



AUDITOR-GENERAL  
SOUTH AFRICA

# AUDIT REPORT

uThukela District Municipality and its  
municipal entity

# Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and council on uThukela District Municipality and its municipal entity

## Report on the audit of the consolidated and separate financial statements

### Qualified opinion

1. I have audited the consolidated and separate financial statements of the uThukela district municipality and its municipal entity (the group) set out on pages xx to xx, which comprise the appropriation statement, consolidated and separate statement of financial position as at 30 June 2024, consolidated and separate statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this auditor's report, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the group as at 30 June 2024, and financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2022 (Act No. 5 of 2023) (Dora).

### Basis for qualified opinion

#### Revenue from exchange transactions - service charges and consumer debtors

3. The municipality did not recognise items that met the definition of revenue from exchange transactions in accordance with SA Standard of GRAP 9, *Revenue from exchange transactions*. Discrepancies were identified in the billing system as well as negative consumption being recorded for some consumers. In addition, the municipality did not recognise revenue from prepaid water. I was unable to determine the full extent of the understatement of service charges stated at R287,36 million (2023: R225,92 million) in note 23 to the consolidated and separate financial statements, as it was impracticable to do so. There was a resultant impact on consumer debtors, debtors impairment, surplus for the period as well as the accumulated surplus.

#### VAT Corresponding figures

4. During 2023, I was unable to obtain sufficient appropriate evidence for the restatement of the corresponding figure for output Value Added Tax (VAT) accrual and input VAT accrual. The restatement was made to rectify a prior year misstatement, but the restatement could not be substantiated by supporting audit evidence. Consequently, I was unable to determine whether any adjustment was necessary to the corresponding figures stated at R275,35 million and

R227,76 million as disclosed in note 7 and 13 to the consolidated and separate financial statements.

### Water losses

5. The municipality did not disclose water losses in accordance with GRAP 19, *provisions, contingent liabilities and contingent assets*. The municipality used invalid data in the computation of system input volumes of water produced and unbilled authorised consumption. Due to inadequate systems and processes to account for this disclosure. In addition, the municipality did not fully account for water sales in the revenue of service charges. Consequently, I was unable to determine the impact of the misstatement on water losses recognised, as it was impracticable to do so. I was also unable to determine whether any further adjustment to water losses stated at R243,11 million (2023: R484,39 million) in note 38 to the consolidated and separate financial statements were necessary.

### General expenditure

6. I was unable to obtain sufficient and appropriate evidence to verify that payments made for general electricity expenses in the current year and general expenses in the prior year were received by the municipality. This was due to the absence of internal controls to monitor and confirm the receipt of these goods and services. I was unable to confirm these expenses through alternative means. Consequently, I could not determine whether any adjustments were required to the electricity expenses included in general expenses, disclosed as R72,71 million in the current year and general expenses for 2023 disclosed as R251,74 million in note 37 of the consolidated and separate financial statements.

### Bulk purchases

7. I was unable to obtain sufficient appropriate evidence that payments made in respect of bulk purchases were received by the municipality, as internal controls had not been established to measure and confirm the receipt of these goods. I was unable to confirm bulk purchases by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to bulk purchases at R32,06 million (2023: R15,21 million) in note 38 to the consolidated and separate financial statements.

### Payables from exchange transactions

8. The municipality did not recognise all outstanding amounts in accordance with GRAP 1, *Presentation of financial statements*. The municipality did not maintain adequate records of outstanding payments for goods and services received but not yet paid at year-end. Consequently, payables from exchange transactions as disclosed in note 7 to the consolidated and separate financial statement is understated by an estimated amount of R31,40 million. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

### Context for opinion

9. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the

auditor-general for the audit of the consolidated and separate financial statements section of my report.

10. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
11. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Material uncertainty relating to going concern**

12. I draw attention to the matter below. My opinion is not modified in respect of this matter.
13. I draw attention to note 48 to the consolidated and separate financial statements, which indicates that the current liabilities exceeded its current assets by R699,38 million and that the impact of transferring the bulk infrastructure to Umgeni Water along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

### **Emphasis of matters**

14. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### **Restatement of corresponding figures**

15. As disclosed in note 46 to the consolidated and separate financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the consolidated and separate financial statements of the municipality at, and for the year ended, 30 June 2024.

### **Allowance for impairment- consumer debtors**

16. As disclosed in note 15 to the consolidated and separate financial statements, the municipality raised a provision for bad debt of R1,16 billion (2023: R926,34 million) on consumer debtors as the recoverability of these amounts were doubtful.

### **Other matter**

17. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### **Unaudited disclosure notes**

18. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and, accordingly, we do not express an opinion on it.

## **Responsibilities of the accounting officer for the consolidated and separate financial statements**

19. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
20. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

## **Responsibilities of the auditor-general for the audit of the consolidated and separate financial statements**

21. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.
22. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report. This description, which is located at page 13 -14 of the annexure to the auditor's report, forms part of our auditor's report.

### **Report on the audit of the annual performance report**

23. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance areas presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
24. I selected the following key performance areas presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected key performance areas that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance areas	Page numbers	Purpose
Basic service delivery	xx	Provision of basic service delivery of water and sanitation
Local economic development	xx	Assist in job creation within the community

25. I evaluated the reported performance information for the selected key performance areas against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

26. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

27. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

28. I did not identify any material findings on the reported performance information for the selected key performance areas.

### Other matter

29. I draw attention to the matter below.

## Achievement of planned targets

30. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

31. The tables that follow provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages xx to xx.

## Basic service delivery

Targets achieved: 56%		
Key indicators not achieved	Planned targets	Reported achievement
BSD01 -Number of Households provided with water to eradicate backlog by 30/06/2024	462	411
BSD05 -Number of bulk pipeline (Rising main from Rose Hill Reservoir to high Tower) constructed at Ezakheni WCDM: Phase 2 by 30/06/2024	0,28 km	0
BSD06 - Number of Bulk meter chambers (Rising main from Rose Hill Reservoir to high Tower) to be installed at Ezakheni WCDM: Phase 2 by 30/06/2024	07	0
BSD13 - Number district wide springs protected by 30/06/2024	07	06
BSD25 - Number of handpumps to be equipped at Okhahlamba by 30/06/2024	33	10
BSD27 -Number of bulk pipeline (AC pipeline) constructed at Steadville WCDM by 30/06/2024	3,779 kilometres	1,844 kilometres
BSD28 -Number of installation of bulk metering chambers at Steadville WCDM by 31/03/2024	3	0
BSD29 - Number of bulk pipelines constructed at Ladysmith AC pipeline replacement by 30/06/2024	2.45 kilometres	1.638 kilometres
BSD30 - Number of installation of bulk metering at Ladysmith AC pipeline replacement by 31/03/2024	3	0
BSD31.2-Number manholes constructed Ezakheni E completed by 30/06/2024	18	15
BSD31.3-Number of installations of MI GMS Reservoir completed at Ntabamhlophe Community Water Supply Scheme Upgrade of Bosch by 30/06/2024	1	0
BSD31.4 -Number of Sewer Pump Stations (M&E) completed at KwaNobamba /Ezitendeni Sanitation WWTW completed at 30/06/2024	2	0
BSD31.5 -Number of Sedimentation Tank (M&E) completed at Kwanobamba/Ezitendeni Sanitation project by 30/06/2024	1	0
BSD31.7 -Number of bulk pipeline at Loskop Abstraction WTW by 30/06/2024	0.14 kilometres	0,11 kilometres

## Local economic development

Targets achieved: 0%		
Key indicators not achieved	Planned target	Reported achievement
LED01-Number of EPWP jobs created through LED initiatives, including capital projects, by 30/06/2024	1 032	799
LED02.1 -Number of FTE's created through LED initiatives, including capital projects, by 30/06/2024	344	181

## Report on compliance with legislation

32. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
33. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
34. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
35. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

## Consolidated and separate annual financial statements

36. The consolidated and separate financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets, lease rentals, cash flow, statement of changes in net assets and disclosure items identified by the auditors in the submitted consolidated and separate financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the consolidated and separate financial statements receiving a qualified audit opinion.

## Expenditure management

37. Money owed by the municipality was not always paid within 30 days as required by section 65(2)(e) of the MFMA.



38. Reasonable steps were not taken to prevent irregular expenditure amounting to R387,18 million as disclosed in note 53 to the consolidated and separate financial statements, as required by section 62(1)(d) of the MFMA.
39. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R11,80 million as disclosed in note 52 to the consolidated and separate financial statements in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest incurred on overdue accounts.
40. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R256,33 million as disclosed in note 51 to the consolidated and separate financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed unauthorised expenditure was caused by the adoption of an unfunded budget resulting in overspending on general and contracted expenditure, bulk expenditure, and debt impairment provision.

### **Revenue management**

41. An effective system of internal control for revenue and debtors was not in place, as required by section 64(2)(f) of the MFMA.

### **Procurement and contract management**

42. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported on the prior year.
43. Some of the quotations were accepted from bidders whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43. Similar non-compliance was also reported on the prior year.
44. Some of the goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, as required by SCM Regulation 19(a). Similar non-compliance was also reported in the prior year.
45. Some of the contracts and quotations were awarded to bidders based on preference points that were not calculated in accordance with the requirements of section 2(1)(a) of the Preferential Procurement Policy Framework Act and its regulations. Similar non-compliance was also reported in the prior year.
46. Some of the contracts were awarded to bidders based on points given for legislative requirement that differed from those stipulated in the original invitation for bidding, in contravention of SCM regulations 21(b) and 28(1)(a)(i) and the Preferential Procurement Regulations.
47. Some of the contracts were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c).

## Consequence management

48. Some of the fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

## Human resource management

49. The previous municipal manager and senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the Municipal Systems Act, 2000 (Act No 32 of 2000) (MSA).

## Other information in the annual report

50. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the consolidated and separate financial statements, the auditor's report and those selected key performance areas presented in the annual performance report that have been specifically reported on in this auditor's report.
51. My opinion on the consolidated and separate financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
52. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the consolidated and separate financial statements and the selected key performance areas presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
53. I have nothing to report in this regard.

## Internal control deficiencies

54. I considered internal control relevant to my audit of the consolidated and separate financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
55. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on compliance with legislation included in this report.
56. Leadership did not provide adequate oversight and monitoring to ensure that action plans were effectively implemented to fully address previous findings on the consolidated and separate financial statements and compliance with legislation.
57. Consequence management was not effectively implemented, resulting in slow responses in addressing and implementing recommendations and transgressions reported in the previous year.

58. Daily and monthly controls and processes were not effectively implemented by senior management in ensuring that there is proper document management and record-keeping systems in place that will ensure that complete, relevant and accurate information is accessible and available to support financial reporting, including compliance with legislation to support credible and reliable financial reporting.

## Material irregularities

59. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

60. The material irregularities identified are as follows:

### Status of previously reported material irregularities

#### Failure to implement performance measures

61. Section 116 (1)(b)(i) of the MFMA states that a contract or agreement procured through the supply chain management system of a municipality or municipal entity must stipulate the terms and conditions of the contract or agreement, which must include provisions providing for the termination of the contract or agreement in the case of non-or under-performance.
62. Furthermore, MFMA section 116 (2) (a) requires that the accounting officer of a municipality must take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality is properly enforced. Section 116 (2)(b) further requires that the accounting officer of a municipality must monitor on a monthly basis the performance of the contractor under the contract or agreement.
63. The municipality entered into a contract with the contractor for the maintenance, repairs, installation and commissioning of pumps and necessary motors. The municipality failed to utilise the contractor for these services and the reason for discontinuation of using the supplier was because of poor performance even though there was no evidence provided on the performance measures and methods that were followed in monitoring the effectiveness of this contract. This amounted to a non-compliance with section 116(1)(b)(i) of the MFMA.
64. Consequently, the contractor then sued the municipality for breach of contract and the matter was settled out of court resulting in the municipality incurring a material financial loss of R1 million.
65. The accounting officer was notified of the material irregularity on 14 March 2022 and invited to make a written submission on the actions taken or to be taken to address the matter. An investigation into this material irregularity concluded that the previous municipal manager did not act on the best of interest of the municipality, however, the loss incurred has already prescribed and controls around contract management have been strengthened.
66. The actions taken by the accounting officer were considered sufficient and appropriate in addressing the material irregularity.

## Revenue not billed

67. The municipality did not comply with section 64(2)(e) of the MFMA which states that the accounting officer must take all reasonable steps to ensure that the municipality has and maintains a management, accounting and information system which recognises revenue when it is earned, accounts for debtors and accounts for receipts and revenue.
68. The municipality estimated water consumption to be zero for numerous household and no verifications were performed to confirm the actual consumption for these households. In addition, some of the households were billed for sanitation but no billing was recorded for water consumption. This amounted to a non-compliance with section 64(2)(e) of the MFMA. The non-compliance has resulted in an estimated financial loss of R7 750 802 as at 30 June 2021.
69. The accounting officer was notified of the material irregularity on 29 April 2022 and invited to make a written submission on the actions taken or to be taken to address the matter. An investigation into this material irregularity was concluded and contract with the service provider was cancelled.
70. The court outcome concurs that the agreement between the municipality and service provider was invalid and the contract was terminated effective from 28 February 2024. The implicated officials were charged, however, one official's contract had ended and the other has since resigned from the municipality.
71. The municipality has implemented controls around conventional meters where they redocument and review the actual consumption however other meters are not functional and funding is still being sourced for this exercise. In addition, the municipality is also sourcing the service provider to manage the prepaid meters, so that they will be in the position to correctly and completely account for revenue.
72. I will follow up on the outcome of the process in the next audit.

## Other reports

73. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the consolidated and separate financial statements or my findings on the reported performance information or compliance with legislation.
74. Two investigations were conducted by an independent consultant in relation to allegations of fraud and corruption on fleet and payroll. These investigations were still in progress at the date of this report.

*Auditor - General*

Pietermaritzburg

12 December 2024



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

### Auditor-general's responsibility for the audit

#### Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements and the procedures performed on reported performance information for selected key performance areas and on the municipality's compliance with selected requirements in key legislation.

#### Consolidated and separate financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the consolidated and separate financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the consolidated and separate financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and determine whether the consolidated

and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

### **Communication with those charged with governance**

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	<p>Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii),</p> <p>Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f),</p> <p>Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a),</p> <p>Sections: 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)</p>
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	<p>Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e),</p> <p>Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i),</p> <p>Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)</p>
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Systems Act 32 of 2000	<p>Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2),</p> <p>Sections: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)</p> <p>Parent municipality with ME: Sections: 93B(a), 93B(b)</p>



Legislation	Sections or regulations
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1),31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), Regulations: 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)