30-Apr-25
Total		**R4 998 499**		

6. GOVERNANCE

6.1 BOARD COMPOSITION

The non-Executive Directors were appointed in July 2023 as resolved by Council. The Board has been composed in line with Principle 7 Recommended Practices 6-10 of King IV. . The Board is made up of a majority 4 Non-Executive Directors with 1 Executive Director, being the CEO. The CFO resigned in Q2. The Non-Executive Board members will remain accountable to City of Tshwane Metropolitan Municipality, the sole Shareholder of HCT.

The Board has four committees, namely:

- Finance and Risk Committee;
- Development and Projects Committee;
- RemSec Committee (This is the combined Human Resources and Remuneration Committee and the Social and Ethics Committee).

6.2 BOARD AND COMMITTEE MEETING

Board Committee	Number of Meetings	
	Quarter 3	Year to date
Board meeting (normal)	1	3
Board meeting (special)	2	7
Annual General meeting	0	0
Finance and Risks	1	10
Operations & Projects	1	8
Strategic Plan Review	0	1
RemSec	3	6

6.3 DIRECTORS REMUNERATION

None-Executive Director	Quarter 3	Year to date
Ms. P. Tau-Sekati (Chairperson)	R95 382,00	R419 378,00
Mr. S. Sebola	R104 466,00	R380 014,00
Ms. Z. Pikashe	R93 868,00	R423 920,00
Mr. M. Sithole	R77 214,00	R355 790,00
TOTAL	**R370 930,00**	**R1 579 102,00**

6.4 EXECUTIVE AND SENIOR MANAGEMENT REMUNERATION

Executive Director & Senior Management	Position	Quarter 3	Year to date
Ms. O. Nyundu	Chief Executive Officer	R498 885,24	R1 491 838,56
Ms. M. Makwela	Chief Operations Officer	R423 252,28	R1 265 684,98
Mr. J. Thamaga	Chief Financial Officer	R0	R886 087,97
Ms. L. Makibinyane	Finance Manager	R375 222,67	R1 178 456,01

Ms. K. E Mali	Programme Development Manager	R224 962,61	R732 266,39
Ms. M.E Mothobi	Human Resource Manager	R216 937,93	R706 215,81
Ms Z. Mofokeng	Client Services Manager	R231 323,77	R752 309,43
Mr. L. Mashao	Supply Chain Manager	R231 476,40	R455 512,12
Mr P Moseamedi	Marketing & Communication Manager	R236 174,59	R308 141,56
Ms T Mhatu	Audit & Risk Manager	R251 526,91	R334 951,57
Total		**R2 689 762,40**	**R8 111 464,40**

6.5 RISK MANAGEMENT AND INTERNAL CONTROLS

The organisational structure was reviewed and approved in Q2 which included the position of the Chief Risk Officer. The appointment of the Risk and Audit manager was concluded and the incumbent commence on the 1st December 2024.

The current risk register is aligned to HCT's 2024/25 Business Plan and strategic objectives and identifies risks, which may have a negative impact on the HCT's achievement of quarterly targets. Management has a responsibility to manage and mitigate risk and ensure that they do not materialise.

The Risk Register is tabled at the CoT's Finance and Risk Committee, APC meetings as well as HCT Board meetings.

6.6 HUMAN RESOURCES

6.6.1 Recruitment & Selection

Human Resources commenced with the recruitment and selection process of 17 positions in March 2024. The process for 7 positions was completed with one of those positions being finalised in March 2025. Below is the update on the positions which have not been filled yet.

Table 5: Recruitment process update Q3

Positions	No. of positions	Department	Division	Comment
Chief Financial Officer	1	Office of the CEO	Office of the CEO	The 1st process commenced in August 2024 and was completed in December 2025. The preferred candidate who was an internal candidate resigned in December. A new process commenced in March 2025.
General Workers	7	Operations	Property Management	Pending
Helpdesk Administrator	1	Operations	Property Management	Pending
Manager: Legal Services	1	Office of the CEO	Office of the CEO	The panel did not find suitable candidates for this position. A decision was taken to readvertise the position in the new financial year of 2025/26.

6.6.2 Employment Equity

6.6.2.1 Employment Equity & Skills Development

The Workplace Skills Plan was developed and approved. However, due to numerous challenges i.e budget. HCT could not fully implement the plan. The HCT is continuing to sponsor some employees through the bursary programme.

6.6.3 Vacancies

The status regarding vacancies based on the approved structure is reflected in Table 6 below herein.

Table 6: Employee vacancies based on the approved structure:

Units	No. of posts	No. of filled posts	No. of vacancies	vacancies %
Office of the Chief Executive Officer	16	13	3	18,75%
Office of Chief Financial Officer	13	10	3	23,08%
Office of the Chief Operations Officer	83	72	11	13,25%
TOTAL	**112**	**95**	**17**	**15,18%**

6.6.4 Employee Equity Profile

There was a minor change from the Q2 to Q3. There were two employees who resigned in December 2024, reducing the total staff complement from 97 to 95. One employee was in the top management occupational level and one employee was in the Skilled level of occupation and the change is reflected below.

Table 6: HCT's Employment Equity Employee profile

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	2	0	0	0	0	0	2
Senior management	3	0	0	0	5	0	0	0	0	0	8
Professionally qualified and experienced specialists and middle management	5	0	0	0	2	0	0	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	4	0	0	0	4	0	0	1	0	0	9
Semi-skilled and discretionary decision making	25	0	0	0	18	0	0	0	0	0	43
Unskilled and defined decision making	10	0	0	0	16	0	0	0	0	0	26
Total Permanent	**47**	**0**	**0**	**0**	**47**	**0**	**0**	**1**	**0**	**0**	95
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	**47**	**0**	**0**	**0**	**47**	**0**	**0**	**1**	**0**	**0**	95

6.7 STRATEGIC AND OPERATIONAL CHALLENGES

Table 8: Challenges

CHALLENGE		DESCRIPTION	MITIGATION MEASURES
1.	Statutory Approvals	The delays in obtaining the required statutory building and services approval which are critical to meeting conditions precedent in all funding and building approvals.	A more project targeted, service delivery approach to unlock both funding approval and cashflow requirements. Improvement of turnaround times of City approval processes.
2.	Insufficient budget allocation	Social Housing funding requirements need a 30-40% bridging finance from the parent municipality/loan funding in order to obtain financial closer on its capex projects to commence with construction. Allocations of Opex funding to commence with the planning of new projects.	Implementation of affordable rental accommodation should become one of the Mayoral Strategic Objective so that it can receive the required financial assistance and sustainable growth.
3.	Delay in the Transfer of properties	There are various properties and land parcels that have been identified to be transferred to the HCT. Not only will assist in the administrative requirements (open of accounts and capitalisation of assets) but will contribute positively in the Entity's balance sheet, that can be used as collateral when approaching financiers.	The transfer must come with a revenue and maintenance budget.

7. DEPENDENCIES AND CROSS-CUTTING ISSUES

Table 9: Dependencies

No	Inter-Departmental Dependency Description	Department & Individuals Assigned Responsibility	Departmental Response	Joint Action (Provide details on how the dependency will be managed)
1.	Access to suitable land for social housing development/s	Group Property Department of Human Settlement and Housing	In the development of its revenue optimization model the Group property department is assessing the best use for all council owned land and properties. The Department of Housing and Settlements is coordinating Social Housing developmental pipeline.	HCT and CoT's Department of Housing and Human Settlements are working closely and much more collaboratively than before.
2	Slow approval processes.	The CoT's Service Departments.	The CoT's Service Departments and the HCT have held meetings to establish a working relationship and establish a mechanism of fast-tracking approvals.	Providing a programme of works and submit it to the services department. Schedule by-monthly meetings to provide comments and amendments.
3	Access to the Capex grant claims to timeously pay the contractors.	The CoT's Group Finance Department	The Capex grant claims to be submitted in quarterly in advance and the WBS created for the entire budget allocated to HCT.	Continuous meeting with the COTs Finance Department to discuss the Capex claims deficiencies.

8. OPERATION CLEAN AUDIT

Table 10: Evidence

Evidence for the quarter submitted with report (Yes/ No)	Departmental evidence files updated, centralized and verified in the department (Yes/ No)	If no, indicate corrective measure	Departmental project files for the quarter compiled, centralized and verified (Yes/No)	If no indicate corrective measure
Yes	Yes	N/A	Yes	N/A

The table below lists the AGSA findings for the year ended 30 June 2022, June 2023 and June 2024 audit cycle.

	2022 FY	2023 FY	2024 FY
Audit Opinion	*Unqualified Opinion*	*Unqualified Opinion*	*Qualified Opinion*
No: Audit Findings	*30*	*15*	*49*
Resolved	*27*	*15*	*27*
In progress	*3*	*0*	*22*

- **Q1 2024/2025** - Cumulatively 14 findings have been resolved out of 15 findings and 1 is in progress from the 2022/2023 FY Audit.
- **Q2 2024//2025** – From the 50 Outstanding, 12 audit queries were resolved which represents 28%. (One finding from the 2022/2023 FY and 49 New Findings from the 2023/2024).
- **Q3 2024/2025** – 16 (42%) findings were resolved out of the 38 that was outstanding in Q2.
- **The overall progress at the end on 2024/2025 Q3 –** out of the 49 findings issued in the 2023/2024 audit, 27 findings (55%) were resolved, 10 findings (20%) were in progress and 12 findings (25%) were not yet resolved.

	AG audit findings (for the financial year ended 30 June 2022)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	Target date
Matters affecting the audit report (June 2022)					
1.	**Bid evaluated on a criteria that was not included in the bid documentation.** The supplier, Tsibong was excluded from the bid process on the basis that the supplier under-priced which brings a risk that they might not perform on the contract. The entity further provided us with the market analysis performed to confirm that Tsibong under-priced, as per the analysis the market price was estimated to be on the range of R 1 628 751, 04 – R 1 639 850, 00.	Management should raise an irregular expenditure of R 805 449,00. Management should put mechanisms in place to ensure that what is evaluated by the evaluation committee is what is included in the bid documentation.	SCM will going forward include the following criteria statement in bid document: 1.Relevant specifications 2.Value for money 3.Capability to execute the contract 4.PPPFA & associated regulations	SCM Manager & CFO	**Resolved**
2.	**Non-compliance – Expenditure Management** During the audit of expenditure, the audit team noted that irregular expenditure had been incurred from contracts assessed to have been awarded irregularly as disclosed in notes 38 to the annual financial statements.	The accounting officer must ensure reasonable steps are taken to prevent irregular expenditure through ensuring compliance with laws and regulations.	N/A- The irregular expenditure has been disclosed in the AFS for 30 June 2022 under note 37 accordingly.	SCM Manager & CFO	**On going** The Forensic department from COT is finalising the investigation on the UIFW as disclosed on the AFS June 2024 (Virement)
3.	**Non-compliance with section 93B (b) of the local government: Municipal Systems Act** During the audit of pre-determined objectives, the audit team requested signed Service Delivery Agreements (SDAs) between the City and the municipality entities. The following issues were noted:	Accounting officer ensured that the SDA is signed covering the period 2021 to 2024, however the signed SDA made reference to the incorrect IDP under review	The new SDA covering the financial period to end 30 June 2023 has been reviewed by the CEO and submitted to CoT for approval during November and it aligns to the new IDP 5 year duration	CEO/CFO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2022)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	Target date
	1) SDA provided between COT and Housing Company Tshwane (HCT) is not aligned to the 2021-26 IDP period				
4.	**Indicator not well defined and the target not measurable** From the audit of pre-determined objectives (AoPO) – Strategic Objective 1: Strengthen and rebuild an effective and realistic social housing plan for the City of Tshwane, the audit team noted that the below indicator did not meet the well-defined criteria and systems and processes to produce the reported achievements were not verifiable resulting in the indicators and targets not being measurable and not SMART	Management: • should prepare and review the business plan to ensure that the indicators and targets are well defined and measurable • should ensure that the technical indicator description give full details of the indicator in terms of the definition, what it aims to achieve, how it is going to be measured, the method of calculation and the definition that is clearly identifiable. • should ensure that the TID defines the technical terms used in the indicator, the yardstick how the performance will be measured and the method of calculation. • Should ensure that the systems and processes that produce reported achievements are verifiable.	A TID including a definition of practical completion in the business plan and SOP will be finalized for the subsequent financial years and business plan of the Entity	CEO/CFO/COO	**Resolved**
5.	**Requirements of local content not adhered when appointing supplier in designated sectors** The AG identified that products that fall under designated sectors the requirement of regulation 8 of the PPR were not adhered to. The procurement were as follows: • supply of embroidery and delivery of security uniform PPE for HCT board members	Management must adequately review and monitor compliance with applicable laws and regulations.	HCT will going forward include the local content and production requirement in the bid invitation and also request that the service providers submit the applicable MBD forms	SCM Manager & CFO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2022)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	Target date
6.	**Entity received less than 3 quotations on many occasions due to the entity not** The AG identified that there were several requests for quotations that received less than 3 quotations, the avenues used by the entity to advertise is posting on the notice board and sending emails to suppliers they believe could provide the service. The notice board is accessible to everyone but its situated at the client's office which prospective supplier do not always visit to check what is advertised and on suppliers emailed there is no clear explanation on how these suppliers are sourced. The absence of a website for the entity is an issue to getting suppliers to be aware of what is being advertised. Further this is a legislative requirement that adverts should be put up on the website of the Entity.	Management should establish a website for Housing Company Tshwane which bids will be advertised or rather use the e-tender platform to advertise their bids	HCT will going forward ensure that tenders and quotations are advertised on the National Treasury e-tender portal	SCM Manager & CFO	**Resolved**
7.	**Deviation from procurement process not approved.** During the audit of deviations we identified that the following deviation was not approved by the accounting officer reason being: • The memorandum submitted to the accounting officer for their approval to deviate from the normal procurement process for fixing of power failure at Clarina. • The recommendation of the memorandum reads different to the request it is as follows "It is recommended that the Accounting Officer: 4.1.1 Notes the content of the report 4.1.2 Approves the deviation from procurement process for the call-out fees to install and upgrade the Pastel system in a new laptop and the related payment requisition or R81,868.50."	Management should put mechanisms in place to ensure what is requested for deviation from normal procurement processes is in line with what is recommended for approval to the Accounting Officer	N/A	SCM Manager & CFO	**Resolved**

8.	**Computer Assisted Audit Techniques findings on Supply Chain Management - Interest – other** SCM Regulation 44(a) requires the supply chain management policy of a municipality must, irrespective of the procurement process followed, state that the municipality or municipal entity may not make any award to a person who is in the service of the state. Municipal Systems act schedule 2(1) states: - Disclosure benefits- A staff member of a municipality who or whose spouse, partner, business associate or a close family member, acquired or stands to acquire any direct benefit from a contract concluded with the municipality, must disclose in writing full particulars of the benefit to the council.	Management should quantify the amount paid to the above supplier and disclose it as Irregular expenditure in the annual financial statements. Management should internal processes in dealing with false declaration and consequence management instituted where necessary	N/A	SCM/ CFO	**Resolved** 156
9	**Computer Assisted Audit Techniques findings on Supply Chain Management - Suppliers in service** SCM Regulation 13(c) requires that the winning provider must submit a declaration of interest and declare: (i) Whether he/she is in the service of state or had been in the service of state for the previous twelve (12) months. (ii) If the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholders are in the service of the state, or had been in the service of the state in the previous twelve (12) months. (iii) Whether the spouse, child or parent of the provider or a director, manager, shareholder or stakeholder of a provider who is a company or cc, is in the service of the state or had been in the service of the state for the previous twelve (12) months.	Management should investigate the above-mentioned suppliers and consequence management instituted where necessary. Management should put mechanisms in place to prevent the municipality from doing business with these suppliers in the future. Awards that will be made to these suppliers after audit report date will be classified as irregular expenditure in future audit cycles.	HCT consulted the employers of the stated director's above and awaiting for confirmations with the Human Resources Departments to ascertain whether the directors are still in service or employed by the state	SCM/ CFO	**Resolved**
10	**Boilerplate accounting policy disclosures** The following accounting policy were not specific or relevant to the entity	Management should regularly review all policies and information in support of the annual financial statements to ensure accuracy and completeness financial and performance reports.	Management refined the accounting policies accordingly. The adjustment will be further be processed on the AFS Revaluation Surplus note by adequately applying the	FM/CFO	**Resolved**

	• **Impairment of financial assets** - A discount rate assumption 7% is not consistent with the percentage applied in the Debt Impairment report. • **Provisions -** The paragraph refers to Note 13, it is an incorrect reference. • **Post-retirement benefits** – The Present value of post retirement obligation not applicable to HCT, because HCT has a defined contribution There is no specific note number. **Property, plant and equipment -** The policy states that the revaluation surplus is transferred to Retained Earnings. However, the Revaluation Surplus did not move from the 2021 balance. Therefore, the policy is not applied. HCT does not manufacture, the part of recognizing the depreciation charge in another asset is not applicable. • **Financial instruments -** Deposits paid were not included in the list, but were included in Note 28 There is a repetition of the sentence – The entity recognises financial assets using trade date accounting There is no specific indication of the treatment of the allowance. No bullet for Price risk • **VAT -** No indication of the matching principle that is being applied by the entity. • **Impairment of non-cash-generating assets -** The sentences are similar and therefore, repetition.		accounting policy to transfer revaluation surplus to Retained Earnings as the assets is being utilised.		

	• **Provisions and contingencies –** No explanation of what Provisions and Contingencies are. No policy for determining how Contingencies are applied. • **Commitments -** Does the 2nd bullet not imply that Operational Commitments will not be disclosed? • **Irregular expenditure -** a spelling error and paragraph is a repetition				
11.	**Budget approval/Acknowledgement** The Board did not approve both original and adjustment budget for 2021/2022	Management should ensure that budget discussions with the board are conducted as stated in the Municipal Finance Management Act. No 56 of 2003.	Going forward, Management will ensure that the Board approve both original and adjustment budget However, it must be noted that The Council approved both the original budget and adjusted budget for 2021/2022 financial period. The BoDs was effective appointed as from the 1st July 2021.	CEO/CFO	**Resolved**

12	**Inaccurate amount of Fruitless and Wasteful Expenditure written off in the AFS** We noted that the report from Forensic Investigation Risk & Recovery Management (Pty) Ltd which was presented by the Group Audit and Risk Department on the 30th of June 2021 indicated that: The expenditure made to Magic Labour in the amount of R3 598 561.56 is Fruitless and wasteful expenditure. However, Management wrote off Fruitless and Wasteful Expenditure amounting to R6,801,880 instead of R3,203,318.44 as approved by the Board on 31 March 2022.	Management should prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	The disclosure note on Fruitless and Wasteful expenditure will be adjusted with R3,5million to reverse the amount incorrectly written off on the AFS. Furthermore, HCT will seek legal advice and refer the matter back to investigation relating to remedial work performed by Magic Labour.	FM/CFO	**Resolved**
13	**Accounting policy for segment information not disclosed**	Management should prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management to amend the Annual Financial Statements to incorporate accounting policy on Segment Reporting.	FM/CFO	**Resolved**
14	**Inaccurate disclosure of the items within segment information** We noted differences for the items listed in the segment information note **Total expenses reconciling items – June 2022** Auditors' calculation – 41,740,551 HCT calculation – 50,221,975 Difference – 8,481,464 **Total expenses reconciling items – June 2021** Auditors' calculation – 46,935,955 HCT calculation – 56,580,116 Difference – 9,644,161	Management should prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	The segment reporting disclosure note will be adjusted accordingly regarding the total expenses.	FM/CFO	**Resolved**

15	**Limitation of scope on Revaluation Reserve** Management indicated that the revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/deficit. However, there was no schedule provided by management indicating the amount to be transferred from the revaluation reserve.	Management should prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	The schedule indicating the amount to be transferred from revaluation reserve was subsequently submitted to the Auditors	FM/CFO	**Resolved**
16	**Invoices inappropriately capitalised** During the audit of timberland opening balance, we identified that the following items within the invoices for Timberland were capitalized instead of being expensed. Stage 2-Preliminary Design: Concept and Viability - 167 181,66 Stage 1- Inception - 1 151 937,37 Stage 2-Preliminary Design: Concept and Viability - 1 151 937,37 **Total = 2 471 056,40**	Management should thoroughly review their asset Invoices before recording them in order to ensure they capitalized/Expense the correct items as required by the GRAP standard.	The prior period note in the AFS will be adjusted to include the R2, 4 million incorrectly capitalised. Furthermore, monthly invoices register will be reviewed and analysed to ensure accurate recording on the accounting records.	FM/CFO	**Resolved**
17	**Asset numbers duplicated to multiple assets in the asset register** We also performed a Duplicate test on the "Other Assets" tab in the assets register & we identified that assets have been duplicated:	Management implement adequate review of the fixed asset register to ensure that it contains accurate information	The Fixed Assets Registers' "assets numbers" will be updated according to assets physical verification report which indicate that all various categories of assets (Other Assets & Computers Equipment) duplicated assets numbers were revised. The only issue is that the Fixed Assets Register as 30 June 2022	SCM/FM/CFO	**Resolved**

			was not updated with the refined assets numbers.		
18	**Existence of assets could not be verified** Assets could not be physically verified.	It is recommended that management should provide the evidence of the existence of the asset. It is further recommended that management implement adequate review of the fixed asset register to ensure that it contains accurate information	The Fixed Assets Registers' "assets numbers" for the above mentioned laptops, trunk, fridge, Vaccum and metal detector will be updated according to assets physical verification report. Management note the issue relating to existence of the laptop, trunk, fridge, Vaccum and metal detector. The assets are being used by the Entity, however the asset numbers were changed	SCM/FM/CFO	**Resolved**
19	**Completeness of assets** Some assets on the floor could not be traced to the asset register.	Management must verify all the assets on the ground to ensure that they are in the asset register. It is further recommended that management implement adequate review of the fixed asset register to ensure that it contains accurate information	The Fixed Assets Registers' "assets numbers" will be updated according to assets physical verification report which indicate that numbers were changed	SCM/FM/CFO	**Resolved**
20	**Asset invoices recorded in an incorrect period.** We noted that the invoices listed below which are part of Assets Under Construction(AUC) in the Asset Register were, recorded as additions in the current financial year meanwhile the services/goods were received in the previous financial year. Although the invoices were received in the 21/22 financial year as per the received stamp date. The entity is on the accrual basis of accounting and these	Management should thoroughly review their asset Invoices before recording them in order to ensure they capitalized the invoices within the correct financial year as required by the GRAP standard.	The prior period note in the AFS will be adjusted to include the R12,3 million incorrectly not accrued in 2020/2021 financial year. Furthermore, invoices register will be reviewed and	FM/CFO	Resolved

	invoices should have been recorded in the year they were incurred. Condor – R2,864,059.07 MIH Projects – R 719,359.07 Shomang Construction – R8,808,079.30 **Total = 12,391,497.37**		accruals listing assessed monthly for accuracy, validity and completeness.		
21	**Asset Register is incomplete.** The asset register has empty columns for some of the assets (there's no allocated custodian, Location, Serial number, Impairment loss recognized/reversed) In Addition, the Assets Under Construction Tab in the Asset Register did not reflect all critical information as described in the Fixed asset Register Policy above. *Type of Asset* • *Identification number; serial number (where applicable) and erf number (where applicable)* • *Brief description of the asset* • *Detailed Location given the nature of AUC* • *Condition of the asset* • *Person responsible for safeguarding and maintaining the assets*	Management should thoroughly review their asset register before submitting to the auditors in order to ensure that it complies with the policy & is as per the GRAP standard.	The Fixed Assets Register all related fields as required by approved Fixed Assets Policy will be populated for all various classes of assets for completeness of the Fixed Assets Register.	SCM/FM/CFO	Resolved
22	**Project delays** The programme of works at the start of the project, indicated that the planned date for commencement of the project was 23 January 2019. However, the progress report for June 2021 indicated the contract commencement date as 1 March 2019. Therefore, the project started approximately 1 month late. The programme of works at the start of the project, also indicated that the planned date for completion of the project was 30 September 2020. The planned completion date of the project was revised numerous times between 21 January 2021 and 1 September	Management should ensure that the factors that may lead to delays and impede the progress of projects should be identified during the planning of the project and continuously revised and updated during implementation. Where there is a likelihood of the factors contributing to a delay, measures should be implemented to address the issues. Management should ensure that the contractor is held accountable	In responding to the audit findings, the critical component of the project is to ensure the completion of the project timeously to allow the beneficiaries to be allocated accommodation in the project as per the objectives. In that regard, weekly meetings have been instituted with the contractor, payments are still dependent on the inflow	COO/CEO	**Resolved**

	2021, with the latest revised completion date being 22 September 2021. There is currently no extension of time approval which extends the project past 22 September 2021. The progress report for June 2022 indicated that the physical progress on the project was 96%, and the project is therefore not yet completed. It was indicated that no practical completion certificate has yet been issued for the project. In addition, no penalties had yet been charged to the contractor for the delay in the completion of the project. In addition, the progress report for June 2022 also indicated that most of the phase 1 blocks that include blocks 1, 3, 4, 5, 7 and 15 are close to reaching practical completion, however several quality concerns were identified on the buildings by the architect. The snags require the contractor to allocate resources to address them, and may impact the practical completion of the project. This issue was already noted in the progress report for June 2021, where it was indicated that the contractor was to implement a quality control plan to address the poor workmanship observed on the project.	for slow progress on the project, where the revised completion date of the project is not met, such as charging penalties. Management should ensure the timely appointment of the community liaison officer, to enable early communication on the project between the community and the project. Management should ensure that the contractor is paid timeously for the work done on site, to prevent the contractor from suffering financial constraints due to the late payments. Management should ensure that quality issues on the project are identified timeously, and the contractor held accountable to rectify the issues identified.	of funds from CoT into the project and is done within 24 to 36 hours of receiving the funds.		
23	**Slow progress on the project** The progress report for June 2021 indicated that one of the challenges on the project was the slow progress on site. The report indicated that the contractors performance remains below the required expectations due to cashflow constraints. This issue was again raised in the progress report for June 2022. When comparing the progress on the project in the progress report for June 2021 to that of the progress report for June 2022, an improvement was made in the progress of the project, although the project had not yet been completed, most of the items were indicated to be at an advanced stage of completion.	Management should ensure that the contractor is held accountable for the slow progress on the project. Management should ensure that payments to the professional team and contractor are made on time, to ensure that late payments do not impact on the cash flow of the professional team and contractor. Management should ensure that the contractor orders materials from multiple sources to ensure that	Management together with the professional team are having biweekly meetings to ensure that all challenges are mitigated timeously and to ensure that the project reaches completion.	COO/CEO	**On going**

		productivity on the project is maintained. Management should ensure that the BIC subcontractor is appointed to avoid further delays on the completion of the housing units.			
24	**Variation orders** It was noted that for some variation orders, the remaining contingencies amount was not carried forward correctly to subsequent variation orders. The following differences were noted: • Variation order number 10, shows remaining contingencies of R7 057 352.55. However, on variation order number 11 the contingencies were carried forward as R7 717 822.38 • Variation order number 12, shows remaining contingencies of R6 803 105.01. However, on variation order number 13 the contingencies were carried forward as R6 142 635.18 • Variation order number 13, shows remaining contingencies of R6 193 081.13 However, on variation order number 14 the contingencies were carried forward as R4 093 289.13 In addition, it was determined that variation order number 3 for the removal of soil embedded diesel tanks for an amount of R629 748.47 could have been avoided if ground investigations and detection of existing services was done during the preliminary stages of the project.	Management should ensure that the remaining contingency amounts are carried forward correctly to all subsequent variation orders, before approving the variation orders. This should ensure that the variation orders granted for the project are within the approved contingency amount for the project. Management should determine whether additional funds are available for variation order number 1, and whether this variation order will be approved. Management should also determine whether the variation orders that have not yet been approved on the project will be approved and should ensure that all variation orders approved are within the contingency amount approved for the project. Management should ensure that the required ground investigations and detection of existing services is done during the preliminary stages of the contract, to avoid additional	All approved VO's are to be listed separately from the VO's under review and pending approval. The VO's were since rectified and submitted to AG hereto.	PDM/COO/CEO	**Resolved**

	It was also noted that 14 variation orders have been submitted by the contractor, however only nine of the variation orders submitted have been approved. It is indicated in cost report number 10A dated 17 Janaury 2020, that variation order number 1 for professional fees of R30 404 963 (Excluding Vat) is a variation order that requires additional funds and is not yet approved. The remainder of the variation orders will be covered by the contingency amount of R12 600 000 included in the tender price of the project.	costs being incurred later in the project.			
25	**Contractors guarantees** The contract signed between Shomang Construction and Housing Company Tshwane on 21 August 2019 indicates the following under section 11.1.2 of the contract, "Guarantee for Construction – variable initially equal to ten per cent (10%) of the contract sum and keep such security valid and enforceable until the final payment certificate has been issued to the contractor." It was noted that the initial construction guarantee for the project was provided by Hollard Insurance Company Limited, and was valid until 31 October 2020. This guarantee was then renewed until 30 July 2021 and again until 30 September 2022, however, there was no indication that this guarantee was renewed after 30 September 2022	Management should ensure that the contractor submits a construction guarantee that is current and valid for the project.	Management together with the professional team are having bi-weekly meetings to ensure that all challenges are mitigated timeously and to ensure that the project reaches completion.	PDM/COO/CEO	**On going**
26	**Project delays** The progress report dated June 2021 indicated the following planned completion dates: 1. 1st practical completion 228 units - 25 August 2021 2. 2nd practical completion 281 units - 17 February 2022	Management should ensure that the factors that may lead to delays and impede the progress of projects should be identified during the planning of the project and continuously revised and updated during implementation. Where there	N/A The practical completion certificates issued are not for the Contractor but as a form of monitoring the completed shell units without finishes, water and	PDM/COO/CEO	**Resolved**

	The progress report dated June 2022 indicated the following revised completion dates: • Revised 1st practical completion date – 14 March 2022 • Revised 2nd practical completion date – 23 August 2022. The contractor had not met the planned completion dates or revised completion dates, as no practical completion certificate has been issued for phase 2 of the project as a whole, to show that the 509 units had reached practical completion. There is currently no extension of time approval which extends the project past 23 August 2022. The progress report dated June 2022 indicated that the project was 77%. In addition, no penalties had yet been charged to the contractor for the delay in the completion of the project. The architectural quality report dated 14 June 2022, 18 August 2022 and 29 August 2022 that some quality issues were identified on the project which were to be addressed by the contractor. There was no indication whether these quality issues had been addressed, which may cause further delays on the project. In addition, it was also noted that regular site meetings were not held for the phase 2 of the project in the 2020-21 financial year. It was indicated by the professional team on the project, that this was due to the site being closed or it being too volatile to conduct meetings.	is a likelihood of the factors contributing to a delay, measures should be implemented to address the issues. Management should ensure that the contractor is held accountable for the slow progress on the project, and not meeting the revised completion dates of the project. Penalties should be applied, where there is no extension of time granted on the project. Managenent should ensure that the contractor is paid timeously, to avoid contributing to the cash flow constraints being experienced by the contractor. Management should ensure that all quality issues identified on the project are addressed timeously.	electricity. The practical completion certificates only measure the shell units, indicating that the walls and roof of those units are complete. The Entity is depended on CoT funding. Payments were made in line with the dates and times when the CoT made the project funds available to the Entity. The process of identification of poor workmanship on site is done in the following manner: Contractor completed works and invites the professionals for inspection, it's upon this stage when the quality assurance happens, snags are identified, and the Contractor is issued with reports of the defective workmanship which they should rectify by no later than the end of the defective period which is three months after practical completion of all works has been achieved.		

27	**Budget on the project** The following was determined by way of inspection of the proposed 2020-21 supplementary budget, approved at the Council meeting of 24 June 2021: • Additional funds were approved for phase 1 and 2 of the project as follows – • Townlands project: R30 000 000 from Housing Company Tshwane • Townlands project: R33 258 692 from Social Housing Regulatory Authority (SHRA) As indicated in the document named "Unspent conditional grants and receipts – 30 June 2021" the budget and expenditure for the project for the 2020-21 financial year was there was overspending R5 752 278 on the budget allocated for the project for the 2020-21 financial year.	Management should ensure that when approving payments, that the allocated budget for the financial year is adhered to.	Management **note** the audit finding. It must be noted that Development Department submitted the virement request of **R5,752,278** for funds transfer, **R3,664,344.47** from Timberlands to Townlands and **R2,087,933.87** from Sunnyside to Townlands. Both virements requests were approved by the Chief Executive Officer. Please see the attached Unspent conditional grant & receipts under the tab Final Summary Grant Spending June, column AD. Also find the attached Virement approval by the CEO.	N/A	**Resolved**
28	**Limitation of scope** Paragraph 74 (1) of the Municipal Finance Management Act (Act No. 56 of 2003) states that "The accounting officer of a municipality must submit to the National Treasury, the provincial treasury, the department for local government in the province or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as may be required." The following information was requested for audit purposes, but was not provided: • <u>Shomang Construction:</u> Extension of time claim assessment ref TS26/PA indicates that 6 weeks	The internal control deficiencies identified should be addressed by the municipality to ensure that efficient, effective and transparent systems of internal control enable the municipality to submit information requested to the Auditor-General timeously.	Management has focussed on the assessment of the financial year of 2021/2022. Part of the information requested has been provided in that past audit financial years. Management will ensure that all information required is handed to the AG	PDM/COO/CEO	**Resolved**

	extension with cost, and 6 weeks without cost were later granted on extension of time claim number 1 to 8. Documentation was requested indicating the reason for the revision in the assessment, as well as the cost granted for these variation orders. • Shomang Construction and Enza Construction: The National Housing Board Registration Council (NHBRC) reports issued after the inspections conducted by the home inspector/quality assessor. • Information for the termination of the original contractor, Magic Lab Hire & Sec as indicated in cost report number 10A dated 17 January 2020. As a result of this information not being provided, we were unable to confirm the following: • The reason why extension of time claim number 1 to 8 was later approved, after initially being refused by the principal agent, as well as the cost granted for these variation orders. • Whether the NHBRC inspected and approved the housing units as having met the minimum standard, follow ups were performed on any quality defects identified and corrective actions taken to address the quality standard requirements, and where units have been completed whether the completion certificates issued by the NHBRC confirm that the unit has met the minimum quality standards and that the unit is ready for occupation. • The reason for the termination of the original contractor Magic Lab Hire & Sec, whether any expenditure had been incurred on the project before this contractor was terminated and whether any work by Magic Lab Hire & Sec needed to be redone by the replacement contractors.				

29	**Prior year adjustments not complete** When auditing the Financial Instrument disclosure note 28 in the Annual financial statement. We identified that the Deposit paid of R 1 704 585 was not disclosed in the previous financial year and management did not disclose the error in the prior period error note.	Management should thoroughly review their financials before submitting to the auditors in order to ensure that all the errors are adequately disclosed.	The prior period note on the Annual Financial statements will be adjusted accordingly to incorporate R1.7million for Deposit paid.	FM/CFO	**Resolved**
30	**Prior year adjustment presentation** When auditing the prior-year adjustment note 33 in the Annual financial statement. We identified that the Surplus for the year of R 147 089 130.00 was presented as a negative amount	Management should thoroughly review their financials before submitting to the auditors in order to ensure that all the errors are fixed.	The Annual Financial Statements will be amended to correct **negative** R147,089,130 to **positive** R147,089,130 on a prior period error disclosure note.	FM/CFO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
Matters affecting the audit report (June 2023)					
1.	Policies not reviewed timeously. It was noted that Housing Company Tshwane policies are not reviewed timeously. The policies in the table below attached were last reviewed between the years 2003 and 2021. By not reviewing policies regularly, the municipal entity may be exposed to applying policies and procedures that may contradict changes in legislations, thereby resulting in non-compliance with laws and regulations.	Management should ensure that: • The above policies are reviewed to ensure that they are still relevant and in line with the legislation. • Appropriate monitoring controls are implemented in each unit of the entity to ensure policies applicable to the entity are periodically reviewed.	All the policies not reviewed will be submitted to the various HCT user Departments for refinement and subsequently shared with the Board for approval *Preventative Control: Policy checklist updated to indicate policies not reviewed.* **Q4 – June 2024** During quarter 3 of the financial year, the entity reviewed and submitted finance policies to the Board for approval. Below is the list of policies approved by the Board: • (Virement Policy • Supply Chain Management Policy& Procedure • Petty Cash Policy • Rental Collection Policy • Bad Debts Provision& Write-offs Policy • Fixed Assets Policy • Arrears & Debtors Policies & Procedures • Fleet Management Policy **Q1 – Sep 2024**	FM & CFO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
			During quarter 1 of the financial year, the entity reviewed and submitted Human Resource policies to the Board for approval. Below is the list of policies approved by the Board: • Recruitment Selection Policies • Reviewed Anti-Corruption Policies Procedure • Reviewed Gifts and Hospitality Policy • Training and Development Policy • Employee Relations Policy • Reviewed Code of Conduct Policy • Employment Equity Policy • Reviewed Corporate Identity and Branding Policy • Reviewed Whistle- Blowing Policy • Secondment Policy • Standby Policy		

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
			• Succession Planning Policy • Cell phone and Data Policy The following policies were approved in quarter 3 of 2023/24 financial year • Performance Management Policy • Leave Management Policy		
2.	Non-compliance with section 93B (b) of the local government: Municipal Systems Act The following issues were noted: 1) Management did not include a key performance indicator relating to Number of new social housing units constructed – Townlands which resulted in both the plan and the performance report not being complete	Management should ensure that all indicators are included in the annual performance plan and business plan by making amendments to both the business plan and the annual performance report. .	Management included KPI relating to number of new social housing units constructed – Townlands in the Adjustment Business plan	COO & CFO	**Resolved**
3.	Non-compliance with section 93B (b) of the local government: Municipal Systems Act ing the audit of pre-determined objectives, the audit team requested signed Service Delivery Agreements (SDAs) between the City and the municipality entities. The following issues were noted: 1) SDA provided between COT and Housing Company Tshwane (HCT) is not aligned to the 2021-26 IDP period	Accounting officer ensured that the SDA is signed covering the period 2021 to 2024, however the signed SDA made reference to the incorrect IDP under review	The SDA signed on the 30 June 2023 covers the period of 5 years (FY 2023 to FY 2027). Please find the attached SDA and refer to clause 5.2	CEO/CFO	**Resolved**

<table>
<tr><th></th><th>AG audit findings (for the financial year ended 30 June 2023)</th><th>AG's Recommendations</th><th>Corrective action implemented in resolving findings from the AG</th><th>Responsible Person</th><th>Target date</th></tr>
<tr><td>4.</td><td>Initial recognition of transfer from AUC not accounted for at cost
For the 2022/23 financial year assets under construction were transferred to buildings at fair value, which is contrary to GRAP 17, which requires initial recognition of an asset to be at cost.</td><td>Management should recognise additions of assets from assets under construction initially cost as required by GRAP 17 and in terms of HCT's accounting policy.</td><td>The AFS has been adjusted to transfer assets under construction (AUC) to building at initial cost as required by GRAP 17 and account for additional depreciation</td><td>CEO/CFO</td><td>Resolved</td></tr>
<tr><td>5.</td><td>Inconsistency between planned target and reported

During the audit of the 2022-23 Annual Performance Report (APR), the following differences were noted between planned indicator target as per the business plan and reported indicator target in the APR.
<table>
<tr><th>No</th><th>2022-23 target per Annual Business Plan</th><th>2022-23 target per Annual Performance Report (APR)</th><th>Reported achievement as per APR</th></tr>
<tr><td>1</td><td>90% of annual budget</td><td>80% of Annual budget</td><td>96%</td></tr>
</table></td><td>Management should perform adequate reviews to ensure that the reported measures or indicators targets reported in the APR are consistent with the planned measures or indicator targets per annual business plan.

.</td><td>Annual Performance Report (APR) was adjusted to indicate 90% of annual budget to ensure consistency with the target on Business Plan (BP).</td><td>FM & CFO</td><td>Resolved</td></tr>
<tr><td>6.</td><td>During the audit of the 2022-23 Annual Performance Report (APR), the following differences were noted between Annual business plan and the APR:
1. The planned target in the business plan is not consistent with the planned target as per the APR
2. The indicator name in the business plan is not consistent with the indicator name in the APR. The APR measures complaints resolved, and the business plan measures maintenance requests resolved.</td><td>Management should perform adequate reviews to ensure that the reported measures or indicators targets reported in the APR are consistent with the planned measures or indicator targets per annual business plan.</td><td>Annual Performance Report (APR) has been adjusted to indicate 75% of maintenance request resolved within the turnaround time in accordance with the HCT Property Management policy to ensure consistency with the indicator and target on Business Plan</td><td>FM & CFO</td><td>Resolved</td></tr>
</table>

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
	3. Then consequently the reported achievement in the APR is not consistent with planned indicator and target.		(BP)National Treasury e-tender portal		
7.	Incomplete performance achievement reported - Properties under management. • During the audit of the 2022-23 Annual Performance Report (APR), we noted that the calculation of the reported achievement for housing units under management of HCT did not consider, the housing units from the Townlands housing project. As a result, the reported performance achievement is misstated."	• Management should ensure that all units under management are included in the calculation of occupancy rate as a % of housing units under management. • Management should perform adequate reviews to ensure that the indicators, targets and achievements reported in the annual performance report are accurate and complete.	Management amended the annual performance report to incorporate Townlands in the calculation of occupancy rate as a % of housing units under management. The Council approved Adjustment Business Plan and Performance Report incorporates the occupancy rate % for the housing units from the Townlands housing project. Please see the attached Council approved Business Plan 2023/24 and Quarter 4 Performance report	FM & CFO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
8.	The DTI was not notified of the successful bidders and the value of the contract for local content procured During the audit of local production and content process, we identified instances where: a) the invitation to tender did not specify the minimum threshold for local production and content. a) DTIC was not notified of the successful bidders and the value of the contract awarded to the following suppliers for "bids" that qualified for local content requirements.	• Management should quantify in the case of a designated sector, they advertise the invitation to tender with a specific condition that only locally produced goods or locally manufactured goods, meeting the stipulated minimum threshold for local production and content will be considered. • the DTI is notified of all local content procurement in a timely manner. • They implement adequate reviews and monitor compliance with National Treasury Instruction Note requirements.	During quarter 3, the entity procured Protective Clothing (PPE) and the procurement invitation specified the minimum threshold for local production (100%) and DTIC was also notified of the successful bidder and the amount awarded.	SCM Manager/ CFO	**Resolved**
9	Award was made to a supplier/ persons in service of other state institutions - Quotation During the follow-up procedures performed on CAAT's exceptions, we identified that the following supplier (Tim Sukazi Inc.) was appointed by HCT and the CAAT's data outlined that the supplier is in service with an organ of state Furthermore, we inspected the CSD registration form for Tim Sukazi Incorporated and confirmed the following details: - Supplier number: MAAA0102126	Management should adequately review and monitor compliance with MFMA and SCM Regulations to ensure compliance with the laws and regulations.	*Preventative Control: All the declarations identified by AGSA, confirmation with the said State Organs will be conducted to check whether they are employed by the state* **Q2 - December 2024** Please find the attached Confirmation letter, declaration of interest and	SCM/ CFO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
	- Director details: Puseletso Matenche - Employee of the state: Yes - Organ of state: Gauteng: Human Settlements - Status change date: 2023-08-27 Therefore, the CAAT's exception is valid and management granted an award to a supplier where one (1) of its directors is a person in the service of the state. , principal shareholders or stakeholders are in the service of the state, or had been in the service of the state in the previous twelve (12) months. (iii) Whether the spouse, child or parent of the provider or a director, manager, shareholder or stakeholder of a provider who is a company or cc, is in the service of the state or had been in the service of the state for the previous twelve (12) months.		CIPC documents submitted to the AG.		
10	Invitation for construction works contract did not stipulate the minimum category which the bidders must be registered at with the CIDB Contrary to the above we identified instances where the tender invitation for a construction works contract did not stipulate the minimum category which the bidders must be registered at with CIDB in order to qualify for evaluation.	Management should regularly review all policies and information in support of the annual financial statements to ensure accuracy and completeness financial and performance reports.	The panel for repairs and maintenance was cancelled and re-advertised to incorporate minimum category the bidders must be registered at with CIDB.	SCM/CFO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
11	Payment not made within 30 days of receipt of invoice During the testing of payments, it was noted that payments to the service providers was not paid within 30 days from the receipt of the invoice in accordance with MFMA.	Management should ensure that the service providers are paid within 30 days from the receipt of invoice to avoid instances of non-compliance	In future when invoices are disputed, they will be incorporated on the dispute register as control for adequate monitoring and follow up **Q1 – Sep 2024** Payments were made within 30 days of receipt of invoice. Please see the attached Creditors Age Analysis and Dispute Register.	SCM/CFO	**Resolved**
12	Fixed assets register not updated with revised asset numbers. During the physical asset verification of movable assets we identified that the some of the assets inspected had a different bar code to the one that the asset is registered under on the fixed asset register. The discrepancy was as a result not updating some of the asset numbers in the fixed assets with the new allocated asset numbers.	Management should put controls in place to ensure that the fixed asset register is update timeously with amended asset information.	The assets physical verification will be conducted at year end (June 2024) and all discrepancies identified by the Internal Audits will be rectified. **Q1 – Sep 2024** Asset physical verification conducted at year end and all discrepancies rectified. Please find the attached Physical verification report.	FM/CFO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
13	Commitment During testing of commitments, we identified differences between the commitments register and the detailed creditor's ledger relating to the below transaction:	• Management should ensure that commitments calculations are appropriately reviewed against relevant contracts, invoices and accruals. • Management should revisit the whole population of commitments to ensure that all goods and services that have been delivered or rendered by suppliers are accounted for correctly in the commitment's balances	Management to amend the Annual Financial statement to include commitments omitted	FM/CFO	**Resolved**
14	Units marked as "practically complete" are not complete. The consultant's certification of completed units dated 15 December 2022 with reference 1044K-3.1.4. 50 units were certified as practically complete, however we noted during the site visit on 19 November 2023 that these units did not reached the practical completion stage, as shown in the images below:	Management should have a process in place to hold contractors accountable for non-performance, or the delays to the project are identified and assessed for reasonability approval.	During the adjustment process, the KPI on the Business Plan was amended to "Number of new social housing units constructed to shell units – Chantelle" to address the finding. A shell unit is a unit that is completed from stage 1-3, meaning: •Stage 1 (Foundations) complete; •Stage 2 (Wall Plate) complete; •Stage 3 (Roof) complete; •Units not energised and water not connected; •Final electrical and Sanitation fittings not installed for security reasons;	COO/CEO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
			•Not suitable for occupation		
15	Quality issues identified on site. 1. During construction activities, the window lintel's temporary brick support may not be stable enough to support the weight. They may have an impact on the building's overall stability and structural integrity. 2. Poor housekeeping at a construction site can cause many problems, such as reduced productivity, safety risks, and detrimental effects on the project. 3. Rusting of window and door frames; failure to take appropriate precautions affects the building's integrity and functionality. 4. Some units have plaster that has fallen off; it's critical to fix this right away to stop additional damage and guarantee the building's structural integrity. 5. There are some uneven walls, which need to be fixed right away to maintain the building's structural integrity and aesthetic appeal. 6. The ClearVu fence is collapsing; this is a severe safety hazard that requires quick attention to prevent injuries and further damage. 7. Using different types of brick inconsistently, which can cause problems with both structure and appearance. In order to guarantee the stability, integrity, and general quality of the structure, this issue ought to be resolved. 8. Concrete roof leaks: Movements during installation and settling can lead to hairline cracks in the roof slabs, which can frequently result in leaks. It is also possible that the waterproofing material used initially failed or that the concrete slab was installed improperly. 9. Bad plastering, which can lead to problems with appearance as well as structure. To guarantee a long-lasting, aesthetically pleasing, and well-protected finish, this issue should be resolved.	The consultant should issue an instruction the contractor to redo the work where it has been improperly completed.	Most of the quality issues identified on site were rectified. However, the Contractor has been terminated due to poor performance.	COO/CEO	**Resolved**

	AG audit findings (for the financial year ended 30 June 2023)	AG's Recommendations	Corrective action implemented in resolving findings from the AG	Responsible Person	**Target date**
	10. Moisture mold growing on walls, which can cause a number of issues such as weakened structural integrity, the growth of mold ,in the long-term can cause harm to the structure. Controlling moisture is essential for maintaining the structure's performance and longevity. Regarding the afore mentioned quality faults, kindly refer to the photographs below:				

AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
1	**Limitation of scope:** 1. Business process walk through documentation (COMAF 1) 2. Legal Confirmations (COMAF 2) 3 & 4. Supporting documents for AFS components (COMAF 3 & 4 & 24 & 42) 5. Supply chain management (Deviations) (COMAF 6) 6. AoPO Indicator description (COMAF 7) 7. Employee related costs (Caretakers) (COMAF 18) 8. Contract Management (COMAF 25) 9. Quotations below R10k (COMAF 41) 10. Supply chain management (Deviations) (COMAF 43)	Management implements adequate internal controls to ensure that information to support financial and performance reporting is submitted for audit purposes within the timelines specified in the engagement letter.	***Preventative Control:*** 1. Holistically review the filing system- Automate. (if there is none we need to procure). In the meantime, the entity will scan and file all documents on Q Drive. 2. Review the business processes, document them during the financial year and submit to Audit Risk Manager for review and filling. 3. Third party confirmation must be done prior to submission of the AFS to the AG. 4. Supplier database will be updated, reviewed monthly, and A&R will verify completeness on a quarterly basis. 5. Develop and Review system description/TID for all indicators incorporated on the Business Plan.	Department Heads Managers & Audit Risk Manager Finance and Paralegal Officer SCM Manager Property Development Manager	1. Documents are scanned and filed on Q Drive do reduce physical filing therefore improving the filling system for swift retrieval of documents requested. 2. All business processes have been reviewed. 3. Third party confirmation will be done before the submission of the AFS to AG 4. HCT fully implements and apply circular 81 with regard to this finding as the Entity is not obliged to have a parallel database of service providers. CSD is the mandatory database for government institutions 5. System description/TID for all indicators have been incorporated on the Business Plan. One TID that required further refining has been reviewed and submitted to AG for their guidance	**Resolved in Q2**
2.	Policies not reviewed or updated on a regular basis (COMAF5)	Management should ensure that there are adequate controls	***Preventative Control:*** 1. Monthly update and review of policy register and Q-Drive.	1. Legal & Compliance Officer	1. All policies are reviewed timeously. The Q-Drive policy folder and policy	**Resolved in Q3**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		implemented to ensure that all policies due for review are reviewed and comply with all the necessary changes required as well as being consistent with the industry's best practices.	2. Create a separate Q-Drive with limited/restricted access for the purpose of the audit. 3. Request for updated polices from the City if there is none, HTC will develop and approved their own policies based on the Collective Agreements as per SALGA.	2. Legal & Compliance Officer 3. Legal & Compliance Officer and Human Resource Manager & Departmental Heads	register are updated and reviewed monthly. 2. There is separate Q-Drive with limited/restricted access for the purpose of the audit to safeguard policies approved. 3. …	
3.	**13th Cheque (COMAF 10)** The entity does not accrue the 13th cheque as required by GRAP 25. Instead, it expenses the amount paid only if the employee is still employed at the time of the payout. if an employee resigns before the bonus payout, they are not paid the accrued portion of the 13th cheque as required by 13th cheque policy.	Management should go back to the entire population (not limited to this year) of 13th cheque and recalculate the amount that must be accrued to employees. Management should ensure that there are adequate controls in place over the preparation and review of the annual financial statements so that 13th cheque disclosed is accurate, can be supported by overtime	***Preventative Control:*** 1. Adjust the AFS to accrue 13th cheque due to resigned employees 2. Payments to resigned employees. 3. Develop a policy compliance checklist. 4. Monitor the policy compliance checklist 5. Workshop policies to all HCT Employees	1. Accountant Reporting & FM 2. HR Officer/Manager & FM	1. 2023/204 AFS were adjusted however the error was picked up again during the Interim reporting. This will be adjusted/corrected in the 3rd quarter IFS and to accrue 13th cheque due to resigned employees 2. Payment is yet to be processed as there were delays in obtaining tax directives. In the 2024/25 on employee who resigned in was paid his prorated bonus 3. Draft policy compliance checklist is being developed and will be finalised Q4.	**Not Resolved**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		worked and is fairly stated.			4. Policy compliance checklist will be monitored once it has been finalised. 5. Policy workshop has commenced, and two workshops were held in the month of March.	
4.	**AoPO usefulness finding – Strategic Objective 1 (COMAF 11)** The entity lacks a Technical Indicator Description (TID) for the indicators, and there is no reliable standard operating procedure in place to verify the processes that produce these indicators. As a result, the indicator is not well-defined, and we are not able to proceed with testing for reliability.	Review the annual performance plan to ensure that the performance indicators are well defined and verifiable, and targets are measurable. Ensure that the title of the indicator, description and method of verification are aligned.	***Preventative Control:*** Review Technical Indicator Description (TID) in consultations with City Strategies and Internal Auditors, and (Auditor General if applicable or deemed necessary) to avoid inconsistency of the TID (Chantelle – shell units but Townlands -practically completed units)	Project Manager & COO	The Technical Indicator Description (TID) in consultations with City Strategies and Internal Auditors has been reviewed and submitted to Auditor General for their guidance and advice.	**Resolved in Q3**
5.	**Expenditure Management – Reasonable steps not taken to prevent irregular and fruitless and wasteful expenditure (COMAF 12) to** the value of R77 727 571 as disclosed in note 39 of the annual financial statements and incurred fruitless and wasteful expenditure of R44 441 976 as disclosed in note 38 of the annual financial statements.	1. Accounting officer should ensure that relevant officials of the municipal entity are adequately trained and made aware of all the applicable laws and regulations that need to be complied with. 2. Management must implement controls and measures surrounding expenditure management to	***Preventative Control:*** 1. Develop an SCM Compliance Checklist 2. Develop, approve and monitor a procurement plan based on available budget. 3. Provide a workshop or training to relevant personnel. 4. Implement consequence management for any person that allows irregular, fruitless and wasteful expenditure. 5. Maintain Irregular, fruitless and wasteful expenditure Register. 6. Instances of Irregular, Fruitless and Wasteful expenditure will be	1. SCM Manager 2. Department Heads & SCM (consolidation) 3. SCM Manager 4. CEO 5. SCM Manager & FM 6. SCM & FM & Forensic Department 7. CEO & Board	1. SCM Compliance Checklist has been developed 2. Procurement plan based on available budget has been develop and approve for implementation and monitoring in the next FY. 3. SCM workshop or training will be conducted in Q4. 4. Consequence management for any person that allows irregular, fruitless and wasteful expenditure will be implemented as an when required. 5. Maintain Irregular, fruitless and wasteful expenditure Register.	**In progress**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		ensure that all regulations and acts are adhered to in order to prevent irregular and fruitless and wasteful expenditure. 3. Management must ensure that internal controls are developed while considering the regulations and acts as required and those controls are adhered to at all times. 4. The entity is encouraged to investigate all instances of irregular and fruitless and wasteful expenditure identified and apply prescripts of MFMA relating to consequence management.	investigated and will apply for condonation where applicable 7. Depending on the outcome of the investigation, fruitless and wasteful expenditure will be recovered from liable or responsible officials.		6. Instances of Irregular, Fruitless and Wasteful expenditure will be submitted to forensics for investigation. 7. Depending on the outcome of the investigation, fruitless and wasteful expenditure will be recovered from liable or responsible officials.	
6.	**Non-compliance with the requirements of PPR 3(1)(b) of 2022 (COMAF 14)** **T**he entity did not stipulate the specific goal in the invitation and the number of points that	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored.	***Preventative Control:*** **1.** Develop an SCM Compliance Checklist to ensure that documents submitted by the suppliers are complete and	1. SCM Manager	1. Submission of mandatory or required documents is included in the checklist.	**Resolved in Q3**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	will be awarded to each goal - **R582,370**		include both Part A and part B **2.** If the suppliers submit incomplete document, they must be disqualified from the evaluation process 3. Instances of Irregular expenditure must be investigated and apply for condonation where applicable **4.** Depending on the outcome of the investigation consequence management must be implemented for Irregular expenditure	2. SCM Manager 3. SCM & FM & Forensic Department 4. CEO & Board	2. Suppliers who submit incomplete documents are disqualified from the evaluation process 3. Irregular expenditure identified will be submitted to forensic for investigated. 4. Depending on the outcome of the investigation consequence management must be implemented for Irregular expenditure	
7.	**Non-compliance with Section 13(c) of the Municipal Supply Chain Management Regulation** - (COAMF 14) The director of Greatness Solutions Emmanuel Makwa on 13 March 2024 did not disclose that he conducted business with Housing Company Tshwane in the past 12 months. However, it was noted that the director of Dell Montso Trading who provided laptops to HCT on 31 July 2023 was Emmanuel Makwa. **- R395,342**	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored.	***Preventative Control:*** 1. Management will develop a register for appointed suppliers to ensure that previously appointed suppliers declare that they conducted business with entity in the past 12 months. 2. Instances of Irregular expenditure must be investigated and apply for condonation where applicable 3. Depending on the outcome of the investigation consequence management must be implemented	SCM Manager & FM	1. A register of appointed suppliers has been developed to ensure that previously appointed suppliers to be used to cross reference when confirming the accuracy of declaration. 2. Irregular expenditure identified will be submitted to forensic for investigated. 3. Depending on the outcome of the investigation consequence management must be implemented for Irregular expenditure	**Resolved in Q3**
8.	**Asset Physical Verifications (COMAF 15)** 1. Assets found on the floor	Management should thoroughly review their asset register before	***Preventative Control:*** 1. Improve on the identification (tags) used	SCM Manager & FM	1. Procurement mental tag to improve on the identification of assets has	**In Progress**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	could not be traced to the asset register as they did not have asset numbers: * Vacuum Cleaner Eloff Building * Generator Eloff Building * Scanner Eloff Building * Serve Townlands 2. The physically verified condition of the following assets does not agree with the asset register as they are not working: HCT353 11 CCTV cameras, Lcd monitor (s/n. 009R3RA306723R), DVR VGA (s/n 063450792), 2X Channel DRV's - ClarinaHCT362 CCTV Cameras HCT657 Scanners in Danville	submitting to the auditors in order to ensure that it complies with the policy and is as per the GRAP standard	2. Conduct quarterly comprehensive assets verification		commences and all assets will be tagged with the new tag buy 30 June 2025 2. Q2 assets verification was conducted and concluded in March 2025.	
9.	**Resources of the municipal entity not used effectively, efficiently and economically – Litigation award to Contractor (COMAF 16)** The entity incurred fruitless and wasteful expenditure to the value of R44 441 976 as disclosed in note 38 to the AFS due to a litigation as a result of a court judgement delivered on 20 May 2024.	Accounting officer should ensure that relevant officials of the municipal entity are adequately trained and made aware of all the applicable laws and regulations that need to be complied with. Management must implement controls and measures to ensure that all regulations and acts are adhered to in order to prevent fruitless and wasteful	***Preventative Control:*** 1. Prior to the appointment of the contractor, management must ensure that the site is ready for hand over. 2. Workshop and training on prevention of fruitless and wasteful expenditure 3. Instances of Irregular, Fruitless and Wasteful expenditure will be investigated and will apply for condonation where applicable. ***4.*** Depending on the outcome of the investigation, fruitless and wasteful expenditure will be	1. COO & CEO 2. CEO 3. All employees 4. SCM & FM & Forensic Department 5. CEO & Board	1. To be implemented in the next financial year once we have appointed a service provider for the completion of the Timberland project. 2. Workshop and training on prevention of fruitless and wasteful expenditure will be conducted in Q4. 3. Irregular expenditure identified will be submitted to forensic for investigated. 4. Depending on the outcome of the investigation consequence	**Not Resolved**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		expenditure. Management must ensure that internal controls are developed while considering the regulations and act as required and those controls are adhered to at all times. Investigate all instances of fruitless and wasteful expenditure identified and apply prescripts of MFMA relating to consequence management.	recovered from liable or responsible officials		management must be implemented for Irregular expenditure	
10.	**Rental revenue of facilities and equipment not billed and collected from transferred properties resulting in financial loss suffered by the entity resulting from illegal tenants at Vervoer North and South and Rooival (COMAF 17) - R2,169,999**	Management should implement legal action against tenants who are occupying the transferred properties illegally and persistently failing to pay rent and other charges to ensure they are legally evicted and recover the previous occupation of space and utilisation of other utilities. Management should conduct a physical verification of all transferred properties	***Preventative Control:*** 1. Implement legal action against tenants who are occupying the transferred properties illegally and persistently failing to pay rent and other charges to ensure they are legally evicted and recover the previous occupation of space and utilisation of other utilities. 2. Management cannot conduct a physical verification of all transferred properties as it is not safe to enter in some buildings such as	1. Client Service Manager & Property Manager & COO & FM 2. Client Service Manager & Property Manager & COO	GP transferred stock- all buildings have been verified and billed accordingly except for Rooiwal & Vervoer N&S. A MayCo Report has been sent to the city requesting for the intervention of the law enforcement for restoration of Rooiwal Township. There were 4 illegals at Vervoer and now down to 2, a plan is underway to remove the remaining 2	**Resolved in Q3**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		to HCT to ascertain that all units are occupied by legal tenants and have valid lease agreement				
11.	**PPE - Buildings (COMAF 19)** **Issue 1 - Differences Noted in Carrying Amount and Fair Value in Valuation Reports** The entity conducted a valuation to determine the fair value of land and buildings. However, discrepancies were identified between the values in the valuation reports and the carrying amounts recorded in the Asset Register, indicating that the carrying value of the property does not accurately reflect fair value as of 30 June 2024 - R17 025 070 **Issue 2 - Double Deduction of Land in Determining Fair Value of Phases 1 and 2 of Townlands** R9,500,000, in the fair value determination of Phases 1 and 2 of the Townlands project. This amount, representing the value of the land on which Townlands is situated, was incorrectly deducted in both valuations. **Issue 3 - Double Counting of Security Costs in the**	Adequate reviews are performed on the financial statements to ensure that they are in compliance with GRAP requirements.	***Preventative Control:*** 1. Adjust the AFS to account for R9,500,000, in the fair value of Phases 2 for Townlands project. 2. Conduct valuation of land and building timeously towards the end of the financial year (June 2024) 3. Review the valuation report and have engagements with the valuer to ensure accuracy of the valuation report. 4. GRAP training for Officials responsible for the preparation and review of the AFS	1. Immediately 2. Accountant Reporting & FM 3. SCM & FM 4. Accountant Reporting & FM	1. The revaluation was conducted in January 2025 to incorporate other buildings that were not valued in June 2024. The finding was a result of not revaluing the entire class of assets as per GRAP 17, paragraph 44. 2. Valuation of land and building to commence in May 2025 3. the Valuation report will be review once concluded. 5. GRAP training for Officials responsible for the preparation and review of the AFS will be conducted before June 2025 **Issue 2:** The value of land was recorded only on phase 1 in the Interim Financial Statements for December 2024. Take note that the entity does not own the land, but the City gave us	**Resolved in Q3**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	Valuation of Townlands Phase 2 One of the expenditures used in determining the valuation of Townlands Phase 2 includes an estimated security cost. However, the Townlands project premises already have security costs accounted for in the valuation of Townlands Phase 1. This estimation results in the double counting of security costs across the entire valuation. The effect of this duplicated security expense on the property's valuation amounts to R10 363 636, calculated by dividing the estimated expenditure by the capitalization rate applied (R1,140,000 / 11%)				development rights hence the value of land was recorded under building. In terms of GRAP 17, the valuation must include both land and building. **Issue 3:** Townland was revalued as one instead of two different phases and the security costs are appropriately apportioned based on the number of units, phase 1 being 58% and phase 2 42%. Phase 1: 691/1200= 58% Phase 2: 509/1200= 42%	
12	**SCM Quotations - Supplier unfairly disqualified - SUPPLY AND DELIVERY OF MARKETING AND PROMOTIONAL GOODS- Hammet Projects and Suppliers CC (COMAF 20)** The entity unfairly disqualified the supplier even though the supplier submitted the required information as per the quotation request	Management should ensure that all suppliers are evaluated during the evaluation process. Management should institute the assessment and determination process to determine whether anyone is liable, and where the investigation conclude that the loss must be recovered, the process for recovery be instituted.	***Preventative Control:*** 1. Develop an SCM Compliance Checklist to ensure lease agreement from suppliers are authentic 2. Instances of Irregular expenditure will be investigated and will apply for condonation where applicable. ***3.*** Depending on the outcome of the investigation, irregular expenditure consequence management will be implemented to liable or responsible officials	1. SCM Manager 2. SCM & FM & Forensic Department 3. CEO & Board	1. SCM Compliance Checklist has been developed 2. Instances of Irregular, Fruitless and Wasteful expenditure will be submitted to forensics for investigation. 3. Depending on the outcome of the investigation, fruitless and wasteful expenditure will be recovered from liable or responsible officials.	**Resolved in Q3**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
13.	**Inconsistency in applying the Functionality/evaluation criteria (COMAF 20 & COMAF 51) - Preferential Procurement Regulation 2022** **T**here were inconsistencies with regards to which document they would accept for document 5 which is municipal account, statement of lease, proof of residency and or letter/affidavit from council. Furthermore, this resulted to the unfairly disqualifying suppliers as certain submissions were accepted with only a lease document, while others were disqualified for providing the same.		***Preventative Control:*** 1. Develop Standard Operating Procedures (SOP') to indicate which document must be accepted when evaluating suppliers' municipal statements. 2. Instances of Irregular expenditure will be investigated and will apply for condonation where applicable. 3. Depending on the outcome of the investigation, irregular expenditure consequence management will be implemented to liable or responsible officials	1. SCM Manager 2. SCM & FM & Forensic Department 3. CEO & Board	1. Functional checklist has been developed assist in the fair evaluation of all service providers and will be used as and when required. 2. The full application of PPPFA amended 2017(attached), which gives guidelines in the evaluation of bids on functionality will be implemented moving forward.	**Resolved in Q3**
14.	**Other Assets- Additions (COMAF 21)** The Billboard, asset HCT1074 was delivered on August 16, 2024, as per the SCM delivery stamp, but the acquisition date in the Asset Register is recorded as 26th June 2024	Adequate reviews are performed on the financial statements to ensure that they are in compliance with GRAP requirements.	***Preventative Control:*** Develop document control to ensure that once invoices are submitted to finance for capturing and payment, they cannot be amended by SCM Officials	SCM Manager & FM	1. Internal controls in recording and filing source documents have been developed and delivery notes will be signed and handled by the user department.	**Resolved in Q3**
15.	**CAATs - Person in service with the state who has an interest in Supplier (COMAF 22)** Mashadi Elaine Mothobi, the Corporate HR Manager at	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored.	***Preventative Control:*** Develop and implement HR recruitment checklist to ensure that newly appointed employees sign declaration of business	HR Officer/Manager	As guided by the collective agreement, a form has customised to HCT (taken from CoT). As guided by the collective	**In Progress**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	Housing Company Tshwane (HCT), is a director of the Institute for Focused Development (K2012/125100/07) alongside Magaba Johannah Phaweni, who is also a director of MIH Projects (Pty) Ltd., a current service provider to HCT. However, upon reviewing the MBD 4 Declaration of Interest submitted by Magapa Johannah Phaweni on behalf of MIH Projects (Pty) Ltd, we observed no disclosure of this relationship. Additionally, we could not confirm whether the relevant employee declared this interest with Magapa Johannah Phaweni.		interest to indicate if their partners are doing business with the state.		This collective agreement will be one of the policies that will be workshopped before it can be implemented. Immediately after the workshop, all employees will be requested to fil in the form. This will be done annually going forward commencing 30 May 2025.	
16.	**Payment not made within 30 days of receipt of invoice (COMAF 23)** Payments to the service providers was not paid within 30 days from the receipt of the invoice in accordance with MFMA	Management should ensure that the service providers are paid within 30 days from the receipt of invoice to avoid instances of non-compliance.	***Preventative Control:*** 1. In future if invoices are disputed, they will be incorporated on the dispute register as control for adequate monitoring and follow up. Dispute register will be updated on a monthly basis and be reviewed by SM 2. Monthly preparation of Cash Flow Projections to ensure that suppliers' payments are made within 30 days.	Accountant Reporting & FM & Bookkeeper	The disputed invoices are incorporated on the dispute register as control for adequate monitoring and follow up. Dispute register has been updated regularly and reviewed by SM. Cash Flow projections are prepared monthly; however, the entity has been experiencing cash flow challenges to honour commitments. This finding will be a repeat finding in June 2025.	**Not Resolved**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
17.	**Misstatement of revenue from rental of facilities and equipment (non-billing and collection of rental income for properties occupied by caretakers) (COMAF 26)** Caretakers were provided accommodation without any payment made to Housing Company Tshwane and the cost of accommodation provided free of charge does not form part of the payroll of the caretakers as a fringe benefit, thus resulting in financial loss suffered by Housing Company Tshwane.	Management should ensure that revenue is billed and collected from caretakers occupying the properties held and managed by Housing Company Tshwane, thus mitigating the financial loss. Management should implement a policy which prescribes the appropriate accounting treatment of rental accommodation provided to caretakers of Housing Company Tshwane properties. The policy should state that either the caretakers occupying the HCT properties should either pay rental charge at a market rate or discounted rate. In addition, the policy requirements should state that the cost of rental accommodation provided to caretakers free of charge should form part of the salary structure as a fringe benefit item. Management to make	***Preventative Control:*** 1. Develop and implement a policy of rental accommodation provided to Caretakers. 2. Incorporate the cost of rental accommodation provided to caretakers free of charge as part of the salary structure and fringe benefit item. 3. Management to make the necessary adjustment to the annual financial statements to resolve the error/ differences identified.	1. Client Service Manager & Property Manager & COO 2. HR Manager & FM	1. Caretaker policy has been developed and is awaiting Board subcommittee and Board approval. 2. This fringe benefit has not been incorporated into a salary structure yet as we do not have this fringe benefit configured into a payroll system. HR will involve SAP consultants so that they can a create a wagetype for this benefit.	**In progress**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		the necessary adjustment to the annual financial statements to resolve the error/ differences identified.				
18.	**Impairment Assessment AUC (COMAF 27)** An impairment assessment was not performed despite indicators of impairment. This was due to the decision to halt construction of the Chantelle Project because of the contractor's non-performance and substandard work produced by the contractor.	Management should ensure that there are adequate controls in place over the preparation and review of the annual financial statements so that overtime disclosed is accurate, can be supported by overtime worked and is fairly stated.	***Preventative Control:*** 1. Adjust the AFS to incorporate impairment loss for Chantelle project 2. Develop impairment assessment checklist for Assets 3. Conduct annual impairment assessment at the end of financial year, 30 June	Accountant Reporting & FM & Bookkeeper 1. Accountant Reporting & FM & Bookkeeper 2. Accountant Reporting & FM & Bookkeeper	1. The impairment loss of R4,6 million for Chantelle project was disclosed on June 2024 AFS. Furthermore, the impairment loss of R6,8 million for Magic Labour Hire was also disclosed under note 36 prior period error in the Interim Financial Statement for December 2024. 2. Impairment assessment checklist for Assets will be developed. 3. Annual impairment assessment will be conducted at the end of financial year.	**Resolved in Q2**
19.	**Overtime (COMF 28)** **Issue 1** **Overtime work without pre-approval and occurrence can't be confirmed** The timesheets provided were insufficient to substantiate the overtime paid, and there was no proof of evidence (POE) to confirm the work completed. Consequently, The AG was	Management should ensure that there are adequate controls in place over the preparation and review of the annual financial statements so that overtime disclosed is accurate, can be supported by overtime worked and is fairly stated.	The overtime pre-approvals and POEs was decentralised. Management engaged other departments to bring forth their POEs and overtime pre-approvals forms. The information was subsequently submitted to AG. Management disagrees with the audit finding as the overtime was prepared by Tumelo Masoga and he signed the overtime claim as the preparer, and it was approved	HR Manager	1. Preapproval cannot be obtained for emergency work. Line managers and HR will ensure that overtime described as an emergency is as per the approved policy. 2. Tumelo stopped signing his overtime claim.	**Resolved in Q2**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	unable to verify the work for which they were paid. No pre-approval was provided for the overtime work which is contravention of the overtime policy **Issue 2** There is a lack of segregation of duties, as Tumelo Masoga claimed, approved, and processed his own overtime.		by Chief Operating Officer and also supported by Acting CFO as a way of confirming available budget as per submission to Auditors. Auditors should note that it is only the HR division that process entity 's overtime claims SAP system. ***Preventative Control:*** The overtime pre-approvals and POEs must be centralised to HR Department as custodian.	HR Manager		
20.	**Employee costs – The nature of other allowances has not been disclosed (COMF30)** Amounts included in other allowance including the following qualitative material expenses overtime, security allowance (which is overtime for security officers who worked on Sunday) and acting allowances.	Management should disclose the nature of the amount of other allowances in note 21 in accordance with the GRAP standard. Put in place controls that ensure compliance with the approved overtime policy.	***Preventative Control:*** 1. Adjust the AFS to incorporate narration in other allowance (overtime, security allowance) 2. Develop materiality framework for the entity *3.* Disclose quantitative material expenses separately on note 21 of the AFS	Accountant Reporting and FM 3. Accountant Reporting and FM 2. Accountant Reporting and FM	1. The nature of other allowances has been disclosed separately instead of consolidating them under other allowance, **refer to note 22** on the Interim Financial Statements for December 2024. 2. Materiality framework for the entity will be developed 3. Disclose quantitative material expenses separately on note 21 of the IFS	**Resolved in Q2**
21.	**Employee costs – Security Allowances (COMAF 31)** Security officers whose shifts include Sundays are paid an allowance for working on Sundays. This is not in accordance with the overtime and night allowance policy, as	Management should disclose the nature of the number of other allowances in note 21 in accordance with the GRAP standard.	Management **disagrees** with the audit finding. The security allowances paid refers to night allowance disbursed based on the **conditions of service collective agreement.** In May 2021 Security's salaries as part of a migration process where	Client Service Manager & Property Manager and COO	There are no security offices on payroll as the entity has outsources the security services.	**Resolved in Q2**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	their contracts include working on Sundays.		their salaries were corrected as per the approved graded salaries. As part of correcting the grades, the allowances were introduced. Wage types from the CoT were copied. The city didn't have security officers, and they tried to find the closest positions that resembles security officers. The entity migrated security officers to Caretakers hence there is not security allowance in the financial year 2024/25. ***Preventative Control:*** Develop a security allowance policy based on condition of service collective agreement	Client Service Manager & Property Manager & COO		
22.	**Misstatement of payables – Property rates Expenditure (COMAF 32)** The property rates expense for certain assets could not be traced to either the general ledger or the annual financial statements (AFS). Only the property rates expense for the Elloff Building was successfully traced to the general ledger	Management should conduct a comprehensive review of the general ledger to ensure that all transactions are accurately recorded, thereby enhancing the completeness and reliability of financial information.	***Preventative Control:*** 1. Engagements with COT to close their rates and taxes accounts 2. HCT to open rates and taxes accounts once COT closes their accounts and Townlands is handed over to the entity.	Client Service Manager & Property Manager & COO	1. COT was engaged with to close their rates and taxes accounts 2. HCT has opened rates and taxes accounts.	**Resolved in Q3**
23.	**Employee costs – Misalignment of Employee Roles with Job Descriptions (COMAF 33)**	Strengthen adherence to workforce transfer policies, ensuring that all transfers serve the	***Preventative Control:*** Management will formalise the process of Caretakers assisting	HR Manager, COO & CEO	The lateral move of Caretakers has been formalised on an approved memo and filed in employee files of everyone.	**Resolved in Q3**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	Four employees hired as caretakers who are not performing tasks aligned with their job descriptions. These individuals have been allocated to duties within the HCT offices, where their current responsibilities do not match those typically associated with caretaker roles. Despite being formally transferred, they are occupying roles that do not reflect the duties for which they were originally hired. These employees were transferred into positions that are designated as vacant but are not aligned with their skill sets or job descriptions. The transfer appears to contradict the organization's horizontal transfer policy, which requires that such moves be made only if they serve the best interest of the entity.	best interests of the organization and contribute to its operational efficiency.	with the administrative work at Townlands.			
24.	**Incorrect disclosure of AUCs under PPE note 3 (COMAF 34)** Cumulative expenditure of asset under construction was not disclosed in aggregate per class of assets under the	Management should implement review processes in order to ensure that annual financial statements adhere to GRAP standards.	***Preventative Control:*** 1. Adjust the AFS to disclose cumulative expenditure of asset under construction in aggregate per class of assets under the reconciliation of	Accountant Reporting and FM Accountant Reporting and FM Accountant Reporting and FM	1. The AUC has been disclosed under building and not as a separate line item to comply with GRAP 17, referring to note 3 on the Interim Financial Statements for December 2024**.**	**Resolved in Q2**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	reconciliation of property, plant and equipment. Buildings: assets under construction was included as a separate line item in Notes 3 to the AFS. This is in contravention to the requirements of GRAP 17 for the PPE Note.	Management should disclose the cumulative expenditure of assets under construction in aggregate per class of assets.	property, plant and equipment (Buildings) 2. GRAP training for Officials responsible for the preparation and review of the AFS 3. Develop and implement GRAP 17 compliance checklist		2. Training will be provided before the end of May 2025 3. GRAP 17 compliance checklist will be developed and implemented before 30 June 2025	
25.	**PPE Repairs (COMAF 35)** HCT did not adhere to GRAP 17, paragraph 88 as repairs made to PPE was not disclosed separately in the notes to the financial. We were unable to determine the amount of repairs and maintenance relating to Property, Plant and Equipment for the 2023-24 financial year.	Management should implement review processes in order to ensure that annual financial statements adhere to GRAP standards. Management should disclose the cumulative expenditure of assets under construction in aggregate per class of assets.	***Preventative Control:*** 1. Adjust the AFS to disclose repairs made to separately in the notes to the financial. 2. GRAP training for Officials responsible for the preparation and review of the AFS 3. Develop and implement GRAP 17 compliance checklist	Accountant Reporting and FM Accountant Reporting and FM Accountant Reporting and FM	1. PPE repairs were disclosed separately on the IFS for December 2024, refer to note 3. 2. Training will be provided before the end of May 2025 3. GRAP 17 compliance checklist will be developed and implemented before 30 June 2025	**Resolved in Q2**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
26.	**Incorrect Classification of Inventory as a Repairs Expense in Storeroom (COMAF 36)** The AG observed consumable stores and maintenance materials that meet the definition of inventory. However, these items are currently expensed under repairs rather than being appropriately classified as inventory. Additionally, the value of the stock on hand in the storeroom could not be quantified, as no inventory records or valuation details were available.	Management should implement review processes in order to ensure that annual financial statements adhere to GRAP standards. Management to determine the extent and value of all the inventory items held at all HCT managed buildings and disclose appropriately.	***Preventative Control:*** 1. Quantify the value of all the inventory items held at all HCT managed buildings 2. Record the value of inventory on the Accounting System 3. Disclose inventory appropriately on the AFS	1. SCM 2. Bookkeeper 3. Accountant Reporting & FM	Finance is awaiting user department and SCM to quantify the value of inventory and submit the information to finance for recognition on the IFS December 2024.	**Not Resolved**
27.	**Useful life and Residual assessments (COMAF 38)** There is no indication that the management assessed any changes in the entity's expectations regarding the residual value and useful life of an asset since the preceding reporting date.	Management should implement review processes in order to ensure that annual financial statements adhere to GRAP standards.	***Preventative Control:*** 1. The useful life assessment report approved the by the Chief Financial Officer was subsequently submitted to the AG 2. Submit useful life assessment report approved the by the Chief Financial Officer as part of Circular 50	Accountant Reporting & FM	The Finance team has developed the useful life assessment report that will be approved by the CFO.	**Resolved in Q2**
28.	**Contract Management (COMAF 39)** Contract was not monitored on a monthly basis and there was no day-to-day management of	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored.	***Preventative Control:*** 1. POE (Job cards) sourced from Property Management Department supporting monthly maintenance	Property Manager	1. Contract management tool has been developed and will be implemented in monitoring the next capital project contract. 2. Monthly jobs cards for service performed by Melco Elevators Sa Pty	**Resolved in Q3**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	the contract or agreement (Melco Elevators Sa Pty Ltd - 2 Mitsubishi Passenger Elevators at Eloff) Furthermore, we were unable to confirm services relating to the contract that were completed during the current year were actually received and are being utilised due to the contract not being monitored.	Management should further ensure that the contracts are monitored on a monthly basis, supported by performance reports that are signed by the relevant project managers/end user.	undertaken by Melco at Eloff building were submitted to the AG 2. Submit monthly jobs cards for service performed prior to the payment of an invoice for Melco Elevators Sa Pty Ltd for 2 Mitsubishi Passenger Elevators at Eloff		Ltd for 2 Mitsubishi Passenger Elevators at Eloff are now submitted.	
29.	**Extension/modification to contract not approved by a delegated official- MIH (COMAF 40)** That the adjustment to the professional fees due to extension of scope of MIH and variation were not approved by the delegated official: R13 263 199,32 and R21 863 824,31	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored. Management should ensure that all extensions and variations are approved by the delegated official.	***Preventative Control:*** 1. Process for extension/modification to contract to be clearly stated on the SCM SOPs 2. Continuous disclosure of the MIH variation/deviation as Irregular Expenditure in note 39 of the AFS 3. Ensure variations above threshold of above 20% are approved by Council	Property Development Manager & COO & SCM & FM	1. SCM Standard Operating Procedure are under review. 2. The MIH variation/deviation has been disclosed as Irregular Expenditure in note 39 of the IFS 3. Variations above threshold of above 20% will be submitted to the Council for approval- there were no variation above 20% in Q2 and Q3	**In progress**
30.	**Bids received late were no disqualified. (COMAF 45)** Bids submitted but were not recorded in the register for bids received in time and were evaluated by the Bid evaluation committee and appointed to the panel. **Panel**	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored. All expenditure to the bidders should be	***Preventative Control:*** 1. Effectively manage the bids submission to ensure all bids received are recorded in a register for bids received instead of Visitors/ Clients Register. 2. Cancel the Panel for Safety and Security Services as it is Irregular expenditure	1. SCM Manager 2. CEO & SCM Manager	1. Bids submissions are recorded in a register for bids received instead of Visitors/ Clients Register. The bids register has been developed however there were no bids received after the audit report. 2. The entity is seeking legal advice regarding the cancelation on the Panel for Safety and Security	**Resolved in Q**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	for Safety and Security Services: HCT 08/2022/23	recorded as irregular expenditure.	3. Quantify the amount paid to Service Providers and disclose as Irregular expenditure Workshop and training on prevention of Irregular expenditure 4. Instances of Irregular expenditure will be investigated and will apply for condonation where applicable. 5. Depending on the outcome of the investigation, fruitless and wasteful expenditure will be recovered from liable or responsible officials	3. SCM Manager & FM 4. SCM & FM & Forensic Department 5. CEO & Board	Services as it is Irregular expenditure 3. The amount paid to Service Providers has been quantified and disclose as Irregular expenditure in the December IFS 4. Workshop and training on prevention of Irregular expenditure will be conducted before the end of June 2025	
31.	**Bidder disqualified unfairly (COMAF 46)** Supply was disqualified due to TCC/ OTP expired., however regulation 43 requires that the bidder be given reasonable time to fix their matters with SARS - SCM Regulation 43	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored. All expenditure to the bidders should be recorded as irregular expenditure.	***Preventative Control:*** Develop SCM compliance checklist to ensure that Suppliers with expired TCC/ OTP are given reasonable time to fix their matters with SARS as per SCM Regulation 43.	SCM Manager	SCM compliance checklist has been developed.	**Resolved in Q3**
32.	**Fruitless and wasteful expenditure incurred due to late payments (COMAF 47)** The payments were not made in line with the agreed timelines. As a result, interests amounting to R874 229,83 were levied against the entity.	It is recommended that the accounting officer investigate the reasons for the late payments. This will assist the entity with identifying the root cause. Upon conclusion of the	***Preventative Control:*** 1. Implement proper document management to ensure that the correct documentation is submitted to the AG 2. Investigate the reasons for the late payments 3. Provide a workshop or training to relevant personnel.	1. Property Development Manager & COO 2. Departmental Heads & CEO 3. All employees	1. Management is awaiting the department to quantify the amount to be included on the fruitless and wasteful expenditure register and disclose it on the IFS for December 2024. 2. The Acting CFO will submit the information to Forensic	**Not resolved**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	Therefore, this indicated that the entity incurred fruitless and wasteful expenditure amounting to R874 229,83	investigation, the entity should put processes in place to ensure that the identified root cause is addressed. The processes should also be filtered to other projects as the finding has been identified in other projects.	4. Implement consequence management for any person that allows irregular, fruitless and wasteful expenditure 5. Maintain Irregular, fruitless and wasteful expenditure Register. 6. Instances of Irregular, Fruitless and Wasteful expenditure will be investigated and will apply for condonation where applicable. 7. Depending on the outcome of the investigation, fruitless and wasteful expenditure will be recovered from liable or responsible officials	4. Departmental Heads & CEO 5. SCM & FM & Forensic Department 6. SCM & FM & Forensic Department 7. CEO & Board	Department for investigation once is concluded	
33.	**Delays in project completion (COMAF 47)** The project commenced on 07 April 2021 with a scheduled completion date of 07 April 2024, however, as of October 2024, the project was not completed. In addition, the contractor was terminated on 14 May 2024 and as of October 2024, the replacement contractor has not been appointed.	The accounting officer should investigate the reasons for inadequate project management and institute consequence management should it be found that the officials did not act in the best interest of the entity. It is recommended that the accounting officer investigate the reasons for the late payments. This will assist the entity with identifying	***Preventative Control:*** 1. Provide training to relevant personnel. 2. Appointment of the replacement contractor. 3. Secure funding from SHRA to complete the project prior to handing over the project to the contractor. 4. Monthly preparation of Cash Flow Projections to ensure that contractors are paid on time.	1. Project Development Personnel (All) 2. SCM & COO & CEO 3. Project Development Manager & COO & CEO	1. Training will be conducted before 30 June 2025 2. Project funds to be secured before appointment of new contractor 3. The fruitless and wasteful expenditure register has been updated to incorporate the expenditure. However, Finance department is waiting for the submission of POE so that the information can be submitted to Forensic Department for investigation.	**Not resolved**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		the root cause. Upon conclusion of the investigation, the entity should put processes in place to ensure that the identified root cause is addressed. The processes should also be filtered to other projects as the finding has been identified in other projects. The entity should fast track the appointment of the replacement contractor, in addition, the accounting officer should ensure that there is sufficient budget available to complete the project prior to handing over the project to the contractor.	5. Continuous project monitoring and supervision by the Project Managers.	4. Project Development Manager & COO 5. Project Development Manager & COO		
34.	**Overpayment to Contractor and Non-Recovery of Funds (COMAF 47)** Contractor was overpaid for various trade. These amounts were reconciled in the final account, resulting in a balance of R4 668 745.20 due to the employer. F & W The final account was signed	The City must urgently initiate the recovery process for the outstanding amount and implement controls to ensure that similar overpayments are promptly identified and addressed in future. Additionally, accountability	The contractor was not overpaid for various trades. The deduction of these various trades was because of the contractor's failure to rectify defective work at the time of termination. These amounts were reconciled in the final account, resulting in a balance of R4 668 745.20 due to the employer which also includes an amount of R2 337 391,03 excl. VAT owed to the subcontractors.	Project Development Manager & COO & CEO	1. The contractor was not overpaid for various trades. The deduction of these various trades was because of the contractor's failure to rectify defective work at the time of termination. These amounts were reconciled in the final account, resulting in a balance of R4 668 745.20 due to the employer which also includes an amount of R2 337	**Resolved in Q2**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	on 29 August 2024. However, to date, there is no evidence that this amount has been recovered by the entity.	measures should be taken against officials responsible for the oversight, and steps must be taken to prevent a recurrence of such fruitless and wasteful expenditure.	***Preventative Control:*** Recover claim in the final account for defective work (R4 668 745.200)		391,03 excl. VAT owed to the subcontractors. 2. Legal assistance has been requested. A draft letter will be served to the guarantor.	
35.	**Failure to Enforce Performance Guarantee Following Contractor Termination (COMAF 47)** Failure to enforce the performance guarantee has exposed the entity to potential financial losses that could have been mitigated. This also indicates inadequate contract management practices and a lack of enforcement of risk mitigation measures.	The municipality should immediately assess the financial losses incurred due to the contractor's non-performance and initiate the process to call in the performance guarantee for recovery. Contract management processes should be strengthened to ensure that all guarantees, securities, or similar instruments are enforced promptly and in accordance with contractual terms. Training should be provided to relevant officials on the enforcement of performance guarantees to prevent similar lapses in future.	***Preventative Control:*** 1. Enforce performance guarantee for recovery 2. Provide training to relevant personnel	Project Development Manager & COO & CEO	Guarantee was enforced and demanded/claimed we are waiting for a payment. Demand letters have been sent to the contractor.	**In progress**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
36.	**AoPO Inadequate supporting schedule (COMAF 48)** Indicator Number of new social housing units constructed, it was noted that the supporting schedule submitted by the Housing Company Tshwane (HCT) lacked critical details, including the dates of achievement. Additionally, the title of the schedule, "Townlands Marabi Typology," does not explicitly indicate that it is a listing of practically complete units. This lack of clarity and absence of key information contravenes the Framework for Managing Programme Performance Information (FMPPI), which requires that performance information be complete and verifiable. Without dates and clear labelling, the data cannot be fully verified, which undermines its reliability and the overall credibility of the reported performance. Furthermore, it was observed that tenants began occupying Phase 2 (comprising 509 units) on 1 January 2024, as reflected in the Annual	Management should develop and maintain comprehensive listing schedules that include all key details, such as target descriptions, achievement dates, and references to supporting evidence. Perform internal audits or reviews of performance information at regular intervals to identify and address gaps in record-keeping. Conduct regular training for staff on the FMPPI requirements for performance information, emphasizing the need for proper documentation and record-keeping.	***Preventative Control:*** 1. Develop and maintain comprehensive listing schedules that include all key details, such as target descriptions, achievement dates, and references to supporting evidence. 2. Perform internal audits or reviews of performance information at regular intervals to identify and address gaps in record-keeping. 3. Provide training to relevant personnel	1. Project Development Manager & COO 2. Audit & Risk Manager 3. Project Development Personnel (All)	1. Relevant supporting documents must be submitted – Review submitted documentation and check for relevance. 2. The audit and risk manager will review Q3 performance evidence 3. Training will be provided before the end of June 2025	**In Progress**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	Performance Report (APR) and the occupancy listing. According to the occupancy listing dated 30 June 2024, a total of 222 units were tenanted during the period from 1 January 2024 to 1 June 2024, despite the practical completion certificate being dated 28 June 2024. This raises significant concerns regarding the accuracy and consistency of the reported achievement, as it suggests that units were occupied prior to their practical completion. This discrepancy further undermines the reliability of the performance information and indicates potential weaknesses in the entity's performance reporting process.					
37.	**PROCUREMENT AND CONTRACT AND MANAGEMENT - DEVIATIONS – NON-COMPLIANCE (COMF 49)** 1. Magesa Trading - Removal of Waste in Clarina - due to the lack of adequate procurement planning from the city 2. NASHO Deviation Capacity Development Training - Capacity Development for Caretakers - It was noted that	Management should ensure that only deviation that meet the requirements of Supply Chain Management regulation are approved to reduce the incurrence of irregular expenditure. Management should always implement control measures and review all deviations to	The supporting POE was subsequently submitted to the AG to substantiate deviation ***Preventative Control:*** 1. Submit deviations with all the required supporting information (Sole Supplier letter, Emergency- pictures where necessary, Impracticality - existing contract or scope variation) 2. Ensure existing contracts are budgeted for to avoid delay in	1. All employees & SCM 2. Accountant Reporting & FM	1. The irregular expenditure has been recorded and disclosed in the December IFS 2. Sole supplier POE were requested service providers.	**Resolved in Q3**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	there is no evidence of an emergency, sole provider, specials works and other exceptional case where it was impractical or impossible to follow official procurement process. 3. Adapt IT - Licence Renewal & CaseWare configuration - No evidence was in place to support the declaration of interests and past practice in terms of SCM regulation 36 4. Labs tyres (Pty) Ltd - Fault finding and Fixing of Power Failure in Clarina Estate - No signed memorandum was in place to support the request to deviate in terms of SCM regulation 36. 5. MELCO Elevator South Africa (Pty) Ltd - Deviation for the Repairs of water damaged lift at Eloff Building - There was no evidence of tax matters having been declared or assessed to be in 6. Commerce Edge - Attend Reside Awards - There was no evidence that confirms that an invitation was received from the organizers' of reside awards to support the request to deviate	ensure that all deviations comply with the definition and requirements of a deviation. Management should investigate the cause of the irregular expenditure.	the appointment of the new contractor 3. Maintain Irregular expenditure Register. 4. Instances of Irregular expenditure will be investigated and will apply for condonation where applicable. 5. Depending on the outcome of the investigation consequence management must be implemented	3. SCM Manager & FM 4. SCM & FM & Forensic Department 5. CEO & Board		
38.	**Disclosures in relation to PPE (COMAF 50)**	Adequate reviews are performed on the financial statements to	***Preventative Control:***	Accountant Reporting and FM		**Resolved in Q2**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	The narrative in note 3 of the AFS does not align to the status quo as at 30 June 2024 where projects where halted and or/completed but the note speaks to the projects being in progress and there being partial completion respectively.	ensure that they are in compliance with GRAP requirements.	1. Adjust the AFS to align narrative in note 3 of the AFS to the status quo as at 30 June 2024 where projects where halted and or/completed. 2. GRAP training for Officials responsible for the preparation and review of the AFS 3. Develop and implement GRAP 17 compliance checklist		1. Adjust the AFS to align narrative in note 3 of the AFS to the status quo as of 30 June 2024 where projects where halted and or/completed. 2. GRAP training for Officials responsible for the preparation and review of the AFS will be conducted 3. GRAP 17 compliance checklist will be develop and implement	
39.	**Commitment disclosure note 31 – Comparative amounts (COMAF 52)** The 2024 comparative amounts in the annual financial for commitments - authorised capital expenditure were inaccurate and did not agree to the closing balances as per the final prior year annual financial statements.	Management should ensure that the accounting notes are reviewed and assessed for fair presentation	***Preventative Control:*** 1. Adjust the AFS to accurately disclose commitment for the period June 2023 2. GRAP training for Officials responsible for the preparation and review of the AFS 3. Develop and implement GRAP 19 compliance checklist	Accountant Reporting and FM	1. The commitments disclosure was corrected and is now aligned to the Commitment Register, referring to note 32 of the IFS December 2024 2. GRAP training for Officials responsible for the preparation and review of the AFS will be conducted 3. GRAP 17 compliance checklist will be develop and implement	**Resolved in Q2**
40.	**Actual expenditure exceeds approved budget (COMAF 53)** The entity actual expenditure exceeded the approved budget under contracted Services and Other material.	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored. Management should	***Preventative Control:*** 1. Adjust the AFS to transfer R2,500,000 from operational costs to other material based on virement approved by the	Accountant Reporting and FM	1. The IFS for December 2024 indicates the budget was exceeded on Contracted services due legal fees and security expenditure. 2. The budget Office must implement a stringent budget monitoring system to avoid overspending on the budget.	**Not resolved**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		ensure that the budget is properly monitored to ensure that the municipal entity does not exceed the approved budget.	CFO and disclose R43 668 866 as Irregular expenditure due to loss of profit claimed by the contractor as the entity failed to hand over site as per the agreed date stipulated per the JBCC (2 November 2020) 2. Implement continuous budget monitoring system 3. GRAP training for Officials responsible for the preparation and review of the AFS			

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
41.	**Segment reporting note not accurate (COMAF 54)** The entity did not disclose information about the factors used to identify their reportable segments and if they are aggregated or not, furthermore the type of goods and/or services delivered by each segment. The are material expense items which were not reported for segments as follows: 1 Protective Clothing 377 177 2 Training 867 141 3 Legal fees – Court Judgement 44 441 976	Management should ensure that compliance with the relevant laws and regulations is reviewed and monitored. There is correction to the segment reporting note as per the issues above.	***Preventative Control:*** 1. Adjust the AFS to disclose protective clothing, training and legal fees on segment reporting 2. GRAP training for Officials responsible for the preparation and review of the AFS 3. Develop and implement GRAP 18 compliance checklist	Accountant Reporting and FM	1. The factors used to identify reportable segments were disclosed and not aggregated for reporting purpose. The expenditure was analysed to incorporate items that has an impact on reportable segments, refer to note 44. 2. The SOPs for segment reporting were developed to clarify how segments are reported and disclosed.	**Resolved in Q3**
42.	**Differences in the PPE prior period error (COMAF 55), reference No 3** Management incorrectly accounted for the prior period error in the financial statements. As a result, various differences were noted in the statement of changes in net assets and the prior period error note in the financial statements.	Develop standard operating procedures and controls or improve existing procedures relating to the accounting of property, plant and equipment which include recording and monthly reconciliations of PPE. These should clearly outline the step-by-step processes required to be followed when	***Preventative Control:*** 1. Develop SOP accounting for PPE 2. Develop monthly reconciliation of PPE 3. Workshop the PPE SOP to employees within the finance department (all) 4. GRAP training for Officials responsible for the preparation and review of the AFS	1. Accountant Reporting & FM 2. Accountant Reporting & FM 3. FM 4. Accountant Reporting & FM 5. Accountant Reporting & FM 6. Accountant Reporting & FM &	1. The prior period error was corrected on the IFS for December 2024, refer to note 36. 2. SOP for PPE is in progress will be finalised in Apil 2025 3. PPE reconciliations are done on a quarterly basis 4. PPE SOP will be workshopped once finalized 5. Management is investigating institutions that can offer GRAP training, we are engaging with National Treasury to check	**In Progress**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		processing PPE transactions and related reconciliations. Workshop the reconciliation processes to the affected staff such that the know-how is not isolated to one person but accessible and is applied by the finance unit. These procedures must include also those relating to monthly reviews, preparation, and reviews. Adequate training must be provided to management and the finance unit on GRAP, mainly in relation to PPE and the various accounting requirements on this. In addition, other areas such as reconciling statements in the AFS and the disclosure requirements relating to the prior period errors. Develop a proper records management system that ensures that documents relating to the annual financial	5. Develop and implement GRAP 17 compliance checklist 6. Develop a proper records management system that ensures that documents relating to the annual financial statements are easily retrievable and accessible 7. Appointed custodian in each department, with systems/SOP on how records are stored within the municipal entity and where records will be consistently stored. 8. Conduct valuation of land and building timeously during mid-term 9. Review the valuation report and have engagements with the valuer to ensure accuracy of the valuation report. 10. Adjust the AFS to correct prior period error 11. Develop and implement GRAP 3 compliance checklist	Departmental Heads 7. Departmental Heads 8. SCM Manager and FM 9. Accountant Reporting & FM 10. Accountant Reporting & FM 11. Accountant Reporting & FM	whether they are still offer training. 6. The checklist will be developed and finalized in April 2025 7. Create a folder on the q drive and upload documents relating to IFS December 2024 (Audit file) 8. Each section within finance stores their documents on the q drive for easy accessibility for other team members 9. The valuation was conducted during mid-term and the next one will be done at year end, June 2025 10. The valuation report was reviewed, and engagements were held with the valuer to ensure accuracy. 11. The prior period error was corrected on the IFS for December 2024, refer to note 36. 12. The checklist for GRAP 3 will be developed and finalized in April 2025.	

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		statements are easily retrievable and accessible. This records management system should have an appointed custodian in each department, with systems/SOP on how records are stored within the municipal entity and where records will be consistently stored.				
43.	**Going concern – events or conditions (No formal COMAF but on MR)** Financial statements indicate an unfavourable liquidity position, however, the entity's outlook has remained stable, as set forth in note 36, indicate the basis for the municipal entity having prepared the financial statements on a going concern basis.	Management should assess going concern as the entity receives grant funding from COT and the COT going concern is not favourable	***Preventative Control:*** Management should assess going concern and adjust the AFS to indicate uncertainty based on funding from COT and SHRA	Accountant Reporting and FM	1. The going concern note on the IFS for December 2024 has been amended to indicate uncertainty indicators that the entity will not meet its financial obligation in the foreseeable future.	**Resolved in Q3**
44.	**Variation Orders - Enza and Shomang (No formal COMAF but on MR** Amounts for contract cost increases approved at HCT Bid Adjudication Committee (BAC) without adequate supporting documentation. R52 764 598, 77 and R48 798 041, 17 was approved for	Management should submit documentation to support the actual variations approved amounts submitted to BAC.	***Preventative Control:*** Submit variations with supporting documentation to BAC for approval.	Property Development Manager & COO	1. Management is awaiting the department to quantify the amount to be included on the fruitless and wasteful expenditure register and disclose it on the IFS for December 2024. 2. The Acting CFO will submit the information to Forensic Department for investigation once is concluded	**Not Resolved**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
	Enza and Shomang respectively, however, documentation to support the actual approved amounts were not submitted.					
45.	**Recovery of cost of remedial works and overpayments from 1st contractor (Magic Labour) not implemented by the municipality and its implementing agent HCT contrary to the Section 116 of the MFMA (No formal COMAF but on MR)**	Management should assess validity of basis of rejection and seek further guidance in pursuit of recovery of the financial loss on remedial work and overpayments to the terminated contractor (Magic Labour)	The litigation it still in progress and R3.5million confirmed defects is claimable by HCT against Magic labour ***Preventative Control:*** Recovery of R3.5 million will be finalised after the settlement of R41 claimed against HCT	Property Development Manager, COO & CEO	1. Management to follow up on the R3.5 claim 2. Recovery of R3.5 million has been recorded under contingent assets in the IFS	**Not Resolved**
46.	**Performance Guarantee of contractor Shomang Construction has expired on 31 July 2021 (No formal COMAF but on MR)**	Management should seek legal advice to successfully exercise the guarantee and to recover the overpayment and remedial works	Management provided copy of replacement guarantee, renewed in December 2023, 72 months after expiry of the initial guarantee. The replacement guarantee expired on 30 July 2024. Management could not provide the original performance guarantee that expired 30 July 2024 and stated that the original performance guarantee is with the contractor	Property Development Manager, COO & CEO	1. Management will follow up with the Service Provider	**Not Resolved**
47.	**Unapproved in contract value of the professional services provider (PSP) (MIH) (No formal COMAF but on MR)**	Management should establish stronger oversight and review processes for contract value increases, to ensure that any modifications exceeding the permissible 20%	BAC approved the threshold in their control in terms of Circular 62 of the MFM and this was based on the costs report submitted. Audit team notes amount per at BAC is lower than amounts in the cost report.	Property Development Manager & COO & SCM & FM	1. Management will ensure variations above threshold of above 20% are approved by Council	**Not Approved**

NO.	AG AUDIT FINDINGS (FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024)	AG'S RECOMMENDATIONS	CORRECTIVE ACTION IMPLEMENTED IN RESOLVING FINDINGS FROM THE AG	RESPONSIBLE PERSON	PROGRESS TO DATE	TARGET DATE
	MATTERS AFFECTING THE AUDIT REPORT (JUNE 2024)					
		threshold are promptly identified and reviewed by the Bid Adjudication Committee (BAC) and that proper approvals are obtained from the City Council, as required by SCM Policy and MFMA Section 116(3).	The make-up of the approved amount was not provided to the audit team and consequently the team could not conclude on which deliverables were approved, and which were not approved. Continuous disclosure of the MIH variation/deviation as Irregular Expenditure in note 39 of the AFS ***Preventative Control:*** Ensure variations above threshold of above 20% are approved by Council			
48.	**Non-application of penalties on late completion of project (No formal COMAF but on MR)**	Management should investigate reasons for not applying penalties and should consider recovery of penalties based on the outcome of the investigation	Penalties are being applied but deferred until project completion. A record of the penalties calculated monthly is recorded on the monthly payment certificates.	Property Development Manager & COO & SCM & FM	1. Penalties are being applied but deferred until project completion. 2. A record of the penalties calculated monthly is recorded on the monthly payment certificates.	**In Progress**
49.	**Cost incurred that could have been avoided (Enza construction) due to delay in payments to the contractor resulting in financial losses that could have been avoided. R 20 878 805.67 in non-compliance with section 78 of the MFMA (No formal COMAF but on MR)**	Management should investigate the possible fruitless and wasteful expenditure to quantify the exact amount and the reasons for inadequate project management. On conclusion of the investigation, the accounting officer should implement consequence management and put in place the recovery processes	Adequate cash flow from Management was required. However, this created a catch-22 scenario, as the process was heavily reliant on funding from both the City and the Social Housing Regulatory Authority (SHRA). The City's funding, which could only be claimed quarterly, was often delayed, further exacerbating the cash flow challenges and impacting project timelines	Property Development Manager & COO & SCM & FM	1. Adequate cash flow from Management was required. However, this created a catch-22 scenario, as the process was heavily reliant on funding from both the City and the Social Housing Regulatory Authority (SHRA). 2. The City's funding, which could only be claimed quarterly, was often delayed, further exacerbating the cash flow challenges and impacting project timelines	**In Progress**

9. CONCLUSION AND RECOMMENDATIONS

The Entity requires the Shareholders and the Board, to continuously support Management to ensure the growth and delivery of the primary mandate. HCT remains a pivotal vehicle that will ensure the delivery of affordable rental housing and acceleration of the Urban Agenda. A focused support approached will result in impressive performance, increased revenue and increased service delivery.

The Entity is working towards obtaining full accreditation from the SHRA and a much closer integrated working relationship is required to fulfil this requirement. There is significant progress being made in the resolution of findings identified by the AGSA and further internal audit. These have a positive impact on the audit opinion that will be provided on the financial performance of the entity. The Entity has increased its human resources capacity and thus will result in the stability and sustainability of the Entity. The appointment of a CRO and the development of internal controls framework are very critical in ensuring compliance and legislation framework.

ANNEXURE A: STATEMENT OF FINANCIAL POSITION AND FINANCIAL PERFORMANCE

HOUSING COMPANY TSHWANE - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description R thousands	2023/24 Audited Outcome	Current Year 2024/25 Original Budget	Adjusted Budget	Monthly actual	Year-TD actual	Year-TD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue									
Exchange Revenue							–		
Interest	433	164	301	15	229	226	3	1,2%	301
Interest earned from Receivables	62	73	76	9	64	57	7	12,7%	76
Rental from Fixed Assets	33 272	66 453	45 415	5 977	35 776	34 061	1 715	5,0%	45 415
Operational Revenue	6 725	1 639	19 368	423	19 280	17 754	1 527	8,6%	19 368
Non-Exchange Revenue	–					–			
Transfer and subsidies - Operational	35 520	37 260	67 260	4 000	45 260	50 445	(5 185)	-10,3%	67 260
Total Revenue (excluding capital transfers and contributions)	**76 011**	**105 589**	**132 419**	**10 423**	**100 609**	**102 542**	**(1 934)**	**-1,9%**	**132 419**
Expenditure By Type									
Employee related costs	38 741	53 005	43 958	3 244	30 493	32 968	(2 475)	-7,5%	43 958
Remuneration of board members	1 693	3 131	2 229	76	1 579	1 672	(93)	-5,5%	2 229
Inventory consumed	8 313	2 309	480	1	67	360	(293)	-81,5%	480
Debt impairment	–	3 201	9 636	1 871	6 429	7 227	(798)	-11,0%	9 636
Depreciation and asset impairment	16 412	8 795	32 378	1 064	17 534	24 283	(6 750)	-27,8%	32 378
Contracted services	30 288	23 600	29 532	3 074	30 542	22 149	8 393	37,9%	29 532
Irrecoverable debts written off	7 840		–	–	–	–	–		–
Operational costs	8 433	11 547	14 206	444	7 788	10 655	(2 867)	-26,9%	14 206
Losses on disposal of Assets	229		–	–	–	–	–		–
Total Expenditure	**111 948**	**105 589**	**132 419**	**9 775**	**94 432**	**99 314**	**(4 882)**	**-4,9%**	**132 419**
Surplus/(Deficit)	**(35 936)**	**0**	**(0)**	**648**	**6 177**	**3 228**	**2 949**	**91,4%**	**(0)**
Transfers and subsidies - capital (monetary allocations)	86 593	124 015	40 300	–	13 593	30 225	**(16 632)**	**-55,0%**	40 300
Transfers and subsidies - capital (in-kind)							–		
Surplus/(Deficit) before taxation	50 657	124 015	40 300	648	19 770	33 453	**(13 683)**	**-40,9%**	40 300
Income Tax							–		
Surplus/(Deficit) for the year	**50 657**	**124 015**	**40 300**	**648**	**19 770**	**33 453**	**(13 683)**		**40 300**

HOUSING COMPANY TSHWANE - Table F4 Monthly Budget Statement - Financial Position - M09 March					
Vote Description	2023/24	Current Year 2024/25			
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Year-TD actual	Full Year Forecast
ASSETS					
Current assets					
Cash and cash equivalents	16 155	26 144	3 257	8 515	3 257
Trade and other receivables from exchange transactions	1 847	11 575	2 150	6 801	2 150
Receivables from non-exchange transactions	4 574	278	–	16 051	–
Other current assets	1 709	1 966	1 966	1 843	1 966
Total current assets	**24 286**	**39 963**	**7 373**	**33 210**	**7 373**
Non-current assets					
Property, plant and equipment	929 300	1 096 533	981 231	1 014 624	981 231
Intangible assets	600	588	574	580	574
Total non- current assets	**929 899**	**1 097 122**	**981 805**	**1 015 204**	**981 805**
TOTAL ASSETS	**954 185**	**1 137 085**	**989 177**	**1 048 415**	**989 177**
LIABILITIES					
Current liabilities					
Consumer deposits	2 935	3 418	4 670	6 529	4 670
Trade and other payables from exchange transactions	8 819	29 969	8 685	43 538	8 685
Provision	16 829	8 592	10 508	10 500	10 508
Total current liabilities	**28 583**	**41 978**	**23 863**	**60 566**	**23 863**
Non- current liabilities					
Financial liabilities					
Total non-current liabilities	**–**	**–**	**–**	**–**	**–**
TOTAL LIABILITIES	**28 583**	**41 978**	**23 863**	**60 566**	**23 863**
NET ASSETS	**925 602**	**1 095 106**	**965 314**	**987 848**	**965 314**
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	908 210	1 081 935	932 868	923 193	932 868
Reserves	17 392	13 171	32 447	64 656	32 447
TOTAL COMMUNITY WEALTH/EQUITY	**925 602**	**1 095 106**	**965 314**	**987 848**	**965 314**

HOUSING COMPANY TSHWANE - Table F3 Monthly Budget Statement - Capital Expenditure - M09 March									
Description	2023/24	Current Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year-TD actual	Year-[TD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure by Asset Class/Sub-class									
Other assets	**86 996**	**121 433**	**41 200**	**(134)**	**13 682**	**30 900**	**17 218**	**55,7%**	**41 200**
Operational Buildings	404	650	900	(134)	89	675	586	**86,8%**	900
Municipal Offices	404	650	900	(134)	89	675	586	86,8%	900
Housing	86 593	120 783	40 300	–	13 593	30 225	16 632	**55,0%**	40 300
Staff Housing	–	–	–	–	–	–	–		–
Social Housing	86 593	120 783	40 300	–	13 593	30 225	16 632	55,0%	40 300
Computer Equipment	**395**	**250**	**682**	**–**	**681**	**512**	**(170)**	-33,2%	**682**
Computer Equipment	395	250	682	–	681	512	(170)	-33,2%	682
Furniture and Office Equipment	**–**	**100**	**100**	**(61)**	**–**	**75**	**75**	100,0%	**100**
Furniture and Office Equipment	–	100	100	(61)	–	75	75	100,0%	100
Transport Assets	**–**	**770**	**970**	**–**	**947**	**728**	**(220)**	-30,2%	**970**
Transport Assets	–	770	970	–	947	728	(220)	-30,2%	970
Total Capital Expenditure	**87 391**	**122 553**	**42 952**	**(195)**	**15 310**	**32 214**	**16 904**	**52,5%**	**42 952**
Funded by:									
National Government	–						–		
Provincial Government	66 593	98 483	18 000	–	2 431	13 500	11 069	82,0%	18 000
Parent Municipality	20 000	25 532	22 300	–	11 162	16 725	5 563	33,3%	22 300
District Municipality	–						–		
Transfers recognised - capital	**86 593**	**124 015**	**40 300**	**–**	**13 593**	**30 225**	**16 632**	**55,0%**	**40 300**
Borrowing	–						–		
Internally generated funds	798	1 770	2 652	(195)	1 717	1 989	272	13,7%	2 652
Total Capital Funding	**87 391**	**125 785**	**42 952**	**(195)**	**15 310**	**32 214**	**16 904**	**52,5%**	**42 952**

HOUSING COMPANY TSHWANE - Table F5 Monthly Budget Statement - Cash Flows - M09 March									
		2023/24	Current Year 2024/25						
Description R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	Year-TD actual	Year-TD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Other revenue		33 221	53 163	55 700	48 008	41 775	6 233	14,9%	55 700
Transfers and Subsidies - Operational		35 520	37 260	67 260	41 260	50 445	(9 185)	-18,2%	67 260
Transfers and Subsidies - Capital		82 247	124 015	40 300	29 077	30 225	(1 148)	-3,8%	40 300
Interest		433	164	301	229	225	3	1,4%	301
Payments									
Suppliers and employees		(93 124)	(107 634)	(133 507)	(107 183)	(100 130)	(7 053)	7,0%	(133 507)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**58 296**	**106 967**	**30 054**	**11 390**	**22 540**	(11 150)	**-49,5%**	**30 054**
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE							–		
Payments									
Capital assets		(84 286)	(117 814)	(42 952)	(13 625)	(32 214)	18 589	-57,7%	(42 952)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(84 286)**	**(117 814)**	**(42 952)**	**(13 625)**	**(32 214)**	18 589	**-57,7%**	**(42 952)**
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Borrowing long term/refinancing							–		
Payments									
Repayment of borrowing							–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		**(25 990)**	**(10 847)**	**(12 898)**	**(2 234)**	**(9 674)**	**7 439**	**-76,9%**	**(12 898)**
Cash/cash equivalents at the beginning of year	2	233 811	18 270	16 155	10 749	16 155	(5 406)	-33,5%	10 749
Cash/cash equivalents at the end of year	**2**	**207 821**	**7 423**	**3 257**	**8 515**	**6 481**	**2 033**	**31,4%**	**(2 149)**

ANNEXURE B: RISK REGISTER

Risk ID/NO	Strategic Objectives	Risk Type	Risk Name	Risk description	Risk Root Cause	Consequence	Impact		Likelihood		Inherent risk		Risk Treatment Plan	Existing Control	Perceived Control effectiveness		Residual Risk		Management Action plan	Risk Owner	Action Owner	Target Date
HCTSR 001	Strengthen and rebuild an effective and realistic social housing plan for the City of Tshwane.	Strategic Risk	Failure to meet the mandate of the COT or to meet demands and expectations of the public.	This refers to outright failure to promote the business of procuring, developing, owning, letting, maintaining and managing residential as mandated by the City of Tshwane.	1. Insufficient Funding/budget constrains/Reliance on grants. (Unsustainable funding model, Cashflow Problem) 2. Inadequate stakeholder relationship (inter-dependencies) - strained relationship with key stakeholders 3. Uncoordinated functions between stakeholder. (Lack of a structured relationship/ formalised relationship) 4. Non Compliance with stakeholder requirements and or terms and conditions. 5. Delay in the transfer of properties identified for developments - what causes the delays. 6. Inability to obtain and	1. Poor service delivery 2. Community unrest 3. Reputational damage 4. Loss of accreditation 5. Deregistration of the entity	Critical	5	Common	5	Maximum	25	Treat/control	1. approved Stakeholder engagement plan to enhance responsiveness of external and internal stakeholders. 2. Minimal funding from the City. 3. Service Delivery Agreement (SDA) with the City 4. Council Resolution on land transfer, Land portions, C9 report 5. Contracts in place (JBCC)	Weak	0,80	Maximum	20	5. Conduct quarterly strategy sessions with task team (City planning, human settlement and group property)	CEO	COO and M&C Manager	31-Mar-25
																			6. Stakeholder identification	CEO	COO	31-Mar-25
																			8. Finalise and implement the local participation framework.	CEO	COO	31-Mar-25
																			10. Develop a contract management tool and implement monitoring and evaluation during construction.	CEO	COO and A&R Manager	31-Mar-25

					retain sufficient skilled, competent and solid capacity to manage and execute HTC requirements. (Talent management ,Employee Benefits and misaligned organisational structure). 7. Lack of effective contract management																	
HCTSR 002		Strategic Risk	Failure to deliver capital projects on time, within the allocated budget and within the scope.	This refers to failure to deliver a completed project within the agreed scope, budget, time and quality and standard.	1. Appointment of an unsuitable/unfit or unqualified service providers. 2. Insufficient or delayed funding 3. None implementation and monitoring of the contract 4. Lack of clear objectives and milestones 5. Inadequate Planning 6. Fraud and Corruption 7. Lack of effective project monitoring from Project Managers 8. Community unrest	1. Reputational damage 2. Fruitless and wasteful expenditure 3. Litigations 4. Adverse Audit Findings	Critical	5	Common	5	Maximum	25	Treat/control	1. Supply chain management unit that is fully capacitated. 2. Approved and updated SCM Policy and MFMA and Treasury regulations that are use as a guide. 3.Minimual funding from the City 4. Signed contracts 5. Scope, programmes and cashflow 6. Policies, frameworks and guideline that governs planning 7. Approved fraud and corruption policy 8. Project Managers who are experienced and qualified 9.	Weak	0,80	Maximum	20	1. Appointment of a properly constituted BSC to ensure that specifications are properly drafted with strict qualifying criteria	CEO	SCM Manager	31-Mar-25
																				4. Identification of new funding models or mechanisms	CEO	CFO	31-Mar-25

														Appointments of SLOs and Projects Steering Committee and regular meetings							
HCTSR 004		Strategic Risk	Tenant boycott	This refers to public picketing/ public damages to proper or refusal to pay rent by tenants due to dissatisfaction.	1. Poor Tenant Communication (Ineffective communication with tenants regarding lease terms, rent payments, or house rules, resulting in misunderstandings or disputes) 2 Lack of or Delays in Maintenance and Repairs (Delayed response to maintenance requests or unresolved repair issues, leading to tenant dissatisfaction and property deterioration.) 3.Lack of Tenant Training and engagement.	1.Community unrest 2.Reputational damage 3. Loss of income	Critical	5	Moderate	3	High	15	Treat/control	1. Tenant house rules that are communicated prior to moving in 2.There are caretakers on site to respond to tenants complaints timeously 3. Quarterly tenants newsletter					2. Annual maintenance plan approved with budget.	CEO	COO	30-Jun-25
																				3. Bi-annual tenant training and engagement with other stakeholders (Dep Human Settlements and SHRA)	CEO	COO	30-Apr-25
																				4. Introduction of penalties for offences such as damages to property or non-compliance with the house rules.	CEO	COO	30-May-25
																				5. Develop an offences and penalty schedule for implementation	CEO	COO	30-Jun-25
HCTSR 005	Deliver good property and tenant management services, and facilitate and support community development initiatives.	Strategic Risk	Increased vacancy rate due to inadequate tenants management	This refers to lack of effecting property management resulting in high turnover rates and prolonged vacancies leading to lost rental income.	1. Poor Tenant Communication (Ineffective communication with tenants regarding lease terms, rent payments, or house rules, resulting in misunderstandings or disputes) 2. Lack of or Delays in Maintenance and Repairs	1. Decrease in revenue collection 2. Reputational damage 3. Illegal occupation 4. Loss of clientele 5. Loss of accreditation 6.Delapidat	Critical	5	Likely	4	Maximum	20	Treat/control	1. Tenants training sessions and tenant education pamphlet 2. Tenants Meetings and enforcement of lease agreement(tenants/ landlord's responsibilities) 3. Signing of house rules	Satisfactory	0,65	Maximum	13	1. Procurement and implementation of the property management system	CEO	COO	30-Sept-25
																				2. Develop annual plan for tenants engagement.	CEO	COO	30-Jun-25
																				3. Automate the application process.	CEO	COO	31-Dec-25
																				4. Review and enhance the vetting application process to ensure all new tenants meet the SHRA requirements	CEO	COO	30-Jun-25

					(Delayed response to maintenance requests or unresolved repair issues, leading to tenant dissatisfaction and property deterioration.) 3. Inadequate Property Security (Security breaches or incidents such as vandalism, theft, or unauthorized access, compromising tenant safety and property integrity) 4. Lack of Tenant Education and Training 5. Caliber of tenants restricts SHRA funding. 6.Constraints to evict tenants that do not qualify to reside in the HCT stock. 7. Capacity constraints of management of rental units. (Is this referring to not sufficient human capacity or lack of skills)	ion of the rental stock 7. Non service delivery 8. Poor maintenance of rental stock					4. Caretakers in all buildings for enforcement of the house rules 5. Annual review of lease agreements (Tenants audit/assessments) 6. Nasho and Shra engagements.			5. Conduct tenant bi-annual audit assessment jointly with COT and issue notice evict non compliance tenant.	CEO	COO	30-Jun-25
															6. Analyse and review customer satisfaction survey and address issues that required strategic intervention.	CEO	COO	30-Jun-25
															7. Request the City (Human Settlement) to include/ allow HTC Property Development and maintenance staff to attend or form part of their annual training plans	CEO	COO	30-Jun-25

HCTSR 006		Strategic Risk	Deterioration of the residential buildings	This refers to physical deterioration of buildings due to wear and tear and or vandalization	1. Deferred Maintenance and Property Deterioration (Neglecting routine maintenance and capital improvements, leading to property deterioration and decreased asset value) 2. Inadequate Budget for maintenance and refurbishment of rental stock 3. Inheritance of dilapidated rental stock 4. Poor quality construction of new units (workmanship and design) 5. Lack of Property Value Enhancement Strategies (Failure to maximize property value through strategic renovations, tenant selection improvements, or asset optimization strategies) 6. Vandalization by tenants 7. Damages due to natural causes or disasters or wear and tear.	1. Decrease in revenue collection 2. Reputational damage 3 Loss of clientele 4. Loss of accreditation	Critical	5	Likely	4	Maximum	20	Treat/control	1. Caretakers in all buildings 2. Inhouse maintenance officers 3. Maintenance plan	Weak	0,80	Maximum	16	1. Develop or procure an automated maintenance system to enhance the efficiency and effectiveness of maintaining buildings. (The system will enable continuous monitoring of areas requiring frequent maintenance, identifying potential issues like the need for replacements or possible tenant misuse.	CEO	COO	31-Dec-25
																		2. Develop and approve an annual routine maintenance and capital improvements plan with timelines and budget allocation. (ensure that there is an adequate budget for maintenance and refurbishment of all rental stock)	CEO	COO	30-Jun-25
																		3. Develop an agreement with the City on transferred ratal stock and ensure that stock is transferred with additional budget for maintain and refurbishment.	CEO	COO	31-Dec-25
																		4. Develop a contract monitoring tool to ensure, among other things quality construction of new units	CEO	COO	30-Jun-25
																		5. Maintenance work certified and signed off by portfolio managers.	CEO	COO	31-Mar-25
																		6.Installation of CCTV cameras that will be linked to Security control room to monitor possible vandalism and theft.	CEO	COO	31-Dec-25
																		7. Technical inspection training for Housing supervisors to adequately inspect the work done by contractors	CEO	COO	30-Jun-25
HCTSR 007	Promote and practise sound governance principles and	Strategic Risk	Non-conformance with regulatory requirements and timeline	This refers to failure meet requirement of prescripts such as the MFMA, Treasury	1. Inadequate organisational structure.2. Inability to obtain and retain	1. Adverse Audit findings2. Reputational damage3.	Critical	5	Likely	4	Maximum	20	Treat/control	1. The current approved structure is +90% filled 2. Benefits have slightly	Unsatisfactory	0,90	Maximum	18	1. Identify suitable or required training for the Board and Executive members by the National School of Governance (NSG) or	CEO	BS	31-Mar-25

				Regulation, industry norms and standards (e.g. GRAP), rules and laws of the Republic of South Africa.	sufficient skilled3. Inadequate Business Continuity Management. 4. Inadequate Systems of Performance Management and lack of high performance culture.5. Policies not aligned with recent pronouncements (Acts and regulations).6. Systems and Processes not enabling for efficiency 7. Inadequate and insufficient budget for training8. Failure to fill all approved vacant positions.9. Lack of or ineffective consequence management. 10. No succession plan for key positions and uncoordinated functions and responsibilities	None or poor service delivery						improved (Inclusion of the 13th cheque) 3. Approved business continuity plan.4. Leadership Training and exposure5. Oversight committees such as Social and Ethics committee6. Approved policies7. No succession Policy				any other accredited SP			
																2. Conduct business process reengineering to enhance efficiency and efficiency. (This will include but not limited to reviewing and updating available automated systems, automatic manual processes, identifying processes that need to be redesigned, centralising information and processes, linking parallel activities, reviewing the structure and job grading and redesign of job descriptions were necessary.)	CEO	COO/CFO/ HRM	30-Jun-25
																3. Partner with the relevant SETA.	CEO	HRM	30-Jun-25
																4. Develop or Review of talent management, retention and succession policy.	CEO	HRM	30-Jun-25
																5. Implement Performance Management Review on annual and half-yearly basis to improve on high performance culture.	CEO	HRM	30-Jun-25
																6. Procure an Auditing, Risk Management and Compliance system to ensure compliance with relevant legislations and Acts, and ensure that our policies are aligned with recent pronouncements of Acts and regulations.	CEO	A&R Manager	31-Dec-25
																7. Develop a plan for coordinating functions and responsibilities to improve efficiency.	CEO	COO/CFO/ HRM	30-Jun-25
																8. Develop a risk appetite and tolerance statement for the 2025/2026 FY	CEO	A&R Manager	30-Jun-25

HCTSR 008		Strategic Risk	Vulnerability to fraud and Corruption	This refers to not having sufficient and effective controls to reduce political interference, conflict of interest and collusion between HCT employees and prospective tenants.	1. Lack of effective internal controls/ Weak systems of controls /manipulation of internal controls. 2. Lack of automated verification systems of applicants. 3. Conflict of interest/ unethical behaviour. 4. Possible collusion between HCT employees, service providers and tenants	1. Adverse Audit findings 2. Reputational damage 3. None or poor service delivery	Critical	5	Likely	4	Maximum	20	Treat/control	1. Approved fraud and corruption policy 2. Zero gift policy 3. Fraud and corruption managed by the CoT	Unsatisfactory	0,90	Maximum	18	1. Conduct annual employee declaration of interest by all managers, finance, SCM and operations team.	CEO	HRM	30-Jun-25
																		2. Conduct an annual fraud awareness workshop for all HCT employees	CEO	A&R Manager	30-Jun-25
																		3. Installation of fraud awareness posters/signage in HCT projects and office.	CEO	A&R Manager	30-Jun-25
																		4. Training of leasing administrators on what to look for on application document for detection of false information.	CEO	COO	30-Jun-25
																		5. Develop a fraud strategy and fraud implementation plan	CEO	A&R Manager	30-Jun-25
HCTSR 009		Strategic Risk	Business destructions/interruptions	This refers to a period where HCT cannot operate optimally due to unexpected events.	1. Loadsheeding 2.Cyber attacks 3.Floods,fire and explosions 4. Water shortages 5. Natural Disasters 6.Inadequate Business Continuity Management.	1. Adverse Audit findings 2. Reputational damage 3. None or poor service delivery	Major	4	Likely	4	High	16	Treat/control	1. None 2. Backup, Intrusion test and antivirus systems 3. Insurance 4. None 5. Approved Business Continuity Management.	Unsatisfactory	0,90	Maximum	14,4	1. Confirm the possibility of getting alternative energy or backup from the landlord.	CEO	COO	30-Jun-25
																		2. Establishment of crisis and disaster management committee.	CEO	COO	30-Jun-25
																		3..Distribute and workshop the Business Continuity management system and Disaster recovery plan.	CEO	COO	31-Mar-25
																		4. Implement and test the Business Continuity management system and Disaster recovery.	CEO	COO	31-Mar-25

HCTSR 010	Redesign, reposition, restructure and resource the organisation, ensuring that there is competent and solid capacity to manage and execute financial and operational requirements for a sustainable HCT.	Strategic Risk	Failure to attract, develop and retain talent.	This refers to lack of sufficiently skilled personnel who are able and wiling to adequately support HTC in execute its strategic and operational requirements to ensure sustainability and relevance of the entity.	1. Inadequate Systems of Performance Management and lack of high performance culture. 2. Misalignment of Employee Roles with Job Descriptions	1. Adverse Audit findings 2. Reputational damage 3. None or poor service delivery	Moderate	3	Moderate	3	Low	9	Treat/control	1.Adopt policies from COT and Local bargaining council 2. Inhouse training 3. The approved organisational structure is filled	Satisfactory	0,65	Medium	5,85	1. Redesign, reposition, restructure and resource the organisation.	CEO	COO & HRM	30-Jun-25
HCTSR 011	Create a client-to-brand experience orientation that aims to build relationships with key stakeholders that can support HCT in achieving its objectives.	Strategic Risk	Failure to create new/maintain relationship and partnership coordination with key stakeholders	This refers inability to create and sustain meaningful/impactful partners that are capable and willing to assist the entity in reaching its strategic objectives.	1. Non Compliance with stakeholder requirements and or terms and conditions 2. Lack of a structured relationship/ formalised relationship 3. Misaligned partnership Goals	1. Reputational damage/ tainted image 2. Rental boycotts 3. Financial losses and low return on investments 4. failure to get SHRA full accreditation	Major	4	Moderate	3	Medium	12	Treat/control	None	Weak	0,80	High	9,6	1.Develop a robust of stakeholder and customer relations strategy	CEO	COO & MC Manager	30-Jun-25
HCTSR 012	Enhanced financial sustainability.	Strategic Risk	Inability to continue as a going concern.	This refers to limited financial resource available for the entity to fully implement its mandate.	1.Reliance on single or two grant funding i.e. CoT and SHARH. (The institution is increasingly grant dependent.) 2. Inability to	1. Liquidity problems 2. Loss of accreditation 3. Unable to meet service delivery standards. 4. Delay in	Critical	5	Common	5	Maximum	25	Treat/control	1. Grant funding 2. Rent collection. 3. Budgeting	Weak	0,80	Maximum	20	Develop a strategy for identifying and evicting tenants who do not qualify.	CEO	COO	30-Jun-25

					source external additional funding 3. inability to maximise revenue collection. (Insufficient rental revenue to cover operational costs) 4. Inadequate stakeholder engagement	project implementation. 5. Reputational damage 6. Delays in implementing procurement plans 7. Redundancy issues 8. Reckless trading											Request for budget for installation of Biometric system at all portfolios to prevent unauthorised and non-paying tenants.	CEO	COO	30-Jun-25

MUNICIPA CITY OF TSHWANE _ Quarter 3

Template: 2024/25 Quarterly Reporting

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2023/24 Estimate)	Annual target for 2024/25	Quarterly planned output as per SDBIP	Quarterly actual output	Quarterly actual expenditure	Variation	Reason(s) for variation	Remedial action	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
C88 OUTPUT INDICATORS FOR QUARTERLY REPORTING													
EE1.11		Number of dwellings provided with connections to mains electricity supply by the municipality	2,701.00	1,905.00	1,600.00	131.00	R 0.00	1,469.00	Activation of EED Tender num	Service providers to increase capacity to	N/A	N/A	N/A
	EE1.11(1)	1 Number of new residential supply points energised by the municipality				131					N/A	N/A	N/A
EE1.13		Percentage of valid customer applications for new electricity connections processed in terms of	61.8%	0.0%	0.0%	64.7%	R 0.00	-64.7%	No targets set on the SDBIP le	None	N/A	N/A	N/A
	EE1.13(1)	1 Number of valid customer applications for a new electricity connection				358					N/A	N/A	N/A
	EE1.13(2)	2 Total number of valid customer applications for a new electricity connection				553					N/A	N/A	N/A
EE3.21		Percentage of planned maintenance performed	12.0%	0.0%	0.0%	42.1%	R 0.00	-42.1%	1. No target set on the SDBIP	KPI excluded from the SDBIP and demote	N/A	N/A	N/A
	EE3.21(1)	1 Actual number of maintenance 'jobs' for planned or preventative maintenance				2352					N/A	N/A	N/A
	EE3.21(2)	2 Budgeted number of maintenance 'jobs' for planned or preventative				5591					N/A	N/A	N/A
EE3.11		Percentage of unplanned outages that are restored to supply within industry standard	36.5%	0.0%	0.0%	29.7%	R 0.00	-29.7%	No targets set on the SDBIP le	None	N/A	N/A	N/A
	EE3.11(1)	1 Number of unplanned outages where 98% of affected customers are restored				36763					N/A	N/A	N/A
	EE3.11(2)	2 Total number of unplanned outages				123891					N/A	N/A	N/A
ENV3.11		Percentage of recognised informal settlements receiving basic waste removal services	73.5%	100.0%	100.0%	100.0%	R 0.00	0.0%	N/A	N/A	N/A	N/A	N/A
	ENV3.11(1)	1 Number of informal settlements receiving receiving basic waste removal				185					N/A	N/A	N/A
	ENV3.11(2)	2 The total number of recognised informal settlements				185					N/A	N/A	N/A
ENV5.12		Number of coastal water samples taken for monitoring purposes	0.00	0.00	0.00	0.00	R 0.00	0.00	KPI Not applicable to the city.	None	N/A	N/A	N/A
	ENV5.12(1)	1 Simple count of the number of coastal water samples taken for monitoring				0					N/A	N/A	N/A
ENV5.21		Number of inland water samples taken for monitoring purposes	240.00	240.00	180.00	180.00	R 0.00	0.00	N/A	N/A	N/A	N/A	N/A
	ENV5.21(1)	1 Simple count of the number of inland water samples taken for monitoring				180					N/A	N/A	N/A
HS2.22		Average number of days taken to process building plan applications of less than 500 square	12.91	30.00	30.00	13.91	R 0.00	16.09	Effective and efficient system	None	N/A	N/A	N/A
	HS2.22(1)	1 Sum of the number of days between the date of submission of a complete				57678					N/A	N/A	N/A
	HS2.22(2)	2 Number of building plan applications less than 500 square meters adjudicated				4148					N/A	N/A	N/A
TR4.21		Percentage of municipal bus services 'on time'	73.4%	0.0%	0.0%	64.5%	R 0.00	-64.5%	No targets set on the SDBIP le	None	N/A	N/A	N/A
	TR4.21(1)	1 Scheduled municipal bus departures 'on time'				81092					N/A	N/A	N/A
	TR4.21(2)	2 Total scheduled municipal bus departures				125772					N/A	N/A	N/A
TR5.31		Percentage of scheduled municipal bus trips that are universally accessible	32%	0%	0%	23%	R 0.00	-23%	No targets set on the SDBIP le	None	N/A	N/A	N/A
	TR5.31(1)	1 Number of all scheduled municipal bus trips that are universally accessible				22052					N/A	N/A	N/A
	TR5.31(2)	2 Total number of scheduled municipal bus trips				96846					N/A	N/A	N/A
TR6.12		Percentage of surfaced municipal road lanes which has been resurfaced and resealed	0.0%	0.0%	0.0%	0.0%	R 0.00	0.0%	No targets set on the SDBIP le	None	N/A	N/A	N/A
	TR6.12(1)	1 Kilometres of municipal road lanes resurfaced and resealed				0					N/A	N/A	N/A
	TR6.12(2)	2 Kilometres of surfaced municipal road lanes				16323.1					N/A	N/A	N/A
TR6.13		KMs of new municipal road network	4.21	0.00	0.00	0.00	R 0.00	0.00	KPI excluded from the SDBIP,	None	N/A	N/A	N/A
	TR6.13(1)	1 Number of kilometres of surfaced road network built				0					N/A	N/A	N/A
	TR6.13(2)	2 Number of kilometres of unsurfaced road network built				0					N/A	N/A	N/A
TR6.21		Percentage of reported pothole complaints resolved within standard municipal response time	15.16%	0.00%	0.00%	19.87%	R 0.00	-19.87%	No targets set on the SDBIP le	None	N/A	N/A	N/A
	TR6.21(1)	1 Number of pothole complaints resolved within the standard time after being				714					N/A	N/A	N/A
	TR6.21(2)	2 Number of potholes reported				3593					N/A	N/A	N/A
WS1.11		Number of new sewer connections meeting minimum standards	120.00	950.00	550.00	0.00	R 0.00	550.00	WS1.11(1)Delay in the installa	None	N/A	N/A	N/A
	WS1.11(1)	1 Number of new sewer connections to consumer units				0					N/A	N/A	N/A
	WS1.11(2)	2 Number of new sewer connections to communal toilet facilities.				0					N/A	N/A	N/A
WS2.11		Number of new water connections meeting minimum standards	18.51	1,500.00	1,100.00	1,290.00	R 0.00	-190.00	Target has been achieved, the	None	N/A	N/A	N/A
	WS2.11(1)	1 Number of new water connections to piped (tap) water				1290					N/A	N/A	N/A
	WS2.11(2)	2 Number of new water connections to public/communal facilities.				0					N/A	N/A	N/A
WS3.11		Percentage of callouts responded to within 48 hours (sanitation/wastewater)	70.2%	0.0%	0.0%	59.6%	R 0.00	-59.6%	No targets set on the SDBIP le	None	N/A	N/A	N/A
	WS3.11(1)	1 Number of callouts responded to within 48 hours (sanitation/wastewater)				4454					N/A	N/A	N/A
	WS3.11(2)	2 Total number of callouts (sanitation/wastewater)				7467					N/A	N/A	N/A
WS3.21		Percentage of callouts responded to within 48 hours (water)	48.4%	0.0%	0.0%	46.2%	R 0.00	-46.2%	No targets set on the SDBIP le	None	N/A	N/A	N/A
	WS3.21(1)	1 Number of callouts responded to within 48 hours (water)				4797					N/A	N/A	N/A

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2023/24 Estimate)	Annual target for 2024/25	Quarterly planned output as per SDBIP	Quarterly actual output	Quarterly actual expenditure	Variation	Reason(s) for variation	Remedial action	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
	WS3.21(2)	2 Total water service callouts received				10394					N/A	N/A	N/A
GG1.21	Staff vacancy rate		39.3%	30.0%	45.0%	40.5%	R 0.00	4.5%	None	None	N/A	N/A	N/A
	GG1.21(1)	1 The number of employee posts on the approved organisational structure				30826					N/A	N/A	N/A
	GG1.21(2)	2 The number of actual employees in the municipality				18341					N/A	N/A	N/A
GG1.22	Percentage of vacant posts filled within 6 months		56.0%	95.0%	75.0%	48.2%	R 0.00	26.8%	The recruitment process of w	The implementation of the approved	N/A	N/A	N/A
	GG1.22(1)	1 Number of vacant posts filled within 6 months since the date (dd/mm/yyyy) of				81					N/A	N/A	N/A
	GG1.22(2)	2 Number of vacant posts that have been filled				168					N/A	N/A	N/A
GG2.11	Percentage of ward committees with 6 or more ward committee members (excluding the ward		0.0%	100.0%	100.0%	100.0%	R 0.00	0.0%	None	None	N/A	N/A	N/A
	GG2.11(1)	1 Total number of ward committees with 6 or more members				107					N/A	N/A	N/A
	GG2.11(2)	2 Total number of wards				107					N/A	N/A	N/A
GG2.12	Percentage of wards that have held a quarterly councillor-convened community meeting		48.6%	80.0%	100.0%	34.6%	R 0.00	65.4%			N/A	N/A	N/A
	GG2.12(1)	1 Number of councillor convened ward community meetings				111					N/A	N/A	N/A
	GG2.12(2)	2 Total number of wards in the municipality				107					N/A	N/A	N/A
	GG2.12(3)	3 Reporting quarter				3					N/A	N/A	N/A
GG2.31	Percentage of official complaints responded to through the municipal complaint management		88.0%	90.0%	90.0%	94.1%	R 0.00	-4.1%	The Q3 has a positive varianc	N/A	N/A	N/A	N/A
	GG2.31(1)	1 Number of official complaints responded to according to municipal norms and				2051200					N/A	N/A	N/A
	GG2.31(2)	2 Number of official complaints received				2178989					N/A	N/A	N/A
GG5.11	Number of active suspensions longer than three months		25.00	0.00	0.00	55.00	R 0.00	-55.00	No target set as it is a reporting indicator.		N/A	N/A	N/A
	GG5.11(1)	1 Simple count of the number of active suspensions in the municipality lasting				55					N/A	N/A	N/A
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP,		20,088.00	11,360.00	7,611.00	14,439.00	R 59,223,742.00	-6,828.00	N/A	N/A	N/A	N/A	N/A
	LED1.21(1)	1 Number of work opportunities provided by the municipality through the				14439					N/A	N/A	N/A
	LED1.21(2)	2 Number of work opportunities provided through the Community Works				0					N/A	N/A	N/A
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services		5.0%	11.8%	11.8%	4.6%	R 0.00	7.2%	The number of the City's indig	N/A	N/A	N/A	N/A
	LED2.12(1)	1 R-value of operating budget expenditure on free basic services				2246734644					N/A	N/A	N/A
	LED2.12(2)	2 Total operating budget for the municipality				48319120912					N/A	N/A	N/A
FD1.11	Percentage compliance with the required attendance time for structural firefighting incidents		76.8%	75.0%	75.0%	77.3%	R 136,467,891.78	-2.3%	The Emergency Services Depa	N/A	N/A	N/A	N/A
	FD1.11(1)	1 Number of structural fire incidents where the attendance time was 14 minutes				737					N/A	N/A	N/A
	FD1.11(2)	2 Total number of distress calls for structural fire incidents received				954					N/A	N/A	N/A
LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically		0.0%	0.0%	0.0%	0.0%	R 0.00	0.0%	No target set as it is a reporti	N/A	N/A	N/A	N/A
	LED1.11(1)	1 R-value of operating expenditure on contracted services within the municipal				0					N/A	N/A	N/A
	LED1.11(2)	2 Total municipal operating expenditure on contracted services				2733705192					N/A	N/A	N/A
LED1.31	Number of individuals connected to apprenticeships and learnerships through municipal		116.00	120.00	0.00	0.00	R 0.00	0.00	No target set for the period u	N/A	N/A	N/A	N/A
	LED1.31(1)	1 Simple count of the number of individuals enrolled in apprenticeships and				0					N/A	N/A	N/A
LED2.11	Percentage of budgeted rates revenue collected		81.9%	95.0%	95.0%	84.0%	R 6,382,684,160.00	11.0%	1. Illegal reconnection2. Frau	1. The incentive and debt relief report wa	N/A	N/A	N/A
	LED2.11(1)	1 R-value of all municipal property rates revenue collected				6382684160					N/A	N/A	N/A
	LED2.11(2)	2 R-value of the rates revenue operating budget for the financial year				7602671429					N/A	N/A	N/A
LED3.11	Average time taken to finalise business license applications		5.93	21.00	21.00	6.26	R 0.00	14.74	Effective and efficient system	Management will be continuing with the	N/A	N/A	N/A
	LED3.11(1)	1 Sum of the total working days per business application finalised				7029					N/A	N/A	N/A
	LED3.11(2)	2 Number of business applications finalised				1123					N/A	N/A	N/A
LED3.12	Average time taken to finalise informal trading permits		3.10	21.00	21.00	5.76	R 0.00	15.24	Effective and efficient system	Management will be continuing with the	N/A	N/A	N/A
	LED3.12(1)	1 Sum of the number of days from the time of application for each informal				3584					N/A	N/A	N/A
	LED3.12(2)	2 Number of completed informal trading permit applications finalised				622					N/A	N/A	N/A
LED3.13	Average number of days taken to process building applications of 500 square meters or more		18.62	60.00	60.00	18.63	R 0.00	41.37	Effective and efficient system	Management will be continuing with the	N/A	N/A	N/A
	LED3.13(1)	1 Sum of the number of days between the date of submission of a complete				6203					N/A	N/A	N/A
	LED3.13(2)	2 Number of building plan applications greater than or equal to 500 square				333					N/A	N/A	N/A
LED3.21	Percentage of revenue clearance certificates issued within 10 working days from time of		99.0%	90.0%	90.0%	98.7%	R 0.00	-8.7%	Modernisation of application	Maintain improved service level.	N/A	N/A	N/A
	LED3.21(1)	1 Number of revenue clearance certificates issued within 10 working days of the				21891					N/A	N/A	N/A
	LED3.21(2)	2 Total number of revenue clearance completed submissions made to the				22189					N/A	N/A	N/A
LED3.31	Average number of days from the point of advertising to the letter of award per 80/20		187.00	120.00	120.00	53.64	R 0.00	66.36	N/A	N/A	N/A	N/A	N/A

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2023/24 Estimate)	Annual target for 2024/25	Quarterly planned output as per SDBIP	Quarterly actual output	Quarterly actual expenditure	Variation	Reason(s) for variation	Remedial action	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
	LED3.31(1)	1 Sum of the number of days from the point of advertising a tender in terms of the 80/20 procurement process to the issuing of the letter of award				590					N/A	N/A	N/A
	LED3.31(2)	2 Total number of 80/20 tenders awarded as per the procurement process				11					N/A	N/A	N/A
LED3.32		Percentage of municipal payments made to service providers who submitted complete forms	45.3%	90.0%	90.0%	35.1%	R 0.00	54.9%		The City's liquidity is still unstable, the Cit	N/A	N/A	N/A
	LED3.32(1)	1 Number of municipal payments within 30-days of complete invoice receipt				2836					N/A	N/A	N/A
	LED3.32(2)	2 Total number of complete invoices received (30 days or older)				8085					N/A	N/A	N/A
FM1.11		Total Capital Expenditure as a percentage of Total Capital Budget	90.9%	100.0%	55.0%	51.2%	R 0.00	3.8%	The under performance in ca	N/A	N/A	N/A	N/A
	FM1.11(1)	1 Actual Capital Expenditure				1187653060					N/A	N/A	N/A
	FM1.11(2)	2 Budgeted Capital Expenditure				2317797279					N/A	N/A	N/A
FM1.12		Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	86.4%	100.0%	70.0%	71.0%	R 0.00	-1.0%			N/A	N/A	N/A
	FM1.12(1)	1 Actual Operating Expenditure				34319433227					N/A	N/A	N/A
	FM1.12(2)	2 Budgeted Operating Expenditure				48319120912					N/A	N/A	N/A
FM1.13		Total Operating Revenue as a percentage of Total Operating Revenue Budget	98.4%	100.0%	78.0%	78.1%	R 0.00	-0.1%			N/A	N/A	N/A
	FM1.13(1)	1 Actual Operating Revenue				37867243934					N/A	N/A	N/A
	FM1.13(2)	2 Budgeted Operating Revenue				48473007023					N/A	N/A	N/A
FM1.14		Service Charges and Property Rates Revenue as a percentage of Service Charges and Property	98.2%	100.0%	75.0%	72.1%	R 0.00	2.9%	The underperformance was d	The services are demand driven. Alterna	N/A	N/A	N/A
	FM1.14(1)	1 Actual Service Charges Revenue				20661277353					N/A	N/A	N/A
	FM1.14(2)	2 Actual Property Rates Revenue				7670136231					N/A	N/A	N/A
	FM1.14(3)	3 Budgeted Service Charges and Property Rates Revenue				39272648898					N/A	N/A	N/A
FM1.21		Funded budget (Y/N) (Municipal)	2	0	0	0	R 0.00	0	KPI not applicable for this rep	N/A	N/A	N/A	N/A
	FM1.21(1)	1 Municipal funded budget self-assessment outcome (Yes= 1 and No= 2)				0					N/A	N/A	N/A
FM3.11		Cash/Cost coverage ratio	0.6	0.2	0.2	0.1	R 0.00	0.1	The City did not achieve the t	N/A	N/A	N/A	N/A
	FM3.11(1)	1 Cash and cash equivalent				3081636247					N/A	N/A	N/A
	FM3.11(2)	2 Unspent Conditional Grants				1472475504					N/A	N/A	N/A
	FM3.11(3)	3 Overdraft				0					N/A	N/A	N/A
	FM3.11(4)	4 Short Term Investment				2291438787					N/A	N/A	N/A
	FM3.11(5)	5 Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation,				29059699435					N/A	N/A	N/A
FM3.13		Trade payables to cash ratio	0.1%	0.1%	0.1%	49.0%	R 0.00	-48.9%			N/A	N/A	N/A
	FM3.13(1)	1 Cash and cash equivalents				3081636247					N/A	N/A	N/A
	FM3.13(2)	2 Trade payables				6287384039					N/A	N/A	N/A
FM3.14		Liquidity ratio	0.1	0.1	0.1	0.3	R 0.00	-0.2	The City's collections for peri	None	N/A	N/A	N/A
	FM3.14(1)	1 Cash and cash equivalents				3081636247					N/A	N/A	N/A
	FM3.14(2)	2 Current liabilities				11431443348					N/A	N/A	N/A
FM4.31		Creditors payment period	95.5	114.0	122.0	61.2	R 0.00	60.8	The City's creditors balance h	The City has managed to reduce the amo	N/A	N/A	N/A
	FM4.31(1)	1 Trade Creditors Outstanding				6287384039					N/A	N/A	N/A
	FM4.31(2)	2 Credit purchases (operating and capital)				27937712916					N/A	N/A	N/A
	FM4.31(3)	3 Number of days in the reporting year to date				272					N/A	N/A	N/A
FM5.11		Percentage of total capital expenditure funded from own funding (Internally generated funds +	17.8%	16.5%	11.0%	15.2%	R 0.00	-4.2%	Internally generated funds sli	None	N/A	N/A	N/A
	FM5.11(1)	1 Internally Generated Funds				180112826					N/A	N/A	N/A
	FM5.11(2)	2 Borrowings				0					N/A	N/A	N/A
	FM5.11(3)	3 Total Capital Expenditure				1187653060					N/A	N/A	N/A
FM6.12		Percentage of awarded tenders [over R200k], published on the municipality's website	100.0%	100.0%	100.0%	80.4%	R 0.00	19.6%	The achievement depends on	Special BEC established to fast track the e	N/A	N/A	N/A
	FM6.12(1)	1 Number of awarded tenders published on the municipality's website				45					N/A	N/A	N/A

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2023/24 Estimate)	Annual target for 2024/25	Quarterly planned output as per SDBIP	Quarterly actual output	Quarterly actual expenditure	Variation	Reason(s) for variation	Remedial action	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
	FM6.12(2)	2 Number of awarded tenders				56					N/A	N/A	N/A
FM6.13	Percentage of tender cancellations		14.6%	12.0%	10.0%	41.5%	R 0.00	-31.5%	Cancellations are informed by Bids being non-responsive where bidders		N/A	N/A	N/A
	FM6.13(1)	1 Number of tenders cancelled				39					N/A	N/A	N/A
	FM6.13(2)	2 Total number of tenders advertised and closed				94					N/A	N/A	N/A
FM7.11	Debtors payment period		67.6	30.0	30.0	53.1	R 0.00	-23.1	1. Illegal reconnection2. Frau	1. The incentive and debt relief report wa	N/A	N/A	N/A
	FM7.11(1)	1 Gross Debtors				26895821666					N/A	N/A	N/A
	FM7.11(2)	2 Bad Debt Provision				21046826797					N/A	N/A	N/A
	FM7.11(3)	3 Billed Revenue				30289915166					N/A	N/A	N/A
	FM7.11(4)	4 Number of days in the reporting period year to date				275					N/A	N/A	N/A
FM7.12	Collection rate ratio		81.9%	95.0%	95.0%	86.5%	R 0.00	8.5%	1. Illegal reconnection2. Fraud and corruption3. Low payment levels d		N/A	N/A	N/A
	FM7.12(1)	1 Gross Debtors Opening Balance				27832907125					N/A	N/A	N/A
	FM7.12(2)	2 Billed Revenue				30289915166					N/A	N/A	N/A
	FM7.12(3)	3 Gross Debtors Closing Balance				26895821666					N/A	N/A	N/A
	FM7.12(4)	4 Bad Debts Written Off				5033465786					N/A	N/A	N/A
		COMPLIANCE INDICATORS											
C1	Number of signed performance agreements by the MM and section 56 managers:		10.00			8.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C2	Number of ExCo or Mayoral Executive meetings held:		47.00			32.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C3	Number of Council portfolio committee meetings held:		89.00			73.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C4	Number of MPAC meetings held:		10.00			7.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C6	Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal		4.00			4.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C7	Number of formal (minuted) meetings - to which all senior managers were invited- held:		22.00			18.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C8	Number of councillors completed training:		177.00			141.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C9	Number of municipal officials completed training:		1,963.00			4,370.00	R 100,327.00		N/A	N/A	N/A	N/A	N/A
C10	Number of work stoppages occurring:		1.00			0.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C11	Number of litigation cases instituted by the municipality:		3.00			1.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C12	Number of litigation cases instituted against the municipality:		397.00			357.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C13	Number of forensic investigations instituted:		50.00			62.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C14	Number of forensic investigations concluded:		175.00			92.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C15	Number of days of sick leave taken by employees:		144,052.02			99,457.90	R 0.00		N/A	N/A	N/A	N/A	N/A
C17	Number of temporary employees employed:		8,225.00			7,034.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C18	Number of approved demonstrations in the municipal area:		177.00			131.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C19	Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council		2.00			2.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C20	Number of permanent environmental health practitioners employed by the municipality:		80.00			84.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C22	Number of Council meetings held:		20.00			19.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C23	Number of disciplinary cases for misconduct relating to fraud and corruption:		122.00			95.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C24	Number of council meetings disrupted		1.00			0.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C25	Number of protests reported		212.00			138.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C26	R-value of all tenders awarded		R 26,653,280.74			R 700,102,386.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C27	Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain		2.00			20.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C28	R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain		R 114,000,000.00			R 0.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C29	Number of approved applications for rezoning a property for commercial purposes:		55.00			60.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C42	Number of registered engineers employed in approved posts		53.00			54.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C43	Number of engineers employed in approved posts:		251.00			251.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C44	Number of discliplinary cases in the municipality:		307.00			304.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C45	Number of finalised disciplinary cases:		217.00			111.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C47	Number of waste management posts filled:		1,261.00			1,227.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C57	Number of registered electricity consumers with an embedded generation system		0			5	R 0.00		N/A	N/A	N/A	N/A	N/A
C58	Total non-technical electricity losses in MWh (estimate)		1,033,597,394.00			840,790.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C59	Number of municipal buildings that consume renewable energy		3.00			3.00	R 0.00		N/A	N/A	N/A	N/A	N/A
C61	Total number of chemical toilets in operation		6,059.00			6,251.00	R 27,112,368.00		N/A	N/A	N/A	N/A	N/A
C63	Total volume of water delivered by water trucks		2,067,800,000.00			1,928,850,000.00	R 61,771,310.00		N/A	N/A	N/A	N/A	N/A
C64	R-value of all direct municipal vehicle operational costs for public transport		R 508,346,384.26			345 892 641.45	R 0.00		N/A	N/A	N/A	N/A	N/A

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2023/24 Estimate)	Annual target for 2024/25	Quarterly planned output as per SDBIP	Quarterly actual output	Quarterly actual expenditure	Variation	Reason(s) for variation	Remedial action	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
	C65	Total number of scheduled public transport access points	3,850.00			3,870.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C66	Number of passenger trips on scheduled municipal bus services	4,964,232			5,899,649	R 0.00		N/A	N/A	N/A	N/A	N/A
	C67	Number of paid full-time firefighters employed by the municipality	581.00			661.00	R 134,684,541.51		N/A	N/A	N/A	N/A	N/A
	C69	Number of 'displaced persons' to whom the municipality delivered assistance	202.00			126.00	R 46,113.85		N/A	N/A	N/A	N/A	N/A
	C71	Number of procurement processes where disputes were raised	0.00			0.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C73	Number of structural fires occurring in informal settlements	119.00			95.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C74	Number of dwellings in informal settelements affected by structural fires (estimate)	1,284.00			1,173.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C75	Number of people displaced within the municipal area	253.00			3,461.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C76	Number of SMMEs and informal businesses benefitting from municipal digitisation support	0.00			0.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C77	B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based	R 0.00			R 23,102,386.56	R 0.00		N/A	N/A	N/A	N/A	N/A
	C78	B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned	R 0.00			R 1,960,238,656.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C79	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement	R 0.00			R 23,102,386.56	R 0.00		N/A	N/A	N/A	N/A	N/A
	C81	Number of new business license applications	524.00			783.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C83	Number of building plans approved after first review	806.00			485.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C84	Number of building plans submitted for review	7,154.00			5,277.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C85	Number of business licenses renewed	888.00			931.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C86	Number of households in the municipal area registered as indigent	145,601.00			149,378.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C92	Number of agenda items deferred to the next council meeting	64.00			103.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C93	Number of awards made in terms of SCM Reg 32	2.00			0.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C94	Number of requests approved for deviation from approved procurement plan	5.00			0.00	R 0.00		N/A	N/A	N/A	N/A	N/A
	C98	Number of building plan applications approved	9,410			4,337	R 0.00		N/A	N/A	N/A	N/A	N/A
	C99	Number of electricity connection applications received	725			553	R 19,717,408.00		N/A	N/A	N/A	N/A	N/A
	C100	Quarterly salary bill of suspended officials				R 20,262,736	R 20,262,736.00		N/A	N/A	N/A	N/A	N/A
	C102	Number of incidents of improper disposal of medical waste responded to by the municipality				0	R 0.00		N/A	N/A	N/A	N/A	N/A
	C103	Number of notifiable medical condition investigations following the prescribed protocols				84	R 0.00		N/A	N/A	N/A	N/A	N/A
	C104	Number of foodborne disease outbreak investigations following the prescribed protocols				47	R 0.00		N/A	N/A	N/A	N/A	N/A
						COMPLIANCE QUESTIONS							
	Q2.	Has the IDP been adopted by Council by the target date?	Yes, the 2024/25 Review of the ID										
	Q4.	What are the main causes of work stoppage in the past quarter by type of stoppage?	No work stoppage for the period										
	Q5.	How many public meetings were held in the last quarter at which the Mayor or members of the Ma	18										
	Q6.	When was the last scientifically representative community feedback survey undertaken in the mun	March-July 2021										
	Q7.	What are the biggest causes of complaints or dissatisfaction from the community feedback survey?	1.Customer Care (Timelines of										
	Q17.	Does the Municipality have a dedicated SMME support unit or facility in place either directly or in p	Yes, the municipality does have a										
	Q18.	What economic incentive policies adopted by Council does the municipality have by date of adopti	No Economics Incentives Policies										
	Q19.	Is the municipal supplier database aligned with the Central Supplier Database?	Yes, Information is pulled directly										
	Q20.	What is the number of steps a business must comply with when applying for a construction permit	Site Development and Building Pl										
	Q21.	What is the organisational location of the disaster risk management function within your municipa	Section within Business Operatio										
	Q22.	Please list the name of the structure and date of every meeting of an official IGR structure that the	1. 23 January 2025 - U20 Project										
	Q23.	Where is the organisational responsibility for the IGR support function located within the municipa	The organisational responsibility										
	Q24.	Is the MPAC functional? List the reasons why if the answer is not 'Yes'.	Yes										
	Q25.	Has a report by the Executive Committee on all decisions it has taken been submitted to Council th	Yes										

ED: CITY MAN		DATE	

Vuyo Zitumane
OFFICE OF THE COO

ENTERPRISE PROGRAMME MANAGEMENT UPDATE ON QUARTER 3 (Q3) CAPITAL PROJECT PERFORMANCE FOR 2024/25 FINANCIAL YEAR.

1. PURPOSE

The purpose of this report is to provide an update on the progress made on Capital Projects as of Q3 2024/25 Financial Year (FY).

2. COALITION PRIORITY

Priority 3. A business-friendly city that promotes employment and economic growth.
Priority 9: A professional public service that drives accountability and transparency.

3. BACKGROUND

The Enterprise Programme Management Unit is tasked with the planning, monitoring, and evaluation of capital project performance on a monthly, quarterly, and annual basis. This report provides an update on the performance monitoring of the capital projects implemented within the city.

4. DISCUSSION

4.1 An overview of Quarter three (Q3) project performance

The city was implementing a total of 190 capital projects with the total budget of R2,3 billion for the 2024/25 MTREF Budget after adjustment. A Supplementary Adjustment Budget was approved on 3 April 2025. The Capex report for Q3 was still based on the original milestones and plans submitted, and the total budget of R2,3 billion was approved for capital projects for the 2024/25 financial year. All the 190 projects have reported. Of the 190 projects only 1 project is suspended.

The Quarter 3 budget Projection is R1,207,546,718.71 and actual expenditure is R1,185,222,360.60 which translated to 51% against the total budget.

Summary of 190 projects which were reported on are as below:

Targeted milestones that achieved projected targets are 86 (45%).
A total of 104 (54%) projects had their targeted milestones delayed and did not achieve, 01 suspended and the overall % of achievement has been classified as follows:

- 24 projects= 0% achievements
- 43 projects = 1% - 39% achievement
- 23 projects = 40% - 69% achievement
- 15 projects = 70% - 99% achievement

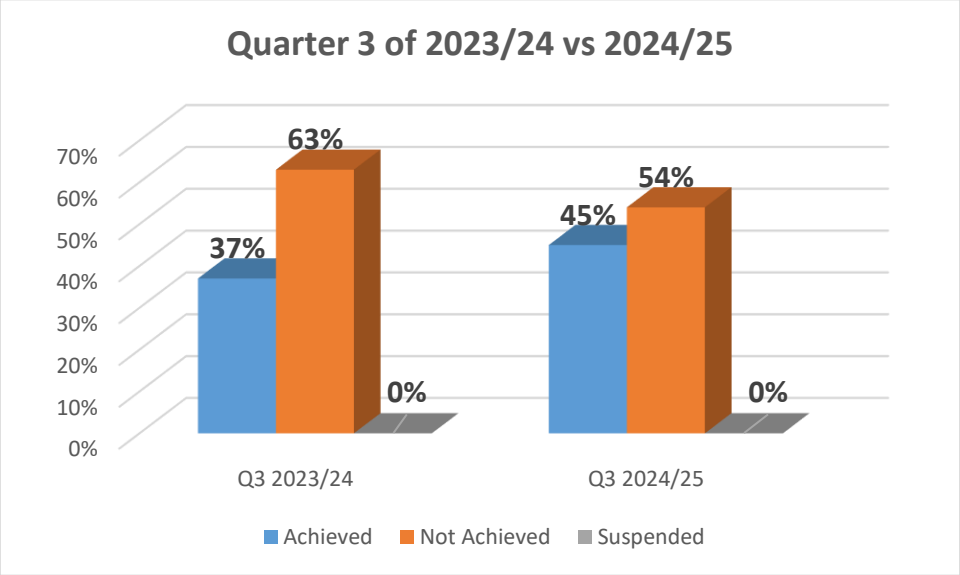
4.2 The table below summarises projects performance status per department

Table 1: Projects Milestone Status.

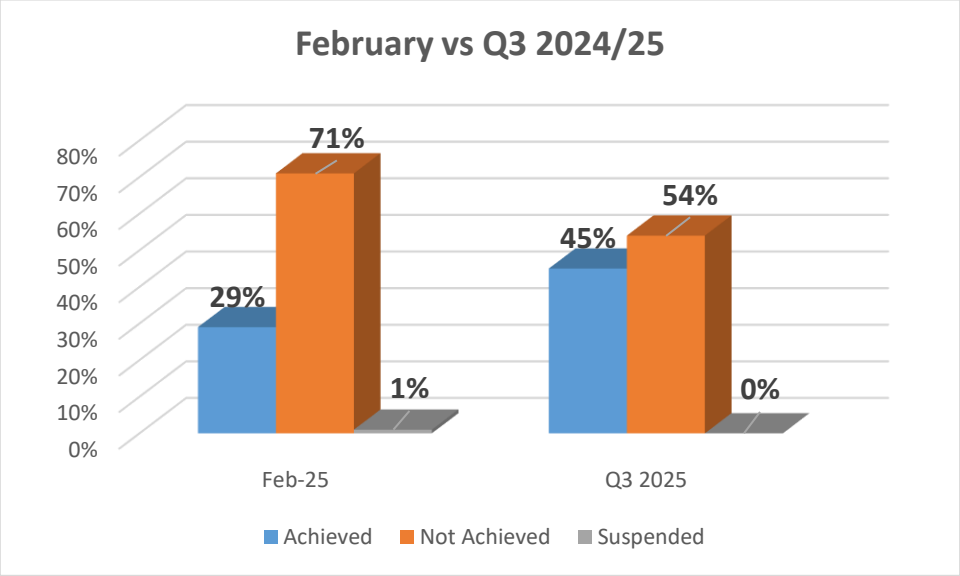
Division	Number of Projects Reported	Number of Projects Achieved	Projects Achieved 0%	Projects Achieved 1-40%	Projects Achieved 41-70%	Projects Achieved 71-99%
Economic Development and Spatial Planning	1		1			
Emergency Services	2	2				
Energy and Electricity	38	14	4	11	7	3
Enterprise Programme Management Unit (ePMU)	2	1		1		
Group Financial Services	4	2	1		1	
Group Property Management	1					1
Health Services	2	2				
Housing Company Tshwane	3	3				
Human Settlements	37	10	8	12	5	1
ICT, Applications & Infrastructure	7	6			1	
Integrated Rapid Public Transport Network IRPTN	12	6	1	2	1	2
Metro Police Department	1	1				
Office of the City Manager	1	1				
Regional Operations & Coordination ROC	1	1				
Shared Services	1	1				
Sports, Recreation & Infrastructure Development	2	1		1		
Transport Infrastructure Design & Construction	41	22	3	4	7	5
Tshwane Economic Development Agency	1	1				
Tshwane Leadership and Management Academy	2	2				
Waste Management Services	1	1				
Water and Sanitation	30	9	6	11		4
Grand Total	**190**	**86**	**24**	**43**	**22**	**15**

4.3 Performance comparison with previous Quarter 3 of 2023/24 vs 2024/25

The chart below shows a comparison of milestone performance Q3 2023/24 vs Q3 2024/25



The chart below shows a comparison of milestone performance for February vs Q3 2024/25



4.4 Reasons for delay

Below are reasons for projects being delayed achieving the planned milestone. Out of a total of 190 projects reported for Quarter 3, only 86 achieved their planned targets, 104 projects are delayed in terms of meeting the planned milestones and only 01 were suspended.

The following table indicates various reasons provided for delayed projects in achieving Quarter 3 planned targets.

Table 2: Delayed projects and reasons for non-achievement

Reasons for Delays	**Number of Projects**
Awaiting Appointment Letter	1
Business forums	1
Community unrest	2
Delay in completion snag list	1
Delayed delivery / Awaiting delivery of material	5
Delayed delivery stock items	5
Designs & Documentation	8
External Dependencies (Approval)	3
External Dependencies (Waiting for Bulk Infrastructure)	1
External Dependencies (Application driven)	1
External Dependencies (Encroachment)	2
Fund Transfer/Adjustment Process	2
Ground Conditions	1
Inclement weather	3
Insufficient Funds	3
Internal Dependencies (Acquisition of Land)	1
Internal Dependencies (Departmental Approvals)	10
Internal Dependencies (Legal Approval)	3
Internal Dependencies (Site Investigation	1
Land Acquisition / Expropriation	1
Poor Performance by Contractor	11
Poor Performance by PSP	2
Revision of scope	2
SCM: Awaiting BAC Approval	5
SCM: Awaiting BSC Approval	17
SCM: delay in procurement process	11
Submission of Contractual Documents	1
Grand Total	**104**

4.5 Recommended improvements

The Capital expenditure is currently sitting at 51% and the remaining 49% must be fully spent by end of June to achieve planned milestones in this current financial year. With the supplementary adjusted budget allocated we anticipate a better performance improvement on projects that have contractors already on the site.
Majority of the projects have been affected by delays related to SCM related processes, project dependencies, prolonged design processes, poor performance of contractors and delayed internal approval processes which consequently affects the overall project expenditure.
To mitigate this risk, further EPMU has a weekly cluster meeting to monitor the catch-up plans for departments to address the delays on projects that failed to achieve their targets in the previous period of reporting following trainings with departments to discuss the importance of credible and achievable catch-up plans. Further departments were requested to submit their action plans towards achieving 98% of the budget by end of Q4.

- Departments to update and resubmit revised catch-up plan stipulating how projects will be fast-tracked to ensure progress, expenditure increase, and targets are met as planned by the end of the financial year. The catch-up plan should include clear deadlines and actions to be taken to reach the planned targets by end of Q4.
- Group Heads to be closely monitoring all projects and any delays should be escalated urgently to ensure expenditure increase and progress improve on Capex projects delivery as planned.
- Departments should closely monitor projected expenditure vs. actual expenditure to avoid over expenditure especially where non-financial milestones are not achieved.
- It is recommended that departments utilise OPEX for planning of projects readiness and only projects that are ready for implementation must be allocated with CAPEX to avoid increasing AUCs.
- Departments to closely monitor catch-up plans to ensure departments produce credible, achievable mitigation and action plans.

4.6 Performance of projects that achieved planned milestones as of Q3 2024.

Table 3: Projects Achieved

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
Water and Sanitation	(804730) Water Conservation and Demand Management - City wide	City Wide	City Wide	R 60 000 000	Installation of 125 new water meters and replacement of 2700 defective water meters	Milestone achieved 346 New Connections, and 1561 Replacements completed
Shared Services	(804500) Purchase of Vehicles (City Wide)	City Wide	City Wide	R 40 000 000	Delivery of Vehicles:20%; Delivery of vehicles:10%	119 vehicles of different categories delivered. Only 1 vehicle outstanding.
Office of the City Manager	(801001) Capital Movables	Region 3	Administrative HQ	R 385,000	Quotations solicited and evaluated and awarded	Requested quotations from ICT to purchase laptops
Tshwane Leadership and Management Academy	Learner Management System	City Wide	City Wide	R 8 000 000	User requirements accepted and development of modus.	Finalised specification and WBS creation
ICT, Applications & Infrastructure	BPC (Budget Planning and Consolidation) Implementation	Administrative HQ	Administrative HQ	R 10 000 000	System configuration (50% progress)	"Configuration is in progress. The following has been done to date: MSCOA alignment to the OPEX and CAPEX FDS SAC OPEX and CAPEX models creation BW4 Master Data and Transaction Data completion. These feed data to the OPEX and CAPEX models on SAC. Configuration of the MTREF Schedules/Templates for OPEX. Invoice of R9M sent for processing. System Demo on the 3rd of April.

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
Transport Infrastructure Design & Construction	(804000) - 15 Contributions - Heuweloord X18	City Wide	City Wide	R 325 767	Project Completed	Invoice to be paid
Transport Infrastructure Design & Construction	(804000) - 14 Contributions - Montana X140	City Wide	City Wide	R 733 870	Project Completed	Invoice to be paid
Transport Infrastructure Design & Construction	(804000) - 13 Contributions - Lotusgardens X29	City Wide	City Wide	R 391 884	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 12 Contributions - Lotusgardens X32	City Wide	City Wide	R 9 754 122	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 11 Contributions - Montana X201	City Wide	City Wide	R 953 857	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 10 Contributions - Montana X200	City Wide	City Wide	R 668 345	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 09 Contributions- Amandasig X57	City Wide	City Wide	R 7 478 014	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 08 Contributions - Willow Park Manor X86	City Wide	City Wide	R 3 222 881	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 07 Contributions - Wolmer X01	City Wide	City Wide	R 801 773	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 06 Contributions - Heatherview X48	City Wide	City Wide	R 1 263 579	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 05 Contributions - Menlo Park Erf 430	City Wide	City Wide	R 221 520	Project Completed	Invoice to be paid
Transport Infrastructure Design & Construction	(804000) - 04 Contributions - Annlin X141	City Wide	City Wide	R 496 401	Project Completed	Completed
Transport Infrastructure Design & Construction	(804000) - 03 Contributions - Montana Tuine X66	City Wide	City Wide	R 958 091	Project Completed	Invoice to be paid

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
Transport Infrastructure Design & Construction	(804000) - 02 Contributions - Sinoville X42	City Wide	City Wide	R 2 480 215	Project completed	Completed
Transport Infrastructure Design & Construction	(804000) - 01 Contributions - Heatherview X42	City Wide	City Wide	R 767 928	Project Completed	completed
Water and Sanitation	(804710) Contributions Water- Louwlardia Ext 57 (Pretoriusrand Reservoir)	Region 4: South	65	R 2 000 000	Project completed	Project competed
Transport Infrastructure Design & Construction	(804000) - 16 Contributions - Garsfontein Road	Region 6: East	45	R 21 443 047	Setting and exposing portions of services; Installation of road signage, demarcation of working areas and installation of new jersey barriers.	completed, Exposing of services
Enterprise Programme Management Unit (ePMU)	(803901) Tshwane Automotive SEZ Phase 1 Bulk Infrastructure Roll out - CLONE	Region 6: East	28	R 56 000 000	WBS no & Purchase Order Created	Payment for TASEZ submitted and processed
Water and Sanitation	(804722A) Replacement of deficient sewers (Area-A)	City Wide	City Wide	R 22 545 499	Cleaning and unblocking of sewer pipeline and reconstruction of manholes in Odingburg Area.;80%	The milestone achieved. Klipgat Allocation: A total length of 117m of deficient sewer pipeline was replaced in Mabopane Unit R. CCTV inspection is ongoing in other affected areas. The contractor is onsite busy with CCTV inspection, pipe unblocking, pipe jetting and sewer spillage cleaning.
Water and Sanitation	(804735WC) Upgrade water pump station (City Wide)	City Wide	City Wide	R 18 000 000	90% Overall progress on annual planned milestone; Installation of Klapperkop variable speed drives	Motor Control Panels at Bronkhorstspruit delivered; The Motor Control Panels are to be commissioned in April

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
Water and Sanitation	(804735A) Upgrade of sewerage pump stations (City Wide)	City Wide	City Wide	R 1 000 000	15%; Invitation of bidders for the appointment of PSP and evaluation report.	Milestone achieved. PSP specifications approved by the department. Specification revised as required and resubmitted to EPMU for further review on 25 November 2024. The revised specification was submitted to EPMU on 12 December 2024 and approved on 03 February 2025. The procurement process is ongoing with a clarification meeting concluded on 21 February 2025. Evaluation meeting planned for 01 April 2025.
Water and Sanitation	(804737) Refurbishment of Laudium Bulk Pipeline	Region 4: South	61	R 4 032 284	Approval of close-out report and as-built drawings.;100%	Milestone achieved. The project reached practical completion on 18 September 2024. Final inspection conducted and completion certificate issued on 22 October 2024. Capitalization process is ongoing.
ICT, Applications & Infrastructure	(804504) SAP 4 Hanna	Administrative HQ	Administrative HQ	R 70 000 000	Requirements gathering specific to Defects and GAPS identified during MCU system Testing.: -10%	Requirements gathering are completed and this informed functionality being built on the system as per the Milestone sign off.
Human Settlements	(803302) Water provision - Winterveldt 20ML Reservoir	Region 1: Northwest	19	R 24 670 952	Steel reinforcement for the reservoir. Construction of columns and floor slab for the flow control building	Flow control room is at 72% completed. Approval received from Water and Sanitation for the new proposal method of changing to precast model as it is cheaper to do and will be undertaken in 9

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
						months as opposed to 18 months of the original design. .
Human Settlements	(803312) Construction of roads & stormwater - Soshanguve ext19	Region 1: Northwest	88	R 333 085	Detailed designs development	Designs completed 202/23 financial year, project to be handed over to Roads & Transport for implementation
Human Settlements	(803302) Water Provision - Winterveldt Bulk water line	Region 1: Northwest	19	R 15 200 000	Construction of 100m pipeline, pipe jacking and ordering of material	650m of pipeline laid, 1 x scour valve chamber completed out of 5, Pipe jacking to still be done.
ICT, Applications & Infrastructure	(804503S) Cyber Security	Administrative HQ	Administrative HQ	R 4 000 000	Payment of tool effected (Invoice processed); Monitoring of deployed solution	Tools upgraded and operational.
Integrated Rapid Public Transport Network IRPTN	(804016) Belle Ombre - Phase 2 (Overflow car park, Electric Fencing etc)	Region 3 A: Central Region	58	R 2 000 000	Detailed Design Review in progress	Milestone achieved. Detailed design review is in progress.
Integrated Rapid Public Transport Network IRPTN	(804016) Line 3: CBD to Atteridgeville - Section 2 (Pretoria West - Atteridgeville)	Region 3 A: Central Region	3;63;7	R 4 931 318	Approval of Detail Design Review report	Milestone achieved. The design review has been completed and submitted to the department for approval.
Integrated Rapid Public Transport Network IRPTN	(804016) Line 3: CBD to Atteridgeville - Section 1 (CBD - Pretoria West)	Region 3 A: Central Region	3;58	R 19 954 030	Services relocation.	Milestone achieved. Relocation of services is in progress and the overall progress is 13%
Tshwane Leadership and Management Academy	(802700) Capital Movables	City Wide	City Wide	R 1 158 000	Facilitate payment for 4 vision testers already received	The Vision Tester Machine where delivered, and payment was finalised in October 2024
Housing Company Tshwane	(805201) Chantelle x39 construction of 600 social housing units	Region 1: Northwest	4	R 22 300 000	Closeout Report and as-build drawings received template compiled for asset registration; Final	Funds transferred to active project Townlands for Completion.; Funds transferred to active project Townlands Social Housing for completion.;

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
					Account prepared by PSP	Funds were transferred to active project Townlands Social Housing for completion
Housing Company Tshwane	(805202) Townlands Project - Construction of 1,200 social housing units	Region 3 A: Central Region	58	R 18 000 000	Traffic lights installed; Traffic lights energised and commissioned; Testing & completion of traffic lights installation	Hot water and water meter installation; Hot water and water meter installation.
Housing Company Tshwane	(805200) Furniture and Office Equipment	Administrative HQ	Administrative HQ	R 2 652 000	Delivery of equipment (Vehicles)	HCT purchased two bakkies for property management department for an amount of R 947 030.32
Energy and Electricity	(801634) Prepaid Electricity Meters - Conventional	City Wide	City Wide	R 7 500 000	Procured 375 prepaid meters.	Procured 375 prepaid meters
Energy and Electricity	(801634) Prepaid Electricity Meters - Replacement	City Wide	City Wide	R 51 000 000	Procured 3 300 prepaid meters.	Procured 3575 prepaid meters
Energy and Electricity	(801634) Prepaid Electricity Meters - New	City Wide	City Wide	R 12 500 000	Procured 750 prepaid meters	Procured and installed 875 prepaid meters
Human Settlements	(803326) Booysens X4 (30ML Reservoir)	Region 3 A: Central Region	55	R 1 500 000	Submission of design review report	Presentation of the outcomes of the design review was conducted on 28 March 2025. The Consultant has submitted the design review report. Conditional assessment of the installed infrastructure is still underway and planned to be completed by 11 April 2025.
Energy and Electricity	(801633) Communication Upgrade: Optical Fibre network	City Wide	City Wide	R 10 000 000	50% overall progress; Installation of fibre (5 km)	Photos have been uploaded on the EDRMS and Asset Capitalization is underway; The project has been completed. HV

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
						completion and completion of ARF is ongoing
Human Settlements	(805520) Olievenhoutbosch X60 Bulk Water	Region 4: South	106	R 4 000 000	Completion certificate and handover to user department	Milestone achieved. Project has been handed over to Water and Sanitation department. The defect liability period commenced in January 2025.
Human Settlements	(803333) Sewer reticulation - Booysens X4	Region 3 A: Central Region	55	R 2 012 424	Submission of design review report	Presentation of the outcomes of the design review was conducted on 28 March 2025. The Consultant has submitted the design review report. Conditional assessment of the installed infrastructure is still underway and planned to be completed by 11 April 2025.
Human Settlements	(803326) Water reticulation - Booysens X4	Region 3 A: Central Region	55	R 1 000 000	Design review and conditional assessment. Submission of design review report	Presentation of the outcomes of the design review was conducted on 28 March 2025. The Consultant has submitted the design review report. Conditional assessment of the installed infrastructure is still underway and planned to be completed by 11 April 2025.
Water and Sanitation	(804713) Wastewater Treatment facilities upgrade Minor Capital Projects (City wide)	City Wide	City wide	R 4,050,000	Total project progress (75%);75 m of fencing installed	Fencing for Sand spruit WWTW has been removed from this project. 2 aerator turbines are to be procured.; Total project progress 75 % as planned
Tshwane Economic Development Agency	(805200) Furniture and Office Equipment	Administrative HQ	Administrative HQ	R 801 783	Issue purchase order for office equipment.	Replacement office equipment was procured and delivered

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
Human Settlements	(803328) Sewer reticulation - Winterveldt	Region 1: Northwest	19	R 6 512 450	477m of setting out, excavation, compaction & laying of pipes, pipe installation & supply & lay blanket in 200mm layer, CCTV inspection, fill compaction layer above, construction of manholes & backfilling, blanket, Erf connections	Milestone achieved. 620m of pipes have been laid. 480m of sewer pipes have been cleaned. 180 platforms for the toilet structures have been constructed.
Waste Management Services	(802100) Provision of waste containers	City Wide	City Wide	R 7 000 000	Issue purchase order for 3500 bins; Delivered, payment and distribution of 3500 bins.	Project completed
Human Settlements	(803326) Bulk water pipeline - Booysens X4	Region 3 A: Central Region	55	R 1 500 000	Submission of design review report	Presentation of the outcomes of the design review was conducted on 28 March 2025. The Consultant has submitted the design review report. Conditional assessment of the installed infrastructure is still underway and planned to be completed by 11 April 2025.
Integrated Rapid Public Transport Network IRPTN	(804016) Mahube Valley Interchange	Region 6: East	10	R 832 117	Review of the inception report in progress	Milestone achieved. Inception report review is in progress
Transport Infrastructure Design & Construction	(804026) Upgrading of roads and stormwater systems in Refilwe	Region 5: Nokeng	99	R 6 000 000	Detailed design report approvals.;13% overall progress on project.;13% overall progress on project.;	COO 01-2021/22-(TIDC 20-2024): Milestone achieved. The project is on tender documentation preparations stage for procurement of the contractor.

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
					Detailed design report approvals.	
Integrated Rapid Public Transport Network IRPTN	(804016) Denneboom Depot	Region 6: East	38	R 2 500 000	Detailed Design Review in progress	Milestone archived. Detailed Design Review in progress.
Integrated Rapid Public Transport Network IRPTN	(804016) Line 2B: Atterbury Rd (btw Lynnwood Rd to Lois Avenue)	Region 3 B: Central Region	82	R 37 496 928	"Kings Highway Section: Completion of 3 Sewer Manholes. Justice Mahomed Intersection: Laying 100m of Kerbing, paving of 100m2 of walkways."	Milestone is archived.
Energy and Electricity	(801614) Electricity for All - Region 6	No Intersect	No Intersect	R 4 000 000	70% MV & LV construction of electrical backbone network infrastructure, realizing 30 connections.	Achieved 100% of MV and LV Electrical backbone network is completed. 90 new connections achieved due to the unavailability of feeder cable.
Energy and Electricity	(801613) Monavoni 132/11KV Substation	No Intersect	No Intersect	R 31 000 000	Complete 50% of the project.; Complete the roofing of the substation building and installation of the ceiling. Install the substation fence. Complete the installation of the HV yard equipment and 132kV busbars.	Achieved 50% towards project completion.; Substation building roof 70% complete. Installation of equipment in the HV yard 60% complete.
Sports, Recreation & Infrastructure Development	(801101) Capital Movables	Administrative HQ	Administrative HQ	R 8 851 547	Delivery of 4 400 library books, ITC equipment and library furniture ongoing	All library books catalogued and capitalized, ITC equipment capitalized, book security systems capitalized, Library furniture delivered and to be capitalized.

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
Human Settlements	(803324) Sewer provision - Rama City	Region 1: Northwest	32	R 9 843 513	Pipe jacking at Molotlegi street. Water connection to 160 stands and sewer connection to 100 stands.	"Pipe jacking at Molotlegi street - Site establishment by sub-contractor completed. 238 erf connections completed for the month of March 2025, with 738 cumulative achievement. 0 erf connections completed for the month of March 2025, with 186 cumulative achievement"
Emergency Services	(805100) Emergency Services Tools and Equipment	Administrative HQ	Administrative HQ	R 1 000 000	(22%) Delivery of goods verified; invoices submitted for payment	Goods were delivered and invoices were submitted to the value of R177,694.23
Metro Police Department	(803700) Traffic Equipment	City Wide	City Wide	R 6 000 000	68% overall project progress. Delivery of 40 x units of traffic equipment's	MILESTONES: Goods + Services: Purchasing: 1. Creation of Internal Purchase Request (IPR). 2. Creation of Purchase Req’s & Purchase O’s. 3. Awaiting Delivery of Goods All three (3) milestones achieved. PERFORMANCE (STATUS QUO): • ID CARD PRINTERS: Status Quo: PO 4501265505 issued for 6 x ID Card Printers on 21/02/2025. ETA delivery 28/03/2025 Mitigation: Follow-up with SP. • MOBILE BLUE LIGHTS WITH SIRENS: Status Quo: PO

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
						4501259003 issued for 100 units issued on 12/11/24. Delivery for all units (100) completed on 18/02/25. Delivery note signed off. Invoice signed off and processed for payment. Mitigation: None. • TOWING DOLLIES: Status Quo: PO 4501269344 (9 x units) issued to SP on 28/03/2025 & PO 4501269345 (10 x units) issued to SP on 31/03/2025. Mitigation: Monthly follow up with SPs on lead time for delivery.
ICT, Applications & Infrastructure	(804507) Implementation of Storage Area Network	Administrative HQ	Administrative HQ	R 8 000 000	8 Server and storage units delivered and deployment for refresh	Storage hardware implemented and operational. Invoice sent for processing.
ICT, Applications & Infrastructure	(804502) Computer Equipment Deployment - End user computer hardware equipment	City Wide	City Wide	R 20 000 000	Deployment Process of 100 computers:10%	113 computers deployed for the month of March. 446 computers deployed for Q3.
ICT, Applications & Infrastructure	(804501) Upgrade of IT Networks	City Wide	City Wide	R 8 000 000	Procurement and Deployment of Server and Storage units (70% Progress)	30 network equipment upgraded in the different buildings
Health Services	(803100) New Clinic Lusaka	Region 6: East	10	R 500 000	40% of 100% of continuation with legal processes to reclaim possession of the construction site and pursue cost recovery from the previously appointed Contractor.	The tender for the replacement contractor was advertised on 20 March 2025 and closes on 30 April 2025. The professional service provider (psp) is compiling the final documentation (final account) after the

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
						joint site inspection on 25 February 2025.
Energy and Electricity	(801612) Low Voltage Network Within Towns (Renewal)	City Wide	City Wide	R 7 000 000	Complete the upgrading of Low 3 Voltage Networks.	3 Low Voltage Networks were completed in the Proclamation Hill area of region 3.
Transport Infrastructure Design & Construction	(804005) Upgrading of roads and stormwater systems in Rayton	Region 5: Nokeng	100	R 1 000 000	Consultant inception and preparation of drawings.; Consultant inception and preparation of drawings.	COO 01 – 2021/22 (TIDC 03-2025) Milestone achieved. Appointment for consultant has been awarded on the 16 January 2025. The consultant has commenced with review of the designs on the 7th of February 2025.
Health Services	(803100) Capital Funded from Operating	Administrative HQ	Administrative HQ	R 750 000	Commence and finalize the quotations and specifications for furniture/medical equipment.	Not a quotation process. Scope done, Bid Spec meeting completed 26 March 2025
Energy and Electricity	(801610) Energy Efficiency and Demand Side Management	City Wide	City Wide	R 2 500 000	Retrofit 50 X 250W HPS streetlights luminaires with 100W LED	Retrofitted 68 x 250W HPS luminaires with 100W LED.
Transport Infrastructure Design & Construction	(804013) Upgrading of Buitekant Street	Region 1: Northwest	29	R 4 000 000	2% overall; Design Developments	completed
Water and Sanitation	(804723) Installation of telemetry, bulk meters and control equipment at reservoirs (City Wide)	City Wide	City Wide	R 29 422 182	Installation and commissioning of 10 telemetry panel boxes; Installation and commissioning of 10 telemetry panel boxes ;80% Overall progress on Annual Planned Milestone ;80% Overall progress on Annual Planned Milestone	Klapperkop Generator delivered, server computers delivered, 10 panels delivered; The Klapperkop Generator is delivered on site

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
Water and Sanitation	(804723) Replace reservoir fencing (City Wide)	City Wide	City Wide	R 8 199 816	Overall progress:65%.; Bronkhorstpruit WPP: Procurement of material and excavation of concrete beam for the installation of fence.	The overall progress is 78%. The installation of fence at Commando Sewer Pump station and Rietgat WWTW is complete. The installation at Hercules West reservoir, Sandspruit WWT and Bronkhorstspruit WPP are ongoing. The installation at Mabopane Main reservoir will start on 14 April 2025.; The material has been procured and delivered onsite; the excavation of concrete beam is in process. The Completion date for the project is 17 June 2025.
Transport Infrastructure Design & Construction	(804010) Flooding backlog: Drainage canals along Solomon Mahlangu (Hans Strydom) Dr, Mamelodi x 4 and 5	Region 6: East	40	R 5 000 000	7% Overall progress.; Briefing of the new consultant.	Milestone has been achieved. The new consultant was appointed on 04 March 2025. The appointment letter was received on 13 March 2025. Briefing of the consultant took place on 25 March 2025.; Milestone has been achieved. The overall progress is 7% completed.
Energy and Electricity	(801609) New Connections	City Wide	City Wide	R 23 000 000	Delivery of 100 Paid New connections; Delivery of 100 paid new connections; Delivery of 100 New connections	57 paid new connection complete;59 paid new connections;63 paid new connections
Group Financial Services	(8026001) Insurance replacements	City Wide	City Wide	R 10 000 000	Insurance replacement, 0% of 10 written-off vehicles. To be	99.23 % (R 9 922 989.24) of the project budget has been allocated to 2x WBS numbers for the

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
					replaced in the last quarter by Corporate Fleet.	replacement of 27 vehicles. Actual of R 9 381 490, 04 (93.81%) reflect on the project.
Group Financial Services	(802600) Insurance replacements (CTMM Contribution)	City Wide	City Wide	R 10 000 000	Creation of Insurance WBS numbers on a continuous basis as claims are approved, and the Insurance replacement of 10 Capital assets 10% by the departments where the loss occurred.	99.73% of the project budget has been allocated to 104 WBS numbers for the replacement of non-motor assets. Actuals of R 4 151 501.21 and Commitment of R 1 248 419.41 reflect on the project. Insurance Management is responsible for the creation of WBS numbers and allocation of budget to CAPEX claims approved.
Transport Infrastructure Design & Construction	(804004) Flooding Backlogs: Stinkwater & New Eersterust Area	Region 2: Northeast	14	R 3 000 000	9% Overall progress.; Briefing of the appointed Consultant	Milestone has been achieved. Briefing of the appointed Consultant was done on the 21/02/2025. and site inspection was done on the 26 February 2025.; No Mitigation plan required; milestone has been achieved.
Energy and Electricity	(801608) Replacement of Obsolete and Non-functional Equipment	City Wide	City Wide	R 5 000 000	Delivery of protection relays lead time.	DC monitoring relays delivered, which forms about 7% of the total order. The rest of the relays are still within the lead time
Emergency Services	(803000) Renovation & Upgrading of Facilities	City Wide	City Wide	R 1 000 000	(45% cumulative) Installation of new tiles and electrical light fittings.	Project completed
Energy and Electricity	(801607) Secondary Substations	City Wide	City Wide	R 6 000 000	Project execution on site.	Site establishment done. Preparatory activities, such as lighting and cleaning

Division	Project Name	Region	Ward	Budget 2024/2025	Planned Milestone Description	Milestone Comment
						were done. The core activities/execution was delayed due to JV's internal squabbles.
Energy and Electricity	(801606) Strengthening 11kV Overhead Network	City Wide	City Wide	R 6 000 000	Project execution on-site.	Planned project execution for the month of March 2025 completed as planned.
Transport Infrastructure Design & Construction	(804005) Traffic Calming and Pedestrian Safety for Tshwane	City Wide	City Wide	R 14 500 000	19% Overall progress;19% Overall progress; Implementation of 35 safety measures; Implementation of 35 safety measures	78 Safety measures have been completed in March 2025. The total number of safety measures completed so far, this financial year is 183.; Overall progress on project at 24%, ahead of planned.
Energy and Electricity	(801642) Refurbishment of Sub Transmission Electrical Infrastructure	City Wide	City Wide	R 30 000 000	Manufacturing of Equipment	All panels on site. Construction building completed replaced feeder cables and multicore cables at various substations.
Energy and Electricity	(801600) Upgrading/Strengthening of Existing Network Schemes - City Wide	City Wide	City Wide	R 4 000 000	Install 9 Services connection point (8.3 %).	16 new connection points completed.
Total				**R 878 461 221**		

4.7 Performance of projects delayed in achieving Q3 targets.

Table 4: Delayed projects (Not Achievable Mitigation Plan)

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
Water and Sanitation	(804723) Relining/upgrading Babelegi reservoir	Region 2: Northeast	R 7,000,000	R 68,350	Overall progress: 31%; Inspection of existing water tower and existing steel pipeline for refurbishment work.	Milestone not started, site handover awas delayed due to outstanding performance guarantee which was submitted on 24 March 2025. All contractual obligations are met, and site was handed over to contractor on 25 March 2025. Contractor is now mobilising a team for site establishment which is expected to be completed by 09 April 2025.	The department needs to indicate how will the contractor achieved the 31% planned milestone.	None required at this stage.	Expenditure at 1% and Progress at 31%. Project to be fast-tracked as soon as the site is established
Human Settlements	(803352) Bulk sewer pipeline Mamelodi X6 Phomolong	Region 6: East	R 15,225,396	R 7,689,243.00	Appointment letter issued and submission of contractual documentation done.	Contractor has been appointed. Kick off meeting held on the 04 March 2025. Contractual documents submitted and site camp has	Department needs to indicate when will the contractor achieve the 10% construction of pumpstation	Project on track	Expenditure at 51% and progress is behind. Project to be fast-tracked since the contractor

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						been established.			has been appointed
Water and Sanitation	(804722B) Replacement of deficient sewers (Area-B)	City Wide	R 12,500,000	R 5,855,059.00	85%; Replacement of 200m of deficient sewer pipes.	Milestone not achieved. The contractor started with allocation 6 work package. A total length of 40m of HDPE sewer pipe cracked this month in Completion certificate for allocation 4 and Practical completion certificate for Allocation 05 was achieved this month.	Department needs to indicate when will the contractor achieve 500m of pipeline	The contractor will need to fast-track the completion of snag items for allocation 5.	Expenditure at 47% and progress at 85%. Payments to be processed to align progress with financial expenditure.
Water and Sanitation	(804700) Replacement of Critical Worn-Out Water Network Pipes (Area-C Regions 4, 5, 6 and 7)	Region 5: Nokeng	R 34,000,000	R 23,398,891.00	78% progress overall.; Replacement of 825m of critical worn-out water network pipelines.	276m was replaced in March. A projection of 1 650m was not achieved due to various challenges including social issues, rainfall and business forum interference.	The has indicated that they have resolved social issues, however they did not indicate the timelines for their mitigation plan.	Social issues and business forum interference were addressed with the assistance of the relevant stakeholders. Peak rainfall period has passed, the contractor is	Expenditure at 69% and progress at 78%. Delayed caused by business forums to be escalated.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						;276m was replaced in Q3. A projection of 1 650m was not achieved due to various challenges including social issues, rainfall and business forum interference.		expected to optimize production. Additional resources were allocated to fast-track production.	
Water and Sanitation	(804700) Replacement of Critical Worn-Out Water Network Pipes (Area-B Region 3)	Region 3 B: Central Region	R 22,138,548	R 12,136,561.00	Replacement of 400m of critical worn-out water network pipelines.;17% progress overall.	300m replaced in Q3. A projection of 800m was not achieved. Commencement of the works was delayed due to social issues and intensive rainfall.	The department did not indicate when the 800m will be achieved.	The challenges regarding social issues and sourcing of EPWP labourers were resolved. The contractor commenced with the works and additional resources are allocated to aid for the time lost.	Expenditure at 55% and progress at 17%. department should indicate when the 800m will be achieved and how they Fastrack progress (Expenditure is too high)
Water and Sanitation	(804700) Replacement of Critical Worn-Out Water Network Pipes (Area-A Regions 1 and 2)	Region 2: Northeast	R 2,000,000	R 585,336.00	Tender Closing Date is planned for 21 March 2025.;30% progress overall.	The compilation of a tender document is complete, the tender has been submitted to Supply Chain for further processing.; The tender has not yet been advertised. The	The department needs to indicate the date when will the tender be advertised.	Follow up on the inclusion of the tender on the Bid Specification Committee agenda will be made.; Follow up with budget office for budget conformation	Expenditure at 29% and progress at 30%. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						tender specification has been submitted to Bid specification Committee secretariat for inclusion on the agenda, however awaiting Budget confirmation signing off.		will be exercised.	
Energy and Electricity	(801642) Refurbishment of Mooikloof Substation	Region 6: East	R 15,000,000	R 14,785,695.00	Installation of 132kV Yard Equipment control cables	Some section of the Substation is Live and not all cables where installed. The outstanding section that still need new control cables will be completed after switch-over and Completion of N4 Powerline project.	The department needs to indicate when will the N4 Powerline project be completed and when will they connect.	CoT protection team to assist with commissioning and transferring of load to new equipment.	Expenditure at 99% and progress is behind. Project to be fast-tracked. Department to provide action plan for connection which is behind
Energy and Electricity	(801642) Refurbishment of Pyramid Sub Station	Region 2: Northeast	R 25,000,000	R 21,859,646.00	Roof	Guardhouse complete Substation building roof is at 90 percents complete, currently busy with inner roof and outside finishings. 132kV high	The department needs to indicate when will the roof be completed	The main contractor to put more effort on completing the roof so that 11kV Switchgear equipment can be installed as sooner as possible	Expenditure at 87% and progress is 70%. Payments to be processed to align progress with financial expenditure.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						voltage foundations and structures assembling in progress			
Human Settlements	(803356) Sewer reticulation - Garankuwa X10	Region 1: Northwest	R 999,161	R 448,865.00	Appointment letter	Draft tender document, TAR and sourcing strategy has been submitted to SCM. Awaiting on BSC seating for approval of document.	The department has not indicated when is the BSC seating and when will the contractor be appointed.	none at this stage	Expenditure at 45% and progress is behind. Appointment of a contractor should be prioritised, and progress is to be fast-tracked.
Human Settlements	(803355) Portion 62 of the farm Zandfontein 317 JR	Region 3 A: Central Region	R 8,200,000	R -	(60 % of overall progress) Mayco approval.	Dependency Project: An acquisition request has been submitted to Group Property (GP) for facilitation. Update from GP: The acquisition is currently under review on C9. Positive feedback has been received from relevant stakeholders, with the only pending comments from Group Legal.	The department has not indicated when will the Mayco approve the acquisition	Maintain momentum and assist Group Property in following up with Group Legal	Expenditure at 0% and progress is behind. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
Transport Infrastructure Design & Construction	(804029) Soshanguve Block FF Area 4	Region 1: Northwest	R 3,500,000	R 905,084.00	15% Overall progress.; Advertisement of tender for appointment of contractor.	Milestone has not been achieved. The overall progress is 14% completed.; Milestone has not been achieved. The tender advertising request (TAR) for the appointment of the contractor was approved by the Group Head and submitted to SCM on 07 March 2025. The previous contract was terminated by the City in February 2023 due to insufficient funding to complete the project. The department is waiting for legal comments from Legal Services on whether the City can proceed with advertising the tender or resuscitate the	The department has not indicated when will the Group Legal Approve the tender advert	Milestone has not been achieved. The matter has been escalated to the Divisional Head to advice on way forward. The Divisional Head to engage with the Office of the Group Head and Legal Services to provide legal comments.	Expenditure at 26% and progress is 14%. Project to be fast-tracked

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						terminated contract by negotiating with the previous contractor. Henceforth, the tender document has not been scheduled for BSC approval. The tender reference number is RTD 26-2024/2025.			
Human Settlements	(803349) Construction of roads & stormwater - Garankuwa	Region 1: Northwest	R 1,145,705	R -	Tender Advert	Draft tender document, TAR and sourcing strategy has been submitted to SCM. Awaiting on BSC seating for approval of document.	The department has not indicated when will the BAC approve the appointment of SP	none	Expenditure at 0% and progress is 14%. Project to be fast-tracked.
Transport Infrastructure Design & Construction	(804044) Upgrading of roads and stormwater: Mabopane Block U Ext 1	Region 1: Northwest	R 5,000,000	R 1,826,167.00	18% Overall Progress; Obtain Bid Specifications Committee approval to advertise the tender to appoint the Contractor.	Tender Document Submitted for Bid Specification approval.	The department has not indicated when will the BSC approve the specification	Awaiting Bid Specification Approval.	Expenditure at 37% and progress is behind. Project to be fast-tracked.
Water and Sanitation	(804713K) Ekangala WWTW: Upgrade of existing infrastructure	Region 7: Kungwini	R 2,500,000	R -	75%; Compilation of stage 3, design report.	Milestone not achieved. Stage 2 report was submitted on 02 December 2024 and	The department needs to indicate as to when will the stage 2 report be approved.	The department and PSP need to fast-track the approval of stage 2 report.	Expenditure at 0% and progress is behind. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						departmental comments for stage 2 report were send to PSP on 28 January 2025. Site visit to further clarify the comment is planned for 27 February 2025. PSP resubmit the revised stage 2 report on 24 March 2025. Awaiting the departmental approval.			
Energy and Electricity	(801601) Network Control Centre Reconfiguration	No Intersect	R 22,000,000	R 237,775.00	Delivery of equipment and start of construction works	Not achieved	The department did not indicate when will the material be delivered	Continuous engagement with the Service Provider regarding expediting delivery at completion of equipment manufacturing.	Expenditure at 1% and progress is behind. Not satisfactory, project to be fast-tracked.
Transport Infrastructure Design & Construction	(804038) Upgrading of Mabopane Block B	Region 1: Northwest	R 2,500,000	R -	10% Overall Progress;50% Survey and Geotech.	BAC recommended the Report on the 20th of February 2025, awaiting Appointment of the Consultant.	The department did not indicate when will the appointment of the PSP be affected.	Milestone not Achieved; GH has escalated the matter.	Expenditure at 0% and progress is behind. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
Transport Infrastructure Design & Construction	(804038) Upgrading of Mabopane Block A	Region 1: Northwest	R 4,000,000	R 854,157.00	20% Overall progress; Obtain Bid Specifications Committee approval to advertise the tender to appoint the Contractor.	Tender Document Submitted for bid Specification approval.	The department needs to indicate when will the specification be approved.	Awaiting Bid Specification approval.	Expenditure at 21% and progress is behind. Project to be fast-tracked.
Energy and Electricity	(801645) Electricity Distribution Loss	Region 1: Northwest	R 20,000,000	R 2,000,500.00	Replacement of RMU, VTs, CTs and Circuit Breakers. Relocation of inaccessible meters / boxes. Installation of Energy Balancing meters.	-3 outdoor metering units have been received -Procured 7 transformers (T4'S) as well	The department needs to indicate when will the rest of the material be delivered	Service provider accelerating delivery of ordered material and equipment.	Expenditure at 10% and progress is behind. Not satisfactory. Project to be fast-tracked.
Transport Infrastructure Design & Construction	(804033) Internal Roads Ga-Rankuwa Zone 5	Region 1: Northwest	R 4,000,000	R 2,263,718.00	15% Overall progress.; Advertisement of tender for appointment of contractor.	The overall progress is 16% completed.; The Tender Advertising Request for tender RTD 19 - 2024/2025 was submitted for signature to the Group Head: Roads and Transport on 17 February 2025. Specifications were submitted to Supply Chain Management by 14 March 2025, awaiting approval by the	The department needs to indicate the date for the approval of the specification.	The project is to be monitored closely to prevent falling behind on planned progress due to delays in the supply chain management processes.	Expenditure at 57% and progress is 16%. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						Bid Specifications Committee.			
Human Settlements	(803343) Water provision - Garankuwa X10	Region 1: Northwest	R 666,107	R -	Appointment letter issued and contract signed	Draft tender document, TAR and sourcing strategy has been submitted to SCM. Awaiting on BSC seating for approval of document.	The department needs to indicate when will the contractor be appointed	none at this stage	Expenditure at 0% and progress is behind. Project to be fast-tracked.
Human Settlements	(803336) Sewer provision - Mabopane X12	Region 1: Northwest	R 3,000,000	R 837,542.00	Approval by Bid Specification Committee	Detailed Design has been submitted to Water and Sanitation and an approval letter is awaited. Stage 4 has already been prepared and is awaiting Stage 3 approval prior submission.	The department needs to get Water and Sanitation to commit to a date for design approval.	Delayed by Water and Sanitation as the DD was submitted 3 months ago and still awaiting approval.	Expenditure at 28% and progress is behind Project to be fast-tracked.
Human Settlements	(803334) Sewer reticulation - Andeon X37	Region 3 A: Central Region	R 23,567,796	R 20,834,473.00	Excavation, laying and backfilling of 800m of pipeline	Excavation, laying and backfilling of 372m of the 200mm diameter sewer pipeline. The project delayed due to training, procurement of	The department needs to indicate when will the contractor be in par with the program.	The contractor has submitted a revised programme of work which will be strictly monitored to ensure adherence. The contractor has	Expenditure at 88% and progress is behind. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						SMME's and heavy rainfall.		increased resources to catch up for the lost time.	
Human Settlements	(803330) Water reticulation - Andeon X37	Region 3 A: Central Region	R 18,373,650	R -	Excavation, laying and backfilling of 800m of pipeline	Excavation, laying and backfilling of 150m of the 200mm diameter water pipeline. The project delayed due to training, procurement of SMME's and heavy rainfall.	The department needs to indicate when will the contractor be in par with the program.	The contractor has submitted a revised programme of work which will be strictly monitored to ensure adherence. The contractor has increased resources to catch up for the lost time.	Expenditure at 0% and progress is behind. Project to be fast-tracked.
Human Settlements	(803329) Water provision-Mabopane X12	Region 1: Northwest	R 1,000,000	R -	Approval of tender by the Bid Specification Committee; Approval of tender by the Bid Specification committee; Approval of tender by the Bid Specification Committee	Detailed Design has been submitted to Water and Sanitation and an approval letter is awaited. Stage 4 has already been prepared and is awaiting Stage 3 approval prior submission.	The department needs to get Water and Sanitation to commit to date for approving designs.	Water and Sanitation delaying the issuing of approval letter.	Expenditure at 0% and progress is behind. Project to be fast-tracked.
Transport Infrastructure Design & Construction	(804029) Soshanguve Block L Area 3	Region 1: Northwest	R 5,000,000	R 1,413,320.00	15% Overall progress.; Advertisement of tender for appointment of contractor.	Milestone has not been achieved. The overall progress is 14% completed.;	The department needs to indicate when they will get approval to go	Milestone has not been achieved. The matter has been escalated to the	Expenditure at 28% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						Milestone has not been achieved. The tender advertising request (TAR) for the appointment of the contractor was approved by the Group Head and submitted to SCM on 07 March 2025. The previous contract was terminated by the City in February 2023 due to insufficient funding to complete the project. The department is waiting for legal comments from Legal Services on whether the City can proceed with advertising the tender or resuscitate the terminated contract by negotiating with the previous contractor. Henceforth, the	ahead with the advert.	Divisional Head to advice on way forward. The Divisional Head to engage with the Office of the Group Head and Legal Services to provide legal comments.	

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						tender document has not been scheduled for BSC approval. The tender reference number is RTD 27-2024/2025.			
Transport Infrastructure Design & Construction	(804025) Soshanguve Block WW: Phase 2	Region 1: Northwest	R 5,000,000	R 1,478,134.00	Advertisement of tender for appointment of contractor.;15% Overall progress.	Milestone has not been achieved. The overall progress is 14% completed.; Milestone has not been achieved. The tender advertising request (TAR) for the appointment of the contractor was approved by the Group Head and submitted to SCM on 07 March 2025. The previous contract was terminated by the City in February 2023 due to insufficient funding to complete the project. The	The department needs to indicate when will the Group Head approve the advert for tender.	Milestone has not been achieved. The matter has been escalated to the Divisional Head to advice on way forward. The Divisional Head to engage with the Office of the Group Head and Legal Services to provide legal comments.	Expenditure at 30% and progress is 14%. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						department is waiting for legal comments from Legal Services on whether the City can proceed with advertising the tender or resuscitate the terminated contract by negotiating with the previous contractor. Henceforth, the tender document has not been scheduled for BSC approval. The matter has been escalated to the Divisional Head to advice on way forward. The tender reference number is RTD 16-2024/2025.			
Energy and Electricity	(801614) Electricity for All - Region 5	Region 5: Nokeng	R 36,000,000	R 9,094,986.00	70% MV & LV construction of electrical backbone network infrastructure, realizing 30 connections.	Achieved 85% of MV and LV Electrical backbone network is completed. 0 new connections achieved due to the	The department needs to indicate when they will get additional budget.	Supply feeders require an additional budget	Expenditure at 25% and progress is 70%. Payments to be processed to align progress with

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						unavailability of feeder cable.			financial expenditure.
Energy and Electricity	(801614) Electricity for All - Region 7	Region 7: Kungwini	R 20,000,000	R 15,639,558.00	70% MV & LV construction of electrical backbone network infrastructure, realizing 30 connections.	Achieved 80% of MV and LV Electrical backbone network is completed. 0 new connections achieved due to the unavailability of feeder cable.	The department needs to indicate when they will get additional budget.	Supply feeders require an additional budget.	Expenditure at 78% and progress is 70%, and when will the feeder cable be realised to complete the remaining work.
Energy and Electricity	(801613) Soshanguve - JJ 132KV Power Line	Region 1: Northwest	R 60,000,000	R 8,409,411.00	Complete the excavations, levelling, stabilisation, reinforcement and casting concrete of 12 x tower structure foundations. Conduct the factory inspections of the first batch of the tower's structures in preparation for delivery to site.; Complete 20% of the overall project.	26 x tower structures delivered to site and a further 14 towers due for delivery on 14th April. There has been delays with the completion of the foundations due rain.; Project is 25% towards completion.	The department needs to indicate when will the accelerated plan be in par with the planned program	The contractor has deployed addition two teams to catchup on the completion of the tower structures.; The project is on track	Expenditure at 14% and progress is 25%. Payments to be processed to align progress with financial expenditure.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
Water and Sanitation	(804728) Mamelodi Ext 11 water (Bulk and reticulation) and sanitation services	Region 6: East	R 3,100,000	R 1,738,154.00	Closing of tender and admin compliance; Overall progress: 20%	17; Milestone not achieved as the specification was sent to SCM on 19 March 2025. The TAR still needs to be signed by Budget Office before the specification can serve at BSC.	The department needs to indicate when will the BSC approve the TAR	A follow up will be done.	Expenditure at 56% and progress is behind. Project to be fast-tracked.
Integrated Rapid Public Transport Network IRPTN	(804016) BRT Line 2C-Lynnwood Rd (btw January Masilela & Simon Vermooten)	Region 6: East	R 64,726,210	R 29,783,029.00	90% progress on construction works (complete road markings) for Line 2C: Lynnwood Road (between January Masilela and Simon Vermooten Road)	Milestone not achieved. The current overall progress at 84% due to slow progress on site.	The department needs to indicate when will the catch-up plan be in par with the program	Close monitoring of the project to catch up on construction progress.	Expenditure at 46% and progress is 84%. Payments to be processed to align progress with financial expenditure.
Integrated Rapid Public Transport Network IRPTN	(804016) Line 2B: Lynnwood Rd (btw University Rd to Atterbury)	Region 3 B: Central Region	R 31,966,015	R 23,559,903.00	"University and Ropper Intersection: Roadways: laying subbase of 3500m3."	Milestone not archived "University and Ropper Intersection: Roadways: laying subbase of 0m3."	The department needs to indicate the timelines Land expropriation	Delays on the finalization of land expropriation at the University is affecting the execution of works in the affected area.	Expenditure at 74% and progress is behind. Project to be fast-tracked.
Energy and Electricity	(801614) Electricity for All - Region 1	Region 1: Northwest	R 36,000,000	R 2,357,574.00	70% MV & LV construction of electrical backbone network infrastructure,	Achieved 85% of MV and LV Electrical backbone network is completed. 0	The department needs to indicate when they will receive the feeder cables.	Service providers to increase capacity to fast-track progress.	Expenditure at 7% and progress is behind. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
					realizing 30 connections.;70% MV & LV construction of electrical backbone network infrastructure, realizing 30 connections.	new connections achieved due to the unavailability of feeder cable.			
Energy and Electricity	(801614) Electricity for All - Region 3	Region 3 A: Central Region	R 20,000,000	R 16,322,043.00	70% MV & LV construction of electrical backbone network infrastructure, realizing 30 connections.;70% MV & LV construction of electrical backbone network infrastructure, realizing 30 connections.	Achieved 75% of MV and LV Electrical backbone network is completed. 0 new connections achieved.	The department needs to indicate when they will receive the feeder cables.	Service providers to increase capacity to fast-track progress.	Expenditure at 82% and progress is 50%. Not satisfactory
ICT, Applications & Infrastructure	(804508) Integrated E-Health Management System	Administrative HQ	R 10,000,000	R -	Delivery of hardware and commence with deployment	Training was completed and refresher training is ongoing and occurs as and when requested by the clinicians at Karen Park clinic as a pilot site. Commitment: R1 299 786	The department needs to indicate when will the50 chairs be procured	The system is Live and being utilised at Karen Park clinic. Awaiting equipment for other clinics	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
Group Financial Services	(802700) Capital movables	City Wide	R 500,000	R -	Approve quotations	WBS numbers created to procure 50 chairs for Revenue Management: Middestad.	The department needs to indicate when will the design be approved	To ensure that the 50 chairs be delivered before the financial year end.	Expenditure at 0% and progress is behind. Project to be fast-tracked.
Human Settlements	(803308) Construction of roads & stormwater - Olievenhoutbosch X60	Region 4: South	R 1,327,147	R -	Approval of tender specifications	Milestone not achieved. Draft tender document submitted for comments. Follow up on approval of construction drawings done.	The department needs to indicate when will the relocation of structures be completed.	Ensure the design approval letter is signed and draft tender document is finalised.	Expenditure at 0% and progress is behind. Project to be fast-tracked.
Human Settlements	(803302) Water provision - Winterveldt Water Reticulation	Region 1: Northwest	R 10,956,793	R 10,956,793.00	Installation of 477m pipe of water reticulation with erf connections.	Milestone not achieved. Setting out of the works has been done but no construction activities have commenced.	The department needs to indicate when will the50 chairs be procured	Relocation of affected structures has commenced, and more working space has been created.	Expenditure at 100% and progress is behind. Progress to be aligned with expenditure (Expenditure is too high)
Energy and Electricity	(801602) Electricity vending infrastructure	City Wide	R 7,000,000	R 1,431,251.00	Testing of software upgrades to latest version	-Vending Tender awarded -Required material will be procured once the SLAs are signed. -New service providers were appointed on 31 March 2025. This will enable	The department needs to indicate when will the SLA be approved.	Group Legal fast-tracking finalization of SLA's	Expenditure at 20% and progress is behind. Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						the procurement of data concentrators and modems.			
Transport Infrastructure Design & Construction	(804012) Flooding backlog: Network 3A, Kudube Unit 9	Region 2: Northeast	R 4,000,710	R 1,360,634.00	12% Overall progress.; Advertisement of tender for appointment of contractor.	The milestone has not been achieved as planned. The finalization of the tender advertisement has been delayed as the matter has been escalated to the Divisional Head for guidance on the way forward regarding the terminated projects. We are currently awaiting a legal opinion from Legal Services to determine whether these projects will proceed to open tender. RTD24-2024/2025	The department needs to indicate when they can get an approval from Legal to proceed or not to proceed with the advert.	Milestone has not been achieved. The tender advertising request (TAR) for the appointment of the contractor was approved by the Group Head. The previous contract was terminated by the City on the 22 February 2023 due to insufficient funding to complete the project. The department is waiting for legal comments from Legal Services on whether the City can proceed with advertising the tender or resuscitate the	Expenditure at 34% and progress is 8% Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
								terminated contract by negotiating with the previous contractor. Henceforth, the tender document has not been scheduled for BSC approval. The tender reference number is RTD 24-2024/2025. Overall progress is 8% completed.; We have engaged the appointed Consultant to adjust the programme to accommodate the delay caused by the Legal Department's pending legal opinion regarding the terminated projects. This adjustment is necessary to determine whether these	

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
								projects will proceed to open tender. Overall progress is 8% completed.	
Transport Infrastructure Design & Construction	(804011) Flooding backlog: Ramotse (Network 1A, 1C & 1F)	Region 2: Northeast	R 5,500,000	R 958,701.00	Advertise to appoint the contractor	The TAR to appoint the contractor with Ref. No: RTD 14-2024/2025, was submitted at SCM on 07 March 2025, and served at BSC on 19 March 2025, comments were made on the TAR, awaiting a new date for the report to serve again with updated comments of the committee.; The tender documentation is 100% complete.	The department needs to indicate when will their senior management engage with the CFO about the delays	Escalated the matter to top management to assist with the delays encountered.	Expenditure at 17% and progress is behind. Project to be fast-tracked.
Water and Sanitation	(711335) Heights Iscor Feeder	Region 3 A: Central Region	R 3,540,531	R -	15%; Site handover, site establishment and procurement of pipe and fittings.	10; Milestone not achieved. There was a consultation done with Bulk services and they indicated that it will be quicker to build the manifold	The department needs to indicate when will the scope of work be finalised	The material is available on site therefore the contractor can commence as soon as possible.	Expenditure at 0% and progress is behind. Department must finalise the scope and progress Project to be fast-tracked.

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	Planned Milestone Description	Milestone Comment	ePMU Comments	Mitigation Plan	Financials and non-Financials
						outside the chamber and then install it through the roof. This has been agreed upon and planning is finalizing the scope of work. The allocation of contractor will be done once the scope is finalized.			
Energy and Electricity	(801605) Strengthening 11kV Cable network	City Wide	R 15,000,000	R 8,102,120.00	Project execution of works on site.	Commencement of project execution (at Eerstefabriek - Nelmapius site) was delayed due to unavailability of 300mm2 al cables at CoT stores.	The department needs to indicate when they can get the material	In addition to the unavailability of material having been brought to the attention of SCM management through the GH' office, regular follow ups with the operational SCM team are underway	Expenditure at 54% and progress is behind. How will the Backlog of material be mitigated Project to be fast-tracked.
Total			**R593 318 769,12**	**R249 192 673**					

Table 5: Delayed projects (Achievable Mitigation plans)

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Transport Infrastructure Design & Construction	(804059) Upgrading of the Pegasus Canal	Region 6: East	R 6,000,000	R 2,074,382.00	35%	13% Overall progress; Bid Adjudication Committee approval and appointment letter for detail design consultant	12% Overall progress on project (progress of 58% on gabions/emergency work and 50% on the appointment of the consultant for the detail design of the permanent solution); Project behind the planned progress. Tender COO01-2021/22-TIDC05_2025 was cancelled by Supply Chain Management for the second time due to non-compliance by the tenderers.	Constant monitoring and possible management intervention required to ensure the procurement process of the appointment of a consultant for the permanent solution will be fast tracked.	Expenditure at 35% and Progress at 58%. Not Satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							Tender was re-advertised; compulsory briefing was held on 24 March 2025 and closure is on 4 April 2025.		
Water and Sanitation	(804710) Contributions Water - Kameelfontein X1	Region 4: South	R 8,000,000	R 5,000,000.00	63%	Completion of WWTW and Inlet works	The remaining work is 90 percent complete and final inspection will be done in April.	The second invoice of R3 million will be submitted as soon as the final inspection has been done on site and work has been approved.	Expenditure at 63% and Progress at 90%. Not Satisfactory
Human Settlements	(803352) Sewer Provision - Mamelodi X6 erf 34041 (Phomolong) - Phase 2	Region 6: East	R 575,798	R -	0%	Tender evaluation and recommendation of a successful service provider.	Evaluation of tender for civil engineer was done on the 24 March 2025. The specification for CHS has been revised and resubmitted to EPMU for approval on 20 March 2025.	Engagements with SCM to fast-track the procurement process by ensuring that the PSP is appointed by 30 April 2025	Expenditure is at 0% and progress is behind. Not Satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Human Settlements	(803357) Water Provision - Mamelodi X6 erf 34041 (Phomolong) - Phase 2	Region 6: East	R 574,685	R -	0%	Tender evaluation and recommendation of successful service provider.	Evaluation of tender for civil engineer was done on the 24 March 2025. The specification for CHS has been revised and resubmitted to EPMU for approval on 20 March 2025.	Engagements with SCM to fast-track the procurement process by ensuring that the PSP is appointed by 30 April 2025.	Expenditure is at 0% and progress is behind. Not Satisfactory
Water and Sanitation	(804737) Cathodic protection to all Steel pipes - Area E	Region 7: Kungwini	R 400,000	R -	0%	Overall progress: 25%; Submission of specification to BSc, approval and tender advertisement.	5;5%. Milestone not achieved. The Detailed survey report: The PSP indicated that to submit the Engineering and design report they must complete a detailed survey report and do a GUL test once the DCVG is complete. But DCVG machine being used currently can only do 2km	Constant follows will be done to ensure the PSP delivers on 25 April 2025.	Expenditure at 0% and Progress at 25%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							per day. The date for submission of survey report will be 25 April 2025.		
Water and Sanitation	(804737) Cathodic protection to all Steel pipes - Area D	Region 3 B: Central Region	R 400,000	R -	0%	Overall progress: 15%; Submission of specification to BSC, approval and tender advertisement.	5;5%. Milestone not achieved. The Detailed survey report: The PSP indicated that to submit the Engineering and design report they must complete a detailed survey report and do a GUL test once the DCVG is complete. But DCVG machine being used currently can only do 2km per day. The date for submission of survey report will be 25 April 2025.	None.	Expenditure at 0% and Progress at 15%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Water and Sanitation	(804723) Relining/upgrading Magalies reservoir	No Intersect	R 1,784,454	R -	0%	Departmental comments and approval of tender specification for contractor appointment.; Overall progress: 28%	Milestone not started; the design review process is underway, submission of report delayed due to challenges experienced with site access for further reservoir inspections by PSP. Site clearing was completed on 28 February 2025. Variation order for access to reservoir for internal inspections approved on 24 March 2025, scouring of reservoirs underway. Another inspection is expected by 04 April 2025.	PSP will prioritise inspections by 04 April 2025 for the draft design review report to be submitted by 11 April 2025.	Expenditure at 0% and progress at 28%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Water and Sanitation	(804723) Completion of New Hospital Klipgat 10Ml reservoir	Region 3 A: Central Region	R 1,027,185	R -	0%	Overall progress: 28%; Departmental comments and approval of tender specification for contractor appointment.	Milestone not started; design review process delayed due required reservoir concrete strength tests. Revised design review report incorporating technical reservoir information obtained after testing resubmitted on 17 March 2025. The report is under review by both the department and EPMU specialists. Approval of the report is anticipated by 11 April 2025 to enable stage 4, contract and documentation stage for contractor appointment.	Approval of the design report will be prioritised to enable PSP to commence with stage 4 documentation and procurement stage.	Expenditure at 0% and progress at 28%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Enterprise Programme Management Unit (ePMU)	(803900) Temba and Hammanskraal - Upgrading of Existing Gravel Road	Region 2: Northeast	R 1,742,000	R 251,907.00	14%	Advertise tender for contractor procurement; Complete contractor tender documents	Tender documents not complete due to delays in completion of detailed design report.; The tender documents for the procurement of the contractor and construction health & safety agent (CHSA) is being finalized for BSC. Advertisement will be issued once the specifications have been approved.	Expedite the completion of the detailed design report by professional service provider (PSP).; The professional service provider (PSP) has experienced delays in finalizing the tender documents, due to detailed design changes. Their submission has been expedited with now revised advertisement planned for end April 2025.	Expenditure at 14% and progress is behind. Not satisfactory
Water and Sanitation	(804722C) Replacement of deficient sewers (Area-C)	City Wide	R 14,916,312	R 6,416,806.00	43%	85%; Replacement of 150m of deficient sewer pipes.	Milestone not achieved. Overall, the contractor has achieved 1093m deficient sewer this financial year.	The BAC and department will need to approve the budget increase report.	Expenditure at 43% and progress at 85%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							The contractor reached the contract limit. The BAC report was submitted to BAC for budget increase for the contractor, to do Hammanskraal collapsed sewer. PSP has submitted the report and cost estimate for Hammanskraal, Region 2 collapsed sewer. The contractor is waiting for the budget approval and confirmation of the next allocation.		
Energy and Electricity	(801642) Refurbishment of Rosslyn Sub Station	Region 1: Northwest	R 25,000,000	R 14,149,866.00	57%	Signing of Contract	PHASE 1: Refurbishment of Rosslyn Substation completed. All Transformers and panels	Tender Advertisement being escalated	Expenditure at 57% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							energized. PHASE 2 Reinstatement of Rosslyn Substation Addition R10million approved during budget adjustment for advertisement of Tender. Tender advertisement in advanced stage		
Group Property Management	(802604) Acquisition and refurbishment of Midtown Building	Region 3 A: Central Region	R 18,081,241	R 8,960,325.00	50%	Obtaining occupancy certificate from Building Control	The practical completion was supposed to be the 31st of March 2025; however, this target was not achieved due to non-payment of subcontractors . The project is currently progressing as follows: 1. Contractual obligations: 100%;	The contractor has requested extension of time until end of April 2025 and it was granted on condition that, they will maximize resources on site and ensure that subcontractors are paid and return to site to finalize the project.	Expenditure at 50% and progress is 80%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							2. Site establishment: 100%; 3. Safety file: 100%; 4. Alterations: 100%; 5. Masonry: 100%; 6. Carpentry and joinery: 80%; 7. Ceiling, partitions and access flooring: 99%; 8. Floor covering: 97%; 9. Ironmongery: 6%; 10. Metal work: 100%; 11. Plastering: 100%; 12. Plumbing and drainage: 100%; 13. Glazing: 100%; 14. Paint work: 71%; 15. Electrical works: 97%; and 16. Mechanical		

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							works (HVAC): 85%.		
Energy and Electricity	(801613) Wapadrand 132/11kV Substation	Region 6: East	R 30,000,000	R 20,623,045.00	69%	Commissioning of Stage B 11kV Switchgear; Commissioning of Stage B 11kV Switchgear	Due to Payment delays on ordering of stage A & B, the commissioning of the two stages will only be done upon arrival of the switchgear on site (August 2025).	Cession agreement has been signed with the manufacturer in order to procure the outstanding equipment directly from the manufacture. The process has taken longer than expected which caused major delays on procurement or order placement.	Expenditure at 69% and progress is behind. Not satisfactory
Transport Infrastructure Design & Construction	(804033) Internal Roads Mabopane Block R (Phase 2)	Region 1: Northwest	R 5,000,000	R 3,000,000.00	60%	Advertisement of tender for appointment of contractor.;15% Overall progress.	The overall progress is 16% completed.; The Tender Advertising Request for tender RTD 28 - 2024/2025 was submitted	The project is to be monitored closely to prevent falling behind planned progress, due to delays in the Supply Chain	Expenditure at 60% and progress is 16%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							for signature to the Group Head: Roads and Transport on 17 February 2025. Specifications were submitted to Supply Chain Management by 14 March 2025, awaiting approval by the Bid Specifications Committee.	Management processes.	
Human Settlements	(803357) Water provision - Pretorius Park	Region 6: East	R 884,569	R 807,981.00	91%	Approval of site development plan.	Milestone not achieved. The draft site development is in progress and circulation for comments dependent on approval of SG Diagrams. A meeting was held on 25 March 2025 and the issue not resolved.	The approval of SG Diagrams is delayed due the previous land surveyor who submitted first application not cooperating to resolve the issue. A request for a meeting was sent to the Office of the Surveyor General and the engagement is	Expenditure at 91% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
								expected to be held before 4 April 2025.	
Transport Infrastructure Design & Construction	(804043) Major Stormwater Systems Klip kruisfontein: Phase 3	Region 1: Northwest	R 4,000,000	R 1,251,191.00	31%	15% Overall progress.; Advertisement of tender for appointment of contractor.	Milestone has not been achieved. The overall progress is 14% completed.; Milestone has not been achieved. The tender advertising request (TAR) has been approved by the Group Head and submitted to SCM on 10 March 2025. The tender document was approved by the Bid Specifications Committee (BSC) on 26 March 2025. The tender is expected to be	Milestone has not been achieved. The tender document was approved by the Bid Specifications Committee (BSC) on 26 March 2025. The tender is expected to be advertised by 23 April 2025.	Expenditure at 31% and progress is 14%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							advertised by 23 April 2025. The tender reference number is RTD 17-2024/2025.		
Energy and Electricity	(801613) Wildebees 400/132kV, 315MVA Infeed station	Region 6: East	R 6,232,072	R -	0%	The Housing and Human Settlement Department to complete the relocation of the informal settlements illegally occupying the Wildebees power line servitude. Obtain Mayco approval for the subdivision of the Wildebees Infeed Station to alienate and transfer the Eskom portion of land.	Project still on hold pending the transfer of the land expropriated for the Substation into the City's name. Cosmopolitan is expected the transfer documents at the Deeds Office by 04 April. The Housing Department is yet to relocate the informal settlement on the power line servitude.	The EED is regularly following up with Cosmopolitan on the transfer of the land for the Wildebees Infeed Station.	Expenditure at 0% and progress is behind. Not satisfactory
Integrated Rapid Public Transport Network IRPTN	(804016) APTMS: Future Lines Implementation of Advanced Public Transport Management system	City Wide	R 5,500,000	R -	0%	100% (3) of damaged assets (APTMS equipment) replaced and tested.	90% Milestone achieved, as part of asset replacement Installation of the Video Wall commissioning	Configuration, testing and installation for switches has been delayed as they were delivered late	Expenditure at 0% and progress is 90%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							and backbone switches have been delivered ready for configuration and installation.	in Q3 hence they will be realized at the end of April 2025	
Transport Infrastructure Design & Construction	(804033) Internal Roads Ga-Rankuwa Zone 4	Region 1: Northwest	R 4,000,000	R 2,867,024.00	72%	Advertisement of tender for appointment of contractor.;15% Overall progress.	The overall progress is 16% completed.; The Tender Advertising Request for tender RTD 18 - 2024/2025 was submitted for signature to the Group Head: Roads and Transport on 17 February 2025. Specifications were submitted to Supply Chain Management by 14 March 2025, awaiting approval by the Bid Specifications Committee.	The project is to be monitored closely to prevent falling behind on planned progress due to delays in the supply chain management processes.	Expenditure at 72% and progress is 16%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Water and Sanitation	(804738) Laboratory Equipment	City Wide	R 9,000,000	R 1,724,093.00	19%	delivery 2 ICPs and Discrete Analyzer	Purchase Order for 2ICPs and Discrete Analyzer not done due to price discrepancy	Money diverted to other projects within WS	Expenditure at 19% and progress is behind. Not satisfactory
Human Settlements	(803320) Water provision - Refilwe X7	Region 5: Nokeng	R 1,093,240	R 371,010.00	34%	Tender approval and advertisement	Milestone not achieved. The tender document could not be presented at the BSC due to insufficient budget on the MTREF.	No budget is currently available for the project. The budget will be allocated during the adjustment process or reallocated from underperforming projects.	Expenditure at 34% and progress is behind. Not satisfactory
Human Settlements	(803327) Sewer reticulation - Refilwe X7	Region 5: Nokeng	R 1,093,240	R 874,442.00	80%	Approval of tender document	Milestone not achieved. The tender document could not be presented at the BSC due to insufficient budget on the MTREF	No budget is currently available for the project. The budget will be allocated during the adjustment process or reallocated from underperforming projects.	Expenditure at 80% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Integrated Rapid Public Transport Network IRPTN	(804016) Wonderboom Intermodal Facility (Building Works)	Region 3 A: Central Region	R 10,000,000	R 6,888,087.00	69%	Completion of Snag list items	Contractor is currently addressing the snag list on site and only 3 items remaining to be completed.	A follow up site inspection was conducted with the Principal Agent where the remaining 3 items need to be addressed in the project. The completion of the snag list is closely monitored through weekly site visits.	Expenditure at 69% and progress is behind. Not satisfactory
Human Settlements	(803328) Bulk Sewer Line - Winterveldt	Region 1: Northwest	R 23,103,734	R 20,033,198.00	87%	Setting out and relocation of structures	No progress, a meeting is to convene with Councillors affected early April 25 to deliberate on relocations, physical breakdown of works and work opportunities per each ward.	Councillors not agreeing to beneficiation thresholds allocated per wards	Expenditure at 87% and progress is behind. Not satisfactory
Transport Infrastructure Design & Construction	(804031) Upgrading of Road from gravel to tar in Ekangala Ward 105	Region 7: Kungwini	R 5,000,000	R 1,267,147.00	25%	Advertise to appoint the contractor	TAR with Ref. No. RTD 15-2024/2025 was submitted at SCM on 07 March, currently	The delay has been escalated to top management to assist with the	Expenditure at 25% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							waiting for the BSC date.		
Transport Infrastructure Design & Construction	(804030) Upgrading of Road from gravel to tar in Ekangala (Ward 103 and 104)	Region 7: Kungwini	R 5,000,000	R 2,747,638.00	55%	Advertise to appoint the contractor	Report to appoint the contractor with Ref. No. RTD 29-2024/2025 was submitted to SCM on 07 March 2025, awaiting the BSC date.	Escalated the delay to top management to assist with the delay in procurement process of the contractor.	Expenditure at 55% and progress is behind. Not satisfactory
Human Settlements	(803335) Sewer provision - Pretorius Park	Region 6: East	R 15,019,947	R 5,851,855.00	39%	Approval of site development plan.	Milestone not achieved. The draft site development is in progress and circulation for comments dependent on approval of SG Diagrams. A meeting was held on 25 March 2025 and the issue not resolved.	The approval of SG Diagrams is delayed due the previous land surveyor who submitted first application not cooperating to resolve the issue. A request for a meeting was sent to the Office of the Surveyor General and the engagement is expected to be

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
								held before 4 April 2025.	
Regional Operations & Coordination ROC	(804401) Capital Movables	Region 3 A: Central Region	R 11,000,000	R -	0%	The service provider/s continues to deliver the horticultural equipment in batches. 50% of the project completed.	Tender was advertised and closed on 4 December 2024. Tender was evaluated and presented at BAC. BAC referred the tender for price negotiation. BEC received the signed BAC resolution and is currently arranging for price negotiation. The report will be presented again in the next BAC meeting.	If the appointment of the service provider delays, this might cause a delay on delivery of the equipment and financial year cut off dates might affect the process.	Expenditure at 0% and progress is behind. Not satisfactory
Group Financial Services	(802602) Turnaround of Municipal Water Services - Reduction of Water Losses and	Region 3 A: Central Region	R 50,000,000	R -	0%	Atteridgeville PRV chamber material order completed. And complete crosscuts for wayleave approval.	Atteridgeville chamber 1 blinding layer for the floor slab completed.	Contractor for Atteridgeville and Queenwood PRV working an acceleration	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
	Revenue Enhancement.					Queenwood PRV chamber material order completed. And complete crosscuts for wayleave approval. Koedoesnek PRV chambers material order completed. And complete crosscuts for wayleave approval. Pretoria North PRV refurbishment material order completed.; Atteridgeville chamber 1 floor slab completed. Queenswood PRV chamber 1 floor slab completed. Koedoesnek PRV chamber 1, 2,3 and 4 floor slabs completed. Pretoria North commissioning of 3 refurbished PRV chambers.; Atteridgeville PRV chamber 1 pipes and fitting installations. Chamber 2 walls completed.	Casting of floor slab delayed. Queenwood PRV chamber 1 excavation completed; floor slab delayed. Koedoesnek PRV 1, 2, 3 and 4 chamber excavation in progress. Construction of floor slab delayed. Pretoria North PRV refurbishment completed and commissioned. ; Atteridgeville PRV chamber 1 floor slab blinding layer completed. Construction of walls and cover slab delayed. Chamber 2 excavation completed. Construction of floor slab delayed.	plan. Notices to be issued to contractors to accelerate the work for Koedoesnek and also to consider working over weekends to catch up.; Contractor for Atteridgeville and Queenswood working on an acceleration plan. Notice to be issued to contractors particularly Koedoesnek PRV 1, 2,3 and 4 to accelerate the work and to consider working on weekends.	

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
						Queenswood PRV chamber 1 cover slab completed. Koedoesnek PRV chamber 1, 2, 3 and 4 cover slabs completed.; Atteridgeville PRV chamber 1 walls and cover slab completed. Chamber 2 floor slab completed. Queenswood PRV chamber walls completed. Koedoesnek PRV chamber 1, 2, 3 and 4 walls completed.; Atteridgeville PRV chamber 1 and 2 commissioning. Queenswood PRV reinstatement cleaning and handover. Koedoesnek chamber 1, 2,3 and 4 commissioning.; Atteridgeville PRV chamber 1 commissioning, and chamber 2 cover slab completed.	Queenswood PRV excavation completed. Construction of floor slab and walls delayed. Koedoesnek PRV chamber 1, 2, 3 ,4 behind schedule.; Atteridgeville PRV chamber material order completed, and the wayleave has been issued. Queenswood PRV materials order completed, and wayleave has been issued. Koedoesnek PRV material order completed, and wayleave has been issued. Pretoria North PRV material		

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
						Queenswood PRV chamber 1 pipes and fitting installation, and commissioning. Koedoesnek chamber 1, 2, 3 and 4 pipes and fittings installation.	order completed.		
Human Settlements	(803346) Water reticulation - Gatsebe	Region 1: Northwest	R 633,054	R -	0%	Approval of preliminary design report	No activities. The revised concept report that was previously requested has not been submitted.	The consulting engineers did not submit the revised concept report as previously requested. A non-performance letter was issued, and an urgent meeting has been scheduled for the 28 March 2025, to address the non-performance.	Expenditure at 0% and progress is behind. Not satisfactory
Human Settlements	(803337) Sewer reticulation - Gatsebe	Region 1: Northwest	R 966,107	R -	0%	Approval of preliminary design report	No activities. The revised concept report that was previously requested has not been submitted.	The consulting engineers did not submit the revised concept report as previously requested. A non-	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
								performance letter was issued, and an urgent meeting has been scheduled for the 28 March 2025, to address the non-performance.	
Energy and Electricity	(801641) Dangerous and obsolete switchgear	City Wide	R 5,000,000	R 2,831,901.00	57%	Complete the replacement of 2 switchgear unit.	Completed replacement of 1 switchgear unit (M/S Frederick/Ross-etta in PTA west, region 3).	The remaining in switchgear will be replaced in April 2025	Expenditure at 57% and progress is behind. Not satisfactory
Human Settlements	(803301) Construction of roads & stormwater - Mabopane X1	Region 1: Northwest	R 2,000,000	R -	0%	Approval of the detailed designs	Milestone achieved. Detailed drawings have been approved. Draft tender document has been submitted. Comments have been issued and a resubmission expected by 9 April 2025.	Expedite the expropriation of land process to ensure the project can be implemented without delays once the construction budget is made available.	Expenditure at 0% and progress is behind. Not satisfactory

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Energy and Electricity	(801623) Region 2 (Public Lighting)	Region 2: Northeast	R 3,000,000	R 599,811.00	20%	Construction of the Public Lighting Programme backbone infrastructure network at 100% and realise 15 Streetlights connections.	0 Streetlights and 0 Highmasts Lights The streetlights construction tender: EED 03 of 2024/25, in place awarded on 19th March 2025, currently undergoing the SLA and Safety approval phases with view of concluding these processes by 16th April 2025. The Highmast Light construction tender: EED 003 of 2022/23 service provider has cashflow constraints and resolved	Interdependency: Will request for prioritisation by departments to attend to request to provide comments and BAC to support the cession respectively.	Expenditure at 20% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							to follow the cession route. Cession document currently in circulation for Departments comments with view of submission to BAC by 14th April 2025 for consideration.		
Energy and Electricity	(801623) Region 4 (Public Lighting)	Region 4: South	R 5,767,928	R 1,410,941.00	24%	Construction of the Public Lighting Programme backbone infrastructure network at 90% and realise 35 Streetlights connections.	0 Streetlights and 0 Highmasts Lights The streetlights construction tender: EED 03 of 2024/25, in place awarded on 19th March 2025, currently undergoing the SLA and Safety approval phases with view of concluding these processes by 16th April 2025.	Interdependency: Will request for prioritisation by departments to attend to request to provide comments and BAC to support the cession respectively.	Expenditure at 24% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							The Highmast Light construction tender: EED 003 of 2022/23 service provider has cashflow constraints and resolved to follow the cession route. Cession document currently in circulation for Departments comments with view of submission to BAC by 14th April 2025 for consideration.		
Energy and Electricity	(801623) Region 6 (Public Lighting)	No Intersect	R 8,000,000	R 2,099,581.00	26%	Construction of the Public Lighting Programme backbone infrastructure network at 95% and realise 30 Streetlights connections.	0 Streetlights and 0 Highmasts Lights. The streetlights construction tender: EED 03 of 2024/25, in place awarded on 19th March 2025, currently	Interdependency: Will request for prioritisation by departments to attend to request to provide comments and BAC to support the cession respectively.	Expenditure at 26% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							undergoing the SLA and Safety approval phases with view of concluding these processes by 16th April 2025. The Highmast Light construction tender: EED 003 of 2022/23 service provider has cashflow constraints and resolved to follow the cession route. Cession document currently in circulation for Departments comments with view of submission to BAC by 14th April 2025 for consideration.		

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Energy and Electricity	(801623) Region 3 (Public Lighting)	Region 3 A: Central Region	R 4,000,000	R 429,396.00	11%	Handover the project, close out report and final payments.; Handover the project, close out report and final payments.; Handover the project, Close out report and final payments.	0 Streetlights and 0 Highmasts Lights The streetlights construction tender: EED 03 of 2024/25, in place awarded on 19th March 2025, currently undergoing the SLA and Safety approval phases with view of concluding these processes by 16th April 2025. The Highmast Light construction tender: EED 003 of 2022/23 service provider has cashflow constraints and resolved to follow the cession route.	Interdependency: Will request for prioritisation by departments to attend to request to provide comments and BAC to support the cession respectively.	Expenditure at 11% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							Cession document currently in circulation for Departments comments with view of submission to BAC by 14th April 2025 for consideration.		
Energy and Electricity	(801623) Region 1 (Public Lighting)	Region 1: Northwest	R 4,500,000	R 929,002.00	21%	Construction of the Public Lighting Programme backbone infrastructure network at 100% and realise 20 Streetlights connections.	0 Streetlights and 0 Highmasts Lights The streetlights construction tender: EED 03 of 2024/25, in place awarded on 19th March 2025, currently undergoing the SLA and Safety approval phases with view of concluding these processes by 16th April 2025. The Highmast Light	Interdependency: Will request for prioritisation by departments to attend to request to provide comments and BAC to support the cession respectively.	Expenditure at 21% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							construction tender: EED 003 of 2022/23 service provider has cashflow constraints and resolved to follow the cession route. Cession document currently in circulation for Departments comments with view of submission to BAC by 14th April 2025 for consideration.		
Energy and Electricity	(801613) Kentron 132/11kV Substation	Region 4: South	R 38,000,000	R 21,325,996.00	56%	Complete 89% of the overall project.; Swing over the load from the existing 11kV Panels to the new Stage A and R Panels. Decommission the existing 11kV Switchgear by CoT	Completed 85% of overall project completion.; The contractor will install and connect the cables to the new 11kV panels in April due to the delays in completing the testing and	None required	Expenditure at 56% and progress is 70%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							commissioning of the panels. The swing over of the load to the new panels will be done before end of May.		
Integrated Rapid Public Transport Network IRPTN	(804016) Denneboom Intermodal facility	Region 6: East	R 10,000,000	R -	0%	Permanent: 10% progress on construction works for WP1 contract; Approval of bid recommendation by BAC	Approval of bid recommendation by BAC, awaiting for the appointment of the contractor.; Milestone not archived due to delays in procurement of the contractor. Approval of bid recommendation by BAC, waiting for the appointment letter of the contractor.	Not applicable; The department to fast-track appointment letter of the contractor with the office of the City Manager.	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Water and Sanitation	(804729F) Bronkhorstspruit Water Purification Plant Refurbishment	Region 7: Kungwini	R 6,000,000	R 3,820,269.00	64%	Approval of stage 3 design development report; Overall progress, 18%; Commencement of stage 3 design development.; Overall progress: 15%	Milestone not started. Approval of stage 2 concept and viability report to enable commencement of stage 3 design development is delayed due to many comments PSP had to address an extension resubmit revised report was requested. PSP issued the second revised report on 25 March 2025; the report is under review by both the department and EPMU specialists.; Milestone not started. Approval of stage 2 concept and viability report	Approval of stage 3 concept and viability report must be expedited to ensure commencement of stage 3 by 08 April 2025.	Expenditure at 64% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							to enable commencement of stage 3 design development is delayed due to many comments PSP had to address an extension resubmit revised report was requested. PSP issued the second revised report on 25 March 2025; the report is under review by both the department and EPMU specialists.		
Integrated Rapid Public Transport Network IRPTN	(804016) The Design, Supply, Installation, Operation and Maintenance of an automated fare Collection (AFC) System	Administrative HQ	R 1,100,000	R -	0%	75% progress on Phase 2 SANRAL ABT Development of acquiring ticketing top-up software (loading of cards using TOMs and Cipurse) (100% will be realized in the outer years)	Milestone not achieved. The regulation for ABT has not been promulgated, MOA between the City and SANRAL has not been finalized. The Milestone has	Phase 2 SANRAL ABT implementation has been deferred until MOA has been signed off and the regulation has been promulgated. Milestone has been adjusted	Expenditure at 0% and progress is behind. Not satisfactory

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							been adjusted during budget adjustment process	during budget adjustment process and replaced with the AFC installation of equipment in the Mamelodi buses where A Re Yeng is extending to, equipment for 34 buses available and ready to be installed.	
Human Settlements	(803322) Zithobeni X8&9 - Bulk water main line	Region 7: Kungwini	R 29,737,576	R 27,888,901.00	94%	Remedial works on water and sewer reticulation, CCTV inspection, pressure testing and connection of 450 stands with water and sewer.	Milestone not achieved. Remedial works on water and sewer reticulation in progress and 140 stand connections achieved.	Structures on the way of the pipeline at Zithobeni X8. The cadastral site plans were requested from Geomatics Section and delivery expected on 4 April 2025.	Expenditure at 94% and progress is behind. Not satisfactory
Human Settlements	(803312) Construction of roads & stormwater - Soshanguve South X13	Region 1: Northwest	R 1,640,864	R -	0%	Briefing session, submission of tender documents by service providers (20%)	Briefing session for the appointment of CHS held on the 25 March 2025, specifications for the	(Engagements with ePMU regarding the budgetary issues/allocations for the 2024-2026 MTREF took longer	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							appointment of a professional civil engineering company forwarded to SCM by ePMU on the 20 March 2025	than anticipated) Budget to be adjusted during budget adjustment to allocate adequate budget for the MTREF	
Human Settlements	(803312) Construction of roads & stormwater - Soshanguve South X12	Region 1: Northwest	R 1,691,464	R -	0%	Briefing session, submission of tender documents by service providers (10%)	Briefing session for the appointment of CHS held on the 25 March 2025, specifications for the appointment of a professional civil engineering company forwarded to SCM by ePMU on the 20 March 2025	(Engagements with ePMU regarding the budgetary issues/allocations for the 2024-2026 MTREF took longer than anticipated) Budget to be adjusted during budget adjustment to allocate adequate budget for the MTREF	Expenditure at 0% and progress is behind. Not satisfactory
Human Settlements	(803309) Construction of roads & stormwater - Zithobeni X8&9	Region 7: Kungwini	R 2,309,964	R -	0%	Submission of tender document for approval	Milestone not achieved. The project will be deferred to outer financial years and closed at Stage 4 for	The draft tender document will be submitted on 11 April 2024 for approval by the Human	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							submission of tender document. The draft tender document in progress to align the scope of work to the approved designs and construction drawings.	Settlements Department to close the project.	
Human Settlements	(803309) Construction of roads & stormwater - Zithobeni Heights	Region 7: Kungwini	R 2,043,360	R 1,761,605.00	86%	Approval of construction drawings.	Milestone not achieved. The consulting engineers are addressing the stormwater comments and did not submit to Roads & Transport Department on 11 March 2025 as committed.	An additional survey was requested to address the stormwater levels, and the results were delayed. The survey results are expected on 2 April 2025 and the construction drawings addressing the stormwater comments will be submitted to Roads & Transport Department on 14 April 2025.	Expenditure at 86% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Human Settlements	(803306) Phase 2 - Construction of bulk stormwater channel - Thorntree View (Soshanguve South Extension 7)	Region 1: Northwest	R 18,614,298	R -	0%	Process Final account and capitalisation (HV Template compiled and submitted)	Contractor busy with making site safe for the incomplete work, closing off all temporary works, demobilising of site, consulting engineer busy finalising close-out report and as-built drawings	(Contractor's contract expired 30 September 2024, contractor could not finish bulk stormwater channel due to poor performance) Follow up with Attorneys appointed to claim performance guarantee on the progress by 31 March 2025. Finalising specifications for the appointment of consulting engineers for designs review, documentation and procurement for the appointment of contractor, contract administration, inspection,	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
								construction monitoring, close-out, as built drawings for the construction of unfinished 2.2km bulk stormwater channel.	
Water and Sanitation	(804723) New Parkmore LL Reservoir and HL Reservoir	Region 6: East	R 29,576,294	R 9,240,890.00	31%	Perimeter Fencing: Procurement of fencing material and excavation for concrete beam.; New Control Room: Concrete to new control room roof.; Overall progress: 83%; Reservoir structure: Concrete to fourth lift of reservoir wall.	The concrete for the roof is done, the 200 x 200mm beam on top of the roof is outstanding.; The ordering of fencing panels and posts is done, manufacturing is in process. Digging holes for post and excavation for concrete beam will start upon delivery of fencing material.; The overall progress is at 79%, the work is progressing slowly due to	Close monitoring of progress is exercised with tracking meetings held every Tuesday. The contractor has been placed on penalties from 06 March 2025 to 25 June 2025.; Close monitoring of progress is exercised.; The concrete for the remaining beam will be done on the same day (02 April 2025) as the concrete for the fourth reservoir wall	Expenditure at 31% and progress is 79%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							plant break-up and unfavourable weather(rain).; The steel fixing is done, and formwork is 50% complete, concrete is scheduled for 02 April 2025.	lift.; The contractor will be advised to source more skilled and general labourers such that the installation is fast tracked	
Sports, Recreation & Infrastructure Development	(801102) Upgrade Refilwe Stadium	Region 5: Nokeng	R 10,000,000	R 95,129.00	1%	Site establishment and contract compliance. Electrical works, internal roads and smaller buildings. 15% Completion of outstanding works	Re-appointment of consultant team on 24 July 2024 (DEV 2024 04 24). Delay in tender specification approval due to budget shortfall. (CSDS 04 2024/25). CFO approval on 14 October 2024. Tender advertised on 1 November 2024. Compulsory site briefing on 22 November 2024. Evaluation of	Delay in specification approval due to budget shortfall. Approved by CFO on 14 October 2024 and tender specification approved on 23 October 2024. Tender advert on 1 November 2024 and closing on 10 December 2024. Evaluation of tender by SCM during January 2025 and submission to BAC on 13 February 2025,	Expenditure at 1% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							tender during January 2025 and served at BAC on 13 February 2025. Report returned for correction by SCM, re-submission on 13 March 2025 and again on 20 March 2025 and returned for correction by SCM.	13 March 2025 and again on 20 March 2025. Returned for amendment by SCM. USDG Grant funding reduction request. R 9,504,871 of the R 10 million surrendered as saving on 28 March 2025 due to SCM delay of evaluation process. Final account due by 2 April 2025. Termination notice issued to former contractor on 18 March 2025.	
Energy and Electricity	(801634) Digital Trunked Radio Communication (New)	City Wide	R 5,000,000	R -	0%	50% overall progress; Installation of equipment's (2 x indoor units)	Site installation has not started	Delivery of TBS equipment is expected next week; Site installation has not started	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Transport Infrastructure Design & Construction	(804009) Stormwater Drainage Mahube Valley	Region 6: East	R 3,000,000	R 1,492,037.00	50%	15% Overall progress.; Advertisement of tender for appointment of contractor.	The overall progress is 16% completed.; The Tender Advertising Request for tender RTD 25 - 2024/2025 was submitted for signature to the Group Head: Roads and Transport on 17 February 2025. Specifications were submitted to Supply Chain Management by 14 March 2025, awaiting approval by the Bid Specifications Committee.	The project is to be monitored closely to prevent falling behind planned progress, due to delays in the Supply Chain Management processes.	Expenditure at 50% and progress is 16%. Not satisfactory
Transport Infrastructure Design & Construction	(804008) Rehabilitation of Roads	Region 1: Northwest	R 115,124,000	R -	0%	Contractual Obligations. Site Establishment	ROC 02-2021/22.Milestone is in progress, with Site establishment which includes (PO creations; Site hand over;	ROC 02-2021/22.Milestone is in progress, with Site establishment which includes (PO creations; Site hand over;	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							submission of necessary documents) Work anticipated to commence during the second week of April.	submission of necessary documents) Work anticipated to commence during the second week of April.	
Water and Sanitation	(804721) Ekangala Block A - F sewer reticulation and toilets	Region 7: Kungwini	R 32,379,635	R 21,250,249.00	66%	overall progress: 55%; Installation of 1846m of sewer pipes, construction of 21 manholes and connection of 70 toilet structures.	Milestone not achieved as the site was closed due to a fatal incident that took place on 27 February, where a trench collapsed. The Department of Labour revoked the prohibition on 19 March 2025 and on 20 March the contractor commenced with induction of workers.	The OHS agent will be on site full time up until the contractor is done with deep excavation and the Department of Labour will also be visiting the site regularly. The contractor will be requested to submit recovery plan and revised program.	Expenditure at 66% and progress is behind. Not satisfactory
Water and Sanitation	(804713I) Temba and Babelegi WWTW upgrade of existing infrastructure	Region 2: Northeast	R 590,376	R -	0%	Approval of tender specification and tender advertisement.;75 %	Milestone not achieved. The tender document was submitted to the Bid	The Department needs to fast-track the approval of	Expenditure at 0% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							Specification Committee on 02 October 2024. TAR and Sourcing documents were resubmitted to SCM on 11 March 2025 due to budget changes. The anticipated BSC date is 9 April 2025.	Tender document.	
Water and Sanitation	(804713D) Rooiwal WWTW Phase 1: Upgrading of Existing Infrastructure	Region 2: Northeast	R 150,000,000	R 130,500,000.00	87%	GB Contractor-Completion certificate and close-out report Contractor-Completion certificate and close-out report; Overall progress: 44%;Overall progress: 44%; ME Contractor-Practical completion and snag list; ME Contractor-Practical completion and snag list;CE Contract: PST Bulk Excavations	GB Contract: Sectional Completion was achieved on 06 March 2025. The contractor will complete snag list by 31 March 2025. ME Contract: Project completion was achieved on 24 March 2024; Project completion was achieved on 24 March 2024; The CE contractor for	ME Contract progress is 100% GB Contract Progress is 99%; Scanning of existing services is ongoing; The contractor is finalising the snag list. The planned date for completion of the snag list is 31 March 2025; The ME Tender will be readvertised for the 3rd time by 15 April	Expenditure at 87% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
						Contract: PST Bulk Excavations; Overall progress: 46%;Overall progress: 46%;ME Contract West Works: Contract Award; ME Contract West Works: Contract Award; ME Contract East Works: Contract Award and Contractual Obligations; ME Contract East Works: Contract Award and Contractual Obligations	Phase 1B has commenced with site clearing and locating existing services in preparation for bulk excavations. Currently, there are number of services which are not on the As Built Drawings; The ME for the West Works was found to be non-responsive; The ME Tender for the East Works was found to be non-responsive; The ME Tenders (East Works and West Works) were both found to be non-responsive. ;	2025; The ME Tenders will be readvertised for the 3rd time by 15 April 2025; The project achieved completion. There is no mitigation required. Defect liability period has commenced	

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							The Sectional Completion of the works has was issued on 06 March 2025, with snag list to be finalised by 31 March 2025. Completion was affected by adverse weather conditions.		
Water and Sanitation	(804713A) Sunderland Ridge WWTW Phase1: Upgrade of existing infrastructure	Region 4: South	R 51,390,405	R 1,668,459.00	3%	Civil works: Handover: Scum Pumpstation ; Overall progress: 50%; Security Fence: Supply and Delivery; Electrical cables amp; Panels' equipment Installation: CCTV equipment; Mechanical works: Supply and Delivery; Precipitation equipment; Aeration equipment. Installation: Fermenter pipework; Digester pipework;	Civil works 83%, no progress reported for the current month; the following is still outstanding for completion of civil works, installation of road signage, handrail install at precipitation tank, pipeline connecting from fermenter pumps to digester	: Contractor must submit outstanding design information required to ensure that approval is granted on of electrical designs to enable payment of cables and to commence with orders other electrical equipment.; Contractor advised expedite finalizing snag	Expenditure at 3% and progress is 61.8%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
						Bioreactor Flowmeter; Scum pumps; Ras Pumps: Chlorine dosing and lime dosing; equipment; Commissioning: Biofilters; Humus settling tanks ; Electrical Works: Supply and Delivery; Electrical cables & Panels; High Mast Equipment. Installation: Electrical cables	division tower.; Electrical 29%, MCC Panel designs still have not finalised due to further information required by electrical engineers before approval can be granted. ; Fence work 84%, fence snag list work ongoing with work continuing on rectifying snags. Progress hindered by growth of vegetation and heavy rains, the earth pits are currently being installed and grease applied as specified.; Mechanical work 43%,	list work to enable partial takeover of completed fence. Contractor is under penalties from 03 September 2024 for failure to complete works by due completion date of 02 September 2024, contract validity revised to 28 June 2025 in line with revised programme. ; Contractor is under penalties from 03 September 2024 for failure to complete works by due completion date of 02 September 2024, contract validity revised to 28 June 2025 in line with revised	

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							Module 2: Aeration Equipment at 70% manufacturing , submersible mixers (Anoxic Zone) and pumping equipment (A-Recycle) engineer approved design. Module 1, installation of equipment for Dortmund's PST ongoing with Installation of Biofilter Arms also ongoing; Project is behind program with the contractor under penalties. Contractor has been put on terms to achieve milestones by the stipulated dates in line	programme. ; Contractor must ensure that all mechanical equipment orders are paid for to ensure manufacturing of equipment for delivery and installation. ; Project is behind program with the contractor under penalties. Contractor has been put on terms to achieve milestones by the stipulated dates in line with the recovery plan. The due completion date was adjusted to 28 June 2025, failure to compete project by this date may result	

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							with the recovery plan. The due completion date was adjusted to 28 June 2025, failure to compete project by this date may result in commencement of termination process.	in commencement of termination process.	
Economic Development and Spatial Planning	(802001) Upgrading and Extension of Market Facilities	Region 3 A: Central Region	R 5,000,000	R 2,278,530.00	46%	Development of the designs continues; Testing of commissioned 2 x 500 Kva generators	The request for panel (CME -01 2021/22) advertisement has been resubmitted because an appointment letter could not be issued after the BAC recommendation due to the tender's expiry on 28 02 2025.; The tender on panel COO -01 2021/22 has gone passed	Fast-track acquisition of the appointment letter after BAC's recommendation for the appointed service provider to begin with work before the end of April 2025.; Fast-track the SCM processes to get the appointment letter before	Expenditure at 46% and progress is behind. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							the BEC stage and due to serve at the BAC scheduled for 03 April 2025.		
Energy and Electricity	(801642) 11kV Panel Extension in Substations	Region 6: East	R 3,000,000	R -	0%	Complete the evaluation of the tender and obtain BAC approval.	The BEC has completed the evaluation of the tender, and the report is expected to be presented to the BAC on 10 April.	None required	Expenditure at 0% and progress is behind. Not satisfactory
Transport Infrastructure Design & Construction	(804002) Concrete Canal: Sam Malema Road, Winterveldt	Region 1: Northwest	R 4,000,000	R 1,467,047.00	37%	21% Overall progress; Specification Committee approval for tender and specifications;22% Overall progress; Tender advertising and tender process	Overall Progress on project at 25%, slightly ahead of the planned.; The Tender Advertising Request for tender RTD 22 - 2024/2025 was submitted for signature to the Group Head: Roads and Transport on 17 February 2025. Specifications were submitted to	Project to be monitored closely to prevent falling behind planned progress, due to delays in the Supply Chain Management processes.	Expenditure at 37% and progress is 25%. Not satisfactory

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
							Supply Chain Management by 14 March 2025, awaiting approval by Bid Specifications Committee.		
Transport Infrastructure Design & Construction	(804001) Essential/Unforeseen Stormwater Drainage Problems	City Wide	R 13,300,000	R 3,275,461.00	25%	Site establishment.	ROC 02-2021/22: Milestone in progress. The site has been handed over to the service provider. The contractor is in the process of submitting necessary document to the city before commencing with the works.	ROC 02-2021/22: Milestone in progress. The site has been handed over to the service provider. The contractor is in the process of submitting necessary document to the city before commencing with the works.	Expenditure at 25% and progress is behind. Not satisfactory
Total			**R 835 843 801,10**	**R 461 590 481, 63**					

Table 6: Project Suspended

Division	Project Name	Region	Budget 2024/2025	Expenditure YTD	% of YTD cumulative total exp vs total Budget	Planned Milestone Description	Milestone Comment	Mitigation Plan	Financials and non-Financials
Energy and Electricity	(801614) Electricity for All - Region 4	No Intersect	R 5,000,000	R -	0%	70% MV & LV construction of electrical backbone network infrastructure, realizing 20 connections.	Funds transferred to other regions. Risk of wasteful expenditure due to readiness of township development within the region. O connections to be achieved.	None	Expenditure at 0% and progress is behind, hence the budget is reprioritised

4.5.2 Financial Analysis for the period ending Quarter three (Q3) of year 2024/25FY.

Table 7: MTREF Budget

Department	2025 MTREF						
	Budget 2024/25	Adjustment	Adjusted Budget 2024/25	Adjustment	Supplementary Adjustment Budget 2024/25	Budget 2025/26	Budget 2026/27
Office of the City Manager	-	385 000	385 000	-	385 000	-	-
Office of the COO	7 742 000	50 000 000	57 742 000	4 000 000	61 742 000	1 000 000	30 000 000
Community and Social Development Services	18 851 547	-	18 851 547	-9 504 871	9 346 676	20 000 000	10 500 000
Emergency Services	2 000 000	-	2 000 000	-	2 000 000	2 000 000	2 000 000
Tshwane Metro Police	3 000 000	3 000 000	6 000 000	-	6 000 000	3 000 000	3 000 000
Customer Relation Management	-	-	-	-	-	-	-
Economic Development and Spatial Planning	10 000 000	-5 000 000	5 000 000	-	5 000 000	5 361 783	5 360 000
City Planning and Development	-	-	-	-	-	-	-
Economic Development and Spatial Planning	10 000 000	-5 000 000	5 000 000	-	5 000 000	5 000 000	5 000 000
Tshwane Economic Development Agency	451 783	350 000	801 783	-	801 783	361 783	360 000
Energy and Electricity	618 000 000	-	618 000 000	-1 192 670	616 807 330	506 500 000	627 560 000
Environment and Agricultural Management	7 000 000	-	7 000 000	-	7 000 000	-	-
Group Financial Services	40 000 000	30 500 000	70 500 000	-	70 500 000	20 000 000	20 000 000
Group Property Management	13 081 241	5 000 000	18 081 241	-	18 081 241	-	-

Department	2025 MTREF						
	Budget 2024/25	Adjustment	Adjusted Budget 2024/25	Adjustment	Supplementary Adjustment Budget 2024/25	Budget 2025/26	Budget 2026/27
Group Human Capital Management	-	9 158 000	9 158 000	-	9 158 000	-	-
Health Services	17 500 000	-16 250 000	1 250 000	-	1 250 000	36 000 000	-
Human Settlements	248 503 169	4 512 908	253 016 077	98 100 000	351 116 078	284 528 880	507 331 001
Housing Company Tshwane	122 553 096	-79 601 096	42 952 000	-	42 952 000	115 846 913	110 568 874
Regional Operations and Coordination	-	11 000 000	11 000 000	-	11 000 000	-	-
Roads and Transport	533 176 219	-53 783 597	479 392 622	-41 730 000	437 662 622	762 357 014	629 885 100
Shared Services	170 000 000	-	170 000 000	-	170 000 000	160 000 000	160 000 000
Water and Sanitation	535 693 521	5 800 000	541 493 521	-22 172 459	519 321 062	520 504 330	477 939 749
TOTAL CAPITAL BUDGET	**2 347 552 576**	**-34 928 785**	**2 312 623 791**	**27 500 000**	**2 340 123 791**	**2 437 098 919**	**2 584 144 724**

4.8.1 The Table below shows expenditure per Department (as at end Q3 2025).

Table 8: Expenditure per Department

Department	Sum of Supplementary Adjustment Budget 2024/25	Sum of Cumulative Expenditure Projection	Sum of Cumulative Capex Actual	Sum of Cumulative Committed	YTD Actual / Total Budget
Community & Social Development Services: Sports and Recreation Services	R9 346 676,00	R8 870 201,05	R8 106 628,00	R0,00	87%
Economic Development & Spatial Planning: Economic Development	R5 000 000,00	R2 746 759,18	R2 278 530,00	R0,00	46%
Emergency Services	R2 000 000,00	R1 783 083,60	R1 777 860,00	R0,00	89%
Energy & Electricity	R616 807 330,00	R343 308 366,47	R342 313 014,00	R52 939 111,00	55%
Environment & Agriculture Management	R7 000 000,00	R6 999 784,00	R6 999 568,00	R0,00	100%
Group Financial Services	R70 500 000,00	R24 219 998,60	R27 983 964,00	R977 743,00	40%
Group Human Capital Management	R9 158 000,00	R1 158 000,00	R1 028 000,00	R0,00	11%
Group Property Management	R18 081 241,00	R14 027 500,50	R8 960 325,00	R4 120 917,00	50%
Health Services	R1 250 000,00	R375 747,00	R375 747,00	R0,00	30%
Housing Company Tshwane	R42 952 000,00	R20 453 647,34	R15 310 484,88	R2 650 000,00	36%
Human Settlements	R351 116 077,86	R136 528 491,12	R154 057 035,00	R2 414 733,00	44%
Office of the Chief Operations Officer	R61 742 000,00	R1 045 200,00	R251 907,00	R0,00	0%
Office of the City Manager	R385 000,00	R0,00	R0,00	R0,00	0%
Regional Operations & Coordination	R11 000 000,00	R0,00	R0,00	R0,00	0%
Roads & Transport: Integrated Rapid Public Transport Network (IRPTN)	R191 006 618,00	R123 133 604,16	R82 152 196,00	R8 556 924,00	43%
Roads & Transport: Roads & Stormwater	R246 656 003,88	R88 998 626,82	R93 803 706,00	R1 251 385,00	38%
Shared Services	R40 000 000,00	R16 964 351,50	R38 428 419,00	R716 104,00	96%
Shared Services: ICT, Applications & Infrastructure	R130 000 000,00	R61 687 071,35	R72 738 290,00	R2 787 047,00	56%
Tshwane Economic Development Agency	R801 783,00	R172 242,67	R776 681,35	R0,00	97%
Tshwane Metro Police	R6 000 000,00	R1 200 000,00	R1 320 000,00	R0,00	22%
Water & Sanitation	R519 321 061,60	R353 874 043,14	R328 990 704,00	R109 766 837,00	63%
Grand Total	**R2 340 123 791,34**	**R1 207 546 718,50**	**R1 187 653 059,23**	**R186 180 801,00**	**51%**

4.8.2 The Table below shows expenditure Funding Source (as at end Q3 2025)

Table 9: Expenditure per Funding Source

Funding Code	Funding Source Description	Sum of Supplementary Adjustment Budget 2024/25	Sum of Cumulative Expenditure Projection	Sum of Cumulative Capex Actual	Sum of Cumulative Committed	YTD Actual Exp vs Total Budget
001	Council Funding	R330 328 024,00	R118 073 662,65	R144 671 007,42	R9 677 429,00	44%
002	Public Transport Infrastructure Systems Grant	R191 006 618,00	R123 133 604,16	R82 152 196,00	R8 556 924,00	43%
003	Neighbourhood Development Partnership Grant	R16 742 000,00	R1 045 200,00	R251 907,00	R0,00	2%
005	Urban Settlements Development Grant	R1 009 570 000,22	R524 222 211,90	R526 857 513,42	R113 374 261,00	52%
010	Other Contributions	R0,00	R0,00	-R512 901,00	R0,00	#DIV/0!
013	Community Library Services	R8 851 547,00	R8 375 072,40	R8 011 499,00	R0,00	91%
016	Public Contributions & Donations	R50 000 000,00	R37 175 840,97	R37 159 203,00	R325 767,00	74%
018	Gautrans	R11 961 294,00	R0,00	R -	R0,00	0%
022	Informal Settlements Upgrading Partnership Grant	R703 664 308,12	R386 521 126,63	R387 801 694,00	R51 746 420,00	55%
CG	Restructuring Grant	R18 000 000,00	R9 000 000,00	R1 260 940,39	R2 500 000,00	-6%
Grand Total		**R2 340 123 791,34**	**R1 207 546 718,71**	**R1 187 653 059,23**	**R186 180 801,00**	**51%**

4.8.3 The Table below shows expenditure per region (as at end Q3 2025).

Table 10: Expenditure per Region

Regions	Sum of Supplementary Adjustment Budget 2024/25	Sum of Cumulative Expenditure Projection	Sum of Cumulative Capex Actual	Sum of Cumulative Committed	YTD Actual Exp vs Total Budget
Region 1	R511 686 589,48	R171 324 973,79	R 190 421 117,05	R5 037 445,00	37%
Region 2	R196 617 539,60	R173 490 425,50	R 155 599 049,00	R22 100 144,00	79%
Region 3	R269 741 402,00	R152 111 513,65	R 108 029 997,76	R17 154 795,00	40%
Region 4	R130 603 329,00	R70 998 737,67	R 64 421 997,00	R28 057 334,00	49%
Region 5	R52 914 663,00	R31 028 009,65	R 37 287 949,00	R2 365 132,00	70%
Region 6	R247 470 500,00	R117 576 897,70	R 98 700 296,00	R21 930 587,00	40%
Region 7	R93 184 366,26	R66 718 944,53	R 74 375 367,00	R6 842 228,00	80%
Administrative	R126 790 330,00	R53 672 588,32	R 58 506 270,42	R1 449 786,00	46%
City Wide	R711 115 072,00	R370 624 627,90	R 400 311 016,00	R81 243 350,00	56%
Grand Total	**R2 340 123 791,34**	**R1 207 546 718,71**	**R 1 187 653 059,23**	**R186 180 801,00**	**51%**

5. IMPLICATIONS

5.1 Human Resources

There are no human resources implications associated with this report.

5.2 Financial implications

There are no financial implications associated with this report.

5.3 Constitutional and Legal factors

There are no constitutional and legal implications associated with this report.

5.4 Communication

There is no communication implications associated with this report.

5.5 Previous Council or Mayoral Committee resolutions

There are no previous Council or mayoral Committee resolution associated with this report.

6. CONCLUSIONS

With the Supplementary Adjusted Budget of R 2 340 123 791,34 the expenditure as at end Q3 is at 51% against the total budget. The Quarter 3 budget Projection is R1,207,546,718.71 and actual expenditure is R1,185,222,360.60 which translated to 51% against the total budget.
Considering the amount that is still not committed nor spent to date, the City is at a risk of underspending by end of the financial year if the mitigation factors put in place are not fully executed and implemented as stated in the recovery plans.