

ANNUAL REPORT 2024-2025





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PRESENTATION OF THE ANNUAL REPORT

I am pleased to submit the South African Local Government Association's Annual Report for the 2024-2025 financial year to the Parliament of South Africa.

This submission is in accordance with the SALGA Constitution, adopted at the National Conference in March 2022, and is aligned with our five-year strategy.

The report highlights SALGA's developmental mandate and reviews its performance from 1 April 2024 to 31 March 2025.

The Auditor-General of South Africa has audited the performance information and financial statements as presented in this report.

The National Executive Committee has endorsed this document, relying on the assurance of accuracy provided by SALGA's management, internal audit function and oversight committees.

SALGA remains steadfast in its commitment to transforming local government into a well-governed sphere that is accountable, responsive, and people-centred, while fostering developmental progress and enhancing the quality of life for all citizens, along with creating an enabling environment for long-term sustainability.



Cllr Bheke Stofile
SALGA President
31 August 2025

HIGHLIGHTS 2024-2025





PART A: GENERAL INFORMATION

PUBLIC ENTITY'S GENERAL INFORMATION

Name:	South African Local Government Association (SALGA) Registered employer body in terms of the Labour Relations Act, 66 of 1996
Registration number:	LR/2/6/3/350 22
Registration date:	May 1998
Registered address:	Menlyn Corporate Park, Block B, 175 Corobay Avenue, cnr Garsfontein Road, Waterkloof Glen Ext 11, Pretoria 0181
Postal address:	P O Box 2094, Pretoria 0001
Tel:	+27 (0)12 369 8000
Fax:	+27 (0)12 369 8001
Email:	info@salga.org.za
Website:	http://www.salga.org.za
External auditor:	Auditor-General of South Africa, 4 Davenry Street, Lynnwood Bridge Office Park, Lynnwood Manor 0081, Pretoria
Bankers:	ABSA
Contact person for this report:	Mr. Luncedo Njezula – Executive Manager in the Office of the CEO
Tel:	012 369 8000
Email:	lnjezula@salga.org.za
Reporting period:	1 April 2024 to 31 March 2025
Reporting cycle:	Annually

ABBREVIATIONS LIST

AA	Appeal Authority	ERP	Employee Recognition Programme
AFCFTA	African Continental Free Trade Area	ESTA	Establishment of Security Tenure Act
AFS	Annual Financial Statements	EU	European Union
AGSA	Auditor-General of South Africa	EVP	Employee Value Proposition
AI	Artificial Intelligence	EXCO	Executive Committee
AOP	Annual Operational Plan	FASSET	The Finance Accounting Services Sector Education & Training Authority
APP	Annual Performance Plan	FBS	Free Basic Services
ARC	Audit & Risk Committee	FFC	Financial & Fiscal Commission
AVE	Advertising Value Equivalent	FS	Fire Services
B-BBEE	Broad-Based Black Economic Empowerment	GBV	Gender Based Violence
CEO	Chief Executive Officer	GGMI	Good Governance Maturity Index
CFO	Chief Financial Officer	GIS	Geographic Information System
CLGF	Commonwealth Local Government Forum	GRAP	Generally Recognised Accounting Practice
CLLR	Councillor	GRBMAF	Gender Response Budgeting, Monitoring & Auditing Framework
CoGTA	Department of Cooperative Government & Traditional Affairs	GSVF	Gender-Based Violence and Femicide
COIDA	Compensation for Occupational Injuries & Diseases Act	HC	Human Capital
COO	Chief of Operations	HCCS	Human Capital & Corporate Services
COS	Cost-of-Supply	HR	Human Resources
COSO	Committee of Sponsoring Organisation	HRBP	Human Resources Business Partner
CPI	Consumer Price Index	IAA	Internal Audit Activity
CSI	Corporate Social Investment	ICASA	Independent Communications Authority of South Africa
CSP	City Support Programme	ICT	Information & Communication Technology
CSR	Corporate Social Responsibility	IDP	Integrated Development Plan
CWPI	Composite Workforce Productivity Index	IFR	Intergovernmental Fiscal Relations
DDM	District Development Model	IGR	Intergovernmental Relations
DFFE	Department of Forestry, Fisheries & the Environment	IoT	Internet of Things
DM	District Municipality	IPP	Independent Power Producer
DOJ	Department of Justice	IWMP	Integrated Waste Management Plans
DORA	Division of Revenue Act	JET	Just Energy Transition
DOT	Department of Trade	KM&I	Knowledge Management & Innovation
DPME	Department of Planning, Monitoring & Evaluation	KPI	Key Performance Indicator
DRM	Disaster Risk Management	L&D	Learning and Development
DSAC	Department of Sports, Arts and Culture	LDP	Leadership Development Programme
ECD	Early Childhood Development	LED	Local Economic Development
EDI	Electricity Distribution Industry	LG	Local Government
EDP	Economic Development Policy	LGFA	Local Government Funding Agency
EEA	Employment Equity Act	LGSETA	Local Government Sector Education Authority
EE	Employee Equity	LGSS	Local Government Service Standards
EESDF	Employment Equity Skills Development Consultative Forum	LRA	Labour Relations Act
EG	Embedded Generation.	MASP	Municipal Audit Support Programme
EMT	Executive Management Team	MCA	Municipal Capability Assessment
EPG	Eminent Persons Group	MFMA	Municipal Finance Management Act
EPWP	Expanded Public Works Programme	MFSP	Municipal Financial Sustainability Programme
		MHS	Municipal Health Support

MICI	Municipal Investment Competitive Index	RIMCO	Risk Management Committee
MIG	Municipal Infrastructure Grant	RRT	Rapid Response Teams
MLCAC	Municipal Leadership Competency Assessment Centre	RTMC	Road Traffic Management Corporation
MOE	Municipal Owned Entity	SACN	South African Cities Network
MoU	Memorandum of Understanding	SALGA	South African Local Government Association
MPAP	Municipal Priority Action Plans	SANAC	South African National AIDs Council
NC	National Conference	SARO	Southern Africa Regional Office of the African Union
NCOP	National Council of Provinces	SCM	Supply Chain Management
NDP	National Development Plan	SDF	Spatial Development Framework
NEC	National Executive Committee	SDG	Sustainable Development Goal
NMA	National Members' Assembly	SEZ	Special Economic Zone
NSG	The National School of Government	SHE	Safety, Health & Environment
OHS	Occupational Health and Safety	SLA	Service Level Agreement
OLGA	Organised Local Government Act	SMME	Small, Medium & Micro Enterprise
PC	Provincial Conference	SOP	Standard Operating Procedure
PDO	Provincial Directors of Operations	SPLUMA	Spatial Planning & Land Use Management Act, 16 of 2013
PDP	Personal Development Plan	SPLUM	Spatial Planning & Land Use Management
PFMA	Public Finance Management Act	SPU	Special Programme Unit
PHSHDA	Priority Human Settlements & Housing Development Areas	STB	Spatial Transformation Barometer
PIE	Prevention of Illegal Eviction	STR	Small Town Regeneration
PIMPP	Performance Information Management Policy & Procedures	SWAN	Smart Water Network
PMA	Provincial Members' Assembly	SWC	SALGA Women's Commission
PMS	Performance Management System	SYC	SALGA Youth Commission
POA	Programme of Action	TEDA	Township Economic Development Act
PPA	Power Purchase Agreement	ToR	Terms of Reference
PPE	Personal Protective Equipment	UCLG	United Cities and Local Governments
PPP	Public-Private Partnership	UNDESA	United Nations Department of Economic and Social Affairs
REMPANEL	Performance Management & Remuneration Panel	UNDP	United Nations Development Programme
RFSPAPP	Revised Framework for Strategic Plans & Annual Performance Plans	VGR	Voluntary Local Review
		WSA	Water Service Authority

SALGA PROFILE

The South African Local Government Association (SALGA) is a national, membership-based organisation that represents all 257 municipalities across South Africa - including metropolitan, district, and local municipalities. As the unified voice of local government, SALGA advocates for municipal interests at both national and provincial levels, ensuring that the needs and priorities of local authorities are effectively represented in policy and decision-making processes.

SALGA's core mission is to promote, support, and strengthen local government, enabling municipalities to deliver essential public services, such as water, electricity, and sanitation, efficiently and equitably. The organisation plays a pivotal role in advancing the well-being of communities and fostering sustainable development throughout the country.

One of SALGA's key functions is to engage with stakeholders across the public and private sectors to influence legislation, secure resources, and drive initiatives that benefit local governance. Through ongoing advocacy, it ensures that municipalities are equipped to meet their developmental mandates.

To build capacity within the sector, SALGA provides a range of support services including training programmes, skills development workshops, and knowledge-sharing platforms. These initiatives aim to enhance municipal leadership, operational effectiveness, and service delivery outcomes.

SALGA conducts research and develops evidence-based policy recommendations to address the evolving challenges facing local government. Through adopting a thought leadership stance, SALGA helps shape the regulatory and policy environment that underpins effective municipal governance.

The organisation also collaborates with a wide range of local and international partners, such as development agencies, academic institutions, and civil society organisations, which serves to benchmark best practices, foster innovation, and drive transformation in the public sector.

Each year, SALGA convenes municipal leaders, government representatives, and other key stakeholders to explore solutions to the pressing issues confronting local government. These engagements promote shared learning and collective action towards resilient, inclusive, and responsive local governance.







FOREWORD BY THE PRESIDENT

It is my honour and privilege to present the South African Local Government Association's (SALGA) Annual Report for the 2024–2025 financial year - a year characterised by transition, resilience, and critical reflection on the role of local government in our constitutional democracy. This report chronicles not only the activities, projects, and milestones of the past year, but also the journey of a sector navigating complex realities while preparing for a new chapter.

As we approach the 2026 local government elections, signalling the conclusion of yet another five-year municipal term, we do so with a deeper appreciation of the opportunities and limitations that define our current governance framework. The 2024–2025 period has seen SALGA firmly assume a policy leadership role, particularly through our active engagement in the Review of the 1998 White Paper on Local Government.

This review represents a once-in-a-generation opportunity to recalibrate the architecture of the local state. Our contribution to this process has been bold, comprehensive, and grounded in the lived realities of municipalities, especially those in under-resourced and rural areas. We have championed reforms that protect local autonomy, strengthened fiscal capacity, and advocated for a differentiated governance model that aligns with, rather than opposes, the principles of developmental local government.

Despite the persistence of structural and financial constraints, this year has also witnessed significant advancements in SALGA's advocacy work, technical support to municipalities, and thought leadership. From shaping positions on critical legislation such as the Public Service Amendment Bill to strengthening our voice in multilateral platforms through the United Cities and Local Governments (UCLG) and our African partnerships, SALGA has remained steadfast in its mission. These achievements would not have been possible without the dedication and vision of

the National Executive Committee, our committed team across all provincial offices, and the tireless councillors and municipal officials who continue to serve communities with passion and principle.

We are extremely proud to announce that SALGA has achieved its 13th consecutive unqualified audit by the Auditor-General of South Africa this financial year.

I extend my heartfelt appreciation to our partners in government, civil society, and the international community, whose collaboration has kept us anchored and progressive. As we look to the future, SALGA's strategic focus remains clear: to build a capable and developmental local government system that enables real transformation in the lives of our people. The road to 2026 is not merely electoral; it is ideological, institutional, and profoundly political. We are preparing for that future with humility and ambition.

This year has reminded me that true resilience is not solely about withstanding pressure; it is about utilising pressure as a catalyst for innovation, self-correction, and growth. We must embrace that spirit as we shape the next era of local governance.

Thank you for your continued support and belief in the mission of SALGA.

Together, we will continue to protect, empower, and transform the local state for the people and by the people.

Cllr. Bheke Stofile
President, SALGA



CHIEF EXECUTIVE OFFICER'S OVERVIEW

In the 2024-2025 financial year, the South African Local Government Association (SALGA) has steadfastly championed the interests of local government, adeptly navigating a landscape characterised by both challenges and opportunities. Our primary focus has been on enhancing the capacity of municipalities to deliver essential services, advocating for transformative policy reforms, and fostering partnerships that promote sustainable development.

For the 2024-2025 performance cycle, SALGA has achieved an impressive success rate of 98% in its audited non-financial performance, meeting 90 out of 92 annual targets. This outstanding performance not only underscores the robustness of the organisation's strategic planning and implementation discipline but also reflects our commitment to effecting meaningful change across all programme areas. The near-total achievement rate is not merely a statistical milestone; it signifies substantial progress towards realising our strategic priorities and long-term developmental goals. This achievement exemplifies the resilience, agility, and dedication of teams across the organisation, even amidst evolving challenges.

We have placed considerable emphasis on prudent financial management and discipline. We are pleased to report that the organisation has once again received an unqualified audit opinion with no findings for the 13th consecutive year. This achievement is a testament to our commitment to sound financial practices and accountability. It reflects our dedication to good governance, strong leadership, and effective internal controls, ensuring that SALGA is liquid and financially sustainable. Our ongoing efforts to identify cost-effective and efficient business practices, alongside robust procurement processes that deliver value for money, have positioned the organisation on a positive trajectory of steadily increasing reserves.

Over the past year, we have reaffirmed our commitment to good governance, transparency, and accountability. Our governance framework is designed to ensure ethical leadership and sound oversight, thereby enabling us to effectively support, promote, and represent local government. Following our delisting as a public entity, we have made significant advancements in enhancing our governance architecture, ensuring compliance with all legal and regulatory requirements, and fostering a culture of accountability and responsiveness, ultimately contributing to the enhancement of local government and the members we serve.

The period under review also marked another year of delivering on our Employee Value Proposition. Our cultural transformation journey, integrated talent management strategy, and organisational capability initiatives have been pivotal in fostering future organisational sustainability. Through robust human capital programmes, including leadership development, performance management, employee engagement, and strategic advisory services, we have made significant progress in aligning our workforce with our strategic objectives. Our focus remains on driving cultural transformation, empowering employees, strengthening talent pipelines, and reinforcing accountability and wellness.

As we look ahead to the Local Government White Paper review process and the next local government elections, we remain resolutely committed to building a resilient and responsive local government system that effectively addresses the needs of our communities, while supporting the broader goals of national development, and upholding the culture of accountability and excellence that defines our organisation.

As we chart the path forward, SALGA remains steadfast in its role as a strategic enabler and advocate for local government.

We will continue to harness our institutional strengths, deepen stakeholder partnerships, and adapt to emerging demands with agility and foresight. With the unwavering commitment of our leadership, employees, and partners, we are confident that SALGA will not only sustain its current momentum but also elevate its impact—delivering tangible value to our member municipalities and, ultimately, to the communities they serve. Together, we move forward—driven by purpose, anchored

in accountability, and inspired by the promise of a capable, developmental, and future-fit local government system.



Sithole Mbanga
Chief Executive Officer

Sithole Mbanga
– Chief Executive Officer



For the 2024-2025 performance cycle, SALGA has achieved an impressive success rate of 98% in its audited non-financial performance, meeting 90 out of 92 annual targets. This outstanding performance not only underscores the robustness of the organisation's strategic planning and implementation discipline but also reflects our commitment to effecting meaningful change across all programme areas. The near-total achievement rate is not merely a statistical milestone; it signifies substantial progress towards realising our strategic priorities and long-term developmental goals. This achievement exemplifies the resilience, agility, and dedication of teams across the organisation, even amidst evolving challenges.

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor General.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the standards applicable to the public entity.

The accounting authority is responsible for the preparation of the annual financial statements and for the judgments made in this information.

The accounting authority is responsible for establishing and implementing a system of internal control, which has been

designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2025.

Yours faithfully



Sithole Mbanga
Chief Executive Officer
31 August 2025



STRATEGIC OVERVIEW

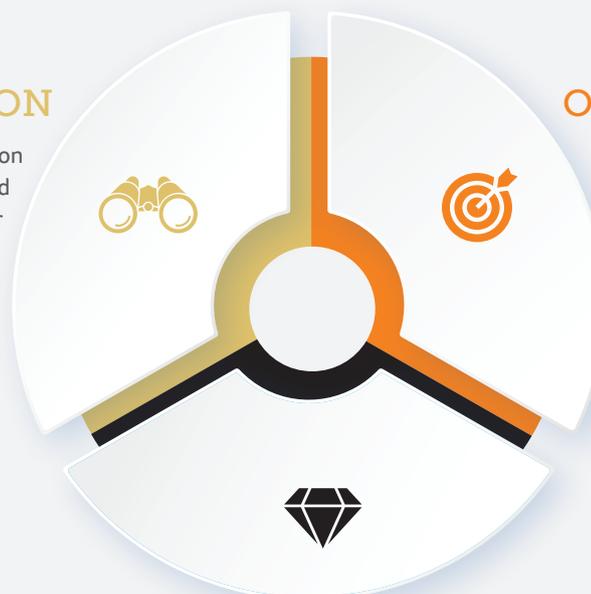
OUR VISION

An association that leads innovation through cutting-edge quality and sustainable service delivery to our member municipalities for better services to communities.



OUR MISSION

To be consultative, informed, mandated, credible and accountable to our members to protect their interests and act as a catalyst for a developmental local government.



OUR VALUES

HOW WE LIVE OUR VALUES

RESPONSIVE: Being quick and flexible in responding to member needs.

EXCELLENCE: Serving members with pride and excellence.

INNOVATION: Exploring new ways of doing things and providing members with fresh and unconventional services.

DYNAMIC: Being Flexible and adapting to change to serve members effectively and efficiently.

PRINCIPLES – MANIFESTING THE VALUES

These principles reflect SALGA's DNA and ensure that we manifest our values as part of a lived organisational culture.



IMPACT

To create an accountable, responsive and people-centred developmental local government that provides quality of life for its citizens and an enabling environment for long-term sustainability.

FRAMEWORK FOR STRATEGIC PLANS AND APP

STRATEGIC ROADMAP

In line with its commitment to results-based management, SALGA once again adopted National Treasury's 2010 Outcomes-Orientated Framework for Strategic Plans and APPs (revised in 2019 as per the chart below) in the development of the 2024–2025 APP. This approach strengthens the alignment between SALGA's mandate, activities, performance tools such as scorecards and the Annual Operational Plan (AOP), and its intended impact on the local government sector. The APP ensures that organisational efforts are consistently geared towards fulfilling SALGA's strategic vision, mission and long-term goals.

The 2024–2025 Annual Performance Plan (APP) provides a strategic roadmap that positions SALGA to respond effectively to the evolving dynamics and complex challenges facing local government. Based on the broader 2022–2027 Strategic Plan, the APP aligns SALGA's initiatives with South Africa's national priorities, including spatial transformation and inclusive economic growth, which are pivotal to achieving a sustainable and resilient local government sector by 2030.

At the heart of SALGA's strategy is its commitment to fostering an accountable, responsive, and people-centred system of developmental local government. This system aims to improve the quality of life for all citizens while creating an enabling environment for long-term sustainability and inclusive development.

SALGA's strategic and operational planning adheres to the national government's prescribed framework, governed by the Department of Planning, Monitoring and Evaluation (DPME), as outlined in the Revised Framework for Strategic Plans and Annual Performance Plans (RFSPAPP). In compliance with this framework, SALGA develops:



A Five-Year Strategic Plan that defines long-term impact and high-level outcomes.

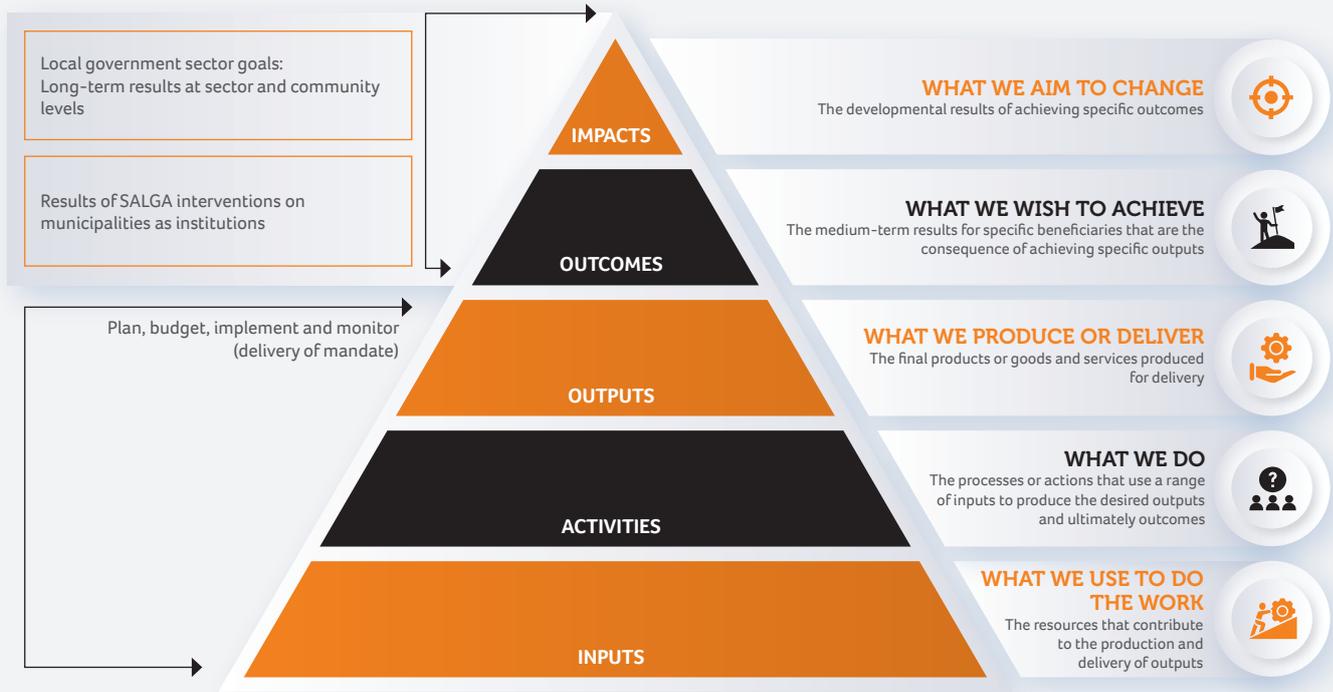


An Annual Performance Plan (APP) that outlines yearly deliverables, output indicators, and performance targets.



An Annual Operational Plan (AOP) for internal implementation and performance tracking.

The APP translates SALGA's strategic vision into actionable outcomes for the financial year, while also providing forward-looking projections for the subsequent two years to ensure continuity and alignment with the overarching Strategic Plan.



Source: Revised Framework for Strategic Plans and APP - Oct 2019

PERFORMANCE OUTCOMES

The performance outcomes underpinning SALGA’s 2022–2027 Strategic Plan are directly aligned with the seven strategic priorities of the Sixth Administration of national government. These outcomes reinforce SALGA’s role as a catalyst for transformation within local government and are designed to:

Position SALGA as an agile and responsive agent of change, capable of advancing innovative, context-specific solutions to local challenges.

Promote a people-centred system of governance and administration, where citizen needs drive policy and service delivery.

Build a capable, ethical, and well-governed local government sector, grounded in professionalism, accountability, and strategic foresight.

Establish strong networks and strategic partnerships, enabling shared value, developmental impact, and improved service delivery outcomes.

Drive the socio-economic transformation of communities by supporting local government’s role in creating jobs, enabling infrastructure investment, and promoting spatial justice.

Enhance global competitiveness of municipalities through knowledge exchange, capacity-building, and the adoption of international best practices.

Programmes, outcomes and focus areas that frame the activities in its 2022-2027 Strategic plan are reflected below.



SALGA'S CONSTITUTIONAL MANDATE

SALGA was established at a gathering of municipalities in 1996 and was recognised on 27 January 1998 by the Minister of the erstwhile Department of Provincial Affairs and Constitutional Development, the predecessor to the Department of Provincial and Local Government and current Department for Cooperative Governance and Traditional Affairs (CoGTA), as the national organisation of organised local government, representing South Africa's local government sector through the Government Notice R.175 in the Government Gazette 18645, Vol 391 of 30 January 1998.

SALGA's power over its members stems from its Constitution. However, it does not have statutory executive authority over its members. The organisation was until 31 September 2024 registered as a Schedule 3A Public Entity in accordance with the Public Finance Management Act No. 01 of 1999 (PFMA). As from 01 October 2024, The Minister of Finance, Honourable Enough Godongwana approved SALGA's long application to delist from Schedule 3A of the PFMA.

The role and mandate of SALGA is outlined in the SALGA Constitution as follows:



Since its establishment, SALGA has endeavoured to bring focus to its mandate of supporting local government transformation in a complex environment, characterised by a highly diverse membership-base of municipalities. In terms of its amended Constitution, SALGA is a unitary body that consists of a national association and nine provincial offices.

SALGA has a clear strategic role to play in representing the interests of local government within the system of government on the one hand, and supporting its members to fulfil their developmental obligations, on the other. As a full partner in government, SALGA is expected to be an active participant in the intergovernmental relations (IGR) system, to provide common policy positions on numerous issues and to voice local government interests, as well as provide solutions to the challenges facing local government more generally. This can be summarised in the SALGA mandate as per figure below:

MANDATE

TRANSFORM LOCAL GOVERNMENT TO FULFIL ITS DEVELOPMENTAL MANDATE



LOBBY, ADVOCATE & REPRESENT

Lobby, advocate protect and represent the interest of Local Government at relevant structures and platforms.



EMPLOYER BODY

Act as an employer body representing all municipal members and, by agreement, associate members.



CAPACITY BUILDING

Build municipal institutional capacity, as well as the leadership and technical capacity of councillors and officials.



SUPPORT & ADVISE

Support and advise our members on a range of issues to assist them with the effective execution of their mandate.



STRATEGIC PROFILING

Build the profile and image of Local Government within South Africa and outside the country.



KNOWLEDGE & INFORMATION SHARING

Serve as the custodian of Local Government intelligence and the Knowledge Hub for the sector.



INSPIRING SERVICE DELIVERY

SALGA's performance is guided by its membership-determined mandate, as well as by intergovernmental legislative, national and international mandates.

SALGA has demonstrated a political preference for a unitary structure for organised local government. In terms of the SALGA Constitution as amended at the March 2022 National Conference, it has the following categories of members:

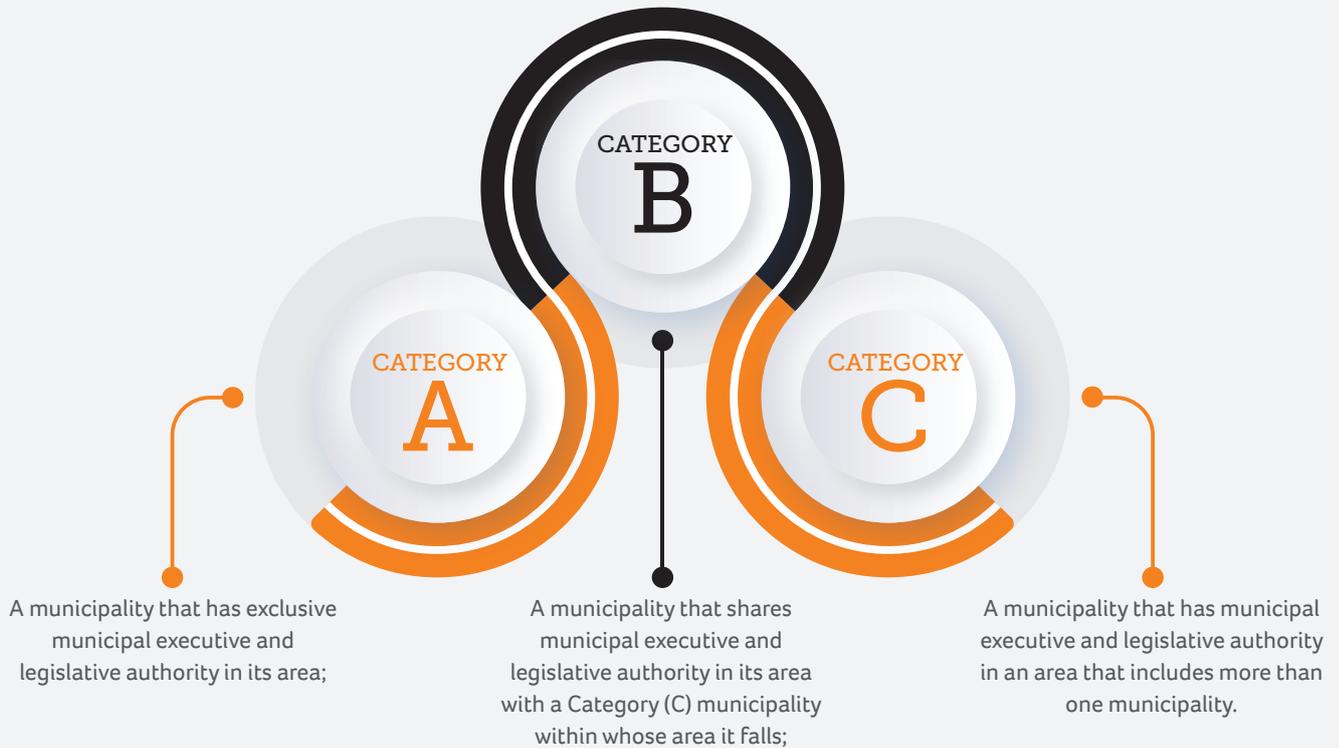
- Municipalities established in terms of the Municipal Structures Act, Act 117 of 1998;
- Provincial associations;
- Associate members.

CONSTITUTIONAL, LEGISLATIVE AND POLICY MANDATES

There is a clear distinction between the local government constitutional, legislative and policy mandate and the constitutional, legislative and policy mandate obligations for SALGA. This section provides this distinction and explains the different obligations for local government as a sector and SALGA as an association for organised local government.

THE CONSTITUTIONAL MANDATE FOR LOCAL GOVERNMENT

The Constitution of the Republic of South Africa, 1996, envisioned a strong local government and required local government capacity to be built by continuous (systemic) support from National and Provincial Government. It establishes the following categories of municipality:



The Constitution determined the objects of local government as follows:



LEGISLATIVE AND POLICY MANDATE FOR LOCAL GOVERNMENT

Over and above the legislative and policy mandates for Organised Local Government (OLG), there are legislative mandates that are imposed to Local government that OLG has an obligation in ensuring that local government is supported to give effect to its mandated obligations, as raised in the following pieces of legislation in **Table A 1**:

Table A 1: Legislative policy mandate for local government

LEGISLATION	LOCAL GOVERNMENT MANDATE AND SALGA ROLE
 <p>The White Paper on Local Government (1998)</p>	<p>The vision of the White Paper on Local Government is one of a strong local government, supported by a firm subsidiarity principle and original powers. The White Paper provides that national legislation will provide for a mechanism to facilitate the allocation of powers and functions between the different categories of municipalities.</p> <p>Developmental local government is local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic, and material needs and improve the quality of their lives.</p> <ul style="list-style-type: none"> • Maximising social development and economic growth; • Integrating and coordinating; • Democratising development, empowering, and redistributing; • Leading and learning. <p>Developmental outcomes of local government;</p> <ul style="list-style-type: none"> • Provision of household infrastructure and services; • Creation of liveable, integrated cities, towns, and rural areas; • Local economic development.
 <p>Municipal Structures Act, 1998</p>	<ul style="list-style-type: none"> • Section 4: the Demarcation Board may determine that an area must have a category A municipality only after consultation with the Minister, the MEC for local government in the province concerned and SALGA. • Section 12: the MEC for LG must at the commencement of the process to establish a municipality, give written notice of the proposed establishment to organised local government in the province and any existing municipalities that may be affected by the establishment of the municipality and before publishing the section 12 notice, consult organised local government in the province. Likewise, the MEC for local government must at the commencement of the process to amend a section 12 notice, give written notice of the proposed amendment to organised local government in the province and any existing municipalities that may be affected by the amendment and before publishing the section 16 notice, consult organised local government in the province.
 <p>Municipal Systems Act, 2000</p>	<ul style="list-style-type: none"> • Section 9: the assignment of a function or power by way of an Act of Parliament to municipalities in general, or any category of municipalities, the organised local government representing local government nationally must be consulted. • Section 14: the Minister, at the request of organised local government representing local government nationally, or after consulting the MECs for local government and organised local government, may make standard draft by-laws concerning any matter, including standard draft rules and orders referred to in section 160 (6) of the Constitution, for which municipal councils may make by-laws. • Section 24: an organ of state initiating national or provincial legislation requiring municipalities to comply with planning requirements, must consult with organised local government before the legislation is introduced in Parliament or a provincial legislature, or, in the case of subordinate legislation, before that legislation is enacted. • Section 43: the Minister, after consultation with the MECs for local government and organised local government, must prescribe general key performance indicators that are appropriate and that can be applied to local government generally and to review and adjust those general key performance indicators. • Section 71: municipalities must comply with any collective agreements concluded by organised local government within its mandate on behalf of local government in the bargaining council established for municipalities. • Section 108: the Minister must establish essential national standards and minimum standards for any municipal service or for any matter assigned to municipalities in terms of section 156 (1) of the Constitution, after consulting organised, local government representing local government nationally. • Section 120: the Minister, after consultation with organised local government representing local government nationally, must make regulations or issue guidelines not concerning matters listed in sections 22, 37, 49, 72, 86A and 104 of the Act.

LEGISLATION

LOCAL GOVERNMENT MANDATE AND SALGA ROLE



Municipal Finance Management Act (2003)

The Act provides that:

- If a national or provincial organ of state which supplies water, electricity or any other bulk resource to a municipality or municipal entity for the provision of a municipal service, intends to increase the price of such resource for the municipality or municipal entity, it must at least 40 days before making a submission to the regulating agency, request organised local government to provide written comments on the proposed increase;
- If a municipality encounters a serious financial problem or anticipates problems in meeting its financial commitments, it must immediately notify organised local government;
- When preparing a financial recovery plan, the person requested to do so by the provincial executive, or the Municipal Financial Recovery Service must at least 14 days before finalising the plan, submit the plan for comment to organised local government in the province;
- The MEC for local government or the MEC for finance in a province must at least every three months submit progress reports and a final report on an intervention to organised local government in the province;
- When a provincial intervention ends, the MEC for local government or the MEC for finance in the province must notify organised local government in the province;
- When a municipality is unable to meet its financial commitments, it may apply to the High Court for an order to stay, for a period not exceeding 90 days, all legal proceedings, including the execution of legal process, by persons claiming money from the municipality or a municipal entity under the sole control of the municipality. Notice of an application must be given to organised local government.



Intergovernmental Fiscal Relations Act (1997)

The IFR Act is one of the critical tools in intergovernmental planning and co-ordination in the public sector budget cycle. It intends to:

- Promote co-operation between the national, provincial, and local spheres of government on fiscal, budgetary, and financial matters;
- Prescribe a process for determination of an equitable sharing and allocation of revenue raised nationally; and
- Provide for matters in connection therewith.

SALGA's role is to represent local government through its participation in the Local Government Budget Forum.



Financial and Fiscal Commission Act (1997)

The Act gives effect to the constitutional requirements relating to the Financial and Fiscal Commission. The Financial and Fiscal Commission, established by section 220 of the Constitution, is a juristic person, independent and subject only to the Constitution, this Act, and the law. The Commission acts as a consultative body for and makes recommendations and gives advice to organs of state in the national, provincial and local spheres of government on financial and fiscal matters.

The Act allows for the nomination of two members to serve on the Commission.

LEGISLATION

LOCAL GOVERNMENT MANDATE AND SALGA ROLE



Water Services Act (1997)

The Act provides for:

- The rights of access to basic water supply and basic sanitation;
- The setting of national standards and of norms and standards for tariffs;
- Water services development plans;
- A regulatory framework for water services institutions and water services intermediaries;
- The establishment and disestablishment of water boards and water services committees and their powers and duties;
- The monitoring of water services and intervention by the Minister or by the relevant Province;
- Financial assistance to water services institutions;
- Certain general powers of the Minister;
- The gathering of information in a national information system and the distribution of that information;
- The Repeal of certain laws; and
- Matters connected therewith.

SALGA plays a role in:

- Water Service Authority (WSA) submission of its development plan to OLG;
- Representation of WSAs on a water board must be determined by the Minister after consultation with OLG in the province concerned; and
- Consultation regarding promulgation of regulations.



Municipal Demarcation Act (1998)

The Act provides for criteria and procedures for the determination of municipal boundaries by an independent authority; Organised local government must designate one member to the selection panel for the appointment of board members.



Municipal Property Rates Act (2004)

The Act regulates the power of a municipality to impose rates on property; to exclude certain properties from rating in the national interest; to make provision for municipalities to implement a transparent and fair system of exemptions, reductions and rebates through their rating policies; to make provision for fair and equitable valuation methods of properties; to make provision for an objections and appeals process; to amend the Local Government: Municipal Systems Act, 2000, so as to make further provision for the serving of documents by municipalities; to amend or repeal certain legislation.

General consultation requirements are imposed throughout the Act where SALGA can play a role.



Municipal Fiscal Powers and Functions Act (2007)

The Act provides that national legislation regulating the imposition of rates on property and surcharges on fees for services provided by or on behalf of the municipality and other taxes, levies, and duties appropriate to local government or to the category of local government into which that municipality falls may only be enacted only after organised local government and the Financial and Fiscal Commission have been consulted.

LEGISLATION



Disaster Management Act (Act No. 57 of 2002)/ Disaster Management Amendment Act (Act No. 16 of 2015)

LOCAL GOVERNMENT MANDATE AND SALGA ROLE

The Disaster Management Act provides a platform from which all spheres of government and communities can work together to prevent or reduce the risks of disasters including measures which are aimed at preventing or reducing the risk of disasters; taking measures to reduce the impact or consequences of a disaster; emergency preparedness; rapid and effective responses to disasters; and post-disaster recovery and rehabilitation.

The Disaster Management Amendment Act further provides for measures to reduce the risk of disaster through adaptation to climate change and developing of early warning mechanisms; to provide for regulations on disaster management education, training and research matters and declaration and classification of disasters.

SALGA plays a role in:

- Supporting municipalities through collaboration with the CoGTA;
- Implementing advocacy, support, and lobbying interventions for an improved state of disaster preparedness, response and post disaster recovery in municipalities;
- Promoting representation of local government interests in the sector including support on sector professionalisation process, capacity building; and
- Consultation regarding promulgation of Disaster Management regulations.



Fire Brigade Services Act (Act No. 99 of 1987)

The Fire Brigade Services Act provides for the establishment, maintenance, employment, coordination, and standardisation of fire brigade services and related matters. The White Paper on Fire Services further outlines the establishment of a fire service that is proactive in preventing fires and other risks.

SALGA plays a role in:

- Implementing advocacy, support, and lobbying interventions for an improved state of emergency preparedness and response in municipalities including amongst others, service level standards for the delivery of fire services;
- Promoting representation of LG interests in the sector including support on sector professionalisation process, capacity building; and
- Support for introduction of a national uniform Incident Management System (IMS) to improve response to fire incidents



Road Traffic Management Corporation Act 20 of 1999

The Road Traffic Management Corporation Act (1999), Section 32(1) stipulates that for the purpose of executing the road traffic law enforcement function, the Chief Executive Officer of the Road Traffic Management Corporation (RTMC) in consultation with the National Commissioner of Police and the National Organisation recognised in terms of the Organised Local Government Act (1997) must develop a National Law Enforcement Code.

The Act seeks to harmonise the management of traffic law enforcement by local, provincial, and national government through the development of standards and frameworks, ensuring common standards, approaches, and control measures. This is done through ensuring common key performance Indicators as well as monitoring and evaluation systems.

SALGA plays a role in:

- Representing local government on the RTMC Board and Shareholders Committee and thus playing oversight over the corporation;
- Facilitates local government contributions to the development of legislation, regulations, and the code.

CONSTITUTIONAL MANDATE FOR ORGANISED LOCAL GOVERNMENT (SALGA)

The Constitution of the Republic of South Africa, 1996, entrenched local government as a fully-fledged wall-to-wall sphere of government in a system of cooperative governance in which the three spheres are distinctive, yet interrelated and interdependent. This is against the background that the most pervasive challenge facing our country as a developmental state is the need to redress poverty, inequality, underdevelopment and the marginalisation of people and communities, among others.

The constitutional architecture recognises that these challenges can only be addressed through a concerted effort by government in all spheres working together and integrating their actions in the provision of services and development of the country's space. Ultimately, the three spheres must provide effective, transparent, accountable, and coherent government for the Republic as a whole.

Section 163 of the South African Constitution (1996) calls for organised local government (OLG) to represent municipalities in the intergovernmental and cooperative governance system, by making provision for OLG to participate in the National Council

of Provinces (NCOP) in Section 67 and the IGR system more generally and mandated legislation to set out the processes and procedures for doing so. The Constitution further provides that OLG will have a national organisation and provincial organisation to:

- Consult with the national or a provincial government;
- Designate ten representatives to participate in the NCOP;
- Nominate two people to the FFC.

Section 154 further requires that draft legislation that affects the status, institutions, powers, or functions of LG must be published for public comment, in a manner that allows OLG an opportunity to make representations. Section 214 provides that DoRA only be enacted after consultation with organised local government, while Section 221 provides that the Financial and Fiscal Commission will consist inter alia of two persons selected, after consulting organised local government. The Constitution further provides in Section 229 that national legislation regulating the imposition of rates on property and surcharges on fees for services provided by or on behalf of the municipality may be enacted only after OLG.



MEMBERS

As the constitutionally recognised representative of local government, SALGA functions as a unified voice for all 257 municipalities across South Africa, encompassing metropolitan, district and local municipalities in all nine provinces.

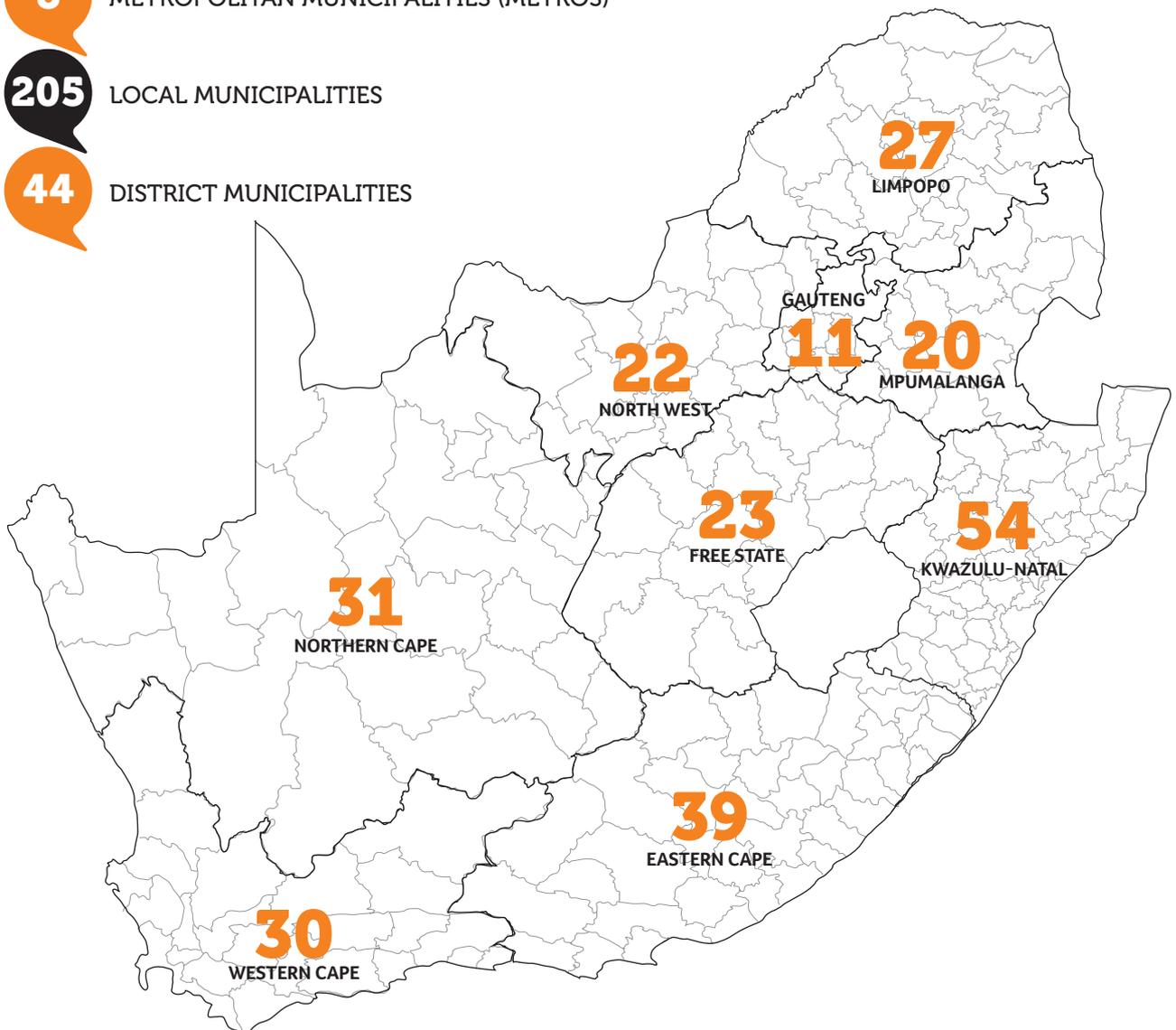
These members, collectively forming a distinct sphere of government, operate within an interdependent and interrelated governance framework. SALGA's mandate is to serve, support, and advocate for its members, strengthening their ability to deliver services, overcome structural and institutional challenges, and meet the evolving expectations of the communities they serve.

Municipal membership reflects the country's diverse local government landscape, ranging from resource-constrained rural municipalities facing significant service delivery backlogs to highly urbanised, well-resourced metros with advanced

infrastructure and governance systems. The classification of municipalities in terms of the Municipal Structures Act (No. 117 of 1998) into Category A (metropolitan), Category B (local), and Category C (district) municipalities accounts for differences in scale, financial viability, service capability, community responsiveness, and governance maturity.

To enable SALGA to fulfil its mandate effectively, municipalities contribute through an annual membership levy, which provides the financial foundation for responsive, needs-driven support. The delivery of this support is governed by SALGA's strategic plan. The 2024–2025 financial year marked the third year of implementation of the organisation's five-year Strategic Plan for 2022–2027, focused on strengthening the performance, resilience, and sustainability of local government in South Africa.

- 8** METROPOLITAN MUNICIPALITIES (METROS)
- 205** LOCAL MUNICIPALITIES
- 44** DISTRICT MUNICIPALITIES



BUILDING INCLUSIVE AND TRANSPARENT PARTNERSHIPS

SALGA is committed to building inclusive and transparent partnerships that support the long-term advancement of local government. Through ongoing engagement, the organisation seeks to understand, prioritise, and balance the diverse interests and expectations of its stakeholders, ensuring that decisions are made thoughtfully and in alignment with its strategic mandate. Strong collaboration with stakeholders and contributions from partners continue to play a vital role in enhancing the impact of SALGA's work. These partnerships bring added value to the organisation's efforts to meet the varied needs of its municipal members and are central to the promotion, protection, and support of local government interests.

By cultivating dynamic relationships across the local, regional, and international spheres, SALGA strengthens its capacity to advocate effectively, offer tailored support, and serve as the authoritative voice of local government in South Africa.

STRENGTHENING REGIONAL AND GLOBAL PARTNERSHIPS

SALGA's international initiatives during the year under review enhanced the capacity and global positioning of South African municipalities. Through donor support and active participation in international platforms, SALGA has bolstered its visibility and influence in driving local government performance aligned with the Sustainable Development Goals (SDGs) and Agenda 2063.

The strengthened collaboration between SALGA and municipalities has translated into improved city diplomacy and international profiling, elevating the role of local government on the global stage. By supporting Voluntary Local Reviews (VLRs), SALGA has enabled municipalities to align their Integrated Development Plans (IDPs) with the global 2030 Agenda, ensuring that global development priorities are meaningfully embedded in local planning. The VLR process has fostered a culture of evidence-based decision-making by encouraging municipalities to collect, analyse, and report

data on key outcomes. This not only enhances transparency and accountability but also strengthens strategic planning and performance monitoring at the local level.

SALGA's strategic use of Memoranda of Understanding (MoUs) has enhanced collaboration and coordination with partners, enabling access to technical expertise, funding, and tools that strengthen municipal capacity and service delivery. A scorecard was developed to track the implementation status of MoUs, with 37 currently active, and three newly signed in the current financial year.

IN-KIND CONTRIBUTIONS AND DONOR PARTNERSHIPS

Engagements with six strategic partners facilitated the leveraging of resources, resulting in R607,000 in-kind contributions to support the Social Labour Plan and Mining Municipalities Programme. Additionally, 17 municipalities in Limpopo and the Northern Cape benefited from training on guidelines for managing asset transfers from mines to municipalities.

To further bolster local government support, SALGA secured donor partnerships with UNDESA, Nuffic (Netherlands), and UCLG VSR/UNDP VLRs, enhancing international collaboration and capacity-building initiatives. SALGA held regular engagements with nine strategic partners to support organisational events, raising R815,000 in cash and R70,000 in-kind.

Donor partnerships increased SALGA's visibility and influence in advancing the Sustainable Development Goals (SDGs) and Agenda 2063, while also reinforcing collaboration with municipalities. Sponsorships and in-kind contributions significantly offset event costs, allowing SALGA to deliver impactful programmes while optimising its financial resources

EXECUTIVE MANAGEMENT TEAM



Sithole Mbanga

Chief Executive Officer



Lance Joel

Chief of Operations



Thembeke Mthethwa

Chief Financial Officer



Kutlwano Chaba

Chief Digital Officer



Pindiwe Gida

Chief Officer
Human Capital and Corporate
Services and Acting Chief Officer
Municipal Capabilities and
Governance



Jean De La Harpe

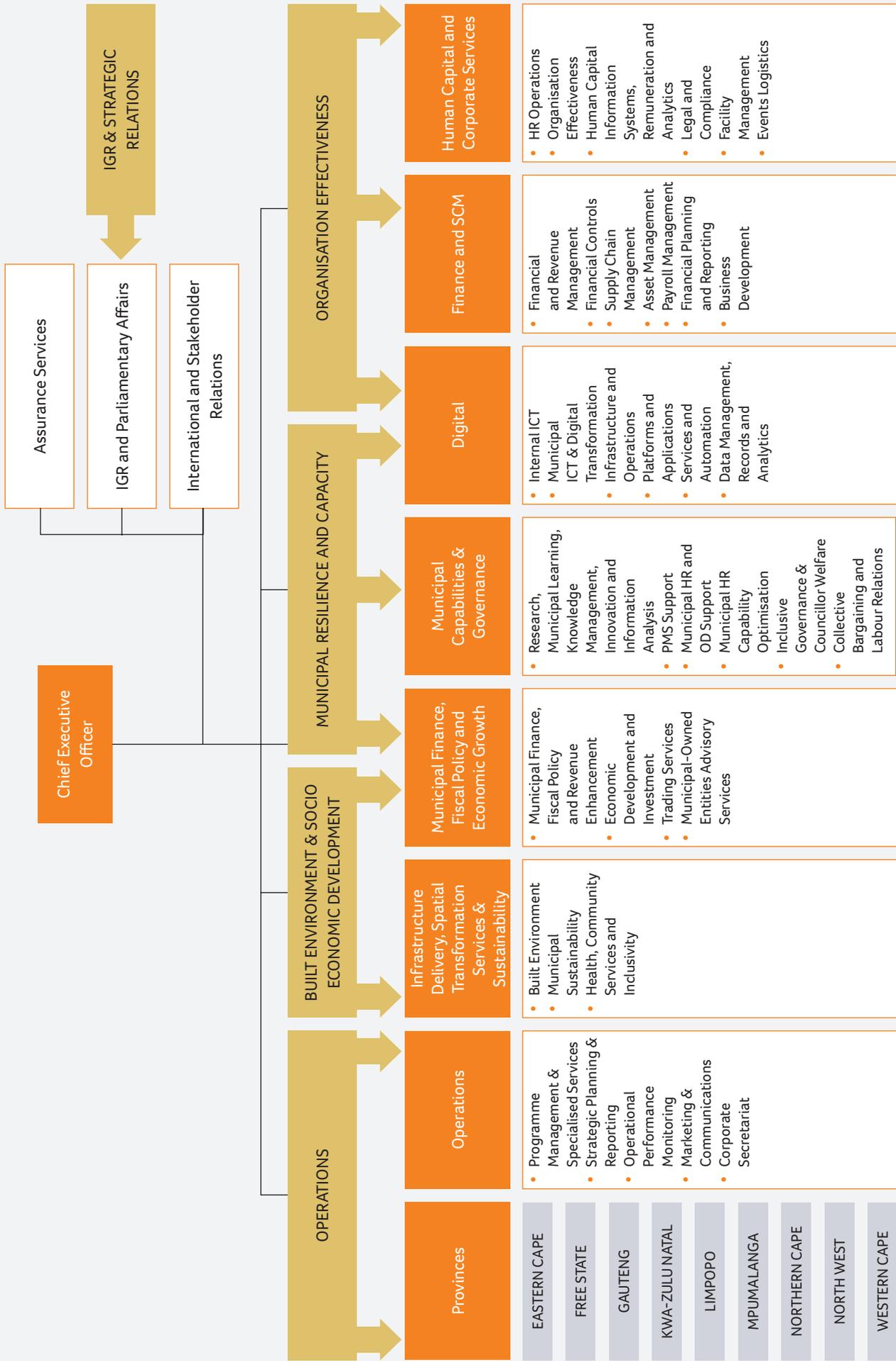
Acting Chief Officer
Municipal Finance, Fiscal Policy
and Economic Growth



Mthobeli Kolisa

Chief Officer
Infrastructure Delivery, Spatial
Transformation and inclusive
Communities

ORGANISATIONAL STRUCTURE





PART B: PERFORMANCE INFORMATION

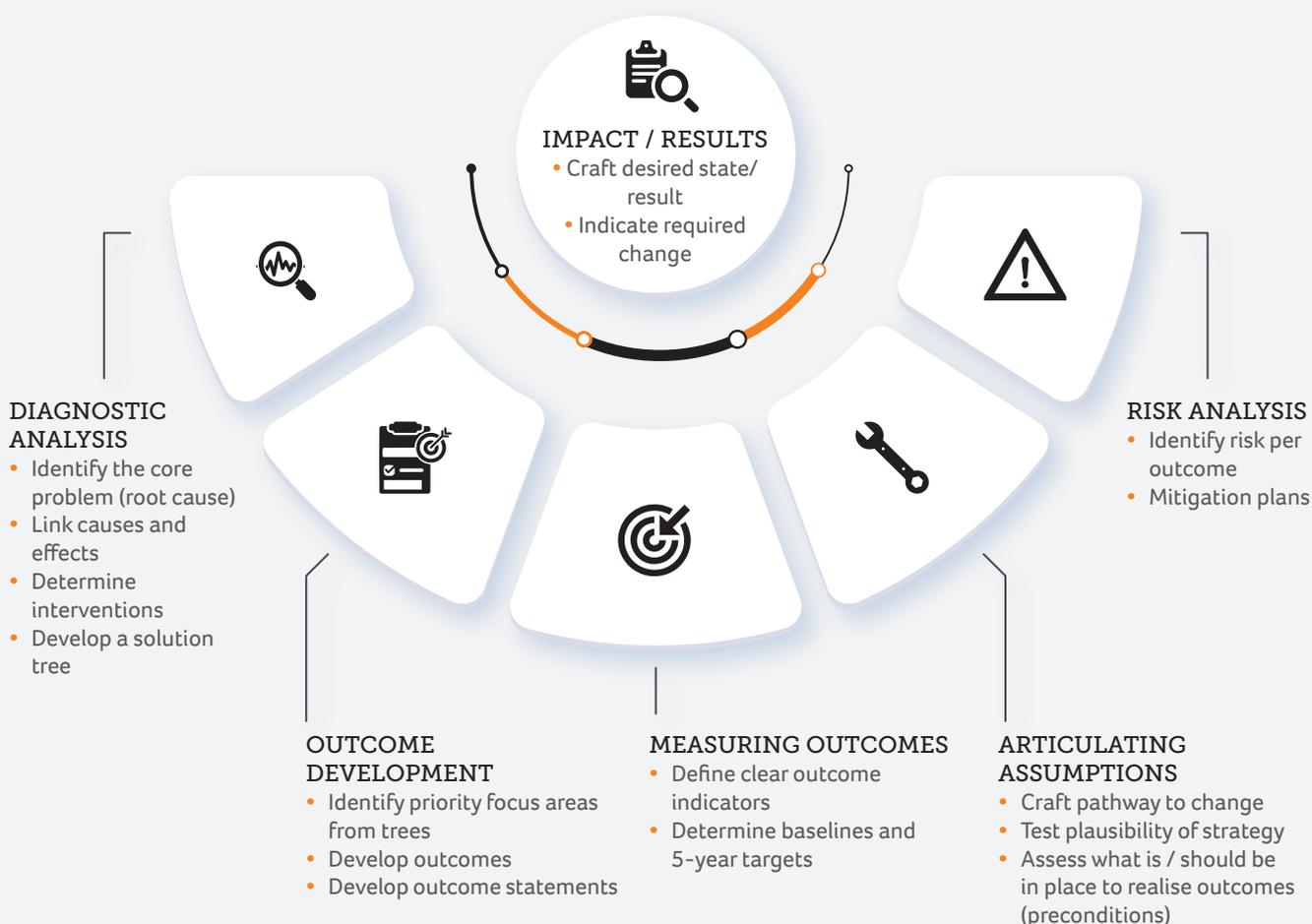
INTRODUCTION

This section provides key performance information that is critical to effective management, planning, budgeting, implementation, monitoring, evaluation and reporting of SALGA’s impacts and outcomes that demonstrates its service delivery achievements.

PERFORMANCE PLANNING

2024 – 2025 PLANNING PROCESS

The information reflected in the performance information section of the SALGA Annual Plan 2024-2025 was underpinned by the 2024-2025 Annual Performance Plan, which followed a relevant results-based planning methodology informed by the Problem and Solutions Trees diagnostic analysis, conducted during the SALGA 2022-2027 Strategy Development Process. The Theory of Change, as well as the Logic Model are based on the following approach:



In developing the 2024-2025 Annual Performance Plan, SALGA embarked on an extensive and inclusive engagement process to deliberate on what needed to be done differently to improve local government as outlined in the Annual Performance Plan Process map below:

Approved the process plan towards the development of the APP 2024-2025 and templates development

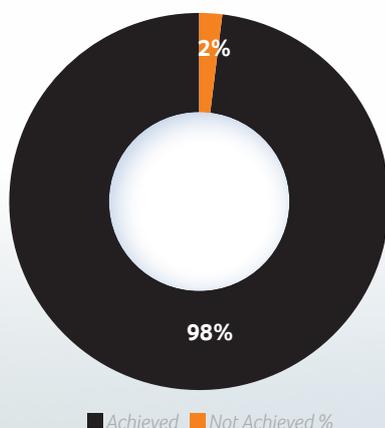
Provincial Members Assemblies

Cluster engagements with provinces on the outcomes of the PMA and their impact on the 2024-2025 APP



PERFORMANCE SUMMARY

During the 2024–2025 performance cycle, SALGA achieved a 98% success rate in its audited non-financial performance, meeting 90 out of 92 annual targets. This exceptional performance underscores the strength of the organisation's strategic planning, implementation discipline, and commitment to driving meaningful change across all programme areas.



2024-2025 overall performance against predetermined targets.

Although two targets (2%) were not achieved, they serve as critical touchpoints for continuous improvement. These outcomes offer important learning opportunities—highlighting areas that require recalibrated approaches, enhanced support mechanisms, or refined resource allocation in future planning cycles.

The near-total achievement rate is not only a statistical milestone—it also represents tangible progress towards realising the organisation's strategic priorities and long-term developmental goals. It reflects the resilience, agility, and dedication of teams across SALGA, even in the face of evolving challenges.

As SALGA moves forward, the focus will remain on leveraging insights gained from unmet targets to strengthen its impact, close performance gaps, and uphold the culture of accountability and excellence that defines the organisation.

For detailed performance results and analysis, refer to pages 196 to 217.



AUDITED PERFORMANCE AGAINST THE MANDATE

SALGA's mandate embodies its core purpose: to support, represent, and strengthen local government. SALGA works across its six mandates, as described below, which directly enable municipalities to function more effectively. In the 2024–2025 period, performance was measured against 92 indicators across all mandates.



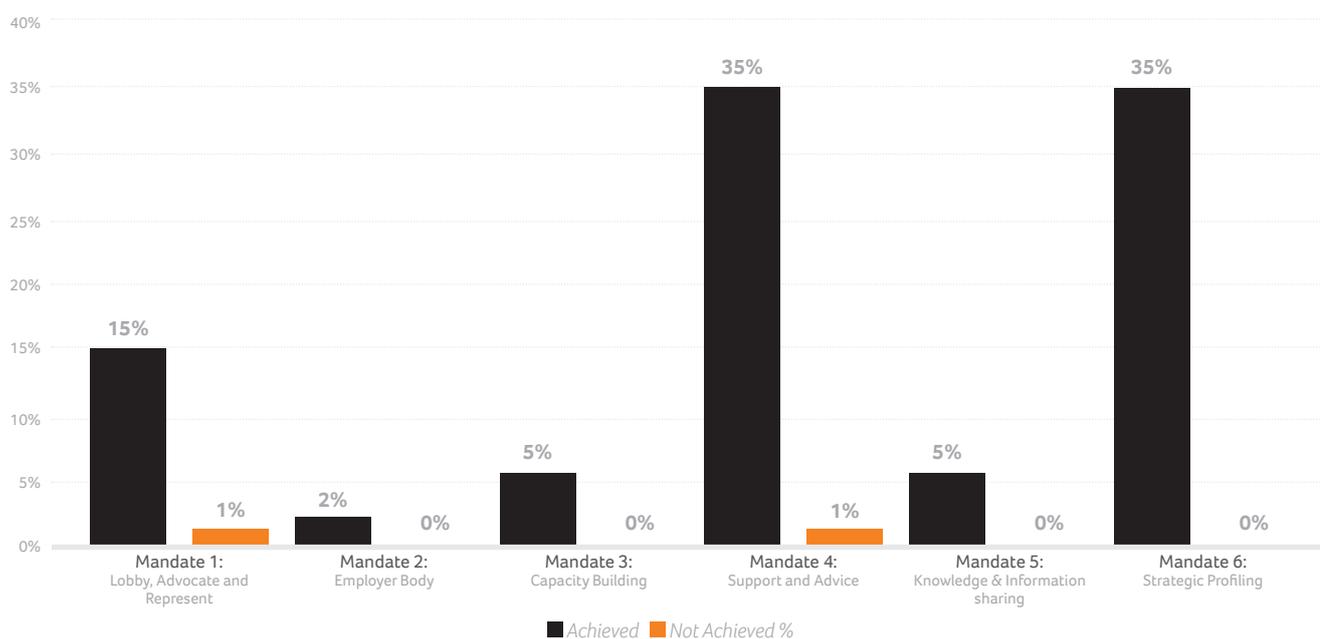
2024-2025 PERFORMANCE PER MANDATE

	Achieved %	Not Achieved %	Total KPIs
Mandate 1: Lobby, Advocate and Represent	15%	1%	16%
Mandate 2: Employer Body	2%	0%	2%
Mandate 3: Capacity Building	5%	0%	5%
Mandate 4: Support and Advice	35%	1%	36%
Mandate 5: Knowledge & Information sharing	5%	0%	5%
Mandate 6: Strategic Profiling	35%	0%	35%
Average	98%	2%	100%

The higher percentage allocations to Support and Advice (35%) and Strategic Profiling (35%) reflect SALGA’s strategic emphasis on direct municipal support and raising the profile of local government at national and international levels. Similarly, Lobbying and Representation (15%) remained a key lever in SALGA’s intergovernmental role.

Smaller allocations to the Employer Body (2%) and Capacity Building (5%) mandates do not indicate lesser importance but reflect fewer KPIs required to measure effectiveness in those domains. Despite varied KPI allocations, SALGA recorded a 98% achievement rate across its strategic outcomes for the 2024–2025 financial year. SALGA notes that one performance indicator under Outcome 3 and one under Outcome 5 were not achieved.

The graphs below reflect SALGA’s performance aligned with its mandates



2024-2025 Performance per Mandate

AUDITED PERFORMANCE AGAINST THE OUTCOMES

The strategic outcomes serve as the anchors of the five-year plan, translating broader goals into focused areas of transformation. A total of 92 KPIs were tracked across six outcomes during the reporting year.



2024-2025 PERFORMANCE PER OUTCOME

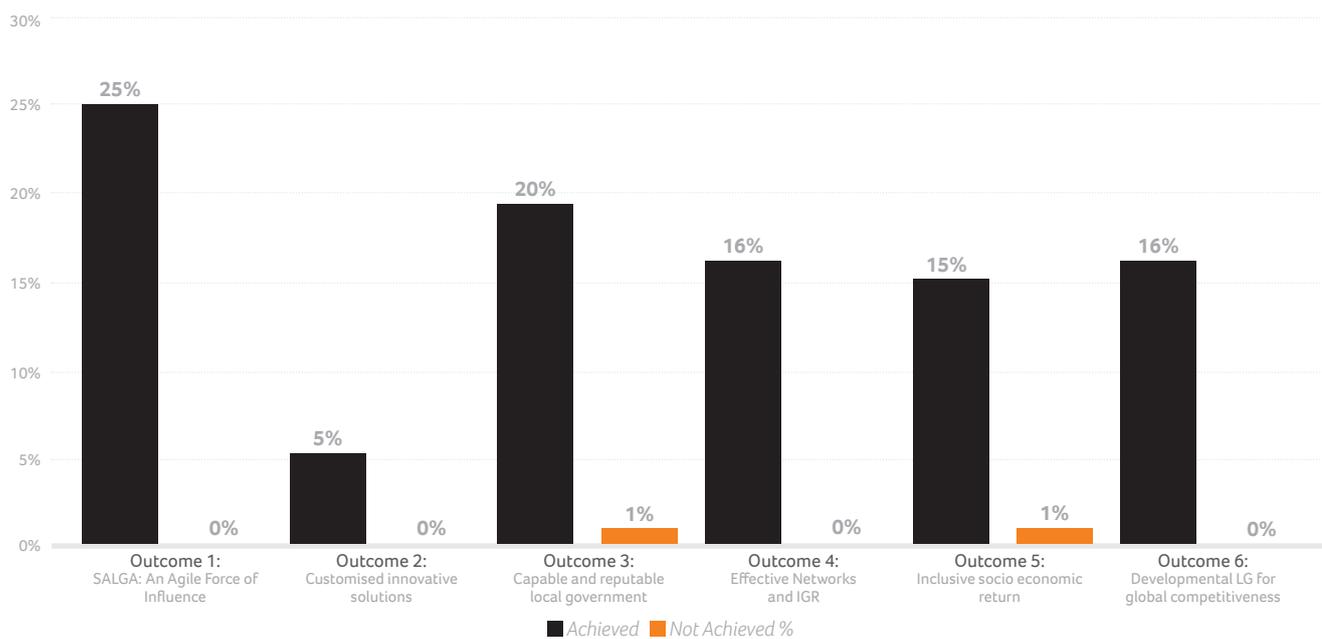
	Achieved %	Not Achieved %	Total KPIs
Outcome 1 SALGA: An Agile Force of Influence	25%	0%	25%
Outcome 2 Customised innovative solutions	5%	0%	5%
Outcome 3 Capable and reputable local government	20%	1%	21%
Outcome 4 Effective Networks and IGR	16%	0%	16%
Outcome 5 Inclusive socioeconomic return	15%	1%	16%
Outcome 6 Developmental LG for global competitiveness	16%	0%	16%
Average	98%	2%	100%

The larger proportion of KPIs under Outcome 1 (25%) reflects the organisation’s core strategic thrust to become an Agile Force of Influence—a theme that continues to anchor its activities. Similarly, Outcome 3 (20%) and Outcome 4 (16%) signal high-priority areas in governance, institutional capability, and intergovernmental coordination.

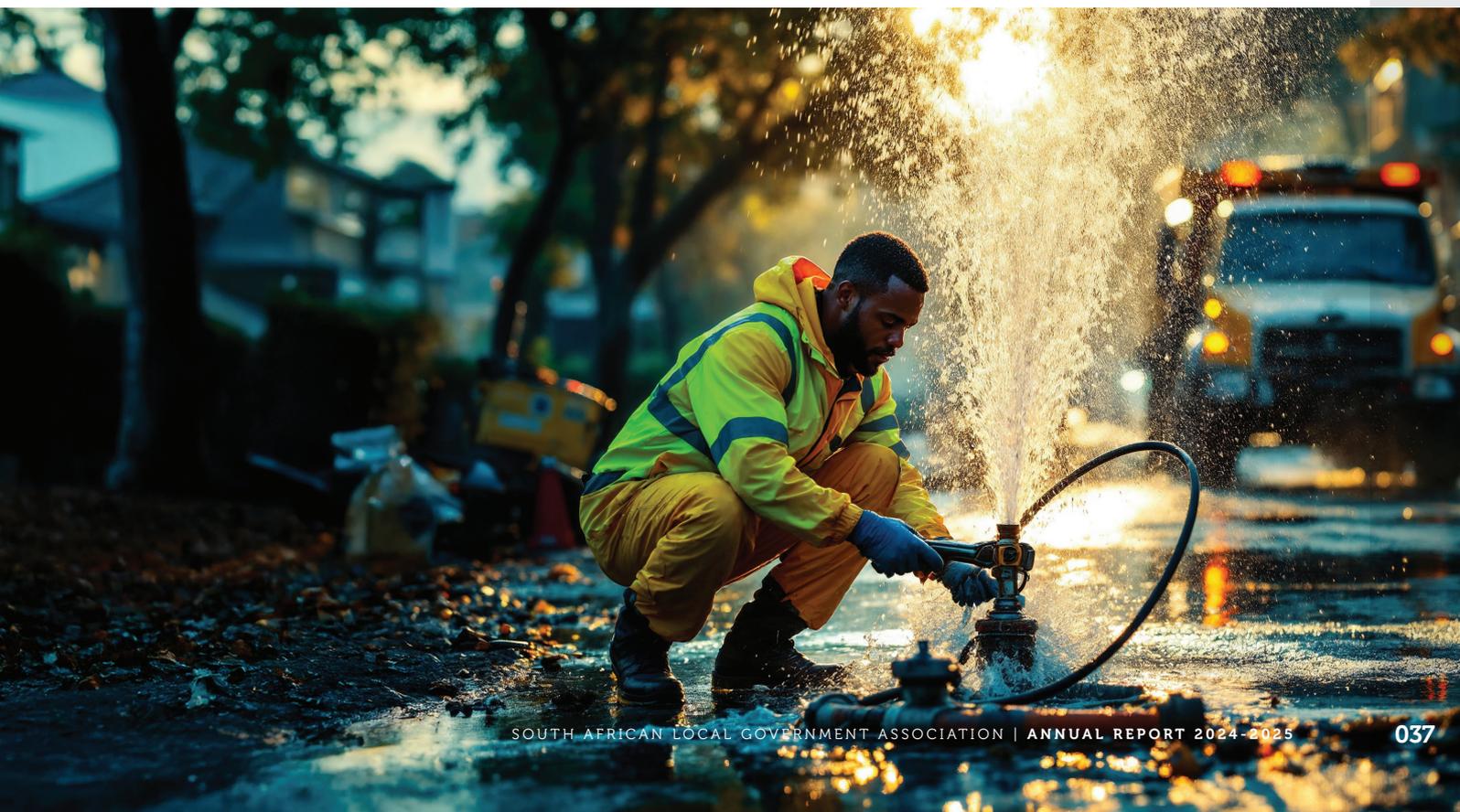
Outcomes with lower KPI proportions, such as Outcome 2 (5%), are no less significant—they are targeted areas requiring fewer but high-impact indicators to monitor progress. This outcome-specific alignment allows SALGA to drive performance in a focused, measurable manner.

SALGA achieved 98% of its performance targets across all strategic outcomes. It is noted that Outcomes 3 and 5 each had one indicator that was not achieved during the 2024–2025 reporting period.

SALGA recorded a 98% achievement rate across all strategic outcomes for the 2024–2025 financial year. SALGA notes that one performance indicator under Outcome 3 and one under Outcome 5 were not achieved during the reporting period.



SALGA's performance per outcome - 2024-2025



AUDITED PERFORMANCE AGAINST THE PROGRAMMES

SALGA's strategic plan is operationalised through five delivery programmes, each supporting a specific set of mandates and outcomes. In 2024–2025, these programmes were assessed against 92 KPIs.

				
PROGRAMME 1 ADVOCACY AND STRATEGIC PROFILING	PROGRAMME 2 MULTI-DISCIPLINARY SUPPORT	PROGRAMME 3 EMPLOYMENT RELATIONS AND CAPACITY BUILDING	PROGRAMME 4 BUSINESS AND PRODUCT DEVELOPMENT	PROGRAMME 5 SALGA ADMINISTRATION
<p>PURPOSE</p> <p>Lead municipal profiling and engagements with relevant inter-governmental relations (IGR) structures on policy development, review and legislation for Local Government to deliver on its mandate.</p> <p>SUB-PROGRAMMES</p> <ul style="list-style-type: none"> • IGR & Partnership/ Stakeholder Management • Policy development • Marketing and communication 	<p>PURPOSE</p> <p>Facilitate municipal support for a range of issues that pertain to municipal development.</p> <p>SUB-PROGRAMMES</p> <ul style="list-style-type: none"> • Municipal Finance • Municipal Infrastructure and Service Delivery • Socio-economic Development and Spatial Transformation • Municipal Governance • Digital Maturity 	<p>PURPOSE</p> <p>Ensure municipalities (councillors and administration) are capacitated to deliver on their constitutional mandate and represented in arbitrations, coalitions, and the bargaining council.</p> <p>SUB-PROGRAMMES</p> <ul style="list-style-type: none"> • Employment Relations • Induction Programme • Human Capital Development 	<p>PURPOSE</p> <p>Lead product development to enhance and diversify SALGA revenue streams and support generation of alternative revenue generation streams.</p> <p>SUB-PROGRAMMES</p> <ul style="list-style-type: none"> • Product Development • Broadband as a 5th utility 	<p>PURPOSE</p> <p>Lead and direct the SALGA administrative and operations to become more member-centric and relevant to the sector to ensure that programme and service delivery are aligned with organisational standards.</p> <p>SUB-PROGRAMMES</p> <ul style="list-style-type: none"> • Strategic Operations • Human Capital & Corporate Services • Finance and Supply Chain Management • Digital & Data Services
<p>OUTCOMES</p> <ol style="list-style-type: none"> 1. SALGA – an agile force of influence 4. Effective networks and IGR 5. Inclusive economic return 6. Developmental LG for global competitiveness <p>FOCUS AREAS</p> <ul style="list-style-type: none"> • Create effective government networks and widely consulted programmes to enable policies and legislation that benefit local government. • Public awareness and education on municipal transformation work and the public's role in a developmental LG. 	<p>OUTCOMES</p> <ol style="list-style-type: none"> 2. Customised, innovative solutions 3. Capable and reputable LG 5. Inclusive economic return 6. Developmental LG for global competitiveness <p>FOCUS AREAS</p> <ul style="list-style-type: none"> • Municipal financial sustainability with reduced audit findings. • Municipal planning capability and capacity for a cohesive built environment. • Spatial transformation, social cohesion and trade and investment. • Municipal digital maturity through digital technology and data solutions. 	<p>OUTCOMES</p> <ol style="list-style-type: none"> 3. Capable and reputable LG <p>FOCUS AREAS</p> <ul style="list-style-type: none"> • Municipal representation and operational support to increase competence and capacity. • Employment relations and collective bargaining/ labour relations. • Effective, accountable and transparent municipal leadership. • Competent, capable and professional local government sector. 	<p>OUTCOMES</p> <ol style="list-style-type: none"> 1. SALGA – an agile force of influence 2. Customised, innovative solutions 5. Inclusive economic return <p>FOCUS AREAS</p> <ul style="list-style-type: none"> • Effective consultation of government networks and programmes. • Policies and legislation that benefit local government. • Public education and awareness of municipal transformation work and the public's role in a developmental LG. • Digital infrastructure projects and municipal digital maturity through PPP funding. • Partnerships to develop and implement cyber security solutions. 	<p>OUTCOMES</p> <ol style="list-style-type: none"> 1. SALGA – an agile force of influence <p>FOCUS AREAS</p> <ul style="list-style-type: none"> • Achieve an unqualified audit with no material findings. • Meet 2023-2024 APP targets. • Manage risk, governance, human capital, deliverables, ICT finance and research effectively and efficiently. • Fulfil NEC obligations set by the amended SALGA Constitution.

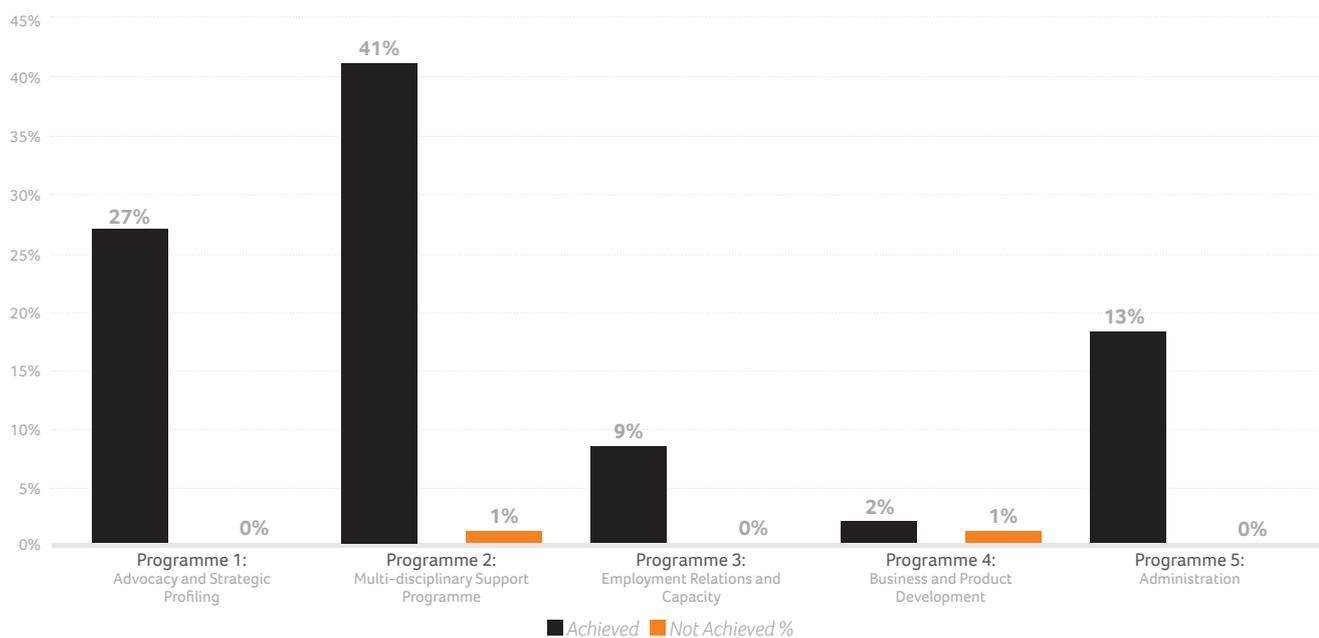
2024-2025 PERFORMANCE PER PROGRAMME

	Achieved %	Not Achieved %	Total KPIs
Programme 1: Advocacy and Strategic Profiling	27%	0%	27%
Programme 2: Multi-disciplinary Support Programme	41%	1%	42%
Programme 3: Employment Relations and Capacity Building Programme	9%	0%	9%
Programme 4: Business and Product Development	2%	1%	3%
Programme 5: Administration	18%	0%	18%
Average	98%	2%	100%

The Multi-disciplinary Support Programme (41%) accounted for the largest proportion of KPIs, reflecting its cross-cutting role in municipal support. Programme 1 (27%) also had a strong allocation, in line with efforts to amplify SALGA's policy voice and reputation.

The more focused Programme 3 (9%) and Programme 4 (2%) had fewer indicators, but each was linked to specialist functions such as labour relations, product development, and innovation. The Administration programme (18%) ensured that the internal mechanisms of performance monitoring, finance, governance, and compliance were fully integrated into the delivery cycle.

SALGA recorded a 98% achievement rate across all programmes for the 2024–2025 financial year. SALGA notes that one performance indicator under Programme 2 and one under Programme 4 were not achieved during the reporting period.



SALGA's performance per programme - 2024-2025

PERFORMANCE PROGRESS: YEAR THREE OF THE 2022–2027 STRATEGY

The 2022–2027 strategic plan aims to transform SALGA into an Agile Force of Influence, with specific outcomes and performance indicators tracked over the past three years.

The figures in each row of the tables tell a chapter in the organisation's ongoing journey toward transformation. Over the past three years, these figures have not simply been cold, hard metrics—they have been milestones marking resilience, adaptation, and progress in fulfilling a bold five-year strategic vision: to become an Agile Force of Influence. In this table, every fraction—such as 11/11 or 6 or 4/5 captures the number of indicators achieved against total indicators for each strategic outcome. These near-perfect ratios reflect consistent dedication and an ability to deliver, even as challenges evolved.

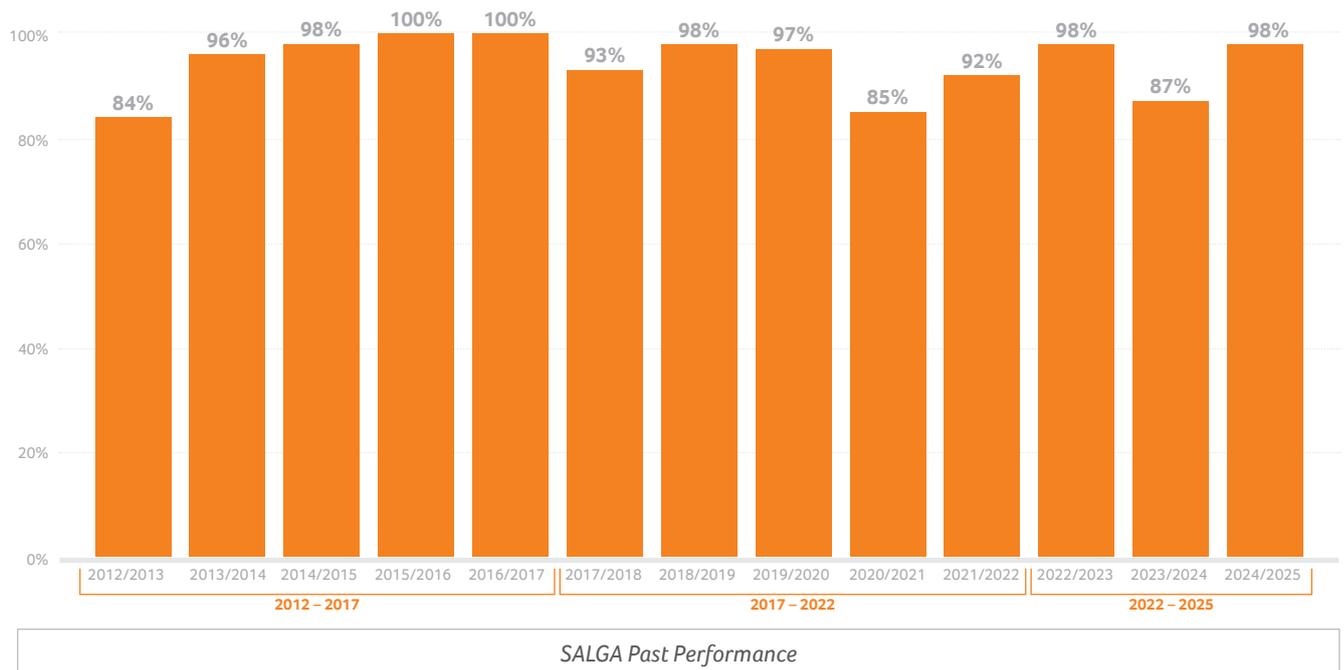
Behind each statistic lies a strategic plan that is more than a document: it is a living blueprint, guiding teams and leaders alike toward agility, influence, and impact. As the organisation approaches the final years of the plan, this performance offer both reassurance and inspiration clearly indicating that the path taken is one of purpose, with the promise of even greater accomplishments.

The table below provides an overview of the progress made on the 2022–2027 strategic plan.

Outcomes	2022–2023	2023–2024	2024–2025
Outcome 1: SALGA: An Agile Force of Influence	11/11	6/6	23/23
Outcome 2: Customised innovative solutions	4/4	4/5	5/5
Outcome 3: Capable and reputable local government	8/8	5/5	17/19
Outcome 4: Effective Networks and IGR	3/3	1/1	15/15
Outcome 5: Inclusive socioeconomic return	13/14	12/14	14/15
Outcome 6: Developmental LG for global competitiveness	15/15	6/8	15/15
	54/55	34/39	90/92
Overall Performance	98%	87%	98%

PERFORMANCE OVERVIEW OF THE LAST 13 YEARS

Despite the many challenges in SALGA's business environment and within local government that the organisation had to grapple with during the reporting period, SALGA achieved its 13th consecutive unqualified audit. The performance over the 13 years are illustrated in the graph below:



PERFORMANCE INFORMATION



PROGRAMME 1

ADVOCACY & STRATEGY PROFILING

This programme leads and directs SALGA's administration and operation to become more member-centric and relevant to the sector by strengthening vertical and horizontal linkages and ensuring programme and service delivery standards. Performance during the reporting period was assessed against the programme's outcomes and the 2024/25 APP targets.

OUTCOME 1: AN AGILE FORCE OF INFLUENCE

MANDATE 6: STRATEGIC PROFILING

MARKETING AND COMMUNICATIONS

SALGA implemented a comprehensive multimedia campaign to support municipal debt collection. This included targeted radio broadcasts across eight regional stations, localised infographics and e-posters, three SALGA TV episodes, and online content promoting the STS TID meter rollover. In regions like the Northern Cape, SALGA conducted hands-on training workshops to empower municipal communicators with effective campaign messaging and implementation skills.

A total of 113 municipalities benefited from five key marketing and communication interventions. These included support in communication planning and crisis management (27 municipalities), developing comprehensive communication policies (18), media and communication training (44), corporate identity and branding (21), and media and marketing support (51). These initiatives resulted in R4.8 million in cost savings through the provision of free design, branding, web services, and media training.

Through its profiling programme, SALGA published four volumes of Digital Dash to highlight leadership and innovation in local government. Multilingual election campaigns targeted youth and first-time voters, while email and payslip banner campaigns promoted municipal revenue collection. National events were amplified via SALGA TV, social media, newsletters, and interviews. SALGA produced impactful content on infrastructure protection, climate change, and gender-based violence, and engaged in cross-sector platforms to strengthen intergovernmental relations.

These efforts resulted in R259 million in advertising value equivalent (AVE) and a total audience reach exceeding 560 million across various media platforms.

IMPACT

SALGA's marketing and communications interventions strengthened municipal communication capacity, and improved their brand identity, public trust, and crisis communication

readiness through tailored training and tools. The provision of communication and social media policies enhanced governance and accountability, while media engagement training improved public outreach. Infrastructure support, such as Mogale City's intranet, boosted internal communication. Municipalities collectively saved R4.8 million by accessing SALGA's free branding and design services, allowing them to redirect funds to critical service delivery. By internalising these services, SALGA reduced reliance on external procurement and empowered municipalities to communicate more effectively and efficiently.

PARTNERSHIP AND STAKEHOLDER MANAGEMENT

SALGA strengthened partnerships and mobilised resources to support municipal programmes. A scorecard was developed to track the implementation status of Memoranda of Understanding (MoUs), with 37 currently active, and three newly signed in the current financial year. Quarterly engagements with six strategic partners facilitated the leveraging of resources, resulting in R607,000 in-kind contributions to support the Social Labour Plan and Mining Municipalities Programme. Additionally, 17 municipalities in Limpopo and the Northern Cape benefited from training on guidelines for managing asset transfers from mines to municipalities. SALGA held regular engagements with nine strategic partners to support organisational events, raising R815,000 in cash and R70,000 in-kind.

IMPACT

SALGA's strategic use of MoUs has enhanced collaboration and coordination with partners, enabling access to technical expertise, funding, and tools that strengthen municipal capacity and service delivery. Training provided to 17 municipalities in Limpopo and the Northern Cape on asset transfers from mines has improved planning and consultation for Social Labour Plans. Sponsorships and in-kind contributions significantly offset event costs, allowing SALGA to deliver impactful programmes while optimising its financial resources.

MANDATE 3: CAPACITY BUILDING

LEGAL ADVICE AND OPINIONS

SALGA implemented four Capacity Building programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners on legal best practices. In addition, SALGA convened the 5th National Municipal Legal Practitioners Forum.

IMPACT

The impact of this programme included the development of legal precedent on litigation matters that benefit all municipalities, as well as peer review and knowledge sharing within the

sector. SALGA provided legal support to municipalities, and collaborated with other stakeholders, such as the DoJ & CD on the implementation of amendments to legislation and regulations. The development of SALGA policy positions on legal matters impacted local government.

OUTCOME 4: EFFECTIVE NETWORKS & INTERGOVERNMENTAL RELATIONS (IGR)

MANDATE 1: LOBBY, ADVOCATE AND REPRESENT

INTERGOVERNMENTAL RELATIONS

The 2024–2025 Lobby and Advocacy Agenda guided SALGA's strategic engagements across intergovernmental platforms to champion local government interests. As part of this agenda, SALGA developed and submitted 14 position papers to key bodies, including the National Executive Committee (NEC), Joint Council of Mayors and Speakers, parliamentary committees, and relevant government departments. These efforts were supported by SALGA's active participation in 270 structured engagements across national and provincial levels, including IGR, legislative sector meetings, and governance forums.

A central focus of SALGA's advocacy was the protection of local government's constitutional powers and functions. SALGA opposed the unilateral withholding of equitable share transfers, critiqued National Treasury's role as a debt collector, addressed issues of overregulation and functional misinterpretation, and defended against unconstitutional provincial interventions and private sector takeovers.

In disaster management, SALGA advanced its institutional and funding agenda across 27 targeted platforms, including local stakeholder forums, national IGR structures, provincial advisory forums, and municipal IGR platforms. Further lobbying efforts addressed councillor welfare, with SALGA pushing for the implementation of recommendations to improve councillor support through the Upper Limits Notice.

SALGA also facilitated strategic dialogues, including three high-level engagements with executive and legislative branches to strengthen partnerships, two civil society engagements to explore collaboration, and eight private sector sessions which successfully mobilised both financial and in-kind support for SALGA initiatives.

Nine provincial and one national multi-stakeholder consultations were held to improve fire service coordination in local government.

IMPACT

SALGA's strategic advocacy efforts significantly strengthened the voice and influence of local government in national and provincial policy processes. Through the development of 14 position papers and participation in 270 intergovernmental engagements, SALGA ensured that municipal perspectives were integrated into key legislative reforms and policy reviews. This led to improved alignment across government spheres on fiscal transfers, infrastructure, and regulatory issues, and reinforced SALGA's role as a credible, evidence-based thought leader. Notable impacts include the restoration of withheld equitable share funds, national reviews of disaster management systems, and amendments enabling councillor capacity building at higher education institutions. SALGA also spearheaded reform discussions on fire services, prompting consideration of sustainable funding models and legislative updates. These efforts not only mobilised resources and forged critical partnerships but also enhanced SALGA's leverage to resolve systemic challenges and improve service delivery at the municipal level.

KEY POLICY DEVELOPMENT

SALGA developed and presented key policy positions aimed at strengthening the financial and operational sustainability of municipalities. These included formal positions on proposed bulk water and electricity tariff increases, advocating for fair pricing structures that reflect municipal affordability and service delivery needs. SALGA also developed its stance on the District Development Model (DDM/JDMA), ensuring that local government roles and responsibilities are clearly defined and effectively integrated. A position on the conditional grants' review programme was formulated to promote more flexible, needs-based funding mechanisms. SALGA also advocated for improved fiscal allocations to municipalities, highlighting the need for equitable resource distribution.

IMPACT

SALGA's interventions have shaped national fiscal and regulatory decisions affecting local government. By engaging proposed bulk water and electricity tariff increases, SALGA safeguarded municipal affordability, helping prevent unsustainable hikes that could destabilise local economies and worsen municipal debt. Its opposition to Eskom's proposed 36.1% electricity tariff increase promoted a phased, transparent pricing model and highlighted the financial risks to both municipalities and communities. Through extensive municipal engagement, SALGA developed a clear position on the District Development Model (DDM), providing a roadmap to strengthen institutional implementation across government spheres. Its stance on the Conditional Grants Review Programme challenged reforms that risked undermining local autonomy, advocating instead for transparent, flexible funding aligned with municipal priorities. These efforts contributed to a R4 billion increase in equitable share allocations for 2025/26, though direct grants were slightly reduced. SALGA's initiatives reinforced cooperative governance, protected municipal viability, and promoted a fairer, more responsive fiscal framework for service delivery to communities.

OUTCOME 5: INCLUSIVE SOCIO-ECONOMIC RETURN

MANDATE 1: LOBBY, ADVOCATE AND REPRESENT

DEVOLUTION OF URBAN RAIL

SALGA lobbied for the adoption of its position on Road Funding by the DoT and the National Treasury. SALGA also lobbied for the inclusion of its position into the Devolution Framework for Urban Rail, which influenced the CoCT Urban Rail Feasibility Study.

IMPACT

SALGA's development and submission of the Position Paper on the devolution of urban rail to the Department of Transport has positioned local government as an active stakeholder in shaping national transport policy. SALGA's targeted support to the City of Cape Town has strengthened the municipality's readiness for the devolution of urban rail, enhancing its capacity to manage and operate urban rail systems effectively.

ELECTRICITY DISTRIBUTION INDUSTRY (EDI) REFORM STRATEGY

SALGA has developed an Electricity Distribution Industry (EDI) reform strategy to address major challenges facing the sector, including outdated infrastructure, rising municipal debt to Eskom, electricity theft, and a non-cost-reflective tariff system. Key milestones include completion of an inception report, stakeholder workshops, and the draft strategy submission to SALGA's NEC in March 2025.

IMPACT

SALGA's reform options capacitated municipalities to take an informed decision with the view of stabilising and future-proofing South Africa's municipal electricity sector.

OUTCOME 6: DEVELOPMENTAL LOCAL GOVERNMENT FOR GLOBAL COMPETITIVENESS

MANDATE 6: STRATEGIC PROFILING

STRENGTHENING REGIONAL AND GLOBAL PARTNERSHIPS

SALGA has advanced its international engagement to strengthen local government cooperation, visibility, and global influence. The International Relations Strategy was reviewed and applied to assess twinning agreements across 36 municipalities, enhancing their effectiveness and alignment with development priorities.

SALGA actively participated in key global and regional platforms, including the United Cities and Local Governments (UCLG) Bureau and Executive meetings, the Summit of the Future in New York, and the Voluntary Subnational Review (VSR) engagements. It also engaged with the UCLG Africa (UCLGA) through SDG localisation initiatives and capacity-building programmes under the African Local Government Academy. In Southern Africa, SALGA contributed to SARO's regional decentralisation strategy and participated in BRICS Urban Forum planning. It also took part in the Commonwealth Local Government Forum's (CLGF) Executive Committee and SDG-focused forums.

SALGA supported 28 municipalities in conducting Voluntary Local Reviews (VLRs), resulting in the Local Government Voluntary Subnational Review (VSR) Report, which was shared with UCLG and the United Nations. The VSR Report showcased local progress on Sustainable Development Goals (SDGs).

IMPACT

SALGA's international initiatives enhanced the capacity and global positioning of South African municipalities. Through donor support and active participation in international platforms, SALGA has bolstered its visibility and influence in driving local government performance aligned with the Sustainable Development Goals (SDGs) and Agenda 2063. The strengthened collaboration between SALGA and municipalities has translated into improved city diplomacy and international profiling, elevating the role of local government on the global stage. By supporting Voluntary Local Reviews (VLRs), SALGA has enabled municipalities to align their Integrated Development Plans (IDPs) with the global 2030 Agenda, ensuring that global development priorities are meaningfully embedded in local planning. The VLR process has fostered a culture of evidence-based decision-making by encouraging municipalities to collect, analyse, and report data on key outcomes. This not only enhances transparency and accountability but also strengthens strategic planning and performance monitoring at the local level.



PROGRAMME 2

MULTI-DISCIPLINARY SUPPORT

This programme aims to support municipalities in addressing key developmental challenges. It focuses on enhancing financial sustainability with minimal audit findings, strengthening planning capacity to foster a cohesive built environment, and advancing spatial transformation to promote social cohesion and attract trade and investment. The programme also seeks to boost digital maturity in municipalities through improved competence in digital technologies and data use. Performance during the reporting period was assessed against the programme's outcomes and the 2024/25 APP targets.

OUTCOME 1: AN AGILE FORCE OF INFLUENCE

MANDATE 4: SUPPORT AND ADVICE

LEGAL ADVISORY SERVICES

SALGA concluded all registered legal matters, both litigious and non-litigious, in line with the internal legal Standard Operating Procedure (SOP). The legal matters addressed during the period included:

- Five legal opinions prepared;
- Five litigation matters managed at different stages of the legal process;
- Four cases in which SALGA opted to abide by the court's decision;
- Five matters where legal advisory support was rendered.

IMPACT

SALGA provided a standardised process for attending to litigation matters that impact municipalities, and shared knowledge and peer review on matters impacting Local Government. Through collaboration with the DoJ & CD, SALGA attended to standardising legal expenditure parameters and the transformation of the legal fraternity within the State, which included Local Government. Legal practitioners were updated on developments within the legal sector through the publication of the Legal Bulletin and the eBook about legislation impacting Local Government

OUTCOME 2: CUSTOMISED INNOVATIVE SOLUTIONS

MANDATE 4: SUPPORT AND ADVICE

WASTE MANAGEMENT SOLUTIONS

SALGA supported 21 municipalities on waste management solutions, which included the following key interventions:

- Development of authority function tools (Waste Bylaws and IWMPs).
- Support on the use of MIG and USDG to procure waste specialised vehicles;
- Capacity building for councillors;

- The use of the Waste App to improve waste management services;
- Implementation of Extended Producer Responsibility.

IMPACT

Municipalities gained the authority function tools needed to implement Integrated Waste Management Plans (IWMPs) and bylaws effectively. The investment of over R30 million in specialised waste vehicles for four districts empowered municipalities to execute their duties more efficiently. The effective use of the Waste App improved citizen-municipality communication on waste issues. Councillors were empowered through targeted training and workshops, strengthening local leadership and service delivery.

MANDATE 5: KNOWLEDGE SHARING

RESEARCH INITIATIVES

SALGA produced six key research initiatives to support evidence-based decision-making and enhance local government performance in line with its strategic mandate. These studies provide critical insights into governance, accountability, institutional capacity, and policy development. The COMPACT Project Technical Findings Report, developed in partnership with PARI and Integrity Action, examined public participation practices across 12 municipalities, highlighting challenges and opportunities in citizen engagement and planning processes. The findings will inform future tools and interventions to strengthen community participation.

The Mid-Term Review of Local Government assessed municipal performance since the 2021 elections across governance, finance, sustainability, service delivery, and institutional capacity. It offers a roadmap for building a more responsive and sustainable local government system. A Review of the District Development Model (DDM) evaluated the implementation of this intergovernmental coordination framework, identifying key challenges and proposing improvements to support better service delivery and institutional integration. Findings will guide SALGA's advocacy in 2025/26.

SALGA also contributed a case study to the National School of Government's 30-Year Review, documenting its role in shaping democratic, participatory, and developmental local government since 1994.

The Minimum Competency Levels for Councillors study advocates for a standardised competency framework for elected officials, balancing formal qualifications with practical skills and ethical governance. The State of Performance Management in Free State municipalities report analysed 13 municipalities to identify gaps in performance monitoring. It aims to strengthen municipalities' capacity to track and deliver on their service commitments.

IMPACT

SALGA's research initiatives generated new knowledge and insights for local government that align with identified strategic research priorities, and directly respond to the evolving needs of municipalities. These research outputs support more responsive, informed decision-making across the local government sector.

IMPLEMENTING INDIGENT POLICIES

SALGA supported 35 municipalities to improve the implementation of indigent policies with the objective of closing the gap between the number of households being funded for Free Basic Services (FBS) and the number of households and FBS beneficiaries (the poor and indigents) receiving the benefit.

IMPACT

SALGA's support increased capacity of municipalities to adopt appropriate FBS targeting approaches through their policies to improve provision to the poor and most vulnerable.

OUTCOME 3: CAPABLE AND REPUTABLE LOCAL GOVERNMENT

MANDATE 4: SUPPORT AND ADVICE**DIGITAL MATURITY**

SALGA supported 21 municipalities with the development of innovation maturity.

SALGA equipped municipalities with two generic partnership frameworks to customise for stakeholder and inter-municipal agreements to enhance innovation through knowledge sharing, harvesting, and deploying innovative solutions, and sharing resources for solution development and piloting.

In collaboration with the City of Tshwane and the Higher Education Innovation Challenge, three solutions are currently being developed - an online booking system for municipal recreational facilities, a tool for improving EPWP worker efficiency, and a cemetery management system. Each solution is supported by The Innovation Hub.

SALGA and the City of Tshwane also co-developed the Inter-City Innovation Challenge Concept Paper, which has been used to lobby participation from other metros, including eThekweni, the City of Johannesburg, and Cape Town.

IMPACT

SALGA interventions have provided municipalities with instruments to pursue and foster a culture of innovation and benchmark the state of innovation through the Innovation Survey Report. Municipalities can now collaborate on innovation projects of mutual benefit based on the inter-municipal Partner Agreement developed by SALGA.

MUNICIPAL PERFORMANCE MANAGEMENT

SALGA piloted its Performance Management Digitisation Solution in six municipalities and continuously supported and

monitored the implementation process for roll out in other municipalities. 121 municipalities benefited from Performance Management support interventions.

IMPACT

SALGA's implementation and support of the Performance Management Digitisation Solution will enhance municipal compliance with the Local Government: Municipal Staff Regulations, 2021. It has also enabled the effective cascading of performance management to lower employee levels, promoting improved accountability and performance tracking across municipal structures, as well as promoting consistency and standardisation across municipalities.

LOCAL GOVERNMENT SERVICE STANDARDS (LGSS)

SALGA supported 78 municipalities on initiatives to develop and implement the Local Government Service Standards (LGSS).

IMPACT

SALGA's engagements on the LGSS significantly contributed to the professionalisation of local government by promoting best practices, enhancing staff skills, and fostering a culture of accountability. Municipalities improved compliance with legislative and regulatory requirements, particularly regarding service standards, which will lead to better audit outcomes, strengthened internal controls, and elevated overall municipal performance and service delivery.

OVERSIGHT, ACCOUNTABILITY, CONSEQUENCE MANAGEMENT AND ETHICS

SALGA supported 175 municipalities on oversight, accountability, anti-corruption, and integrity management. Due to municipal requests and working with stakeholders, additional municipalities were supported.

SALGA capacitated 140 municipalities on the roles and responsibilities of the internal structures and functionaries. Due to increased demand from municipalities and various platforms, such as the Speakers Forums in provinces, additional municipalities were supported.

In addition, 160 municipalities were supported to enhance inclusive governance, public participation and active citizenry engagements, leveraging existing structures and additional requests from municipalities.

IMPACT

Supporting municipalities in oversight, accountability, consequence management, and ethics significantly impacts their governance and overall performance. Enhanced oversight and accountability measures lead to greater transparency in municipal operations. This transparency builds trust between the municipality and its residents, fostering a more engaged and supportive community. Establishing ethics committees and consequence management frameworks help deter unethical behaviour and corruption. This ensures that any misconduct is promptly addressed, maintaining the integrity of the municipality.

Supporting municipalities in understanding the roles and responsibilities of their internal structures and functionaries is essential for effective governance. By providing these supports, municipalities can enhance their governance practices, improve service delivery, and build trust with their communities.

SALGA initiatives around inclusive governance and public participation created a more inclusive and participatory environment in local governance, ensuring that all community members have a voice in shaping their future.

JUST TRANSITION

SALGA supported 44 municipalities through engagements on the concept of Just Transition and its potential impact on the workforce in a municipality. In addition, a generic masterclass was hosted which further explored the impact and offered potential solutions that can be applied in a municipality.

IMPACT

The engagement sessions and Masterclass increased awareness and understanding of the Just Transition. Municipalities gained a clearer grasp of the concept, recognised its potential workforce impacts, and were equipped with practical solutions to mitigate these effects. The Masterclass enhanced municipal readiness for workforce-related challenges linked to the Just Transition.

ENERGY TRANSITION SUPPORT PROGRAMME

SALGA launched a comprehensive Energy Transition Support Programme to help municipalities navigate challenges and transition to more sustainable energy models. The initiative includes toolkits, training, and technical support to empower municipalities to independently procure energy and manage embedded generation.

Key interventions included:

- Training over 30 municipalities on embedded generation development, bi-directional metering, grid impact studies, and processing EG applications over 1 MW.
- Developing a Cost of Supply (COS) model training, aiding 67 municipalities in tariff structuring.
- Hosting the Just Energy Transition (JET) Municipal Conference and establishing the JET Municipal Council, Secretariat, and three strategic workstreams (Capability Development, Finance Structuring, and Energy Access).
- Providing IPP procurement training, supported by the UKPACT programme, with toolkits and templates to guide municipal power procurement processes.

These efforts aim to build municipal capacity, ensure regulatory compliance, and support the development of local energy generation solutions. SALGA continues to coordinate efforts with national and provincial stakeholders to implement the JET municipal portfolio and support municipalities in adapting to the evolving energy landscape.

IMPACT

SALGA's Energy Transition Support Initiative significantly strengthened municipal capacity to adapt to South Africa's evolving energy landscape. Municipalities now have access to an online embedded generation application portal, improving efficiency and transparency in processing renewable energy projects. The initiative has enhanced the ability of municipalities to procure power from IPPs, with officials gaining in-depth understanding of procurement processes, including Power Purchase Agreements (PPAs).

Through dedicated training and toolkits, municipalities acquired the skills to design cost-reflective tariffs and a clearer understanding of the processes for establishing embedded generation systems. The programme facilitated integration of Just Energy Transition (JET) projects into municipal Integrated Development Plans (IDPs), enabling access to future funding and infrastructure support.

A key technical achievement was the successful STS TID rollover, enabling municipalities to upgrade prepaid meters to Key Revision Number 2, ensuring continued revenue collection.

The programme's interventions empowered municipalities with practical tools and strategic insights to plan, implement, and manage energy transition initiatives effectively, aligning with national priorities for sustainability, resilience, and financial viability in local electricity distribution.

WATER SERVICES COLLABORATION PROGRAMME

SALGA supported 46 municipalities on the Water Services Collaborative programme, which included various interventions:

IMPACT

SALGA's programme focused on supporting municipalities to improve water and sanitation service provision through the development of response plans that prioritise their most vulnerable area - referred to as Municipal Priority Action Plans (MPAPs) for water and sanitation services. These plans serve as structured interventions to guide municipalities in addressing and reducing service backlogs and operational inefficiencies.

MANDATE 5: KNOWLEDGE SHARING

GOOD GOVERNANCE MATURITY INDEX

SALGA assessed 52 municipalities on the Good Governance Maturity Index (GGMI) and Peer Review.

IMPACT

The assessment of municipalities using the GGMI provided a structured evaluation of governance practices, enabling municipalities to identify key strengths and gaps. This process promotes improved transparency, accountability, and responsiveness in municipal operations. The results serve

as a foundation for targeted support interventions, helping municipalities enhance governance performance in line with good governance principles.

OUTCOME 4: EFFECTIVE NETWORKS & INTERGOVERNMENTAL RELATIONS (IGR)

MANDATE 1: LOBBY, ADVOCATE AND REPRESENT

INTEGRATED MIGRATION MANAGEMENT

SALGA supported 120 municipalities to manage the impacts of migration, recognising the socio-economic and spatial planning challenges. Migration, both internal and cross-border, has contributed to the proliferation of informal settlements, unlawful building occupations, and pressure on services. Municipalities often lack the tools or strategies to manage these impacts effectively.

Through partnerships, SALGA implemented multiple interventions. A city-to-city peer learning exchange was facilitated between Musina, Johannesburg, and Uganda's Koboko municipality to strengthen capacity on refugee management and social cohesion. SALGA also supported the establishment of district migration committees, such as in Gert Sibande, and conducted IDP assessments in municipalities like Bushbuckridge and Mkhondo to better integrate migration into planning.

Accredited training was provided in partnership with the Department of Social Development to equip municipal officials with skills to embed migration issues into IDPs and SDBIPs. Numerous municipal engagements addressed border challenges, community safety, and unlawful occupations, including targeted support to municipalities like Mohokare facing land invasions by undocumented migrants.

SALGA hosted webinars and workshops focusing on legal frameworks such as the PIE Act and spatial transformation. Knowledge-sharing sessions enabled municipalities to exchange best practices on migration governance, community safety, and informal trading.

Capacity-building efforts were expanded to include sessions on disaster management, climate change, and social cohesion, with an emphasis on integrated municipal planning. By supporting peer learning, technical training, and stakeholder coordination, SALGA strengthened municipalities' ability to respond proactively to migration challenges and build safer, more inclusive communities.

IMPACT

SALGA's initiatives have significantly enhanced municipal capacity to manage migration. Municipalities have developed the skills to integrate the impacts of human mobility into their planning processes, enabling more informed and responsive

service delivery. Through peer learning and knowledge exchanges – both locally and international – municipalities have adopted best practices and innovative approaches to migration management.

A key outcome has been the ability of municipal officials to identify the underlying causes and interconnections between migration, community safety, spatial planning, and service pressures. This systems-thinking approach has empowered municipalities to design holistic, coordinated responses rather than fragmented interventions. SALGA's support has promoted more resilient, inclusive, and forward-looking local governance.

OUTCOME 5: INCLUSIVE SOCIO-ECONOMIC RETURN

MANDATE: 4: SUPPORT AND ADVICE

FINANCIAL SUSTAINABILITY

SALGA supported 24 municipalities through its Municipal Financial Sustainability Programme (MFSP), aimed at addressing persistent financial distress. The programme provided in-depth benchmarking and creditworthiness assessments, analysing financial statements, IDPs, and LED strategies.

Key interventions included financial diagnostics, revenue and debt management support, integration of local economic development strategies, and early warning monitoring of financial distress indicators. Municipalities received targeted assistance in creditor negotiations, indigent register verification, and litigation cost management.

Diagnostic reports validated financial challenges, enhanced internal planning, and strengthened municipal decision-making. Many municipalities requested ongoing SALGA support for revenue enhancement and strategic budgeting. Despite progress, structural limitations – such as economic decline and weak tax base – remain barriers to long-term financial sustainability, highlighting the need for broader policy interventions.

IMPACT

SALGA's Municipal Financial Sustainability Programme has significantly strengthened municipalities' ability to understand and address key financial, economic, social, and leadership challenges affecting their long-term viability. Through tailored diagnostics and benchmarking, municipalities gained valuable insights by comparing performance with peers, promoting best practices and peer learning. As a result, many municipalities now use these financial sustainability reports in their strategic planning processes, helping to inform long-term financial planning, improve decision-making, and drive more effective and sustainable local governance.

MUNICIPAL AUDIT SUPPORT

SALGA supported 18 municipalities and two municipal entities through the Municipal Audit Support Programme (MASP), with an additional 42 municipalities receiving general support. The intervention aimed to address persistent challenges identified

in previous MFMA audit outcomes, such as weak financial management, governance gaps, and poor internal controls.

Through comparative analysis of audit findings from the 2022/23 and 2023/24 audit cycles, a 21% overall reduction in findings was achieved. SALGA provided hands-on technical assistance across the audit cycle (pre-, during, and post-audit), focusing on key areas such as compliance with laws and regulations, financial reporting, audit action plans, risk management, and records management.

Support included improving annual financial statements, addressing prior qualifications, developing GRAP-compliant asset registers, and strengthening oversight mechanisms. SALGA also rolled out targeted capacity-building programmes for councillors and municipal officials - funded by FASSET - on topics including project finance, asset management, and AFS preparation. SALGA assisted municipalities in strengthening their internal audit and risk management functions, critical to improving audit outcomes. These interventions not only contributed to better compliance and reporting but also enhanced institutional capacity and financial governance across supported municipalities.

IMPACT

SALGA's support contributed significantly to improved audit outcomes with five municipalities and one municipal entity showing measurable improvements in their audit reports, while six municipalities recorded audit outcome improvements compared to the previous year. There was an overall 21% reduction in the number of audit findings, indicating tangible progress in financial governance and reporting. These results demonstrated incremental but meaningful strides toward greater accountability and compliance.

SALGA's capacity-building initiatives, particularly those funded by FASSET, were well-received, with delegates awarding a satisfaction rating above 85%. Further support was provided in strengthening internal audit and risk management systems, including assistance with risk registers, audit charters, and district-level internal audit forums. SALGA's support helped enhance institutional capacity, foster a culture of good governance, and lay the foundation for continued improvement in municipal financial performance.

REVENUE MANAGEMENT

In response to the growing culture of non-payment and rising municipal service costs, SALGA supported 63 municipalities through targeted revenue management interventions. These included provincial workshops on the STS smart prepaid meter system to help municipalities meet the critical 24 November 2024 TID rollover deadline. Municipalities were encouraged to launch community awareness campaigns to ensure prepaid meters were reset in time, preventing service disruptions and safeguarding revenue.

SALGA also developed a revenue enhancement campaign template to guide municipalities in educating communities about the importance of paying for services, fostering a culture

of payment, and improving engagement between municipal finance offices, communicators, and citizens.

Additionally, SALGA supported the development and promotion of consumer education programmes to raise public awareness around payment responsibilities, resulting in improved revenue collection. To address audit concerns on indigent register credibility, SALGA developed and rolled out an indigent management framework tool, which helped municipalities improve the targeting and verification of indigent beneficiaries, ensuring effective delivery of free basic services to eligible households and enhancing social support systems.

IMPACT

SALGA's interventions helped municipalities meet the STS TID rollover deadline, preventing revenue losses and ensuring continued prepaid meter functionality. The revenue enhancement campaign template enabled municipalities to educate customers about their payment obligations, improving payment culture and relationships between finance teams and communities. Consumer education programmes promoted awareness of the value of paying for services, which contributed to better revenue collection. The indigent management framework improved the accuracy of municipal indigent registers, ensuring only eligible households received free basic services. Together, these initiatives strengthened financial sustainability and service delivery in supported municipalities.

HUMAN SETTLEMENT

SALGA developed and implemented a Human Settlement Support Plan to address key challenges in local housing delivery, including accreditation, backyard housing, grant spending alignment, spatial transformation through PSHDAs, and legislative issues around the PIE Act.

The initiative supports municipal accreditation, enabling nine municipalities to progressively take on housing programme functions from provincial governments—improving integration and planning. Backyard housing, a growing yet largely unregulated form of shelter, was addressed through research, policy development, and a national learning programme involving 13 municipalities.

To improve Human Settlements Grant spending - specially in metros - SALGA, in partnership with the Department of Human Settlements, hosted targeted planning and engagement sessions across provinces. SALGA facilitated the PIE Act amendment process by gathering municipal inputs and developing a formal position paper to address the legal and financial burdens municipalities face in eviction-related court cases. Regarding Priority Human Settlements and Housing Development Areas (PHSDAs), SALGA co-hosted a national workshop to validate implementation findings and support spatial justice goals.

The initiative also strengthened collaboration with 90 municipalities through the National Urban Forum and with 60 municipalities via the Property Investment Interface, supporting long-term integrated and sustainable human settlements.

IMPACT

The Human Settlement Support Plan has significantly enhanced municipalities' capacity to deliver integrated, sustainable housing solutions. It accelerated accreditation efforts, supported practical approaches to managing backyard housing, and improved planning-aligned grant expenditure - reducing underspending and enhancing accountability. The initiative strengthened collaboration through the National Urban Forum and Property Investment Interface, and advanced legislative reform through the PIE Act amendment process. As a result, the overall implementation of human settlements programmes has improved, especially in metros and secondary cities, which were the primary beneficiaries of this support.

MUNICIPAL SOCIAL COHESION

SALGA supported 85 municipalities to promote social cohesion through capacity building, policy development, stakeholder engagement, and programme implementation. Recognising the crucial role of municipalities in fostering inclusive, resilient communities, SALGA developed a Local Government Social Cohesion Strategy and facilitated training on integrating cohesion goals into spatial planning, economic development, and public participation processes. Key interventions included workshops on migration, community safety, and cultural diversity; partnerships with the North West Premier and DPME; and arts, culture, and public space initiatives, such as the transformation of public open spaces and funding for district arts festivals in the Western Cape. Municipalities were equipped with tools like the Social Cohesion Barometer to support data-driven planning. Peer learning sessions addressed emerging social issues, such as roadside memorials, while SALGA DSAC Games promoted unity through sport. Across these efforts, municipalities were capacitated to mainstream social cohesion into governance, planning, and service delivery - strengthening trust, civic participation, and inclusive development.

IMPACT

Municipalities have gained a clearer understanding of their role in promoting social cohesion through exposure to SALGA's Local Government Social Cohesion Strategy. Practical engagements helped embed social cohesion into spatial planning, public safety, sport, and culture. Peer learning and capacity-building workshops empowered municipalities by sharing successful practices.

SALGA's support enabled municipalities to align social cohesion with service delivery functions, including managing illegal dumping, maintaining cemeteries, and developing recreational facilities. Engagements in Limpopo, North West, and other provinces enhanced municipal capacity to integrate arts and culture into planning and foster collaborative, inclusive communities.

MUNICIPAL HEALTH SERVICES

SALGA supported 33 municipalities to improve the performance of the Municipal Health Services (MHS) function, addressing major capacity gaps in delivering equitable and effective health services. Many municipalities struggle with limited funding,

understaffing, poor governance, and a lack of legal enforcement capability. These shortcomings have contributed to the re-emergence of preventable diseases such as listeriosis, measles, and cholera, placing financial strain on government and health systems while resulting in poor public health outcomes.

SALGA's intervention included strategic engagements with targeted municipalities providing support to develop formal service delivery agreements between district and local municipalities. SALGA also reviewed Integrated Development Plans (IDPs) and municipal performance tools to ensure inclusion of MHS and responses to HIV, TB, and STIs.

Three knowledge-sharing and capacity-building platforms were held, as well as a National Indaba on Environmental Health. Capacity assessments were conducted in 44 district municipalities and eight metros to evaluate intervention effectiveness and guide implementation.

IMPACT

SALGA's support will have an impact on ensuring improved delivery of municipal health services, improved understanding on the integration of MHS, HIV, TB and STI on municipal plans and Improved understanding of formalising service delivery arrangements.

The support led to improved knowledge of best practices, legislative frameworks, and planning integration, laying a foundation for more structured, effective, and sustainable delivery of municipal health services.

MAINSTREAMING VULNERABLE GROUPS

SALGA supported 76 municipalities to improve the inclusion of vulnerable groups, such as women, youth, older persons, children, and persons with disabilities, into municipal planning, budgeting, and implementation processes. Historically, these groups were side-lined within Special Programmes Units (SPUs), resulting in limited participation and access to municipal services.

To address this, SALGA revised its Integrated Framework and Assessment Tool through a comprehensive process involving desktop reviews, stakeholder consultations, and policy analysis. Information-sharing sessions were conducted with municipalities to communicate updates and promote adoption.

The support included one-on-one engagements with municipalities on how to effectively mainstream vulnerable groups, workshops on gender mainstreaming with a focus on Gender-Based Violence and Femicide Rapid Response Teams (GBVF RRTs), and capacity building on inclusive planning and budgeting. SALGA also promoted the Gender Responsive Budgeting, Monitoring, Evaluation and Auditing Framework (GRBMEAF) to institutionalise gender-sensitive practices.

Workshops and training sessions were attended by councillors, MMCs, and officials from SPUs, strengthening municipal capacity to respond to the needs of vulnerable communities.

IMPACT

This initiative led to a marked improvement in municipal understanding of how to coordinate and integrate vulnerable groups into all planning, budgeting, and implementation processes, enhancing inclusivity and access to services for these communities.

COMMUNITY SAFETY

SALGA supported 156 municipalities to strengthen their role in community safety, addressing key challenges such as limited institutional capacity, lack of technical skills, and weak stakeholder coordination. Through its Community Safety and Asset Protection Unit, SALGA implemented a structured national framework and targeted interventions to build local government capacity in crime prevention, safety planning, and law enforcement.

Initiatives included rolling out a Community Safety Model aligned with national strategies, supporting GBV prevention through local action plans, and promoting collaboration via Integrated Community Safety Forums and intergovernmental platforms. Capacity-building workshops, peer learning sessions, and technical support enabled municipal officials to integrate safety into development plans and service delivery. SALGA also piloted innovative asset protection strategies and disseminated knowledge resources.

IMPACT

SALGA support significantly enhanced municipalities' capacity to fulfil their community safety mandate. Through targeted support, municipalities strengthened collaboration with police and community stakeholders, improved institutional coordination, and equipped officials with the necessary skills and tools. This led to more consistent and standardised safety planning, better implementation of safety initiatives, and stronger community engagement. This has enhanced accountability, improved the implementation of safety plans, and increased community engagement.

MANDATE 6: STRATEGIC PROFILING**FEASIBILITY STUDY - LOCAL GOVERNMENT FUNDING AGENCY**

A feasibility study to explore SALGA as a Local Government Funding Agency was conducted and concluded. Municipalities in South Africa face ongoing challenges in financing critical infrastructure due to limited own-revenue, declining intergovernmental transfers, and lack of access to affordable long-term capital. In response, SALGA conducted a feasibility study to explore the establishment of a Local Government Funding Agency (LGFA) to enable pooled financing and enhance access to capital markets, with the aim of addressing underinvestment in infrastructure, support the Just Energy Transition (JET), and expand access to climate finance.

As part of the intervention, SALGA developed a concept note, commissioned in-depth research, presented findings at a DBSA colloquium, and conducted a national survey to gauge municipal

interest and perceptions. Drawing on international LGFA models, the study contextualised these within South Africa's legal and fiscal frameworks. A SWOT analysis helped assess SALGA's institutional readiness, and the study provided governance recommendations, regulatory compliance considerations, and a roadmap for further developments.

IMPACT

SALGA's 2024–2025 feasibility study on establishing a Local Government Funding Agency (LGFA) marked a pivotal step toward reshaping municipal infrastructure financing in South Africa. It confirmed strong municipal support for a pooled financing model and provided a strategic framework for SALGA to lead such an initiative. The study highlighted how an LGFA could reduce borrowing costs, increase access to private capital, and enable investment in long-term, climate-resilient infrastructure aligned with the Just Energy Transition. It also clarified legal, governance, and institutional requirements for implementation. By positioning SALGA as a credible leader in sustainable municipal financing, the study catalysed a shift in thinking across municipalities and set in motion the next steps toward operationalising the LGFA.

SALGA WOMEN'S COMMISSION

SALGA advanced gender equality and women's representation in local government through the implementation of the SALGA Women's Commission (SWC) Programme of Action (POA). This initiative addressed gaps in the adoption of gender policies by municipalities, particularly the limited inclusion of women in political and administrative leadership and the lack of gender-responsive budgeting.

The intervention included the refinement of the POA in line with the 2024 National Lekgotla resolutions, development of an annual plan based on provincial priorities, and hosting of both National and Provincial Makgotla. The National Lekgotla, held in September 2024, served as a platform for strategic reflection on gender mainstreaming, assessment of municipal progress, and exchange of best practices.

IMPACT

The SWC Programme of Action was implemented across eight thematic areas, enhancing municipalities' capacity to integrate gender into governance structures. The initiative improved understanding of local government's role in achieving Sustainable Development Goal 5 - promoting women's participation in political, social, and economic spheres. Women councillors gained critical skills in gender mainstreaming, enabling more responsive and inclusive decision-making. The programme also fostered collaboration, policy alignment, and practical steps toward more equitable municipal governance.

Key outcomes included enhanced capacity of women councillors in gender analysis and inclusive governance, improved tracking of commitments, and the development of collaborative networks to strengthen gender equity. The initiative also positioned the POA as a living document guiding monitoring, reporting, and evaluation across all levels of government.

SALGA YOUTH COMMISSION

SALGA established the SALGA Youth Commission (SYC), which is a dedicated political structure to champion youth development and enhance youth programme implementation in municipalities. This intervention focused on provincial consultations, the nomination of Provincial Champions, and the creation of Provincial Steering Committees to lead the process of establishing provincial SYC chapters.

Two preparatory meetings were held in November 2024 to confirm the National Steering Committee, comprising the nine Provincial Champions and national representatives. Key governance meetings were held to refine the SYC's structure, address logistical and political considerations, and align plans with SALGA's strategic and constitutional framework.

A single National Consultative Conference was held under the theme "Towards a Youth-Centred Innovative Developmental Local Government." The hybrid event brought together youth-focused municipal leaders, councillors, and stakeholders to build consensus, review the SYC concept, and discuss its terms of reference.

IMPACT

The establishment of the SALGA Youth Commission (SYC) and the confirmation of Provincial Champions across all nine provinces have laid the foundation for institutionalising youth participation in local governance. The appointment of the Gauteng Provincial Champion as National Chairperson ensures leadership stability and coordinated advocacy for youth interests. These developments promote sustained implementation of youth programmes, strengthen municipal responsiveness to youth priorities, and reinforce SALGA's commitment to youth-centred development.

OUTCOME 6: DEVELOPMENTAL LOCAL GOVERNMENT FOR GLOBAL COMPETITIVENESS

MANDATE 4: SUPPORT AND ADVICE

DIGITAL MATURITY LEVEL ASSESSMENTS

SALGA's Digital Maturity Assessments programme aims to help municipalities integrate digital technologies to improve governance, service delivery, and innovation. Many municipalities face challenges such as inefficient systems, weak ICT governance, and limited digital capacity. To address these, SALGA conducted comprehensive digital maturity assessments across key domains including strategy, governance, data management, and operations. During this financial year, 50% of previously assessed municipalities progressed to level 2 digital maturity, showing measurable improvement in their digital readiness and operational resilience.

Based on assessment results, SALGA provided customised support including the development of performance management systems (PMS), ICT risk assessments, governance

framework updates, and benchmarking. Capacity-building workshops and training sessions were also conducted to enhance the digital skills of municipal staff.

IMPACT

More municipalities are seeing functional ICT steering committees due to the use of policies and frameworks in line with the corporate government of ICT best practices. This also becomes a step towards improved ICT audit outcomes while seeing an improvement in governance maturity. Cyber resilience has been delivered through vulnerability and penetration assessments, which have informed management on areas that require skills, tools, and funding.

MUNICIPAL BUSINESS CLIMATE IMPROVEMENT REPORT

SALGA supported 32 municipalities to improve their investment climate through tailored technical assistance and capacity-building programmes. 12 municipalities received intensive support, while an additional 20 were engaged on implementing Municipal Investment Guidelines, reviewing LED strategies, updating incentive policies, and enhancing ease of doing business practices.

Municipalities face persistent barriers to investment, including weak institutional capacity, outdated strategies, and regulatory inefficiencies. SALGA addressed these by rolling out the Municipal Investment Promotion, Attraction, Facilitation, and Business Retention Guideline, providing a framework for developing investment strategies, marketing plans, and after-care programmes for both domestic and foreign investors.

A total of 568 officials across all nine provinces participated in LED Masterclasses, which focused on evidence-based planning, investment value chains, and stakeholder engagement. SALGA also supported the assessment and review of LED strategies in eight municipalities and provided technical feedback and implementation planning for six of them.

The Municipal Investment Competitive Index (MICI) was updated to help municipalities benchmark and improve their investment performance. SALGA's participation in over 20 high-level intergovernmental forums and stakeholder engagements reinforced collaboration on red tape reduction, economic data, and investment facilitation.

IMPACT

SALGA's interventions have enabled municipalities to independently develop LED strategies and enhance their investment environments. Through structured guidance, training, and benchmarking tools like MICI, municipalities improved their institutional capacity, stakeholder engagement, and alignment of local economic strategies with investment priorities. This has strengthened investor confidence, promoted public-private partnerships, and fostered a more competitive investment culture in the local government sector.

SMALL BUSINESS DEVELOPMENT INITIATIVES

SALGA supported 96 municipalities to advance small business development. This included reviewing informal trading by-laws

in ten municipalities, promoting local procurement in six, and assisting 88 municipalities to access funding opportunities.

Key interventions included direct technical support to municipalities, workshops across provinces, and the appointment of service providers for by-law reviews in select municipalities. A major partnership with SEDA enabled training for Local Economic Development and Supply Chain practitioners in the OR Tambo Region. SALGA hosted a Funding Opportunities Seminar in December 2024 (attended by 88 municipalities) to connect them with development finance institutions and funding agencies.

IMPACT

SALGA's targeted support provided to municipalities has strengthened the capacity of municipalities to create more enabling environments for small business development. By undertaking peer learning, providing technical guidance, and hosting knowledge-sharing platforms, SALGA has empowered municipalities to design and implement more responsive SMME support programmes. This has led to improved alignment between local economic development strategies and small business needs, thereby improving access to market and funding opportunities for emerging enterprises.

SMALL TOWN REGENERATION PROGRAMME

SALGA advanced its Small Town Regeneration (STR) Programme in two key regions - Karoo and Waterberg - aimed at reversing the decline of small towns and repositioning them as vibrant centres of economic and social development.

In the Karoo Region, SALGA hosted the 8th Karoo STR Conference (29–30 October 2024), bringing together stakeholders from four provinces to address the region's socio-economic challenges and promote collaborative, regional strategies for regeneration. The conference focused on investment attraction, infrastructure development, and alignment with national policy.

In the Waterberg Region, SALGA partnered with the Department of Cooperative Governance to develop a Regionalist Approach Guide to STR. A dedicated training session was held on 22 January 2025 to support implementation by Waterberg District and key sector departments.

The STR Programme focuses on revitalising small-town economies by strengthening investment, supporting local businesses, enhancing municipal revenue streams, and fostering intermunicipal cooperation. This place-based, collaborative model is adaptable and scalable for broader regional application.

IMPACT

SALGA's regional anchored STR Programme is unlocking socio-economic potential of the participating towns and repositioning them as vibrant centres of opportunity, investment, and sustainable livelihoods. Through this programme, SALGA has been able to support municipalities with developing place-

based strategies, fostering intergovernmental collaboration, mobilising resources, and improving spatial and economic planning and linkages. As a result, participating towns will, over time, see improved local economic activity and infrastructure development. The STR programme has played a pivotal role in reversing small town decline, curbing outmigration, and restoring the role of small towns as engines of regional development.

SPATIAL TRANSFORMATION KNOWLEDGE EXCHANGE

SALGA coordinated six Spatial Transformation Knowledge Exchange sessions, benefiting municipalities across all nine provinces. These sessions addressed key challenges, including limited access to reliable data and insufficient municipal capacity to effectively implement spatial transformation interventions.

To support municipalities, SALGA launched the Spatial Transformation Barometer programme, which facilitated knowledge sharing, showcased best practices, and provided tools and strategies to guide spatial planning and monitoring efforts.

The initiatives collectively enhanced municipalities' ability to deliver on spatial planning mandates and promoted alignment with broader transformation goals, ultimately fostering more inclusive, well-planned urban and rural development.

IMPACT

Municipalities were equipped with improved planning data, enhanced decision-making tools, and strengthened capacity to manage spatial transformation. SALGA's initiatives also increased awareness and understanding of spatial transformation imperatives in local government planning. A dedicated research study further contributed valuable data and intelligence to support future planning.

SPATIAL PLANNING AND LAND USE MANAGEMENT

SALGA supported and capacitated 61 municipalities to strengthen their spatial planning and land use management functions. Many municipalities face challenges in executing these responsibilities, risking non-compliance with legislation such as the Spatial Planning and Land Use Management Act (SPLUMA) and potential costly litigation.

20 municipalities received direct support, while additional municipalities were engaged through virtual platforms. In response to a national SPLUMA compliance gap analysis, SALGA, in partnership with the Department of Land Reform and Rural Development (DLRRD), MISA, and COGTA, developed and implemented a SPLUM support plan adopted in June 2024.

This collaborative intervention included training on Municipal Planning Tribunals, Appeals Authorities, Development Charges, GIS, Spatial Development Frameworks (SDFs), and Capital Expenditure Frameworks. SALGA also promoted cooperation between municipalities and traditional leaders and led peer-learning exchanges. Diagnostic tools were used to assess and improve SDFs,

IMPACT

The support provided to municipalities has strengthened their capacity to manage unlawful land and property occupation, resulting in improved compliance with the SPLUMA. More municipalities have developed or revised land use schemes to ensure compliance, while training and knowledge exchange sessions have expanded planners' capacity and introduced innovations like Geographic Information Systems (GIS).

UNLAWFUL LAND USE MANAGEMENT

SALGA supported 24 municipalities to strengthen their capacity to manage and prevent unlawful land and property occupation – an increasing challenge due to rapid urbanisation and limited land availability. Unregulated occupation of strategic land parcels disrupts municipal development and planning.

To address this, SALGA developed and disseminated practical tools and strategies to assist municipalities in assessing the effectiveness of their land invasion by-laws, monitoring land occupation patterns, and enforcing regulations. Municipalities were engaged through targeted capacity-building workshops, peer learning platforms, and advisory support.

SALGA coordinated the formulation of local government inputs on the Prevention of Illegal Eviction (PIE) Act and the Establishment of Security of Tenure Act (ESTA), submitting recommendations to the Department of Human Settlements to influence legislative reforms.

IMPACT

SALGA's interventions have improved municipal capacity to prevent and manage unlawful land and property occupation. Supported municipalities are now better equipped to assess, enforce, and align their by-laws, with the Overberg District integrating land invasion responses into its disaster management framework. Enhanced collaboration between municipalities and traditional leadership in the Eastern Seaboard Region has improved local land governance. Through legislative advocacy, SALGA has also helped shape reforms to the PIE and ESTA Acts, ensuring a stronger legal foundation for municipalities to address land challenges effectively.

RURAL DEVELOPMENT

SALGA supported 23 district municipalities to strengthen their capacity in planning and coordinating rural development. Many of these municipalities initially lacked the tools, guidance, and institutional organisation necessary to effectively drive rural development initiatives.

In response, SALGA developed and implemented a Rural Development Support Plan, anchored by a practical guideline to assist in crafting District Rural Development Plans. The support included targeted workshops, knowledge exchange, and technical assistance using multiple platforms (including virtual and physical sessions) across key areas such as land governance, spatial planning, traditional leadership engagement, economic development coordination, and implementation of Village and Forest Village Development Plans.

IMPACT

SALGA's support empowered district municipalities to structure their operations effectively and harness resources for rural development. Through the provision of guidelines, training, and technical support, municipalities can now coordinate rural planning more efficiently and drive development initiatives tailored to local needs. This has improved governance, strengthened partnerships with traditional leaders, and enhanced economic opportunities in rural areas.

CITY SUSTAINABILITY SUPPORT PROGRAMME

SALGA's City Sustainability Support Programme has provided targeted support to 39 cities and eight metros, strengthening their capacity in environmental management, climate change response, disaster preparedness, and human settlements. Key interventions addressed cities' challenges in integrating sustainability, promoting cross-sector collaboration, and enhancing knowledge sharing.

Support included the development and revision of disaster management plans, climate change engagements through webinars and workshops, and the Municipal Just Energy Transition (JET) Support Programme. Peer learning was fostered through initiatives like the Tourism Peer Learning Network and the Cities Profiling Programme. Municipalities also benefited from capacity-building workshops on climate finance, project preparation, and coastal resilience.

Training for councillors and officials enhanced disaster and fire service management across provinces. Strategic engagements focused on unpacking the Climate Change Act and guiding municipal compliance. Ecosystems-based adaptation and resilience were emphasised through webinars and collaborative workshops.

IMPACT

These programmes have significantly improved cities' ability to prepare climate-resilient projects, access funding, and comply with the Climate Change Act, contributing to building more resilient, sustainable, and adaptive urban environments in South Africa. They also enhanced inter-municipal collaboration, increased awareness of sustainability practices, and strengthened local capacity in disaster management.

ENVIRONMENTAL AND DISASTER MANAGEMENT

SALGA supported 44 district municipalities in strengthening their capacity to manage environmental issues, climate change, disaster risks, and fire services. Municipalities faced key challenges, including limited technical expertise, lack of institutional frameworks, inadequate funding access, and underperforming disaster and environmental services.

To address these, SALGA implemented a comprehensive support programme, which included specialised training for municipal officials, technical support for developing climate action plans, and workshops on integrating climate change into municipal planning. Air quality officers received targeted capacity development, and peer learning platforms facilitated knowledge exchange.

Municipalities were also supported in accessing funding, such as the Municipal Infrastructure Grant (MIG), and forming public-private partnerships to strengthen biodiversity and air quality management. SALGA collaborated with sector stakeholders to enhance climate adaptation, particularly in coastal areas, and unpacked local obligations under the Climate Change Act.

IMPACT

SALGA's interventions significantly improved municipal performance in climate, disaster, and environmental management, empowering local governments to build more sustainable, resilient, and responsive systems.

Municipalities gained technical expertise, improved planning processes by integrating climate considerations, and strengthened institutional structures with dedicated climate units. Increased access to funding allowed for better implementation of climate resilience and disaster risk reduction projects. Knowledge sharing initiatives fostered collaboration and innovation, enabling municipalities to adopt best practices and community-driven solutions.

MANDATE 6: STRATEGIC PROFILING

REGIONAL ECONOMIC DEVELOPMENT PROGRAMME

SALGA's Regional Economic Development Programme addresses critical gaps municipalities face in implementing national and provincial economic strategies at a local level. Constraints such as limited technical capacity, fragmented coordination, and under-utilisation of economic sectors - including the Oceans Economy, Special Economic Zones (SEZs), the green economy, and regional trade - have impeded progress. To counter this, SALGA supported integrated, locally driven development in four key regions: West Coast, Namakwa, Upington Cargo Hub, and the Eastern Seaboard.

SALGA implemented the Oceans Economy Localisation Plans across four coastal provinces, advancing intergovernmental collaboration and enabling IDP alignment. SEZs in Bojanala, Nkomazi, Namakwa, and Atlantis were supported to strengthen

municipal-SEZ partnerships and local government involvement in investment planning.

In the West Coast and Eastern Seaboard, SALGA initiated regional economic cluster development—focused on green hydrogen, renewable energy, and rail, through a formal MoA with the Economic Development Partnership (EDP). Additionally, 11 municipalities were capacitated to integrate green economy strategies and climate action plans into their IDPs.

A peer learning session for border municipalities strengthened readiness for African Continental Free Trade Area (AfCFTA) participation and trans-border trade. SALGA's engagement at various forums and with national departments, including DFFE and DTIC, has ensured local government interests are included in major economic initiatives.

Region-specific interventions further anchored economic development in municipal planning processes. The Upington Cargo Hub was spotlighted as a strategic growth node, while the Namakwa and Eastern Seaboard regions advanced their blue economy and spatial development strategies respectively.

IMPACT

SALGA's Regional Economic Development Programme significantly enhanced municipal capacity to engage in strategic, regionally aligned economic planning. Municipalities across target regions—West Coast, Namakwa, Eastern Seaboard, and Upington—benefited from technical assistance, peer learning, and partnership-building that mainstreamed critical economic sectors into local development frameworks.

The adoption of Oceans Economy Localisation Plans, active collaboration with SEZs, integration of green economy strategies into IDPs, and support for regional trade have begun to shift municipalities toward a more regionalist and opportunity-driven approach. Strategic partnerships with entities such as the EDP and national departments have laid the groundwork for long-term programme sustainability and impact in the future.



PROGRAMME 3

EMPLOYMENT RELATIONS AND CAPACITY BUILDING

SALGA's Employment Relations and Capacity Building programme aims to empower municipalities - both councillors and administrator - to fulfil their constitutional mandates effectively in arbitrations, coalitions, and the bargaining council. The programme focuses on strengthening municipal capacity, improving employment and labour relations, and promoting accountable and professional leadership within the local government sector. Performance during the reporting period was assessed against the programme's outcomes and the 2024/25 APP targets.

OUTCOME 2: CUSTOMISED INNOVATIVE SOLUTIONS

MANDATE 5: KNOWLEDGE SHARING

KNOWLEDGE SHARING

To strengthen the capacity of local governments to tackle emerging challenges, SALGA implemented a comprehensive Knowledge Management and Innovation (KM&I) programme. SALGA produced 23 knowledge products and hosted ten learning events. These products included toolkits, reports, factsheets, seminar publications, and bulletins covering governance, labour relations, innovation, climate resilience, legal matters, and municipal performance.

Knowledge products were made accessible via the SALGA Knowledge Hub and SALGA Seminar App, ensuring wide reach among local government stakeholders. Events included major seminars, conferences, masterclasses, and collaborative workshops focused on co-creating practical KM tools and building municipal capabilities.

The initiative supported learning, peer exchange, and evidence-based decision-making while enabling municipalities to adopt innovative, agile practices. It also fostered intergovernmental collaboration, equipped KM champions with practical tools, and contributed to a more informed and resilient local government sector.

IMPACT

SALGA advanced learning, collaboration, and capacity within local government by providing access to practical, evidence-based resources for improved governance, innovation, and service delivery. These efforts promoted a culture of continuous learning and enabled informed decision-making. Strong collaboration across SALGA clusters and provincial offices, facilitated the co-development of additional knowledge products, benefiting municipalities, COGTA, and other stakeholders from enriched knowledge-sharing platforms, capacity-building workshops, and toolkits tailored to local contexts.

OUTCOME 3: CAPABLE AND REPUTABLE LOCAL GOVERNMENT

MANDATE 2: EMPLOYER BODY

COLLECTIVE BARGAINING NEGOTIATIONS

SALGA represented municipalities in the negotiation and conclusion of a new five-year Salary and Wage Collective Agreement for the period 2024–2029. The agreement, endorsed by all negotiating parties, provides stability, predictability, and a clear framework for labour relations in the local government sector—supporting sound financial planning, labour peace, and sustained service delivery across municipalities.

IMPACT

This long-term agreement has been widely welcomed across the sector as a significant milestone. It provides much-needed certainty, predictability, and stability for both municipalities and workers. More importantly, it ensures labour peace and operational continuity in the local government sector over the next five years, allowing municipalities to focus on service delivery and developmental priorities without disruption. It will contribute to labour stability by ensuring a predictable and structured negotiation process, which reduces the risk of industrial action and fosters a cooperative labour environment. The agreement also enhances financial planning capabilities for municipalities, allowing for better forecasting of employee-related costs over the period. SALGA's leadership in facilitating fair and transparent engagement has improved employer-employee trust and promoted equitable salary practices. The agreement aligns with local government reform goals by reinforcing professionalisation and modernisation across the sector.

LABOUR RELATIONS SUPPORT

SALGA effectively upheld its mandate as the employer representative body by providing critical legal support to municipalities in dispute resolution forums, addressing the critical capacity gap in legal expertise within local government. Many municipalities lack the internal resources to manage disciplinary processes, conciliations, arbitrations, and Labour Court matters, often resulting in legal and financial setbacks. To mitigate this, SALGA provided professional representation in 100 disciplinary hearings, 42 conciliations, and 225 arbitrations, supporting 87 municipalities nationwide.

IMPACT

Through comprehensive representation across 367 labour-related cases, SALGA ensured fair outcomes, reduced risk, and promoted legislative compliance. SALGA fulfilled its employer body role and municipalities were well represented in dispute resolution procedures.

MANDATE 3: CAPACITY BUILDING

PROFESSIONALISATION PROGRAMME

SALGA implemented its Local Government Professionalisation Programme through the development and piloting of performance metrics and the active monitoring of its Social Compact with sector partners. In response to challenges such as political interference, ethical lapses, and weak accountability, SALGA developed a comprehensive set of performance metrics aligned with national legislation to assess the competency of key municipal officials, including Accounting Officers, CFOs, and Supply Chain Managers.

IMPACT

SALGA's development of performance metrics has helped to ensure that there are clear indicators to guide and measure the success of the programme in professionalising local government. The pilot evaluation study will help SALGA fine-tune the metrics prior to full-scale deployment. Once evaluated at a larger scale, the metrics will help identify emerging issues and trends to identify competency gaps to offer targeted support towards improved proficiency of municipal officials. The academic and research social partners have contributed meaningfully towards local government professionalisation through the social compact commitments.

MUNICIPAL COMPETENCY ASSESSMENT SUSTAINABILITY MODEL

SALGA advanced the professionalisation of local government by implementing the 3rd Generation Municipal Competency Assessment Sustainability Model across metros, districts, and local municipalities. Through this initiative, 43 recruitment plans were supported, assisting municipalities in the appointment of senior managers in compliance with the Local Government: Municipal Systems Act and associated regulations. A total of 424 candidates underwent assessment processes, including 28 full competency assessments and 396 personal credential validations and integrity vetting.

These services, which were at no cost to the SALGA Municipal Leadership Competency Assessment Centre (MLCAC), ensured municipalities adhere to legislation governing the appointment of senior managers. A digital Municipal Request System prototype was demonstrated in March 2025, enhancing process automation and transparency.

The MLCAC practice protocol was revised to reflect digitisation, updated requisition processes, and incorporate court-mandated standards, notably the ruling that candidates with a "Basic" competency score are unsuitable for senior management appointments. SALGA adopted this ruling into its advocacy and advisory protocols. Numerous municipalities across the country benefited from these interventions, receiving guidance on candidate suitability and regulatory compliance.

IMPACT

SALGA's revisions to the MLCAC practice protocol have strengthened municipal compliance with professionalisation

legislation. The inclusion of digital systems, updated requisition processes, and court-endorsed competency thresholds, ensures a more rigorous and transparent recruitment framework. By advocating against the appointment of candidates scoring "Basic" in competency assessments, SALGA reinforces accountability and institutional capacity. The introduction of the Municipal Request System further enhances efficiency and role clarity. These efforts are pivotal in promoting competent leadership and sustainable governance in municipalities.

LOBBYING FOR MINIMUM COMPETENCY LEVELS

To address persistent governance and service delivery challenges in municipalities, SALGA led efforts to establish minimum competency levels for local public office bearers, particularly municipal councillors.

SALGA presented its findings and framework to key platforms, including the Inter-Departmental Task Team on Recognition of Prior Learning (chaired by DHET) and National Capacity Building Coordinating Forum (chaired by CoGTA). These engagements brought together critical partners such as Treasury, NSG, LGSETA, QCTO, and Umalusi, securing support for the development of minimum competency standards. The initiative aims to professionalise councillor roles, strengthen governance, and improve municipal performance through clearly defined, measurable competencies.

IMPACT

SALGA's lobbying resulted in the development of the first national framework for minimum competency levels for municipal councillors. By filling a long-standing gap in local government professionalisation, this framework sets clear standards to guide councillor development, strengthen public accountability, and improve governance outcomes. The initiative establishes a foundation for assessing councillor performance, supporting training programmes, and reducing political and administrative inefficiencies that hinder service delivery.

CAPACITY BUILDING PROGRAMMES

SALGA implemented 12 Capacity Building Programmes which benefited 1169 councillors and 1951 municipal officials. Over and above these programmes SALGA conducted workshops to municipalities based on requests and the Municipal Support Programme. In total, 2414 councillors and 4312 municipal officials were capacitated in the 2024-2025 financial year.

These programmes addressed critical issues such as poor political leadership, weak administration, and ineffective financial management. Training covered diverse topics including governance, leadership, local economic development, supply chain management, labour law, performance management, and climate finance. The programmes were delivered in partnership with accredited providers through funding secured from LGSETA and FASSET

IMPACT

SALGA's programmes significantly strengthened municipal capacity through extensive training and strategic development initiatives. The digitisation of governance training enhanced

accessibility, while over R7.5 million recovered from LGSETA and FASSET helped fund further capacity-building efforts. Two accredited skills programmes were launched, ensuring formal recognition of councillor development.

A concept for an Eminent Persons Group (EPG) was developed to provide expert municipal guidance. SALGA also completed 50 municipal capability assessments and finalised a framework for councillor competency standards, reinforcing professionalisation and accountability across local government.

Two key skills programmes—Integrated Councillor Executive Development (NQF Level 6) and Multi-stream Municipal Governance—were developed and accredited by QCTO.

MANDATE 5: KNOWLEDGE SHARING

MUNICIPAL CAPABILITIES ASSESSMENT

SALGA conducted Municipal Capabilities Assessments in 51 municipalities. The assessments evaluated municipal maturity in Learning and Development, Labour Relations, Institutional Performance Management, Human Capital Capabilities Optimisation, and Good Governance. Using a standardised,

organisational development-based framework, the tool helps diagnose challenges and identify areas for improvement or best practice replication.

A 2024–2025 Municipal Capabilities Assessment Report was compiled, offering municipality rankings and recommendations based on capability maturity levels. These insights informed the implementation of targeted support programmes in 19 municipalities, building on findings from the previous assessment cycle. SALGA also hosted workshops and one-on-one feedback sessions to communicate results and foster peer learning among municipalities.

IMPACT

SALGA's Municipal Capabilities Assessment provided a standardised diagnostic of municipal maturity across core functional areas. This enabled targeted support in 19 municipalities, fostering data-driven interventions that strengthened institutional capacity and operational performance. The initiative promoted evidence-based planning, peer learning, and continuous improvement, contributing to more sustainable and responsive local governance.





PROGRAMME 4

BUSINESS AND PRODUCT DEVELOPMENT

This programme is centred around leading product development that enhances and diversifies SALGA's revenue streams, while supporting alternative municipal revenue generation. Focus areas include effective government networks and programme consultation; policies and legislation; public awareness; the public's role in a developmental local government; digital infrastructure; and partnerships to further cyber security. Performance during the reporting period was assessed against the programme's outcomes and the 2024/25 APP targets.

OUTCOME 1: AN AGILE FORCE OF INFLUENCE

MANDATE 4: SUPPORT AND ADVICE

PRODUCTS AND SERVICES

SALGA developed a centralised, visually engaging, and user-friendly Products and Services Catalogue for municipalities. The catalogue features a list of approved offerings aligned with municipal needs, including: Revenue Optimisation and Financial Solutions; Human Resources and Payroll Solutions; Business Process Automation and Digitisation; Local Government Sector-Specific Solutions and Urban Planning and GIS Solutions.

IMPACT

SALGA's new Products and Services Catalogue enables municipalities to select support solutions at an additional cost, boosting the visibility and accessibility of SALGA's offerings. It supports informed decision-making by providing municipalities with a structured, easy-to-navigate guide to SALGA's services, backed by clear business cases.

OUTCOME 2: CUSTOMISED INNOVATIVE SOLUTIONS

MANDATE 4: SUPPORT AND ADVICE

DIGITAL SOLUTIONS

SALGA deployed six data solutions and three digital factory solutions to municipalities, which included:

1. Indigent Data Quality Verification (Advanced Indigent Data Clean-Up)
2. Municipal Customer Analytics
3. The Energy Analytic Dashboard
4. Municipal Capabilities Index
5. Municipal Risk Maturity
6. HR Maturity Assessment
7. Performance Management System Solution
8. Automated Cyber Vulnerability Management Solution
9. Cyber Security Solution

The SALGA Strategy 2022-2027 emphasises the need for customised innovative solutions to address these challenges.

It highlights the importance of deploying digital and data-driven solutions to support municipalities in becoming more capable, ethical, and developmental. The strategy aims to build the capacity of local governments to adopt and integrate these solutions effectively, thereby improving their ability to manage resources, deliver services, and engage with communities.

This target is part of a broader effort to enhance the digital maturity of municipalities, enabling them to harness the power of technology to address local challenges and drive sustainable development. The deployment of these solutions is expected to improve municipal performance, foster innovation, and create a more responsive and accountable local government sector

IMPACT

The introduction of digital solutions has streamlined various municipal processes, leading to improved operational efficiency, enabling municipalities to manage resources more effectively, reduce administrative burdens, and enhance decision-making through data-driven insights.

Municipalities are empowered to deliver services more efficiently and effectively, and residents now have better access to essential services, such as accurate municipal billing, revenue enhancement, and e-commerce. These solutions have also contributed to increasing digital literacy among municipal staff. Training and capacity-building initiatives have equipped staff with the necessary skills to utilise and maintain these digital tools, fostering a culture of continuous learning and innovation. The integration of data management systems has facilitated data-driven governance. Municipalities can now collect, analyse, and utilise data to make informed decisions, monitor performance, and identify areas for improvement.

OUTCOME 5: INCLUSIVE SOCIAL-ECONOMIC RETURN

MANDATE 1: LOBBY, ADVOCATE AND REPRESENT

DIGITAL MATURITY LEVELS

SALGA is addressing the critical broadband infrastructure gap in distressed municipalities. Through its Digital Forum, SALGA facilitated four municipalities utilising Point-to-Point Protocol (PPP) agreements with operators/spectrum holders. The PPP agreements are pending finalisation.

The resulting collaboration will focus on deploying broadband towers with plans to roll out 150 broadband towers over the next three years in alignment with ICASA regulations.

The programme's outcomes include improved digital infrastructure to support municipal billing, online education,

digital healthcare, Home Affairs access, and e-commerce. This digital expansion will enable municipalities to migrate key services to online platforms, foster SMME development, and support financial inclusion.

IMPACT

With the support of Digital Council Africa, ICASA, and the success of the Digital Forum, SALGA has secured commitments from operators to prioritise municipalities for the deployment of next-generation towers, accelerating broadband rollout and

positioning these municipalities at the forefront of high-speed connectivity, particularly in previously underserved areas.

SALGA's broadband, bylaw, and business model training series were delivered in collaboration with the Department of Communications and Digital Technologies. Both elected and appointed officials have been equipped with knowledge on the standard bylaw for infrastructure deployment and also been exposed to innovative models to support faster broadband expansion, especially in historically neglected regions.



PROGRAMME 5

SALGA ADMINISTRATION

This programme leads and directs SALGA's administration and operations to become more member-centric and relevant to the sector by strengthening vertical and horizontal linkages and ensuring programme and service delivery standards. Performance during the reporting period was assessed against the programme's outcomes and the 2024/25 APP targets.

OUTCOME 1: AN AGILE FORCE OF INFLUENCE

MANDATE 6: STRATEGIC PROFILING

Programme 5 focused on strengthening SALGA's internal administration and operations to drive greater relevance, agility, and value for its members. In line with the strategic objective of becoming an agile force of influence, the organisation emphasised vertical and horizontal integration, institutional efficiency, and compliance with governance frameworks throughout the 2024/25 reporting period.

SALGA ensured sound financial stewardship through the preparation and timely submission of quarterly and annual **financial statements** to the Department of Cooperative Governance and Traditional Affairs (CoGTA), National Treasury, and Parliament, in full compliance with the Public Finance Management Act (PFMA). These submissions reinforced transparency and accountability, supporting the achievement and sustainability of unqualified audit outcomes.

Complementing this, both the draft and final **Medium-Term Expenditure Frameworks (MTEF)** were submitted within the required timeframes, along with a detailed financial plan for 2025/26, reflecting strong financial planning and governance.

The **2025/26 Annual Procurement Plan** was submitted to National Treasury on 31 March 2025, ensuring alignment with regulatory requirements and strategic objectives. This proactive approach enabled improved procurement coordination, fiscal discipline, and institutional credibility. Financial sustainability

was further supported through the **successful collection of 91%** of the projected membership levy revenue—an outcome indicative of trust from municipalities and their continued support for SALGA's constitutional and strategic mandate.

To enhance internal alignment and organisational culture, **two high-level leadership engagements** were convened: the Top Leadership Culture Conversation and the SALGA Leadership Conference. These platforms fostered dialogue on advocacy, governance, operational excellence, and financial sustainability, deepening collective commitment to cultural renewal and strategic clarity.

SALGA advanced its talent agenda through the implementation of a **Talent Mapping process**, segmenting staff based on performance and potential. This allowed for tailored development and retention strategies, bolstering the leadership pipeline and future-readiness. In parallel, a comprehensive workforce productivity assessment was conducted using the **Composite Workforce Productivity Index (CWPI)**, where SALGA maintained a **"Very Good"** rating across all four quarters, demonstrating strong organisational performance and efficiency.

Strategic planning and accountability mechanisms remained robust. The **2025–2026 Annual Performance Plan (APP)** was developed and submitted in accordance with legislative and internal governance milestones, underlining SALGA's commitment to evidence-based planning and institutional coherence. **Quarterly performance reports** were submitted on schedule to CoGTA, National Treasury, and Parliament, ensuring regulatory compliance and contributing to continuous learning and stakeholder engagement.

The achievements under Programme 5 reflect SALGA's ongoing efforts to streamline its operations, uphold governance excellence, and build a responsive, high-performing institution that supports local government transformation.



PART C: **GOVERNANCE**

INTRODUCTION

Good governance at SALGA is the cornerstone of the organisation's ability to deliver on its mandate to support, promote and represent local government. SALGA's governance framework is guided by the Public Finance Management Act (PFMA), its founding legislation, and the principles of the King IV Report on Corporate Governance. These systems ensure

transparency, accountability, and ethical leadership across all levels of the organisation. SALGA is ultimately accountable to Parliament through their Executive and Accounting Authorities, who are responsible for ensuring sound oversight, strategic direction, and compliance with all legal and regulatory requirements.

BACKGROUND TO GOVERNANCE STRUCTURES

SALGA adheres to a governance framework that clarifies the roles and responsibilities of its national and provincial political and administrative governing bodies and working groups. The framework outlines the mandates and reporting requirements for the national and provincial offices.

Compliance with the framework remains current. The National Members' Assembly (NMA) adopted the governance framework in March 2008 to coordinate and align governance structures at national and provincial levels. These structures consist of one national and nine provincial conferences and similarly of national and provincial members' assemblies, executive committees and working groups, as well as a Women's Commission and mayors' and speakers' forums.

SALGA prides itself on governance structure and practices aligned with the guidelines of the King Report on Corporate Governance (King IV), as well as independent experts with informed insights into governance best practices. The framework advocates accountability, transparency, responsiveness, consensus and client-orientation. Organisational conduct must comply with SALGA-relevant legislation and operations with equity, inclusivity, efficiency and effectiveness and a separation of powers between the political and administrative wings. Adherence to governance and the Batho Pele principles, as well as compliance with administrative justice, are additional hallmarks of the framework.

SALGA's Constitution determines when national and provincial conferences take place and independent external parties monitor the most important elections to guarantee free and fair processes. The framework also facilitates effective consultation, reporting and decision-making between and within SALGA's national governance structures.





THE POLITICAL WING NATIONAL CONFERENCE (NC)

The National Conference is SALGA's highest decision-making body with the powers and duty to elect the members of the National Executive Committee; establish and review SALGA's oversight bodies as and when the law requires; consider the association's audited Annual Financial Statements (AFS); approve SALGA's strategic plan and the accompanying budget; and review the association's performance.

The five-year term of the National Conference is linked directly to the political term of municipal councils and local government elections. The National Conference was constituted after the local government elections of 1 November 2021.



PROVINCIAL CONFERENCES (PC)

The Provincial Conference serves as the highest provincial decision-making body with power and duty to elect members of the Provincial Executive Committee, nominate provincial representatives to the National Executive Committee, approve the provincial programme of action and review organisational performance.



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NATIONAL MEMBERS' ASSEMBLY (NMA)

In between National Conferences, SALGA's ultimate authority resides in the National Members' Assembly (NMA) whose powers and duties range from:

- Acting in accordance with the directions of the National Conference;
- Considering the audited Annual Financial Statements in adopting the association's NEC approved strategic plan;
- Reviewing the financial performance of the budget;
- Considering reports from working groups and oversight bodies;
- Dealing with any other matter that may arise from SALGA's Constitution.



PROVINCIAL MEMBERS' ASSEMBLY (PMA)

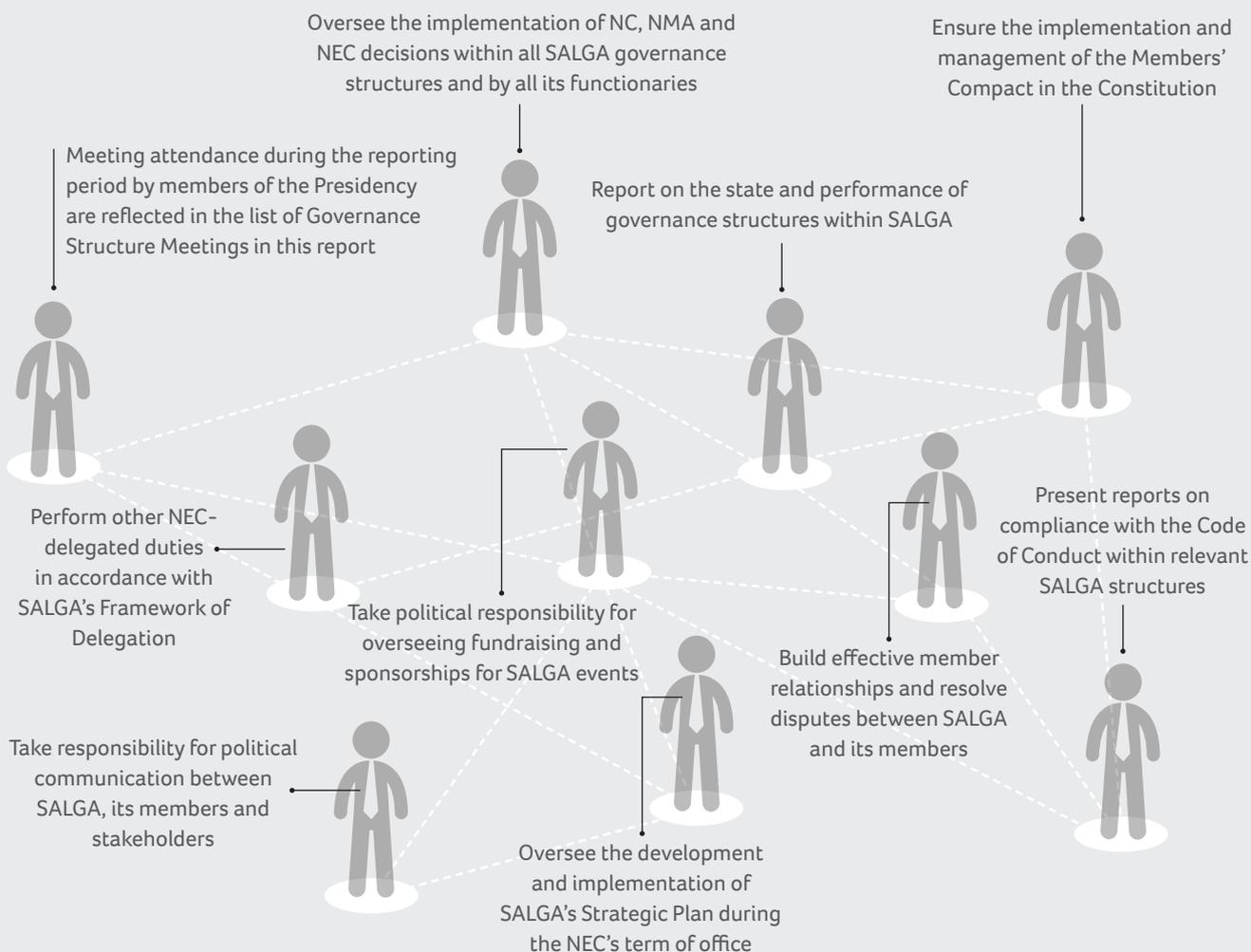
Comparable to the Provincial Conferences, the PMA plays a similar role as the NMA but at a provincial level.

PRESIDENCY

The Presidency comprises a President and three Deputy Presidents, each representing a municipal category and selected from different provinces to ensure representativity. Article 14 of the SALGA Constitution (as amended by the National Conference of 29 November 2016) gives effect to the existence of this structure.

DUTIES OF THE PRESIDENCY

The main tasks of the Presidency are to:

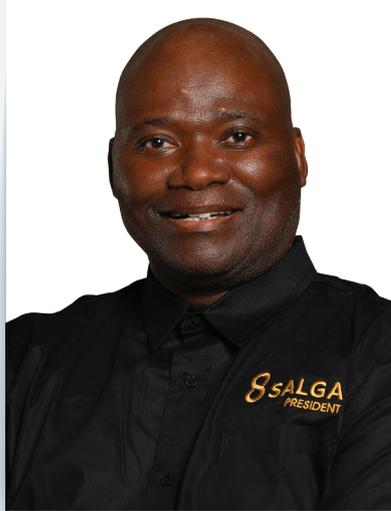


NATIONAL EXECUTIVE COMMITTEE (NEC)

The NEC consists of the Presidency, 14 additional members, nine SALGA provincial chairpersons (ex-officio members), SALGA National Women's Commission chairperson (ex-officio member), SALGA Chief Executive Officer (non-voting member) and not more than three co-opted members.

The NEC is the elected leadership of SALGA. The NEC was elected in March 2022 at the organisation's 6th National Conference held in Cape Town, Western Cape.

THE PRESIDENCY



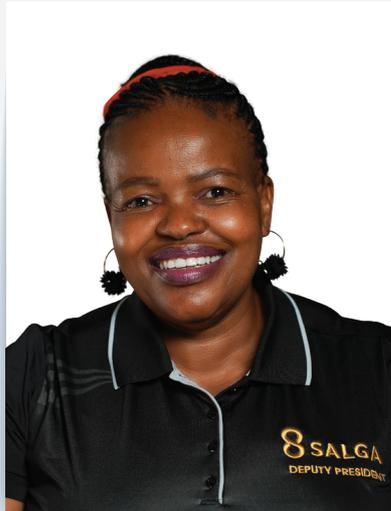
Cllr Bheke Stofile

President



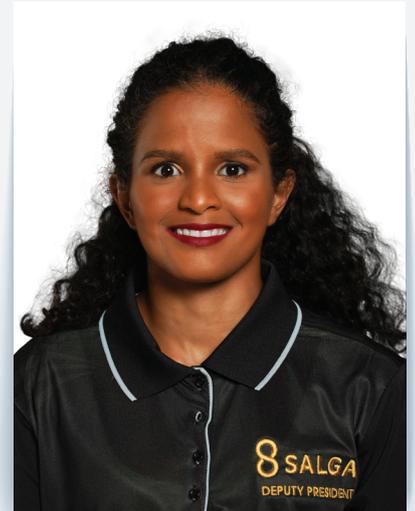
Cllr Xola Pakati

Deputy President



Cllr Flora Maboja Boltman

Deputy President



Cllr Xanthea Limberg

Deputy President

NATIONAL EXECUTIVE COMMITTEE (NEC)



Cllr Bheke Stofile

Speaker – Matjhabeng Local Municipality
Free State
President



Cllr Xola Pakati

Councillor – Buffalo City Metropolitan
Eastern Cape
Deputy President



Cllr Flora Noliqwa Boltman

Councillor – Gert Sibande District Municipality
Mpumalanga
Deputy President



Cllr Xanthea Limberg

Councillor – City of Cape Town Metropolitan
Western Cape
Deputy President



Cllr Mesuli Ngqondwana

Mayor – OR TAMBO District Municipality
Eastern Cape
Chairperson: SALGA Eastern Cape



Cllr Bongani Lawrence Mathae

Speaker – Mangaung Metropolitan
Free State
Chairperson: SALGA Free State



Cllr Jongizwe Dlabathi

Councillor – Ekurhuleni Metropolitan
Gauteng
Chairperson: SALGA Gauteng



Cllr David Dube

Newcastle Local Municipality
Kwa-Zulu – Natal
Chairperson: SALGA Kwazulu Natal



Cllr John Mpe

Mayor – Polokwane Municipality
Limpopo
Chairperson: SALGA Limpopo



Cllr Walter Mngomezulu

Mayor – Gert Sibande District Municipality
Mpumalanga
Chairperson: SALGA Mpumalanga



Cllr Khumalo Molefe

Mayor – Ngaka Modiri District Municipality
North West
Chairperson: SALGA North West



Cllr Lulamile Nkumbi

Emthanjeni Local Municipality
Northern Cape
Chairperson: SALGA Northern Cape



Ald. Donovan Joubert

Speaker – Cape Winelands Local Municipality
Western Cape
Chairperson: SALGA Western Cape



Cllr Pule Shayi

Mayor – Maponi Local Municipality
Limpopo
Chairperson: Capability and Institutional Resilience



Cllr Jane Naidoo

Councillor – Ethekwini Metropolitan Municipality
Kwa-Zulu Natal
Chairperson: Community Development and Security



Cllr Neo Masegela

Mayor – Gasegonyana Local Municipality
Northern Cape
Chairperson: Development Planning & Rural Development



Cllr Lerato Maloka

Mayor – Sedibeng Local Municipality
Gauteng
Chairperson: Economic Development and Job Creation



Cllr Thamsanqa Ngubane

Councillor – Umvoti Local Municipality
Kwa-Zulu -Natal
Chairperson: Electricity & Energy Provision & Public Works



Cllr Mluleki Ronald Nkosi

Mayor – Lesedi Local Municipality
Gauteng
Chairperson: Emergency Services and Disaster Management



Cllr Xolani Ngwezi

Mayor – Umhlathuze Local Municipality
Kwa-Zulu – Natal
Chairperson: Environmental Management & Climate Resilience



Cllr Samkelo Janda

Mayor – Mbashe Local Municipality
Eastern Cape
Chairperson: Governance & Intergovernmental Relations



Cllr Xolani Sotashe

Councillor – City of Cape Town Metropolitan
Western Cape
Chairperson: Human Settlement and Urban Agenda



Cllr Gillilan Pieters

Speaker – Namakwa District Municipality
Northern Cape
Chairperson: Municipal Digital Solutions



Cllr Lesetja Dikgale

Mayor – Thembisile Hani Local Municipality
Mpumalanga
Chairperson: Municipal Finance and Fiscal Policy



Cllr Sebang Motlhabi

Mayor – Lekwa Teemane Local Municipality
North West
Chairperson: Public Transport & Roads



Cllr Nikiwe Num

Mayor – Kenneth Kaunda District Municipality
North West
Chairperson: Water & Sanitation



Cllr Bahula Maladimo Maitula

Mayor – Makhuduthamaga Local Municipality
Limpopo
Additional Member



Cllr Prudence Ntombenkosi Pepping

Mayor – Ingquza Hill Local Municipality
Eastern Cape
Additional Member



Cllr Agnes Shasha

Councillor – Xhariep District Municipality
Free State
Additional Member



Cllr Annelie Rabie

Mayor – Overstrand Municipality
Western Cape
Additional Member



Cllr Nomvuyo Mposelwa

Mayor – Senqu Local Municipality
Eastern Cape
SALGA Women Commission

NATIONAL EXECUTIVE COMMITTEE (NEC) MEETINGS

The following tables provide the list of members of the NEC and the number of meetings attended during the financial year.

NEC MEETING AS OF 31 MARCH 2025

NEC MEMBERS	04-05 Apr 2024	20 May 2024	25 Jun 2024	06 Aug 2024	22 Aug 2024	24 Oct 2024	04 Feb 2025 (Lekgotla)	19 Mar 2025	TOTAL
Cllr Bheke Stofile	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Cllr Flora Maboja-Boltman	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Cllr Xola Pakati	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Cllr Xanthea Limberg	✓	x	✓	✓	✓	✓	✓	✓	7/8
Cllr Mina Bahula-Maitula	✓	✓	✓	✓	✓	✓	✓	x	7/8
Cllr Pule Shayi	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Cllr Annelie Rabie	✓	✓	✓	✓	✓	x	✓	x	6/8
Cllr Lesetja Dikgale	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Cllr Ntombenkosi Pepping	✓	x	x	✓	✓	✓	✓	✓	6/8
Cllr Xolani Ngwezi	x	x	x	x	x	x	x	x	0/8
Cllr Xolani Sotashe	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Cllr Samkelo Janda	x	x	✓	✓	✓	✓	✓	✓	6/8
Cllr Thamsanqa Ngubane	✓	✓	✓	✓	✓	✓	✓	x	7/8
Cllr Jane Naidoo	x	x	x	x	x	x	✓	x	1/8
Cllr Lerato Maloka	✓	✓	✓	✓	✓	✓	✓	x	7/8
Cllr Mluleki Ronald Nkosi	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Cllr Neo Masegela	✓	✓	x	✓	✓	✓	✓	x	6/8
Cllr Sebang Motlhabi	✓	✓	✓	x	x	✓	✓	✓	6/8
Cllr Nikiwe Num	✓	✓	✓	✓	✓	✓	✓	x	7/8
Cllr Mesuli Ngqondwana	x	✓	✓	x	x	✓	✓	✓	5/8
Cllr Lawrence Mathae	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Cllr Gillian Pieters	✓	✓	x	✓	✓	✓	✓	x	6/8
Cllr Jongisizwe Dlabathi	✓	✓	✓	✓	✓	✓	✓	x	7/8
Cllr Thamsanqa Ntuli	x	x	R	R	R	R	R	R	0/2
Cllr Jesta Sidell	x	x	R	R	R	R	R	R	0/2
Cllr Micheal Segede	✓	✓	✓	✓	✓	R	R	R	4/5
Cllr Khumalo Molefe	x	✓	✓	✓	✓	✓	✓	✓	7/8
Ald: Donovan Joubert	✓	✓	✓	✓	x	✓	✓	✓	7/8
Cllr John Mpe	x	✓	✓	✓	✓	x	✓	✓	7/8
Cllr Ntandokazi Capa	✓	✓	✓	✓	✓	✓	R	R	6/6
Cllr Walter Mngomezulu	N/A	✓	✓	✓	✓	✓	✓	x	6/7
Cllr David Dube	N/A	x	x	x	x	x	✓	x	1/7
Cllr Nomvuyo Mposelwa	N/A	✓	✓	✓	✓	✓	✓	x	6/7
Quorum	Yes	Yes	Yes	Yes	Yes	Yes	Yes	*Yes/No	8 Meetings

Key: ✓ = Present x = Absent with apology R= Resigned D= Deceased N/A = Not yet appointed NI = Not invited

*The meeting on 19 March lost a quorum halfway through. Cllr Ngqondwana was present in the first part of the meeting.

PROVINCIAL EXECUTIVE COMMITTEE (PEC) MEETINGS

The following tables provide the list of members of the PEC and the number of meetings attended in the different provinces during the financial year.

EASTERN CAPE PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025.

Designation	Name	Municipality	23-24 Jan 2024	23-24 Jul 2024	05 Sept 2024	26 Nov 2024	25-26 Feb 2025	Total
Chairperson	Cllr Mesuli Ngqondwana	OR Tambo DM	✓	✓	✓	✓	✓	5/5
Deputy	Cllr Noncedo Zonke	Inxuba Yethemba LM	✓	×	✓	×	✓	3/5
Deputy	Cllr Nomhle Gaga	Sarah Baartman DM	✓	×	✓	✓	×	3/5
Deputy	Cllr Humphrey Maxegwana	Buffalo City Metro	✓	×	✓	×	×	2/5
PEC Member	Cllr Mkhanyiseli Dudumayo	King Sabata Dalindyebo LM	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr Mammelo Leteba	Elundini LM	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr Buyelwa Mafaya	Nelson Mandela Metro	×	✓	✓	✓	✓	4/5
PEC Member	Cllr Nomvuzo Mlombile-Cingo	Port St Johns LM	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr Hatting Bornman	Kouga LM	N/A	N/A	✓	✓	×	2/3
PEC Member	Cllr Sixolile Mehlomakhulu	Alfred Nzo DM	×	×	×	×	×	0/5
PEC Member	Cllr Nanziwe Rulashe	Amathole DM	×	×	×	✓	✓	2/5
PEC Member	Cllr Monica Qaba	Mnquma LM	✓	×	✓	✓	✓	4/5
SWC Chairperson	Cllr Nomvuyo Mposelwa	Joe Gqabi DM	✓	✓	✓	✓	✓	5/5
Ex-officio Member	Chief Mpumalanga Gwadiso	House of Traditional Leaders	✓	×	×	×	×	1/5
PEC Member	Cllr Lusanda Sizani	Chris Hani DM	N/A	N/A	✓	×	×	1/3
Ex OFFICIO	Cllr Zukisa Gana	King Sabatha Dalindyebo	N/A	N/A	✓	✓	✓	3/3
NEC Member	Cllr Lerato Maloka	Sedibeng LM	✓	✓	×	×	×	2/5
NEC Member	Cllr Xolani Ngwezi	Umhlathuze LM	×	×	×	×	×	0/5
Quorum			Yes	Yes	Yes	Yes	Yes	5 meetings

Key: ✓ = Present × = Absent with apology R= Resigned D= Deceased N/A = Not yet appointed NI = Not invited

FREE STATE PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025

Designation	Name	Municipality	27 Jun 2024	20 Aug 2024	30 Aug 2024	14 Mar 2025	Total
Chairperson	Cllr Bongani Mathae	Mangaung Metro	✓	✓	✓	✓	4/4
Deputy Chairperson	Cllr Victoria de Beer-Mthombeni	Ngwathe Local	×	✓	✓	×	2/4
Deputy Chairperson	Cllr Manthuse Letawana	Mangaung Metro	✓	✓	✓	✓	4/4
Deputy Chairperson	Cllr Conny Msibi	Thabo-Mofutsanyana District	✓	✓	✓	✓	4/4
PEC Member	Cllr Gilbert Mokotso	Maluti-a-Phofung Local	×	×	✓	✓	2/4
PEC Member	Cllr Malefu Vilakazi	Thabo-Mofutsanyana District	✓	✓	✓	✓	4/4
PEC Member	Cllr Thanduxolo Khalipha	Matjhabeng Local	×	×	×	R	00
PEC Member	Cllr Bonolo Mocwaledi	Letsemeng Local	✓	×	✓	✓	3/4
PEC Member	Cllr Selloane Khiba	Moqhaka Local	✓	✓	✓	✓	4/4
PEC Member	Cllr Ntombi Nhlapo	Mangaung Metro	✓	✓	✓	×	3/4
PEC Member	Cllr Sidney Pittaway	Fezile-Dabi District	✓	✓	✓	✓	3/4
PEC Member	Cllr Mokgoro Shasha	Xhariep District	✓	R	R	R	1/1
PEC Member	Cllr Jafta Zwane	Metsimaholo Local	✓	×	✓	✓	3/4
PEC Member	Cllr Nomhle Adoons	Mohokare Local	N/A	N/A	✓	✓	2/2
PEC & FSL	Cllr Irene Mehloakulu	Xhariep District	✓	✓	✓	✓	4/4
PEC & FSL	Cllr Mojalefa Buti	Matjhabeng Local	✓	✓	✓	✓	4/4
PEC & FSL	Cllr Mosalla Mokotla	Dihlabeng Local	✓	✓	✓	✓	4/4
PEC/SWC	Cllr Nozililo Mashiya	Nala Local	✓	✓	✓	✓	4/4
PEC/NCOP	Cllr Motloheloa Mokatsane	Moqhaka Local	×	×	✓	✓	2/4
PEC & NCOP	Cllr Kenalemang Phukuntsi	Tswelopele Local	✓	✓	✓	✓	4/4
NEC Deployee	Cllr Samkelo Janda	Mbhashe Local	✓	✓	×	×	2/4
NEC Deployee	Cllr Gillian Pieters	Namakwa District	×	✓	×	×	1/4
Quorum			Yes	Yes	Yes	Yes	4 meetings

Key: ✓ = Present × = Absent with apology R= Resigned D= Deceased N/A = Not yet appointed NI = Not invited

GAUTENG PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025

Designation	Name	Municipality	28 Jun 2024	20 Sept 2024	06 Nov 2024	29 Nov 2024	03 Dec 2024	Total
Chairperson	Jongizizwe Dlabathi	City of Ekurhuleni	✓	✓	✓	✓	✓	5/5
Deputy Chairperson	Thulani Elvis Mphithikezi	Merafong Local Municipality	×	✓	×	✓	✓	3/5
Deputy Chairperson	Nonkoliso Tundzi-Hawu	West Rand District	✓	✓	✓	×	✓	4/5
Deputy Chairperson	Dino Peterson	City of Ekurhuleni	×	✓	✓	×	×	2/5

Designation	Name	Municipality	28 Jun 2024	20 Sept 2024	06 Nov 2024	29 Nov 2024	03 Dec 2024	Total
Chairperson: Women's Commission	Eunice Mgcina	City of Joburg	✓	✓	✓	✓	✓	5/5
Additional Member	Loyiso Masuku	City of Joburg	✓	✓	✓	✓	✓	5/5
Additional Member	Mbuyiselo Kantso	Emfuleni Local Municipality	✓	✓	✓	✓	x	4/5
Additional Member	Mamohale Emmarentia Fatimah-Zahra Moloji	Sedibeng District	✓	✓	✓	x	x	3/5
Additional Member	Sipho Radebe	Emfuleni Local Municipality	✓	✓	x	x	✓	3/5
Additional Member	Margaret Sheron Arnolds	City of Joburg	✓	✓	✓	✓	✓	5/5
Additional Member	Cllr Dada Morero	City of Joburg	✓	✓	✓	x	✓	4/5
NCOP Representative	Aaron Mokgale Maluleka	City of Tshwane	✓	✓	✓	✓	✓	5/5
NCOP Representative	Merriam Mogoje	Mogale City Local Municipality	✓	✓	✓	x	x	3/5
NCOP Representative	Lesiba Johannes Mojapelo	City of Ekurhuleni	✓	✓	✓	✓	✓	5/5
Provincial Legislature	Thapelo Amad	City of Joburg	✓	✓	x	x	x	2/4
Co-opted Member	Belinda Echeozonjoku	City of Joburg	✓	✓	✓	✓	✓	5/5
Co-opted Member	Peter Teixeira	Midvaal Local	✓	x	✓	x	x	2/5
Co-opted Member	Selina Moumakwe	Rand West City	N/A	✓	✓	x	x	2/4
NEC Deployee	Pule Shayi	Mopani Municipality	x	x	x	x	✓	1/5
NEC Deployee	Nikiwe Num	Kenneth Kaunda District Municipality	x	x	✓	✓	x	2/5
Quorum			Yes	Yes	Yes	Yes	Yes	5 meetings

Key: ✓ = Present x = Absent with apology R= Resigned D= Deceased N/A = Not yet appointed NI = Not invited

KWA-ZULU NATAL PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025

Designation	Name	Municipality	25 Apr 2024	10 Jul 2024	05 Sept 2024	26 Jun 2024	17 Jan 2025	24 Jan 2025	Total
Chairperson	Cllr X Dube	Newcastle LM	✓	✓	✓	✓	✓	✓	6/6
Deputy Chairperson	Cllr N Gumede	eThekweni Metro	✓	✓	✓	✓	✓	✓	6/6
SWC Chairperson	Cllr Q.T Xulu	Umlalazi LM	✓	✓	✓	✓	✓	✓	6/6
PEC Member	Inkosi NB Shabalala	UThukela DM	x	✓	x	✓	x	x	2/6
PEC Member	Cllr Z Sokhabase	eThekweni Metro	✓	x	✓	x	x	✓	3/6

Designation	Name	Municipality	25 Apr 2024	10 Jul 2024	05 Sept 2024	26 Jun 2024	17 Jan 2025	24 Jan 2025	Total
PEC Member	Cllr D.T Memela	Zululand DM	✓	✓	✓	✓	✓	✓	6/6
PEC Member	Cllr S.J Shezi	Mtubatuba LM	✓	x	x	✓	x	✓	3/6
PEC Member	Cllr M.R Ngobese	Nquthu LM	x	x	✓	✓	✓	x	3/6
PEC Member	Cllr W.M Ntshangase	Ulundi LM	✓	x	x	x	✓	✓	3/6
PEC Member	Cllr J Holmes	Umgeni LM	✓	✓	✓	x	x	✓	4/6
PEC Member	Cllr S Ntshangase	Umhlatuze LM	x	x	✓	x	✓	✓	3/4
PEC Member	Cllr S Khathi	Umdoni LM	R	R	R	R	R	R	0/6
PEC Member	Cllr M Myeza	Inkosi Langalibalele LM	x	✓	x	✓	x	x	2/6
PEC Member	Cllr M Zulu	Amajuba DM	x	✓	✓	x	✓	✓	4/4
PEC Member	Cllr DM Mathenjwa	Umhlabuyalingana LM	x	x	✓	x	x	✓	2/4
NEC Representative	Cllr A Rabie		✓	x	✓	x	x	x	2/6
NEC Representative	Cllr X Sotashe		x	✓	x	✓	x	✓	3/6
Quorum			Yes	Yes	Yes	Yes	Yes	Yes	6 meetings

Key: ? = Present x = Absent with apology R = Resigned D = Deceased N/A = Not yet appointed NI = Not invited

LIMPOPO PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025

Designation	Name	Municipality	20 Jun 2024	04 Sept 2024	19 Sept 2024	30 Sept 2024	25 Feb 2025	Total
Chairperson	Cllr. John Mpe	Polokwane LM	x	x	✓	✓	✓	3/5
Deputy Chairperson	Cllr. Rebecca Lentsoane	Ephraim Mogale LM	N/A	N/A	N/A	✓	✓	2/2
Deputy Chairperson	Cllr. Shadrack Maluleke	Collins Chabane LM	✓	✓	✓	✓	✓	5/5
Deputy Chairperson	Cllr. Thandi Zitha	Greater Giyani LM	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr. Gerson Molapisane	Greater Tzaneen LM	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr. Eddie Edwin Maila	Fetakgomo-Tubatse LM	✓	✓	x	✓	x	3/5
PEC Member	Cllr. Pheladi Olifant	Mogalakwena LM	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr. Mamedupi Teffo	Capricorn DM	✓	x	x	✓	✓	3/5
PEC Member	Cllr. Fridah Nkondo	Vhembe DM	N/A	N/A	N/A	✓	✓	2/2
PEC Member	Cllr. Jack Maeko	Waterberg DM	N/A	N/A	N/A	x	✓	1/2
Co-Opted Member	Hosi Pheni Ngove	Provincial House of Traditional Leaders	x	✓	x	x	✓	2/5
NEC Member	Cllr Lesetja Dikgale	Thembisile Hani Local Municipality	✓	✓	✓	x	✓	4/5
NEC Member	Cllr Nonkosi Pepping	Ingquza Hill local municipality	x	x	x	x	x	0/5
Quorum			Yes	Yes	Yes	Yes	Yes	5 Meetings

Key: ✓ = Present x = Absent with apology R = Resigned D = Deceased N/A = Not yet appointed NI = Not invited

MPUMALANGA PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025

Designation	Name	Municipality	26 Jun 2024	18 Sept 2024	12 Nov 2024	19 Feb 2025	Total
Chairperson	Walter Mngomezulu	Gert Sibande District	✓	✓	✓	×	3/4
Deputy Chairperson	Ruth Raganya	Bushbuckridge LM	N/A	✓	✓	✓	3/4
Deputy Chairperson	Thomas Ngwenya	Nkangala District	N/A	✓	✓	×	2/4
Deputy Chairperson	Nomsa Mtsweni	Dr JS Moroka LM	✓	✓	✓	✓	4/4
SWC Commissioner	Sibongile Makhushu	City of Mbombela LM	×	×	×	×	0/4
PEC Member	Busi Khanye	Dipaleseng LM	N/A	✓	×	✓	2/4
PEC Member	Frieda Nkadimeng	Thaba Chweu LM	✓	×	✓	✓	3/4
PEC Member	Million Shongwe	Ehlanzeni District	×	×	×	×	0/4
PEC Member	Mduduzi Nkosi	Emalahleni LM	✓	✓	×	✓	3/4
PEC Member	Mapulane Nkosi	Msukaligwa LM	✓	✓	✓	✓	4/4
PEC Member	Hennie Niemann	Steve Tshwete LM	✓	✓	✓	✓	4/4
PEC Member	Busi Hlumbane	Emalahleni LM	✓	×	✓	✓	3/4
PEC Member	Sabina Mtsweni	Dr JS Moroka LM	✓	✓	✓	✓	4/4
PEC Member	Tebogo Hlakutse	Pixley ka Isaka Seme LM	✓	✓	✓	✓	4/4
NEC Deployee	Cllr Mluleki Nkosi	Lesedi Local	✓	✓	×	✓	3//4
NEC Deployee	Cllr Bahula Maitula	Makhuduthamaga Local	×	×	×	×	0/4
Quorum			Yes	Yes	Yes	Yes	4 Meetings

Key: ✓ = Present × = Absent with apology R= Resigned D= Deceased N/A = Not yet appointed NI = Not invited

NORTHERN CAPE PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025

Designation	Name	Municipality	26 Jun 2024	18-19 Sep 2024	04 Dec 2024	21 Feb 2025	10 Mar 2025	Total
Chairperson	Cllr Michael Segede	Dawid Kruiper	✓	✓	R	R	R	2/5
Deputy Chairperson	Cllr Lulamile Nkumbi	Emthanjeni	✓	✓	✓	✓	✓	5/5
Deputy Chairperson	Cllr Queen Mogatle	JTG DM	✓	✓	✓	×	×	3/5
Deputy Chairperson	Cllr Rodney Kritzinger	Nama Khoi	✓	✓	✓	×	✓	4/5
PEC Member	Cllr Irene Williams	Kgatelopele	✓	✓	×	×	✓	4/5
PEC Member	Cllr Dineo Leutlwetse-Tshabalala	Joe Morolong	×	✓	×	✓	×	2/5
PEC Member	Cllr Motshabi Mokgatlhanyane	Frances Baard DM	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr Monica Kivedo	Emthanjeni	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr Monray Maczali	Kareeberg	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr Susarah Nero	Kamiesberg	×	✓	×	✓	×	2/5
PEC Member	Cllr Neo Mase	Magareng	×	✓	×	✓	✓	3/5
PEC Member	Cllr Rhoode Itumeleng	Pixley Ka Seme DM	✓	✓	✓	✓	✓	5/5

Designation	Name	Municipality	26 Jun 2024	18-19 Sep 2024	04 Dec 2024	21 Feb 2025	10 Mar 2025	Total
PEC Member	Cllr Felicity Olifant	Dawid Kruiper	✓	✓	x	✓	✓	4/5
PEC Member	Cllr Donne-Lee Jano	Khai-Ma	✓	✓	x	✓	✓	4/5
NCOP Member	Cllr Cornell Knoph	Richtersveld	✓	✓	x	x	x	2/5
Legislature Rep	Cllr Nondumiso Buda	Frances Baard DM	x	✓	x	✓	✓	3/5
Legislature Rep	Cllr Pasqueline Van Heerden	Namakwa DM	x	✓	✓	✓	✓	4/5
NCOP Member	Cllr Mzwandile Toto	Umsobomvu	x	x	✓	x	x	1/5
NCOP Member	Cllr Helena English	ZFM DM	✓	x	x	x	x	1/5
Legislature Rep	Cllr Kagiso Sonyoni	Sol Plaatje	x	✓	x	x	x	1/5
Quorum			Yes	Yes	Yes	Yes	Yes	5 Meetings

Key: ✓ = Present x = Absent with apology R= Resigned D= Deceased N/A = Not yet appointed NI = Not invited

NORTH WEST PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025

Designation	Name	Municipality	26 Jun 2024	13 Aug 2024	30 Aug 2024	14 Nov 2024	18 Feb 2025	06 Jun 2025	Total
Chairperson	Cllr K Molefe	Ngaka Modidi Molema DM	✓	✓	✓	✓	✓	✓	6/6
Deputy Chairperson	Cllr S Mondlane	City of Matlosana LM	x	✓	✓	✓	✓	✓	5/6
Deputy Chairperson	Cllr D Batsi	Mamusa LM	✓	✓	✓	✓	✓	✓	6/6
Deputy Chairperson	Cllr S Nthangeni	Bojanala Platinum DM	N/A	N/A	N/A	N/A	x	✓	1/2
PEC Member	Cllr N Mvala	Mamusa LM	✓	x	✓	x	x	x	2/6
PEC Member	Cllr Fr Mapela	Moretele LM	x	x	✓	✓	✓	x	3/6
PEC Member	Cllr M Moeti	Greater Taung LM	✓	✓	✓	✓	✓	✓	6/6
PEC Member	Cllr M Dassie	JB Marks LM	✓	✓	x	✓	✓	✓	5/6
PEC Member	Cllr Douglas Maimane	Madibeng LM	✓	✓	x	✓	x	x	3/6
PEC Member	Cllr L Duiker	Lekwa-Teemane LM	N/A	N/A	N/A	N/A	✓	✓	2/2
PEC Member	Cllr S Sentsho	Rustenburg LM	N/A	N/A	N/A	N/A	✓	✓	2/2
PEC Member	Cllr P Letlape	Moses Kotane LM	N/A	N/A	N/A	N/A	✓	✓	2/2
Co-opted Member	Cllr S Mabale-Huma	Rustenburg LM	✓	x	x	✓	✓	✓	4/6
Co-opted Member	Cllr S Nkatlo	Maquassi Hills LM	x	✓	✓	✓	✓	x	4/6
SWC Chairperson	Cllr G Mathe	Mahikeng LM	✓	✓	✓	✓	✓	✓	5/6
NCOP Rep	Cllr A Maje	Dr Ruth S Mompoti DM	N/A	N/A	N/A	N/A	✓	x	1/2
NWPL Rep	Cllr T Motlapele	Ratlou LM	N/A	N/A	N/A	N/A	✓	✓	2/2
NEC Deployee	Cllr Neo Masegela	Gasegonyana LM	x	x	x	x	✓	x	1/6
Quorum			Yes	Yes	Yes	Yes	Yes	Yes	

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WESTERN CAPE PROVINCIAL EXECUTIVE COMMITTEE MEETINGS AS OF 31 MARCH 2025

Designation	Name	Municipality	19-20 Jun 2024	17-19 Jul 2024	17-18 Oct 2024	06 Nov 2024	14 Nov 2024	30-31 Jan 2025	Total
Chairperson	Cllr Donovan Joubert	Cape Winelands DM	✓	✓	✓	✓	✓	✓	6/6
Deputy Chairperson	Cllr Anthony Moses	City of Cape Town	✓	✓	✓	x	✓	x	4/6
Deputy Chairperson	Ald Memory Booyesen	Garden Route DM	✓	R	R	R	R	R	1/1
Deputy Chairperson	Cllr Helen Coetzee	Overstrand	✓	✓	✓	✓	✓	✓	6/6
Deputy Chairperson	Ald Aidan Stowman	Drakenstein	✓	✓	✓	✓	x	✓	5/6
PEC Member	Ald Georlene Wolmarans	Garden Route DM	✓	x	✓	✓	✓	x	4/6
PEC Member	Cllr Ryan Don	Saldanha Bay	R	R	R	R	R	R	0/0
PEC Member	Cllr Jacoline Visser	City of Cape Town	✓	✓	✓	✓	✓	✓	6/6
PEC Member	Ald Dr Helena von Schlicht	Cape Winelands DM	✓	✓	x	✓	✓	✓	5/6
PEC Member	Ald Rhandall Swarts	Bergrivier	x	✓	✓	✓	✓	✓	5/6
PEC Member	Cllr Andre Truter	Saldanha Bay	✓	x	x	✓	x	✓	3/6
PEC Member	Cllr Carl Pophaim	City of Cape Town	✓	✓	x	x	✓	x	3/6
PEC Member	Cllr Linda Jaquet	Prince Albert	x	x	x	✓	x	x	1/6
PEC Member	Cllr Sucilla van Tura	Saldanha Bay	✓	R	R	R	R	R	1/6
PEC Member	Cllr Chad Davids	City of Cape Town	N/A	N/A	N/A	N/A	✓	✓	2/2
PEC Member	Cllr Chad Louw	Oudtshoorn	R	R	R	R	R	R	0/6
PEC Member	Cllr Derrick Appel	Theewaterskloof	N/A	✓	✓	✓	✓	✓	5/5
PEC Member	Cllr Vlancio Donson	Oudtshoorn	N/A	✓	✓	✓	✓	x	4/5
PEC Member	Cllr Mario Wessels	Bergrivier	N/A	✓	✓	✓	✓	x	4/5
PEC Member (NCOP Rep)	Cllr Mrs Amanda Kleinbooi	Beaufort West	x	✓	x	x	✓	x	2/6
PEC Member (NCOP Rep)	Cllr Elmarie Maxim	Knysna	✓	✓	✓	✓	✓	x	5/6
PEC Member (NCOP Rep)	Cllr Kyle Carls	City of Cape Town	x	✓	x	✓	x	x	2/6
PEC Member (Provincial Legislature Rep)	Ald Gert Combrink	Drakenstein	x	R	R	R	R	R	0/1
PEC Member (Provincial Legislature Rep)	Cllr Carl Punt	City of Cape Town	x	x	x	x	x	x	1/6
PEC Member (Provincial Legislature Rep)	Cllr Paul Swart	Cape Agulhas	✓	R	R	R	R	R	1/1

Designation	Name	Municipality	19-20 Jun 2024	17-19 Jul 2024	17-18 Oct 2024	06 Nov 2024	14 Nov 2024	30-31 Jan 2025	Total
SWC Chairperson	Cllr Susana Janse van Rensburg	Mossel Bay	N/A	N/A	✓	✓	✓	×	3/4
Quorum			Yes	Yes	Yes	Yes	Yes	Yes	6 Meetings

Key: ✓ = Present × = Absent with apology R= Resigned D= Deceased N/A = Not yet appointed NI = Not invited

RISK MANAGEMENT

SALGA's principal goal of Risk Management is to increase the likelihood of achieving its objectives by optimally balancing risk and reward. The methodologies and processes described below aim to ensure that significant business risks are systematically identified, assessed, and reduced to acceptable levels.

SALGA has adopted several frameworks to ensure alignment with best practices, including the ISO 31000 Risk Management Framework, the Committee of Sponsoring Organisations (COSO) of the Treadway Commission, the National Treasury Risk Management Framework, and King IV.

RISK METHODOLOGY

SALGA has the following approved Risk Management methodology:

01	Risk Management Framework;	
02	Risk Management Policy;	
03	Risk Management Implementation plan – Developed for each financial year;	
04	Combined Assurance Framework;	
05	Combine Assurance Plan – Developed for each financial year according to the approved;	
06	Strategic risks;	
07	Business Continuity and Disaster recovery Policy;	
08	Business Continuity Management Strategy;	
09	Business Continuity Plan.	

SALGA's Risk Management methodology is being implemented and monitored on an on-ongoing basis.

RISK ASSESSMENTS

SALGA undertakes annual risk assessments to identify, assess, analyse, manage and monitor the strategic and operational risk profile of the organisation. The risks and related mitigation plans are managed, maintained and monitored on an on-going basis.

1. Operational Risk registers

The association had eight operational risk registers. A total of eight operational risks that were outside the organisation's appetite and tolerance levels therefore escalated to the top ten operational risk register.

2. Strategic Risks

The following strategic risks were identified in 2024-2025.

Risk Area and Risk Statement	Inherent Risk Rating	Residual Risk Rating
1. Strategic misalignment of the organisation	25	16
2. Financial Sustainability	25	12
3. SALGA being drawn into litigations and SALGA initiating litigations	25	12
4. Limited impact of the SALGA advocacy and lobbying agenda	25	12
5. Instability within the municipal governance as a result of coalition governments	16	12
6. Lack of right talent to deliver on the SALGA mandate	12	9
7. Inadequate LG leadership (political and administrative) resistant to change	12	6
8. Inadequate impact of the Financial Sustainability and Revenue Management programmes on municipalities	12	6

The Strategic Risk profile has improved substantially over the past financial year, with an implementation status of 100%. Management is geared towards maintaining a healthy risk management performance.

3. Risk Management Governance

SALGA has established a Risk Management Committee (RimCO) responsible for overseeing the implementation and monitoring of Risk Management and Business Continuity Management practices. RimCO has reviewed and processed reports for the first, second, third, and fourth quarters. These reports were subsequently presented to and approved by the Audit and Risk Committee (ARC).

As outlined in the approved charter, the Committee's pivotal role is to advise management on the overall system of risk management, particularly in mitigating unacceptable levels of risk. All strategic and top ten operational risks are elevated to the Risk Management Committee and ultimately to the Audit and Risk Committee.

4. Value adds of Risk Management

- Based on the Risk Management implementation plan for the 2024/2025 financial year, 100% of the activities planned were achieved as at the end of Quarter 4.
- The association has achieved a 100% implementation status on the implementation of all identified Strategic and Operational risk action plans.
- The association has achieved a Risk Management Maturity Level of 4.1/5.
- The association has maintained an unqualified audit status for the 12th consecutive year.

INTERNAL AUDIT

Key activities and objectives:

- Internal auditing is an independent review of an organisation's systems, processes, and procedures. The aim of the internal audit is to improve operations and ensure that the organisation meets its objectives. The internal audit process involves:
 - Evaluating the effectiveness of internal controls, risk management and governance processes;
 - Analysing opportunities, emerging technologies, and global issues;
 - Assessing risks, controls, ethics, quality, economy, and efficiency;
 - Making recommendations for improvement;
 - Communicating information and conclusions clearly and accurately.
- The scope of internal audit activity is defined by the Internal Audit Charter which serves as the Internal Audit Activity statement of purpose, authority and responsibility and has been approved by the Audit and Risk Committee (ARC) and adopted by the NEC. The charter also provides the Internal Audit Activity (IAA) unrestricted access to records, personnel and physical properties relevant to the performance of the operations of the organisation, as appropriate and as required.
- To ensure its independence, the internal audit function reports administratively to the Chief Executive Officer and functionally to the Audit and Risk Committee. The IAA is located within the Office of the CEO and is responsible for auditing the governance, risk, and internal control processes within the organisation and to provide recommendations for improvement where weaknesses are identified.

SUMMARY OF WORK

The Internal Audit Activity (IAA) performs its work according to the Internal Audit Standards. The IAA follows a risk-based approach when conducting its audit reviews and has developed an appropriate Internal Audit Coverage plan to provide assurance on the effectiveness of risk mitigating measures and reporting to the Audit and Risk Committee.

A risk-based Internal Audit Coverage Plan was approved by the ARC and implemented throughout the financial year. The IAA addressed the risks pertinent to the organisation in its audits, and the resulting reported conclusions were independent and in full compliance with the approved Internal Audit Charter.

Management is responsible for the development and maintenance of the internal control system. There were no critical or catastrophic findings identified and included in the reports issued by the IAA. Any weaknesses identified continue to be addressed by management.

FRAUD AND CORRUPTION

SALGA is committed to maintaining the highest standards of integrity and transparency in our organisational dealings. To ensure the accuracy and reliability of our business operations, SALGA has implemented robust internal controls and comprehensive fraud and ethics management strategies. Some of the strategies implemented include:



PREVENTION:

SALGA conducts training and awareness initiatives through internal platforms to educate employees about the importance of ethical behavior and the identification of fraudulent activities. SALGA has developed and continually updates policies that promote ethical practices and provides clear guidelines for acceptable behaviour within the organisation.



DETECTION:

SALGA's internal audit team conducts frequent audits to ensure that its financial transactions and operations comply with established standards and regulations. Continuous monitoring of financial transactions helps identify any irregularities or suspicious activities promptly. The organisation also performs regular fraud risk assessments to identify potential areas of vulnerability and implement measures to mitigate these risks.



WHISTLEBLOWING HOTLINE:

SALGA has established a whistleblowing hotline that allows employees to report any suspicious activities or concerns anonymously. This hotline is actively monitored, and any reported issues are thoroughly investigated to ensure that appropriate actions are taken.

SALGA enforces a culture of good ethical practices by implementing corrective measures when necessary. This includes promoting a culture of zero tolerance towards fraud and corruption and reinforcing the importance of ethical conduct through continuous education and exemplary leadership.

All these efforts are aimed at fostering trust and confidence from SALGA stakeholders in its financial reporting, business practices, and overall conduct. SALGA's commitment to a zero-tolerance policy on fraud and corruption underpins its dedication to ethical governance and transparency.

COMPLIANCE WITH LAWS AND REGULATIONS

SALGA's institutional integrity and reputation relies on the consistent adherence to its regulations and to the availability of sound, vibrant, ethical and informative Compliance Policy as mandated by SALGA's constitution. SALGA's legislative and regulatory compliance ensures that it meets its obligations in an ethical and pro-active manner. All employees and relevant stakeholders are obliged to comply with the laws and internal policies.

To give effect to section 163 of the Constitution of South Africa, Parliament enacted the Organised Local Government Act 52 of 1997 ("OLGA"). Signed into law by President Nelson Mandela on 6 November 1997 and effective from 12 November 1997, OLGA provided the statutory mechanism to recognise a national and provincial organisation to represent municipalities in formal intergovernmental relations ("IGR").

On 22 May 1998, SALGA was registered as an employer organisation under section 95 of the Labour Relations Act 66 of 1995 ("LRA"), empowering it to represent municipalities as employers in collective bargaining and labour matters. Later, on 19 July 2002, SALGA was classified as a Schedule 3A public entity in terms of the Public Finance Management Act 1 of 1999 ("PFMA"), bringing it under the financial oversight and governance regime applicable to national public entities.

After years of internal assessment and stakeholder engagement, SALGA was officially delisted as a Schedule 3A public entity on 1 October 2024. This development invites a constitutional and legal analysis of SALGA's continuing role and mandate in the post-delisting environment, particularly with reference to section 163 of the Constitution and its legislative implications.

Compliance at SALGA is an integrated decentralised function, which means that all clusters and business units of the organisation are structured to deal with the pieces of legislation that affect the business unit e.g. The matters that deal with labour laws are included in the Human Resources process of the organisation, while the organisation's role in the Labour Bargaining council must comply with the prescriptions of Labour Relations Act 66 of 1995. The latter is part of SALGA goals as an Employer Body under the cluster dealing with Municipal Capabilities and Governance. ***It must also be noted that the Auditor General, as part of its audit imperatives, conducts the audit of SALGA through a pillar of Compliance with laws and regulations which SALGA has passed for 13 consecutive years without any negative findings.*** As part of each employee scorecard, SALGA has included a KPI that requires compliance with Laws and Regulation within their area of responsibility.

Willful non-compliance with SALGA's regulatory obligations poses an unacceptable risk to SALGA's vision, mission, effective operations and reputation. SALGA'S responsibility to monitor regulatory compliance is a shared and day-to-day collective responsibility.

Every employee of SALGA, from the top down, is required to comply with the regulations that shape the universe insofar as it is applicable to their role and responsibilities - by ensuring they are aware of the following SALGA's obligations:



As compliance at SALGA is an integrated decentralised function, the necessity to assess the provisions of legislation applicable to SALGA and a comparative analysis of its compliance to legislation, created the need to procure an online system that allows the user to track amendments to legislation with automated alerts, ensuring compliance management is always up to date with changes that impact the organisation.

Regulatory compliance requires SALGA to continuously analyse its unique requirements and any mandates specific to the organisation to develop processes to meet obligations. The following steps have been taken by SALGA to achieve regulatory compliance which include the following:

- Identifying applicable regulations and requirements – determine which laws and compliance regulations apply to SALGA’s operations and the requirements of each regulation that are relevant to the organisation, and then considering implementation plans;
- Documenting compliance processes – clearly document compliance processes, with specific instructions for each role involved in maintaining compliance;
- Monitoring changes in the regulation universe - compliance requirements are updated constantly – changes are continuously monitored to determine if they are relevant to SALGA;

- Preparing in-house audits - which help to prepare for externally conducted formal compliance audits carried out by AGSA.

The repositioning of SALGA’s support resources during the year under review has resulted in the development of a dedicated compliance functionality housed within the legal and compliance structure. The focus and mandate of the compliance functionality is targeted at developing a well-defined regulatory/compliance universe for SALGA and ensuring that the policy and processes align to facilitate continued and effective compliance.

MINIMISING CONFLICT OF INTEREST

Conflict of interest can be defined as a situation in which a person is able to derive personal benefit from actions or decisions made in their official capacity. SALGA strives to create a culture of ethics and trust by setting the right tone from the top down in the organisation. Clear messaging on policies, processes and procedures on how to manage conflicts of interest is key to creating a safe environment in which employees are not afraid to bring up and disclose conflicts of interest.



SALGA's Compliance Policy and Framework (the 'Policy') inter alia states that employees must avoid acquiring any business interest or participating in any other activity outside the organisation that would, or would appear to:



Create an excessive demand upon their time and attention, thus depriving the organisation of their best efforts on the job;

Create a conflict of interest - an obligation, interest, or distraction – that may interfere with the independent exercise of judgment in SALGA's best interest;



Negatively impact SALGA's relationships with members, suppliers and other stakeholders.

The policy advocates for continuous awareness creation, showcasing to all employees various items about compliance and conflicts of interest. Training is a mechanism that helps minimise conflicts of interest in the organisation.

CODE OF CONDUCT

The Code of Ethics and Business Conduct is Chapter 2 of SALGA Policies manual, which aims at guiding and directing the conduct of all SALGA employees while performing their duties within and outside the organisation. This supports SALGA's belief that good ethics and business together produce the best long-term results for all SALGA stakeholders.

The objective of this code of ethics and business conduct strives to:

- Ensure that everyone involved with SALGA conducts business with the highest standards of ethics, integrity, desired business conduct and professional behaviour;
- Ensure that the integrity of both SALGA and its employees are not compromised.

SALGA is committed to:

-  Understanding its stakeholders and local government needs and exceeding their expectations;
-  Adhering to the principles of fairness, equity, transparency, non-discrimination, integrity, reliability and honesty in all its operations so as to avoid harm through any of its activities;
-  Contributing to the community;
-  Developing its staff;
-  Creating an environment free from any form of unfair discrimination;
-  Maintaining an open business environment free from conflict of interest and personal interest;
-  Taking action to prevent fraud;
-  Maintaining high levels of corporate governance and ensuring that it is constantly updated around challenges to professional conduct, governance and changes in legal requirements;
-  Complying with the applicable legislation and regulations;
-  Maintaining clear and unequivocal policies in line with legislation and SALGA's code of ethics and business conduct.

All employees of SALGA are responsible for familiarising themselves and complying with the code, applicable laws and regulations that relate to activities for and on behalf of SALGA.

SALGA has a constitutional mandate for handling the affairs of its affiliate members (municipalities). Equally, it is the responsibility of every employee to treat SALGA members with the greatest care and importance.

All SALGA employees are required to enhance the integrity of their relationship with members through honest interaction and by providing accurate information and clear communication. Any misrepresentation by SALGA employees in business dealings with members may compromise SALGA's standing with its member.

HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

SALGA is committed to the continuous improvement of safety, health, and environmental quality in alignment with its core institutional functions. Compliance with the Occupational Health and Safety (OHS) Act, 85 of 1993 as amended, is a statutory requirement and accordingly, all SALGA facilities were regularly cleaned and well maintained throughout the financial year.

In adherence to OHS rules and regulations, the committee developed a standard checklist which is used as a guide when

members conduct OHS inspections in all SALGA buildings. The purpose of inspections is to identify and implement solutions to eliminate any potential incidents or hazards that may occur in the workplace, as well as continuously put preventative measures in place to counter any possible future risks and/or hazards that could occur.

1. COMPLIANCE WITH THE OCCUPATIONAL HEALTH AND SAFETY ACT

SALGA is committed to ensuring a safe and healthy work environment for all employees, contractors, and visitors. Compliance with the Occupational Health and Safety (OHS) Act, 85 of 1993, as amended, is a statutory requirement that SALGA adheres to rigorously.

SALGA's Wellness Policy also incorporates complete procedures to guide full OHS compliance within the organisation. However, a request was made to separate OHS from the policy and as a result, the process was started to draft a separate OHS policy in line with the act and its regulations.

2. MAINTENANCE AND CLEANING OF FACILITIES

Throughout the financial year, all SALGA facilities were regularly cleaned and well-maintained to meet high standards of hygiene and safety. This included adherence to protocols for preventing the spread of COVID-19, in line with regulations set forth by the National Department of Health. Enhanced cleaning procedures were implemented to ensure that all workspaces remained safe and sanitary.

3. HEALTH AND SAFETY REPORTING

Health and safety matters were systematically reported quarterly through SALGA's Health and Safety (SHE) Committee. This committee plays a critical role in overseeing the implementation and adherence to health and safety protocols within the organisation.

4. SHE COMMITTEE MEETINGS IN 2024/2025

During the 2024/2025 financial year, the following SHE Committee meetings were held:

DATE	MEETING
21 June 2024	Q1 meeting
22 September 2024	Q2 meeting
25 November 2024	Q3 meeting
27 March 2025	Q4 meeting

These meetings were instrumental in reviewing health and safety performance, discussing potential hazards, and ensuring continuous improvement of OHS practices.

5. STANDARD OHS CHECKLIST

In adherence to OHS rules and regulations, the SHE Committee developed a standard checklist used during inspections of all SALGA buildings. This checklist serves as a comprehensive guide for committee members to identify potential incidents or hazards that may occur in the workplace. Key areas of focus during these inspections include:

- ✓ General workplace safety which includes housekeeping practices (cleanliness, organisation), signage and labels (clear and visible), and lighting levels (adequate and appropriate for tasks);
- ✓ Emergency preparedness that focuses on emergency exits (marked, accessible), fire safety equipment (extinguishers, alarms, sprinklers, checked and functional), and evacuation plans and drills (posted, practised regularly);
- ✓ Electrical safety that verifies electrical equipment (is in good condition, regularly inspected), cords and cables (secured, not frayed or damaged), and circuit breakers and panels (clearly labeled, accessible);
- ✓ Ergonomics that identifies workstation design (adjustable chairs, desks, and computer screens for comfort and safety), lifting techniques (training on proper lifting, availability of lifting aids), and repetitive motion (measures to reduce strain, adequate breaks);
- ✓ Personal Protective Equipment (PPE) availability (sufficient and suitable for tasks), condition thereof (well-maintained and replaced as needed), and available training (for proper use, fit, and care for PPE);

- ✓ Fall Protection to ensure guardrails and barriers (at heights or around steep areas, staircase, ramps etc.), ladder safety (inspection, proper use) and training on fall prevention and rescue procedures;
- ✓ Workplace violence and security identifying security measures (access control, surveillance), policies against workplace violence (zero tolerance, reporting procedures), and training on recognising and responding to threats;
- ✓ Environmental conditions for temperature and noise control (comfort and protection from extremes), dust and fume control (extraction systems, protective measures), and exposure to natural elements (UV protection, adequate cover for outdoor tasks);
- ✓ Incident reporting and investigation to verify reporting systems (clear procedures for reporting accidents and near-misses), investigation processes (thorough and timely investigation of incidents), and corrective actions (implementation and monitoring of preventive measures);
- ✓ Compliance with COVID-19 health protocols to ensure measurements are in place (regular handwashing, sanitisers, facemasks are worn for flu like symptoms etc.).

6. IDENTIFYING AND MITIGATING HAZARDS

SALGA has implemented a comprehensive approach to identifying and mitigating hazards in the workplace as part of its commitment to OHS. This approach encompasses several vital activities designed to ensure the safety and well-being of employees.

Firstly, SALGA conducts regular and systematic risk assessments to identify potential hazards within the workplace. These assessments are performed by qualified personnel who meticulously examine various aspects of the work environment, including physical, chemical, biological, and ergonomic factors, to uncover any possible sources of harm. Employees are also encouraged to report potential hazards they encounter in their daily activities, thus fostering a proactive safety culture where hazard identification is a shared responsibility.

Upon identifying hazards, SALGA prioritises and categorises them based on the severity and likelihood of potential harm, which allows the organisation to address the most critical risks promptly. The next step involves developing and implementing appropriate mitigation measures tailored to each specific hazard. These measures may include engineering controls, such as redesigning workspaces or installing safety equipment, and administrative controls such as developing and enforcing safety policies and procedures and providing personal protective equipment (PPE) to employees.

SALGA emphasises continuous education and training for its workforce to ensure that all employees are well-informed about

potential hazards and the appropriate mitigation strategies. Regular training sessions and workshops are conducted to update staff on new risks and safety practices, thereby enhancing their capability to identify and manage hazards effectively.

SALGA also engages in continuous monitoring and evaluation of implemented safety measures to ensure their effectiveness. This process involves regular inspections/audits of the workplace, reviewing incident reports, and analysing near-misses to identify trends and areas for improvement. By maintaining a feedback loop, SALGA can adapt and refine its hazard mitigation strategies to address emerging risks and ensure ongoing safety.

7. CONTINUOUS IMPROVEMENT

SALGA exhibits a deep commitment to the continuous improvement of its Occupational Health and Safety (OHS) practices through various strategic initiatives. Firstly, SALGA consistently updates its OHS policies to align with the latest best practices and legislative changes, ensuring that all procedures adhere to contemporary safety standards. The organisation places significant emphasis on training and education, providing comprehensive programmes that equip employees with the necessary knowledge and skills to uphold OHS principles. This entails both initial training for new hires and ongoing professional development for current staff. SALGA conducts regular risk assessments to proactively identify and mitigate potential workplace hazards, thereby preventing incidents before they occur.

In addition to risk management, SALGA has established a robust system for incident reporting and investigation. This mechanism allows for the systematic examination of accidents and near-misses, facilitating the development of preventative measures. Employee involvement is also a critical component of SALGA's strategy, with the organisation fostering active participation

in OHS practices through the formation of safety committees and inclusive decision-making processes. Regular monitoring and auditing, both internal and external, are conducted to ensure compliance with OHS standards and identify areas for enhancement.

SALGA promotes health and wellness programmes that contribute to the overall well-being of its workforce, recognising the intrinsic link between employee health and workplace safety. The organisation's commitment to continuous improvement is encapsulated in its systematic approach that involves setting performance targets, measuring progress, and making iterative adjustments to refine safety practices. Through these multifaceted strategies, SALGA not only underscores its dedication to OHS but also upholds the welfare of its employees, thereby fostering a safe and health-conscious work environment.

8. IMPROVEMENTS MADE FOR 2024/25 FINANCIAL YEAR

- The OHS representatives were nominated for each SALGA office including provinces appointed in writing for a period of three years.
- The Occupational Health and Safety Policy was revised in January 2025 and awaits approval for implementation purposes. It also includes COIDA (Compensation for Occupational Injuries and Diseases Act).
- Training for Fire Fighting and First Aid for OHS representatives was conducted from 4 - 6 March 2025 through the NOSA College, represented by all nine SALGA provincial offices.
- Monthly Microsoft OHS checklist to identify hazards and risks by OHS representatives has been developed and implemented with effect from November 2024.
- SALGA registered with the Department of Employment and Labour to submit future new COIDA claims using the web-based online system with effect from January 2025.

B-BBEE COMPLIANCE PERFORMANCE INFORMATION

BROAD-BASED BLACK ECONOMIC EMPOWERMENT AMENDMENT ACT, ACT NO. 46 OF 2013 REPORTING REQUIREMENTS:

In terms of section 13G. (1) of the B-BBEE Act all public entities must report on their compliance with broad-based black economic empowerment in their audited annual financial statements and annual reports required under the Public Finance Management Act, 1999 (Act No. 1 of 1999).

The reporting requirements per Part 2 of B-BBEE Regulation 12(1)(a) and (b) require SALGA to reports its compliance in respect of the following elements:

- ownership where applicable
- management control
- skills development
- enterprise and supplier development
- socio-economic development
- any other sector specific element.

Tabulated below is SALGA's fulfilment of these requirements:

Element	Target Score	Bonus Points	Achieved Score
Ownership	25 points	N/A	N/A
Management & Control	20 points	0	18.65
Skills Development	25 points	5	3.53
Enterprise & Supplier Development	50 points	4	31.31
Socio-Economic Development	5 points	0	1.06
Total Score	109 points	100+9	54.56
Empowering Supplier Status			Yes
Recognised procurement recognition level			0.00%
Discounting Principle Applicable			YES
Recorded procurement recognition level			0%
Final B-BBEE Status Level			Non-compliant

This table is completed in accordance with the compliance to the BBBEE requirements as required by the BBBEE Act and as determined by the Department of Trade, Industry and Competition. Where there has been no or only partial compliance with the criteria, the entity provides a discussion and indicates the measures taken to comply with the requirements:

LABOUR RELATIONS COMPLIANCE PERFORMANCE INFORMATION

LABOUR RELATIONS ACT, ACT NO. 66 OF 1995 REPORTING REQUIREMENTS:

Section 98(2)(b)(i) of the LRA requires that; "Every registered trade union and every registered employers' organisation must arrange for an annual audit of its books and records of account and its financial statements by an auditor who must report in writing to the trade union or employers' organisation and that report express and opinion as to whether or not the trade union or employers' organisation has complied with those provisions of its constitution relation to financial matters; and..."

MVB Audit and Advisory: Reasonable Assurance Opinion

"In our opinion, the South African Local Government Association complied with the compliance requirements of Section 98(2)(b)(i) of the

Labour Relations Act, 66 of 1995 for the year ended 31 March 2023, in all material respects, and in accordance with the constitution."

In terms of section 100(a) of the Labour Relations Act, the organisation as an Employer body for the local government sphere is required to certify that it accords with its records and report on the number of its members as of 31st March 2024.

Reflected hereunder is certification by the CFO in fulfilment of these requirements: -

Employer body certification:

1. I, Thembeke Mthethwa hereby certify that the South African Local Government Association accords with its records.
2. The organisation has 257 members as of 31 March 2024. The names of members are included on part 12 - list of members of SALGA on pages 218 to 239 of this Annual Report.



Thembeke Mthethwa

Duly authorized
31 March 2024



SALGA DEMONSTRATES ITS COMMITMENT TO GIVING BACK AND MAKING A DIFFERENCE

MANDELA DAY 2024

2024 Theme

"It is still in our hands to combat poverty and inequity."

In honour of Nelson Mandela's legacy and in alignment with the United Nations resolution that encourages 67 minutes of service to humanity, SALGA reaffirmed its enduring commitment to social responsibility, equity, and nation-building during the 2024 Mandela Day commemorations. Recognising Mandela as a global icon and an enduring symbol of justice and human dignity, SALGA has observed Mandela Day annually, using this day not only to give back but to lead by example in advancing human rights and social justice across South Africa's communities.

DRIVING SOCIAL IMPACT THROUGH LOCAL GOVERNMENT

In 2024, SALGA implemented Mandela Day initiatives. These initiatives were not symbolic gestures, but practical interventions targeting systemic social challenges, including

education, gender-based violence, climate change, and food insecurity—particularly the vulnerabilities of women and children. SALGA's provincial office partnered with municipalities, schools, civil society organisations, and local communities to co-create sustainable, community-specific solutions that reflected the spirit of Madiba.

KEY HIGHLIGHTS ACROSS PROVINCES

National and Gauteng Offices: Empowering the Girl Child



In Soweto, SALGA's National and Gauteng teams collaborated with Lofentse Girls High School to deliver a multifaceted programme under the leadership of the Chief Officer: IDS and Cllr Margaret Arnolds (Chairperson: Community Development and Security). The initiative aimed to empower girls through:

- Introduction of digital library technologies and inspirational books;
- Foot golf as an inclusive sport;
- Career and wellness exhibitions;
- Tree planting and climate awareness led by the City of Johannesburg;
- Gardening and seedling donations to boost food security.

SALGA staff also participated in the Nelson Mandela Foundation's Walk/Run event on 20 July 2024 at DP World Wanderers Stadium, reinforcing solidarity through service and community engagement.

Free State: Uplifting Bethlehem Combined School



In the Free State, under the theme "Climate, Food and Solidarity", SALGA focused on Bethlehem Combined School—an institution serving 900 learners from disadvantaged communities. Under the stewardship of Cllr Madineo Miya, donations included:

- Emergency sanitary pads;
- Sports kits and first aid supplies;
- Stationery, chess sets, and water bottles.

This intervention aimed to create an enabling learning environment while promoting dignity and well-being.

KwaZulu-Natal: Supporting Vulnerable Children

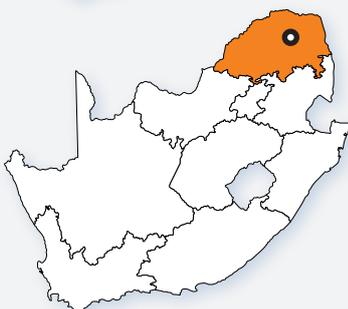


The KwaZulu-Natal office partnered with District 49 Children's Home in uMkhomazi, a refuge for children in need of care. SALGA's contributions included:

- Renovation of facilities (windows, bathrooms, and doors);
- Painting and structural upgrades;
- Donation of groceries, dignity packs, school shoes, and essential household items.

These efforts were praised by the institution's leadership as both impactful and sustainable.

Limpopo: Strengthening Digital Access in Schools

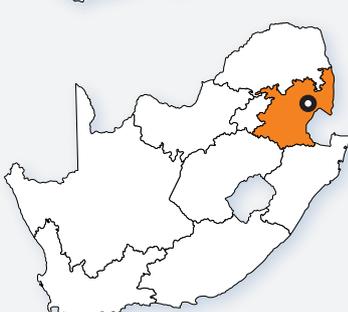


In Limpopo, Mapuma High School in Ga-Mamaila Kolobetona received much-needed learning resources through a donation that included:

- Three laptops and three data projectors with screens;
- 300 packs of sanitary towels.

This investment aimed to enhance digital learning and restore dignity for learners through accessible hygiene solutions.

Mpumalanga: Advancing GBVF Prevention



The Mpumalanga office partnered with the Bamabani Women Victim Empowerment Centre in Amsterdam, directly supporting its GBVF prevention work by donating:

- Furniture, gazebos, and branded materials;
- Printing equipment and stationery;
- Mobile phones and software.

The initiative highlighted SALGA's commitment to the National Strategic Plan on Gender-Based Violence and Femicide and was attended by political and municipal leaders, demonstrating high-level support.



North West: Building Resilient Communities

Mandela Day in the North West took place at Makgobi Primary School in Ratlou Municipality. Activities included:

- Installation of flood mitigation technology;
- Climate awareness campaigns and tree planting;
- Career and wellness exhibitions;
- Establishment of a food garden.

Partner departments committed to future training, while municipal leadership pledged ongoing support for community resilience.



Northern Cape: Serving the Marginalised

Two significant interventions took place:

1. Soup and bread distributed to 130 unemployed men in Kimberley, providing nourishment and dignity.
2. Ongoing support to a rural primary school in Rooiwal included:
 - Drug and foetal alcohol awareness;
 - Playground decoration using tyres;
 - Donation of 300 school shoes;
 - Protection of the school's food garden.



Western Cape: Restoring Dignity Through Hygiene

In partnership with the West Coast District Municipality, the Western Cape office donated dignity packs to learners at Bitterfontein Primary School in Matzikama Municipality. These essential hygiene items aimed to promote school attendance, confidence, and health, especially among girl learners.

CONCLUSION: MANDELA'S LEGACY, SALGA'S MISSION

SALGA's 2024 Mandela Day activities reflect the organisation's dedication to social justice, equity, and inclusive development. Through strategic partnerships and targeted local interventions, SALGA continues to honour Mandela's legacy—not just through symbolic service, but by translating his vision into tangible action that uplifts the most vulnerable across South Africa. In doing so, SALGA positions itself not only as a force of governance but as a driver of transformation in every corner of the country.





REPORT OF THE AUDIT AND RISK COMMITTEE

Amanda Mazibuko Chairperson

The SALGA Audit and Risk Committee is constituted in terms of the SALGA constitution, King IV report as well as the Global IIA standards. The Committee meets as per its approved terms of reference and calendar of meetings.

The Audit and Risk Committee (ARC) is a sub-committee of the National Executive Committee (NEC). The objectives of the Committee are:

- To provide oversight over the effectiveness, efficiency and transparency of systems of financial reporting, risk management and internal control maintained by SALGA. This contributes to the efficient and effective utilisation of resources, safeguarding of assets and the accomplishment of established strategic objectives for operations and SALGA programmes;
- To promote the efficiency and effectiveness of accounting and management information systems;
- To monitor that justifiable decisions pertaining to service rendering are taken as indicated in policy statements and practices in accordance with SALGA's responsibility to its members;
- To ensure that the organisation has put measures in place to enable compliance with applicable laws and regulations;
- To act as a distinct and clear communications channel between the National Executive Committee, Executive

Management Team, external and internal auditors;

- To monitor the effectiveness of the Internal Audit Function;
- To monitor management, internal audit and external audit with reference to the drafting, review and auditing of the financial statements respectively;
- To enhance the objectivity and credibility of reporting to stakeholders;
- To receive, evaluate and conclude on the fair presentation of SALGA's annual financial statements.

To achieve its objectives, the Audit and Risk Committee is empowered to access all information necessary to assess and act on, and to convene meetings, including in-committee meetings, as deemed necessary.

AUDIT AND RISK COMMITTEE MEMBERS

The Committee comprises independent members who are all professionals. It functions independently of management structures of SALGA and endeavours to always remain and preserve its objectivity.

The Audit and Risk Committee consists of the following independent non-executive members, who are not members of the accounting authority/NEC:

ACCOUNTING AUTHORITY / NEC

National Executive
Committee

AUDIT AND RISK COMMITTEE

(Independent non-executive members)

Ms Amanda Mazibuko
(Chairperson)Ms Siphwe
Desiree NagaAdv Lulamile
Peter

Mr Protas Phili

Vacant

QUALIFICATIONS AND OTHER ROLES; BOARD MEMBERSHIP (PAST AND PRESENT)

#	Member	Profession	Qualifications / Expertise
1.	Ms. Amanda Mazibuko	<ul style="list-style-type: none"> Certified Internal Auditor (SA) 	<ul style="list-style-type: none"> Bachelor of Accounting Science (BCompt) – UNISA Honours Bachelor of Accounting Science (Hons BCompt) – UNISA Certified Internal Auditor (CIA) (SA)-The Institute of Internal Auditors Inc. Master of Business Administration (MBA) – UKZN
2.	Adv. Lulamile Peter	<ul style="list-style-type: none"> Admitted as an Advocate of the High Court of South Africa - 2006. 	<ul style="list-style-type: none"> LLB – University of the Western Cape – 2002. Master of Laws in International Human Rights Law (LLM) – University of the Western Cape – 2003. Master of Science in Medicine – Wits University– 2009 Postgraduate Diploma in drafting and interpretation of Contracts–University of Johannesburg – 2007 Postgraduate Diploma in Compliance Management – University of Johannesburg – 2013 Master of Philosophy in Fraud Risk Management – University of Pretoria – 2022
3.	Mr. Protas Phili	<ul style="list-style-type: none"> Chartered Accountant (SA) 	<ul style="list-style-type: none"> Bachelor of Commerce – UKZN - 1998 Postgraduate Diploma in Accountancy - UKZN - 2000 Advanced certificate in Auditing – Accounting Professional Training (APT) - 2002 Master of Commerce (Taxation) – UKZN - 2006 Chartered Accountant South Africa (CA (SA) - SA Institute of Chartered Accountants (SAICA) - 2006
4.	Ms. Siphwe Desiree Naga	<ul style="list-style-type: none"> Certified Internal Auditor (CIA)(SA) 	<ul style="list-style-type: none"> Bachelor of Commerce (Accounting) [University of North West] Certified Internal Auditor (CIA) (SA) - The Institute of Internal Auditors Inc Certification in Control Self-Assessment (CCSA) Performing an Effective QA (PEQA) Building a Sustainable QA Program (BSQP)

AUDIT AND RISK COMMITTEE MEMBERS' ATTENDANCE

Five meetings were held during the 2024/2025 financial year. These meetings were attended by the Chief Executive Officer or proxy, Chief Financial Officer, the Head of Internal Audit, the external auditors (Auditor General South Africa), and other designated corporate office officials.

The Chairperson of the Audit and Risk Committee reports on the Committee's activities to the National Executive Committee in terms of the charter. All members declared any personal or financial interests at each Audit and Risk Committee meeting in respect of matters on the agenda.

The table below indicates the Audit and Risk Committee members' record of attendance of Audit and Risk Committee meetings.

Member	24-May-2024	25-July-2024	29-July-2024	21-Oct-2024	30-Jan-2025
Ms. Amanda Mazibuko – Chairperson	✓	✓	✓	✓	✓
Adv. Lulamile Peter – Member	✓	✓	✓	✓	✓
Mr. Protas Phili – Member	✓	✓	✓	✓	✓
Dr. Timothy Maake – Member	✓	✓	✓	✓	x
Ms. Sphiwe Desiree Nage – Member	✓	✓	✓	x	✓

Legend: ✓ - Member attended the meeting. x - Member did not attend the meeting. # - Member resigned 31 October 2024.

AUDIT AND RISK COMMITTEE RESPONSIBILITIES

The Audit and Risk Committee reports that it has complied with its responsibilities as per the Committee's Charter. The Audit and Risk Committee adopted appropriate formal Terms of Reference as its Audit and Risk Committee Charter and has regulated its affairs in compliance with these Terms of Reference and has discharged all its responsibilities as contained therein.

EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL

The review of the effectiveness of the system of internal control by the Audit and Risk Committee is informed by the reports submitted by the Internal Audit Function, external auditors and management. The latter is responsible for the development and maintenance of an efficient and effective system of internal controls.

No significant control weaknesses have been included in the reports issued by the Internal Audit Function and the Auditor General. Weaknesses in internal controls identified by assurance providers continue to be addressed by management.

INTERNAL AUDIT ACTIVITY (IAA)

The Audit and Risk Committee monitored the work of the IAA against the approved Internal Audit Charter and the Internal Audit Coverage Plan throughout the financial year through its quarterly Committee meetings. The Committee is satisfied that the IAA addressed the risks pertinent to the organisation in its audits, and that the resulting reported conclusions were independent and in full compliance with the approved Internal Audit Charter.

RISK MANAGEMENT

The Audit and Risk Committee provided oversight through quarterly reports and has satisfied itself that the risk management process of SALGA ensures that strategic and operational risks are identified and managed.

SALGA follows an enterprise-wide risk methodology which is governed by its approved risk management framework. This process of identifying risks ensures that the entire risk universe of the organisation is covered. The gathering of risks delineates between strategic and operational risks to assign the required level of management and focus to risks identified. The strategic risks are elevated to the Risk Management Committee and ultimately to the Audit and Risk Committee.

FINANCE AND SUPPLY CHAIN MANAGEMENT FUNCTIONS

The Audit and Risk Committee plays an oversight role over the Finance and Supply Chain Management (SCM) functions of the organisation through quarterly and ad-hoc reports that serve at the Committee during the financial year. The Committee is satisfied that the Finance and SCM Functions are well resourced to execute their roles and responsibilities of safeguarding the assets of the organisation, maintaining effective internal financial controls and sound SCM practices in accordance with applicable laws and regulations.

Through the financial reports that served during the financial year, the Committee is satisfied with the quality, clarity and adequacy of the information contained in these reports and was able to recommend these reports for approval by the National Executive Committee and the Executive Authority. Equally, the Committee is satisfied with the SCM function which is an integral unit under the direction of the Chief Financial Officer. The Committee has also received corroboration on the effectiveness and adequacy of both the Finance and SCM functions through the reports of the Auditor General.

REVIEW AND EVALUATION OF ANNUAL FINANCIAL STATEMENTS AND PERFORMANCE REPORT

The Audit and Risk Committee has:

- Reviewed and evaluated the annual financial statements of SALGA for the period ended 31 March 2025;
- Reviewed and evaluated the annual performance report of SALGA for the period ended 31 March 2025;
- Reviewed the Auditor General's audit report and management letter including management's response thereto;
- Recommended the audited annual financial statements and annual performance report for the period ended 31 March 2025 for approval by the Accounting Authority.

The Audit and Risk Committee concurs with and accepts the Auditor-General's conclusion on the annual financial statements and annual performance report. It is of the opinion that the audited financial statements and the annual performance report can be accepted and read in conjunction with the report of the Auditor-General.



Amanda Mazibuko

Chairperson of the Audit and Risk Committee

Pretoria

July 2025



REPORT OF THE PERFORMANCE MANAGEMENT AND REMUNERATION PANEL

Joyce Moloji-Moropa Chairperson

The Performance Management and Remuneration Panel (REMPANEL) is pleased to present its report for the year ended 31 March 2025. The REMPANEL is a sub-committee of the National Executive Committee (NEC) and supports the implementation and institutionalisation of performance management and remuneration system at SALGA. The panel is an advisory body to the NEC and is authorised to review, guide and support SALGA in the effective implementation of the organisation's Performance Management Policy and procedures, remuneration philosophy and strategy to successfully deliver the strategy of the organisation.

RESPONSIBILITIES OF THE REMPANEL

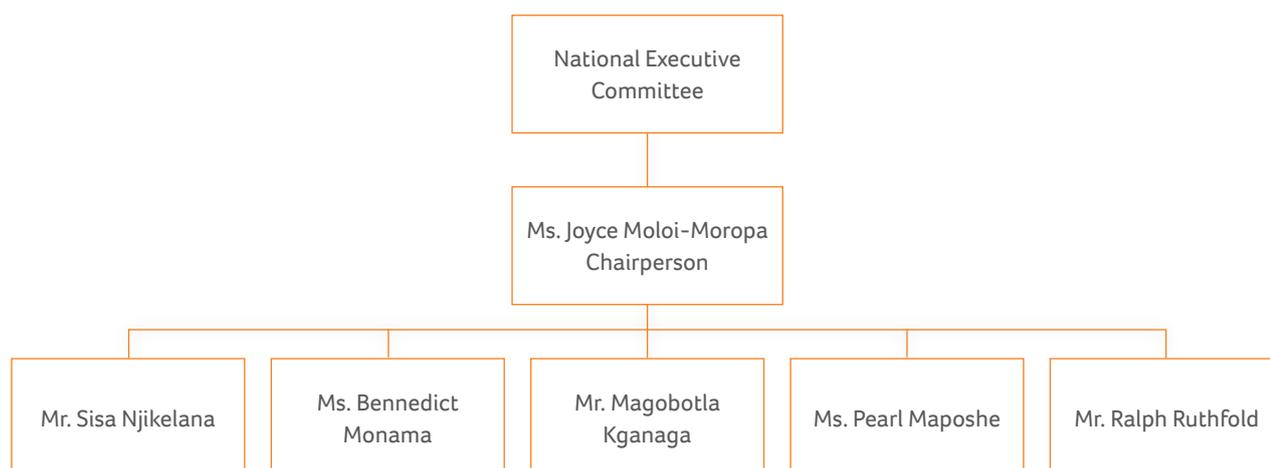
The main purpose of the Committee is to ensure the adoption of performance and remuneration policies that attract and retain top talent, aligned to the SALGA Employee Value Proposition (EVP). The aim of the EVP is to create a great place to work where employees have an opportunity to grow their careers through experiences and connections that inspire them to make an impact in Local Government.

The Committee's Terms of Reference (ToR) include the following responsibilities:

1. Adherence to the organisational Performance Management Policy and procedures and the remuneration philosophy and strategy, as well as other policies aligned with SALGA's approved organisational strategy and business goals and objectives;
2. Ensuring that the remuneration strategy is market-related and competitive;
3. Determining specific executive management remuneration packages that included short- and long-term performance-based incentives, considering the relationship between executive management and employee remuneration;
4. Approving the design of short-term incentive schemes, including determining targets and participation thresholds;
5. Approving the design of the long-term incentive schemes, including determining allocation criteria and performance conditions;
6. Reviewing and monitoring progress in people management;
7. Providing oversight of targets, ensuring that these remain challenging and reflect SALGA's strategic objectives;
8. Recommending and suggesting actions to achieve agreed targets or assisting where deviations from targets are probable;
9. Conducting performance coaching for the Chief Executive Officer.

COMPOSITION OF THE COMMITTEE

Committee members comprise external public sector officials, private sector professionals, NEC representatives and SALGA's Chief Executive Officer as an ex-officio member. The Committee is independent of SALGA's management structures and endeavors to always retain and preserve its objectivity.



QUALIFICATIONS AND OTHER ROLES - BOARD MEMBERSHIP (PAST AND PRESENT)

Name	Profession	Qualification/Expertise
Ms. Joyce Moloi-Moropa – Chairperson	National Treasurer General of South African Communist Party (SACP) 2012 to date Executive Chairperson, Masincazelane Investments (Pty) Ltd	<ul style="list-style-type: none"> Diploma in Administration and Business Communication, Vista University BA, University of Limpopo Postgraduate Diploma in Higher Education, University of Limpopo Hons (Arts Literacy Studies), University of Limpopo
Mr. Sisa Njikelana – Member	Board member of various organisations (1998 to date) Research Fellow in the Centre for Competition, Regulation and Economic Development by the Faculty of Economic and Financial Sciences, University of Johannesburg (2015-2018) Councillor and Executive Committee member, Eastern Metropolitan Local Council, Greater Johannesburg Metro Council (1995-1998)	<ul style="list-style-type: none"> Diploma in Applied Social Studies, Ruskin College, Oxford University (UK) (1993) Certificate in Leadership Communication, Rhodes University (2006)
Ms. Benedict Monama – Member	Admitted Attorney of the High Court of South Africa (1990)	<ul style="list-style-type: none"> BProc, University of the North (1982) LLB, Wits University (1987) Executive Leaders in Development Programme, Harvard University (Boston) (2001) Finance for Non-Financial Managers, Wits Business School (2001) Senior Executive Programme, Harvard University (Boston) (2003) Project Management, Wits Business School (2005) Transport Planning Methodologies, Stellenbosch University (2010) Certificate CMPD* (Municipal Finance), Wits University (2014-2015)

Name	Profession	Qualification/Expertise
Mr. Magobotla Kganaga – Member	Executive: Human Resources: Independent Communications Authority of South Africa (ICASA) Deputy Chairperson; Human Resources Development Committee of the Communication Regulators, South Africa	<ul style="list-style-type: none"> • Certificate in Public & Development Management, WITS University, South Africa (2008) • Master’s Degree; Public & Development Management: Specialization, Change Management, WITS University, South Africa (2014) • Global Executive Development Programme, GIBS, South Africa (2019) • Director: Institute of Directors (SA)
Ms. Pearl Maphoshe – Member	Chair/member of various boards: Medshield, Cricket SA, SASCO Group HR Executive: Aspen Pharmicare Holdings (2019-2020) Group HR Executive: Tongaat Hulett (2018-2019) Group Executive HR: Pick n Pay Retailers (2016-2018)	<ul style="list-style-type: none"> • Certified Director: Institute of Directors SA (2021) • Driving Performance through Talent Management, Harvard (2013) • Strategic Management & Planning in Retailing (2007) • College of William & Mary • Programme in Educational Policy and Planning, Harvard (1994) • Executive Development Programme Wits University (2004) • Masters: Economics of Education and Planning, University of Durban Westville (1994) • BA (Hons) in Economics, Institute of Education, London University (1991)
Mr. Ralph Ruthford – Member	Chair / member of various boards and committees: USAPHO Foundation (NPO); Media24 Provident Fund; Paarl Coldset; Novus Holding, Maskew Miller Learning, Sanlam Umbrella Provident Fund Group Executive HR: Novus Holding (2018 to present) HR Director: Novus Print Division (2017-2018) HR Executive: Metropolitan Health Group (2008-2011) Executive Director Operations and Marketing: Premier Fishing SA (2000-2006) Regional HR Manager: Naspers/Media24 (1994-2000) LinkedIn Career Advisor	<ul style="list-style-type: none"> • MPhil HR (People Management); Dissertation: “A longitudinal investigation of the relationship between strategic human resource management and organizational performance”, UCT (2016) • Honours Baccalaureus Economicaiae (majors Organisational Development & HR development) University of Stellenbosch (1997) • Baccalaureus Economicaiae (majors Industrial Psychology & Business Economics) (1993)

REMPANEL COMMITTEE MEMBERS’ ATTENDANCE

The panel’s meetings are scheduled according to the TOR, with NEC members attending as oversight and the CEO attending in an ex-officio capacity. The REMPANEL Chairperson reports to the NEC on the panel’s activities.

As per table below, the Committee convened five times during the 2024/2025 financial year:

Member	2024-05-17	2024-07-26	2024-10-17	2025-01-22	2025-03-12
Ms. Joyce Moloi-Moropa – Chairperson	✓	✓	✓	✓	✓
Mr. Sisa Njikelana – Member	✓	✓	✓	✓	✓
Ms. Bennedict Monama – Member	✓	✓	✓	✓	✓
Mr. Magobotla Kganaga – Member	✓	x	x	✓	✓
Ms. Pearl Maphoshe – Member	✓	✓	✓	✓	✓
Mr. Ralph Ruthford – Member	✓	✓	✓	✓	✓
Cllr. Flora Maboja- Boltman – NEC Member	✓	✓	x	✓	x
Cllr. Pule Shayi – NEC Member	x	x	✓	x	x

Legend: ✓ - Member attended the meeting. x - Member did not attend the meeting.

In addition to the structured meeting listed above, the REMPANEL held a strategy session, where, amongst others, the 2024-25 organisational strategic risks were validated.

APPROVAL AND MONITORING OF ORGANISATIONAL PERFORMANCE AS AGREED THROUGH THE ANNUAL PERFORMANCE PLAN (APP)

The Committee diligently monitors and reviews organisational performance on a quarterly basis. *During the year under review, SALGA attained 98% of its targets against predetermined objectives. SALGA has maintained an unqualified audit with no material findings on non-financial performance for the last 13 years.* This

accomplishment underscores the Committee's consistent and effective oversight of organisational performance, ensuring that despite challenges, high standards of accountability and transparency are upheld.

MONITORING OF HUMAN CAPITAL PERFORMANCE

In FY2022-23, the REMPANEL approved the 2022-2027 Human Capital & Corporate Service strategy which aligns with and supports the 2022-2027 SALGA strategy under the Agile Force of Influence outcome. The strategy is designed to deliver value to SALGA employees, culminating in a strong commitment to their development and well-being.



"Our promise to our employees is to give them an opportunity to grow their careers through experiences and connections that inspire them to make an impact." because "We don't do what we do because it is our job. We do it because of our commitment to our municipalities and communities."

The quarterly Human Capital Performance reports covered in detail all aspects of the Human Capital Strategy, including organisational culture initiatives, talent management and recruitment, remuneration and benefits, employee wellness interventions, leave management, employment relations, employment equity, productivity, HCIS and HCCS related risks.

The REMPANEL commended the HCCS team on the quality of the quarterly reports. They further deliberated and provided suggestions for improvement as follows:

- SALGA to explore partnering with disability organisations such as Deaf SA, Disability SA, etc.;
- The Internship/Graduate programme to be amended to cater for a 2-year graduate contract. This was implemented and the current cohort of graduate contracts was extended to 24 months;
- REMPANEL to be involved to support onboarding. This will be implemented in 2025-26;
- Termination data to be further disaggregated in order to understand the reasons why those that have been with the organisation for under one year have left;
- An impact assessment of the learning initiatives (seminars/ short courses vs. formal qualifications and graduate programme) should be undertaken in order to project the return on investment;
- A healthy balance should be ensured on building up individual skills vs. building up organisational skills;
- Change management capability should be built in the organisation across the board (referring mainly to delisting);
- Concern was expressed on the high level of employees at management level who are members of the unions.

REVISION OF THE HUMAN CAPITAL & CORPORATE SERVICES POLICIES

The proposed amendments that were workshopped with all employees were presented to the REMPANEL in two batches: 22 January and 12 March, as below:

- Talent sourcing
- Leave
- Talent Development
- Employee Wellness
- Long Service
- Individual Performance Management
- Code of Ethics and Business Conduct
- Dress Code
- Conditions of Service (Termination of Employment)
- Employment Equity
- Organisational Health and Safety
- Harassment
- Grievance
- Disciplinary
- Long Service
- Retention Incentive Scheme

The revised policies were tabled for inclusion in the agenda of the NEC of 19 March 2025, which deferred them for consideration in FY2025/26.

KEY RESOLUTIONS

The REMPANEL made the following resolutions during the 2024-2025 period:

1. Noted the 2024 Organisation Culture Results;

2. Continue to support and hold the Executive accountable for culture development in the organisation;
3. Consider assessing if all SALGA employees understand the vision, mission and values of the organisation;
4. Noted the **organisational financial and non-financial performance** as indicated below:
 - Noted the organisational quarterly financial and non-financial performance reports on the implementation of the Annual Performance Plan;
 - Noted that the reports which were submitted to CoGTA and National Treasury, for 2024/25 financial year, were ready for submission for the external audit process.

In addition to the above, the REMPANEL discussed the following in their in-committee sessions:

- Human Capital Strategic Risks;
- REMPANEL Strategy;
- Performance Management and Merit-based reward;
- Report on the CEO's return to work report;
- Long service awards;
- Retention scheme;
- Review of CEO's 2024/25 Performance.



Ms. Joyce Moloji-Moropa

Chairperson of the Performance Management and Remuneration Panel
Pretoria
July 2025





PART D: HUMAN RESOURCES MANAGEMENT

INTRODUCTION

The 2024–2025 period marked another year of delivering on our Employee Value Proposition:

“Our Promise” is SALGA’s commitment to give our employees the opportunity to make an impact and grow their careers through experiences and connections that inspire them to make a difference”

We do not approach our work as just a job. It is a shared commitment to advancing the well-being of our municipalities and communities, as we continue to implement the four strategic objectives of the HCCS 2022–2027 Strategy.



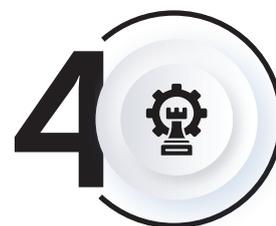
1
A culture transformation journey that delivers a great customer experience through SALGA Employee Value Proposition



2
An integrated talent management strategy to attract and retain the best talent



3
Organisational capability to enable future organisational sustainability



4
Strategic and professional advisory services

01. A CULTURE TRANSFORMATION JOURNEY THAT DELIVERS A GREAT CUSTOMER EXPERIENCE THROUGH SALGA EMPLOYEE VALUE PROPOSITION

CULTURE INITIATIVES

Impact: Enhancing a great employee experience and a healthy work environment through Organisation Development and culture work to foster a dynamic culture.

The 2024–25 organisation-wide culture transformation initiatives are:





CULTURE ACTION PLANS

During the financial year, team effectiveness sessions were implemented across clusters and provinces, focusing on areas such as Team Coaching, Self-Mastery, New Leader Integration, Building New Teams, the Leader-led Vision and Values Programme (VAMP), Team Cohesion, Crucial Conversations, and Personality Dynamics. These sessions aimed to foster alignment, collaboration, and cohesiveness.

Across all sessions, teams engaged in discussions on improving communication, enhancing self-awareness, and promoting a

culture of recognition. These efforts empowered teams to take full accountability for their effectiveness and contributed to the development of initiatives aimed at strengthening employees' psychological connection to their work and cultivating a healthy organisational culture.

In March 2025, to ensure the continued relevance of these initiatives and to provide a platform for employees to share their experiences, the annual organisation-wide Culture Survey was conducted.



LEADERSHIP DEVELOPMENT PROGRAMME

On 15-16 July 2024, SALGA's top leadership convened for a culture discussion session focused on fostering leadership alignment around critical organisational issues that influence organisational culture. As a follow-up, key outcomes from this engagement were validated during the **2024 Leadership Conference** held from 14 -16 October 2024, under the theme:

"A Strategic Force of Influence through Strategic Alignment."

The following strategic focus areas emerged:

- Advocacy and Lobbying
- Governance
- Focus on Getting the Basics Right
- Strengthening Local Government Financial Resources for Sustainability and Economic Growth

- Taking Care of SALGA: prioritising people wellness, professional development, and overall organisational culture improvement. This includes ensuring clarity of strategy, refining the impact and operating model to align with the strategy, exploring public-private partnership models, and enhancing specialised services, such as project management, monitoring, scoping, and the roll-out of integrated local government development projects.

Furthermore, culture-related statements, values, and behaviours were identified as key elements requiring alignment across the leadership. These themes were further reinforced during the Executive Management Team (EMT) Lekgotla held in January 2025, deepening the leadership alignment process.



LINE MANAGER DEVELOPMENT PROGRAMME

The Line Manager Development Programme is a tailor-made initiative designed for all managers with direct reports. Its purpose is to equip line managers at SALGA to manage people effectively, in alignment with *"The SALGA Way."* The programme was successfully rolled out during the 2023/24 financial year. The second cohort, comprising 50 delegates, commenced in February 2025. The programme began with foundational topics such as self-awareness and self-regulation, emotional intelligence, and personal branding - laying the groundwork for

effective leadership and management. Key focus areas covered in the programme included:

- Operationalising SALGA Strategy & Managing Cross Functional Teams
- SMART Objectives & Managing Output (Performance Management)
- Finance for Non-Financial Managers
- Project Management & Change Management

The following action learning projects, selected by the delegates, are key to the strategic and operational success of SALGA and municipalities:

TOPIC	DESCRIPTION
The main alternative stream of income for SALGA	Following SALGA's recent delisting, identify opportunities to diversify revenue sources beyond levies and establish a strong alternative income stream.
Infusing Artificial Intelligence (AI) across SALGA service areas	Investigate how AI can be strategically leveraged to future-proof SALGA's service delivery and overall impact, given the growing role of AI in transforming industries.
Strategic Lobbying beyond IGR structures	Redefining SALGA's lobbying strategy to reposition its influence.
Advanced technologies in capacity building programmes	Explore cutting-edge technologies that municipalities can adopt to enhance service delivery and capacity-building efforts.
Develop SALGA's provincial complexity matrix for differentiated approach.	SALGA provincial offices work in different levels of complexity. Define the elements of provincial complexities. Use different elements of complexities (e.g. number of municipalities, political stability) and deploy these elements to develop the complexity matrix.
How can SALGA strengthen its brand in the local and national government.	Identify strategies to enhance SALGA's brand presence, credibility, and influence within the local and national government space.



EMPLOYEE RECOGNITION PROGRAMME

Acknowledging and rewarding employees for their contributions is essential to sustaining high levels of morale, motivation, and performance. SALGA's reward and recognition initiatives are designed to honour achievements - both big and small - through a variety of mechanisms, including financial incentives, awards, and public acknowledgments. These programmes are intentionally inclusive and reflective of the diverse contributions across the organisation, reinforcing a culture of excellence and appreciation.

To honour employees who demonstrated exceptional dedication and delivered visible impact during the 2023–2024 financial year, the **Employee Recognition Awards Evening** was held on 20 August 2024. The event celebrated the organisation's top performers and served as a platform to showcase the value of individual and team contributions.

In line with SALGA's commitment to continuous improvement, the **Employee Recognition and Rewards Programme (ERP)** has undergone significant transformation. What was once a manual and annual process has evolved into a **digitised, agile platform** that supports ongoing recognition throughout the year.

This transition - from a once-off event to an **embedded culture of recognition** - was underpinned by a structured **change management process**, enabling greater alignment with the organisation's values and strategic objectives. As a result, employee engagement and participation in the ERP system have steadily increased, making recognition an integral part of SALGA's work environment and people culture.

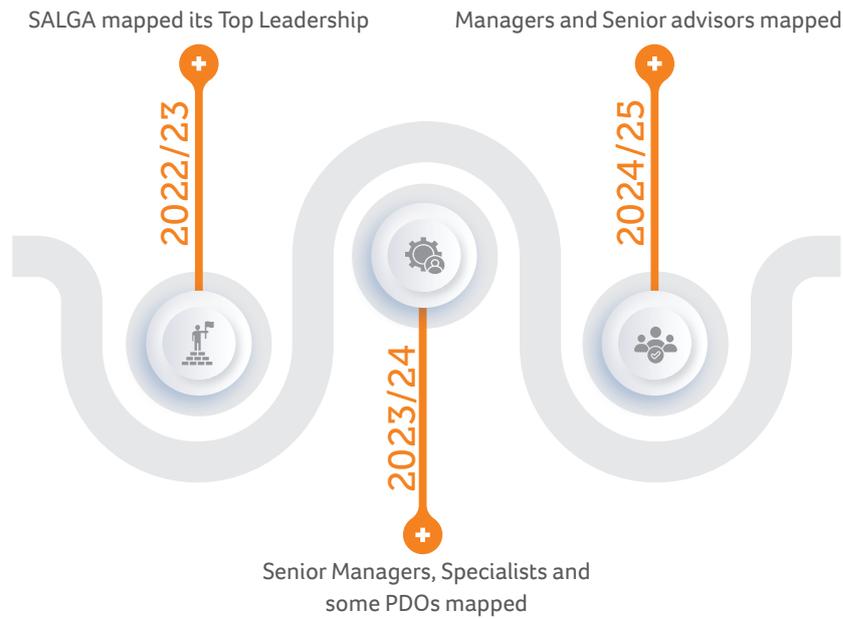


02. AN INTEGRATED TALENT MANAGEMENT STRATEGY TO ATTRACT AND RETAIN THE BEST TALENT

Human Capital facilitated internal mobility for SALGA employees through the Talent Management Strategy. As such, several employees have moved up internally since its implementation.

To fill vacancies, priority is given to internal employees who meet the minimum requirements of the position. Of the 156 vacancies filled between 1 April 2021 - 31 March 2025, 66 (42%) were filled by internal employees.

In addition, SALGA Talent Mapping is managed through a collaborative process using a 9-box grid which enables the organisation to map employees considering their performance and potential. The mapping segments employees onto different talent pools.



In addition, as part of targeted strategy for different talent segments, a **Talent Retention Strategy** document was developed.



03. ORGANISATIONAL CAPABILITY TO ENABLE FUTURE ORGANISATIONAL SUSTAINABILITY

ORNECY SYSTEM

In the 2024/2025 financial year, continuous enhancements were made to the Ornecy system to improve functionality and the overall user experience. Focused improvements were implemented across key modules, including:

- **Qualifications:** Streamlining the process of capturing and verifying employee qualifications.
- **Probation Management:** Automating monitoring and tracking of probation periods.
- **Long Service Awards:** Improving the recognition process for long-serving employees.
- **Termination Process Automation:** Enhancing efficiency and compliance in offboarding processes.
- **Bursary and Salary Advance Applications:** Digitising and simplifying the application and approval workflows.
- **Acting Appointments:** Introducing better controls and visibility for temporary leadership assignments.

These enhancements are part of a broader digital transformation strategy to increase operational efficiency and improve the employee experience.

REPORTING AND ANALYTICS

The integration of Ornecy with advanced tools such as Power BI and Power Query has significantly strengthened SALGA's human capital reporting capabilities. Interactive dashboards have been developed to track real-time data and key metrics, enabling evidence-based decision-making. These tools allow for continuous monitoring of the effectiveness of Human Capital (HC) programmes and progress towards strategic objectives, including talent retention, capability development, and workforce planning.

WORKFORCE PRODUCTIVITY INDEX

SALGA maintained a strong Composite Workforce Productivity Index (CWPI) throughout the 2024/25 financial year, with an average score of **1.10** - consistently above the benchmark of 1.0 in all quarters. This indicates that employee productivity remained stable and efficient, with staff outputs aligning well with organisational inputs and strategic goals. The CWPI continues to serve as a reliable indicator



04. STRATEGIC AND PROFESSIONAL ADVISORY SERVICES

Since the adoption of the Human Resource Business Partner (HRBP) model in the 2021/2022 financial year, SALGA has significantly enhanced its HR service delivery. The model has moved beyond traditional HR support functions to become a critical enabler of strategic business outcomes. HRBPs are now deeply integrated into the business, engaging with executives in strategic discussions and contributing to operational and organisational effectiveness. Their ability to translate people strategies into business impact has positioned them as trusted advisors and value-adding partners across the organisation.

SERVICE DESK SUPPORT AND QUERY RESOLUTION

During the 2024/2025 financial year, a total of 321 HR-related queries were logged through the Service Desk Pro system. Of these, 317 queries were successfully resolved by the end of the financial year, achieving a 99% resolution rate.

The breakdown of the resolution turnaround time is as follows:

Total calls logged during FY-2024/25

Time in hours	In progress	Opened	Resolved	Total
< 12	0	3	230	233
12 - 23	1	0	35	36
24 - 35	0	0	14	14
36 - 47	0	0	9	9
48 - 59	0	0	6	6
60 - 72	0	0	5	5
> 72	0	0	18	18
Total	1	3	317	321

The data illustrates that over 72% of the queries were resolved in under 12 hours, reflecting the high responsiveness and efficiency of the HCCS team. This performance demonstrates the maturity of SALGA's professional HR advisory services and underscores the successful integration of digital platforms in improving service turnaround and enhancing employee experience.

HUMAN RESOURCES OVERSIGHT STATISTICS

PERSONNEL COST

Personnel cost over 2024-25

Financial Year	2024/2025			
	Personnel cost	% split of Personnel cost	No. of employees	Average Personnel cost
Top Management	R62,884,493	13%	24	R2,620,187
Senior Management	R78,373,063	16%	46	R1,703,762
Mid-management	R169,755,175	35%	148	R1,146,994
Junior Management	R118,625,771	25%	153	R775,332
Semi-Skilled	R41,251,322	9%	85	R485,310
Unskilled	R11,694,821	2%	74	R158,038
Total	R482,584,644	100%	530	R910,537

PERFORMANCE REWARDS

Performance Rewards over 2024-25

Financial Year	2024/2025		
Occupational Level	Performance Bonus	Personnel costs	Performance Bonus % of Personnel costs
Top Management	R4,780,067	R62,884,492.57	7.60%
Senior Management	R5,796,493	R78,373,063.33	7.40%
Mid-management	R10,856,239	R169,755,174.84	6.40%
Junior Management	R7,084,237	R118,625,770.66	5.97%
Semi-Skilled	R1,716,328	R41,251,321.62	4.16%
Unskilled	R196,141	R11,694,820.96	1.68%
Total	R30,429,505	R482,584,643.98	6.31%

TRAINING COSTS

Investing in talent empowers SALGA to impact member municipalities in an effective and efficient manner and therefore continuously enhance organisational performance.

2024-25 Learning Spent

Programme	Cost	Learning spend as % of Personnel cost	No. of learning interventions
Culture Engagement Sessions	R394,075.63	4.50%	191
Graduate Readiness Programme	R206,615.28	2.36%	199
Leadership Development Programme	R643,332.00	7.34%	100
Professional Affiliations	R204,374.87	2.33%	53
Qualifications	R4,289,882.34	48.96%	75
Seminar and Conference	R1,756,849.13	20.05%	160
Training/Short Course	R880,099.24	10.04%	237
Training/Short Course - Accredited	R368,693.14	4.21%	54
Unemployed Programme	R18,000.00	0.21%	24
Grand Total	R8,761,921.63	100%	1093

The total YTD spend for learning as of 31 March 2025 is **R 8,761,922.00** the largest investment (48,96%) being in formal qualifications (bursaries). The learning interventions are important as they enable employees to enhance their work deliverables as aligned with the EVP pillar of "Investing with our Talent". A learning coverage of 87% was achieved in FY2024/2025 - 417 employees attended at least one learning intervention.

SALGA rolled out its Graduate Development Programme (internship) and its Unemployed Youth development initiative in the Eastern Cape province during this financial year. The latter will be rotating to various provinces moving forward.

EMPLOYMENT AND VACANCIES

Employment over 2024-25

Occupational Level	March 2024 Headcount	Approved vacancies	March 2025 Headcount
Top Management	23	4	23
Senior Management	44	8	41
Mid-management	127	20	142
Junior Management	150	4	119
Semi-Skilled	79	2	82
Unskilled	24	0	74
Total	447	38	481

Vacancies over 2024-25

Occupational Level	Filled Approved vacancies	Not filled Approved vacancies	Total Approved vacancies
Top Management	2	2	4
Senior Management	2	6	8
Mid-management	14	6	20
Junior Management	3	1	4
Semi-Skilled	2	0	2
Unskilled	0	0	0
Total	23	15	38

EMPLOYMENT CHANGES

Vacancies over 2024-25

Occupational Level	Beginning of period headcount - 1 April 2024	Appointments	Terminations	End of period Headcount - 31 March 2025
Top Management	23	1	1	23
Senior Management	44	2	5	41
Mid-management	127	21	6	142
Junior Management	150	3	34	119
Semi-Skilled	79	7	4	82
Unskilled	24	52	2	74
Total	447	86	52	481

REASONS FOR STAFF LEAVING

Reasons for staff leaving in 2024-25

Reason	No. of terminations
Death	4
Dismissal	0
Early Retirement	0
End of Contract	32
Normal Retirement	0
Summary Dismissal	0
Voluntary Resignation	16
Total	52

Of the 52 terminations, 32 are due to end of contract; four employees are deceased; and 16 have resigned.

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Type of sanctions given over FY 2024-25

Type of Sanction	Number
Verbal Warning	1
Written Warning	0
Final Written Warning	3
Demotion	2
Resignation	2
Total	8

COLLECTIVE BARGAINING

SALGA's relationship with the Public Servant Association of South Africa (PSA) continues to thrive.

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

NUMERICAL TARGETS

The organisation has seen steady progress towards the attainment of numerical targets. Recruitment plays a pivotal role in progression on the workforce profile. Care is considered when appointing candidates to ensure progress towards SALGA five year EE plan.

2024-25 EE status – male

Gender	Male									
Race	African		Coloured		Indian		White		Total	
Level	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
Top Management	10	12	1	1	1	1	0	1	12	15
Senior Management	18	19	2	2	1	1	2	2	23	24
Mid-management	66	53	5	6	1	1	5	5	77	65
Junior Management	43	62	6	7	1	2	0	5	50	76
Semi-Skilled	17	28	1	3	0	1	0	3	18	35
Unskilled	26	23	0	1	0	1	0	1	26	26
Total	180	197	15	20	4	7	7	17	206	241

2024-25 EE status – female

Gender	Female									
Race	African		Coloured		Indian		White		Total	
Level	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
Top Management	9	10	1	1	0	1	1	1	11	13
Senior Management	14	17	0	1	3	1	1	1	18	20
Mid-management	52	43	5	4	2	2	3	3	62	52
Junior Management	57	62	5	7	2	2	3	5	67	76
Semi-Skilled	54	45	4	4	1	1	6	5	65	55
Unskilled	42	26	4	3	1	1	1	1	48	31
Total	228	203	19	20	9	8	15	16	271	247

Across all levels, female representation ranges from 46% to 78%; and an overall female representation of 57%.

NON-NUMERICAL TARGETS

SALGA's Employment Equity Plan is informed by two primary EEA objectives, namely:

1. The promotion of equal opportunity and fair treatment for all workers.
2. The use of Affirmative Action to ensure demographic representation for designated employers; according to the stipulations of the Act (refer to Chapter 3 of EEA).

The Act indicates that organisations should not focus on numbers only, but also on positive interventions to create an enabling environment for all employees. The non-numerical goals identified for SALGA to create and promote enabling environment are listed below:

- **Goal 1:** To ensure the growth and mobility of diverse racial, gender, and disability group members;
- **Goal 2:** To increase efforts to attract and accommodate persons with disabilities in the workforce profile to the national norm or above;
- **Goal 3:** To improve the functioning of the EE Forum;
- **Goal 4:** To improve targeted training and development for diverse racial, gender, and disability groups;
- **Goal 5:** To develop a retention policy; to ensure maintaining and retaining people from designated groups;

- **Goal 6:** To improve common understanding of transformation goals;
- **Goal 7:** To improve the leadership understanding in the spirit of the Employment Equity Act for managers;
- **Goal 8:** To improve the culture of the organisation and to provide consistency in actions that help accommodate and reach the envisaged targets for persons with disabilities.

During 2024/25, the implementation of action items was tracked and managed through SALGA's Employment Equity Skills Development Consultative Forum (EESDF) together with HCCS. To date, positive progress has been achieved.

DISABILITY HEADCOUNT

SALGA Disability Headcount as of 31 March 2025

Occupational Level	Male	Female	Total
Mid-management	5	0	5
Junior Management	0	2	2
Semi-Skilled	2	1	3
Total	7	3	10

At the end of the financial year, the proportion of People with Disability stood at **2.1%** (10 employees living with disability) against the Employment Equity Plan target of 2.5%. The organisation is looking at attracting people living with disabilities to fill vacant positions through the recruitment process.

CONCLUSION

The 2024/2025 financial year reflects SALGA's continued commitment to building an agile, high-performing, and inclusive organisation that delivers value through its people. Through robust human capital programmes, including leadership development, performance management, employee engagement, and strategic advisory services, the organisation has made significant strides in aligning its workforce with its strategic objectives.

The data presented across key areas such as personnel costs, performance rewards, training investments, employment equity, and workforce planning demonstrate a deliberate effort to foster operational excellence, professional growth, and transformation. Notably, the strong implementation of the HR Business Partner model, high query resolution rates, and extensive learning coverage are key indicators of a responsive and forward-looking HR function.

As SALGA moves forward, the focus remains on driving culture transformation, empowering employees, strengthening talent pipelines, and reinforcing accountability and wellness. These efforts ensure that the organisation remains equipped to sustainably support municipalities and contribute meaningfully to local government transformation.



PART E: **PFMA COMPLIANCE REPORT**

IRREGULAR EXPENDITURE

For the 2024/2025 financial year, there were no instances of irregular expenditure recorded. The opening and closing balances for the year remained at zero, with no adjustments, additions, or deductions reported.

No irregular expenditure was identified from prior years, and there were no cases under assessment, determination, or investigation. Similarly, there were no amounts condoned, removed (not condoned), recoverable, or written off as irrecoverable.

With regard to inter-institutional arrangements, there were no cases of non-compliance involving the institution, whether or not the institution was responsible for the non-compliance.

No disciplinary or criminal steps were required or instituted, as no irregular expenditure occurred during the reporting period.

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	-	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable ¹	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	-	-

b) Details of irregular expenditure (under assessment, determination, and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	-	-
Total	-	-

c) Details of irregular expenditure (under assessment, determination, and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	-	-

d) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	-	-
Total	-	-

e) Details of irregular expenditure removed - (not condoned)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

f) Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	-	-

g) Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

ADDITIONAL DISCLOSURE RELATING TO INTER-INSTITUTIONAL ARRANGEMENTS

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
For the 2024/2025 Financial Year there are no instances or cases of non-compliance with respect to inter-institutional arrangements
Total: -

i) Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2024/2025	2024/2024
	R'000	R'000
No Instance of IR identified	-	-
Total	-	-

j) Details of disciplinary or criminal steps taken because of irregular expenditure

Disciplinary steps taken
None

FRUITLESS AND WASTEFUL EXPENDITURE

For the 2024/2025 financial year, fruitless and wasteful expenditure amounted to R87 090, compared to R159 927 in the 2023/2024 financial year. The current year's expenditure comprises amounts under assessment totaling R87 090 and recoverable amounts of R87 090. The decrease from the previous year reflects strengthened internal controls and ongoing measures to prevent avoidable costs.

No fruitless and wasteful expenditure was written off as irrecoverable during the reporting period, and no disciplinary or criminal steps were required.

In addition, there were no material losses through criminal conduct or other material losses identified for the year under review.

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	159 927	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	45 085	159 927
Less: Fruitless and wasteful expenditure recoverable ⁶	(117 922)	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	87 090	159 927

Reconciling note:

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	87 090	159 927
Total	87 090	159 927

b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	87 090	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	87 090	-

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	87 090	159 927
Total	87 090	159 927

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
None

ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 55(2)(B)(I) &(III))⁹

f) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025	2023/2024
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	-	-

g) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
No instance of material losses identified for the financial years	-	-
Total	-	-

h) Other material losses recoverable

Nature of losses	2024/2025	2023/2024
	R'000	R'000
No instances of other material losses identified for recovery	-	-
Total	-	-

i) Other material losses not recoverable and written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
No instance of other material losses identified not recovered and written off	-	-
Total	-	-

INFORMATION ON LATE AND / OR NON-PAYMENT OF SUPPLIERS

During the reporting period, SALGA processed valid invoices totaling **R351,937,225.85**. All invoices were settled within the stipulated 30-day period or the contractually agreed timeframe, except for unpaid invoices older than 30 days without dispute, amounting to **R7,637,799.50** at year-end.

No invoices were paid late during the year, and there were no unpaid invoices older than 30 days that were under dispute at the close of the reporting period. It is noted that in most cases, invoices exceeding 30 days in age at year-end had already been older than 30 days when received by Accounts Payable from the end-user.

Description	Number of invoices	Consolidated Value
Valid invoices received		(351,937,225.85)
Invoices paid within 30 days or agreed period		-
Invoices paid after 30 days or agreed period		-
Invoices older than 30 days or agreed period (<i>unpaid and without dispute</i>)		(7,637,799.50)
Invoices older than 30 days or agreed period (<i>unpaid and in dispute</i>)		-

INFORMATION ON SUPPLY CHAIN MANAGEMENT

PROCUREMENT BY OTHER MEANS

During the financial year, SALGA entered into the following contracts through single-source or sole-supplier procurement.

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
Microsoft 3 year agreement 2024- 2027	Microsoft Ireland Operations	Single source	61422	R24 573 263,21
Review of LG fiscal framework and develop alternatives to existing vertical allocation of funds	Palmers Development Group	Single source	62138	R398 999,00
Annual fees for the Learnership Management System (LMS) for remaining two years	Baobab Ventures Pty Ltd (GO1)	Sole supplier	61682 & 66206	R4 283 865,00
Total				R29 256 127,21

CONTRACT VARIATIONS AND EXPANSIONS

During the reporting period, SALGA approved a total of **nine (9)** contract variations and expansions, amounting to **R22 259 952,83** in additional commitments against original contract values totaling **R109 405 808,56**. The adjustments were primarily due to:

- **Scope variations** to cater for fit-out and tenant installation requirements for new and refurbished office spaces across provincial offices (Gauteng, KwaZulu-Natal, Mpumalanga, Free State, and Western Cape).
- **Contract expansions** for continued access to specialised services such as the online legal library solution, cloud-based human capital management systems, and ICT infrastructure and connectivity solutions.
- **Lease extensions** for office space in KwaZulu-Natal to accommodate operational continuity.

The variations and expansions were processed in full compliance with the relevant legislative and policy provisions, with motivations documented to substantiate the operational necessity and cost implications of each adjustment.

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract Number	Original contract value	Value of previous contract expansion/s or variation/s	Value of current contract expansion or variation/s
Variation of scope- fit out services on the new office space SALGA GP offices	Royal Property trust	Variation	SALGA/07/2023	R10 892 187,22	R0,00	R1 285 325,00
To render /provide a legal library online solution to SALGA for the benefit/usage of SALGA's employees as well as SALGA's member municipalities.	Lexis Nexis	Expansion	SALGA/89/2020	R6 709 159,94	R0,00	R931 827,77
Extension of KZN office space from 01 May 2024 - 31 August 2024	Tower Property	Expansion	SALGA/KZN/OL	R22 043 902,98	R4 801 599,72	R2 041 625,08
Variation of scope due to the increase in the Tenant Installation costs for the SALGA Mpumalanga office SALGA 08/2023	Orlicel Pty Ltd	Variation	SALGA/08/2023	R13 595 898,18	R0,00	R685 966,22

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract Number	Original contract value	Value of previous contract expansion/s or variation/s	Value of current contract expansion or variation/s
Variation of scope due to the increase in the Tenant Installation costs for the SALGA Free State office SALGA/01/2023	PHG Group	Variation	SALGA/01/2023	R12 214 359,71	R0,00	R1 266 724,66
Variation Order for fit out costs for WC office space	Turnkey Cape Pty Ltd	Variation	PO 60985	R966 127,77	R0,00	R9 904,95
Tenant Installation Allowance variation for the new KZN office	Regal Property Trust	Variation	SALGA 03/2023	R17 073 553,07	R0,00	R1 810 739,11
Renewal of SALGA Cloud Based Human Capital Management System	Ornecy	Expansion	SALGA/98/2021	R11 503 383,94	R2 610 336,54	R7 273 017,04
Extension of a contract to provide internet, Telecommunications, Emails, Back-up, hosting services for 12 months (from 01 November 2024- 31 October 2025)	Liquid Telecommunications South Africa	Expansion	SALGA/84/2020	R14 407 235,75	R0,00	R6 954 823,00
Total				R109 405 808,56	R7 411 936,26	R22 259 952,83





PART F: **FINANCIAL INFORMATION**

INDEX

The reports and statements set out below comprise the annual financial statements presented to Parliament:

	Description	Page
1.	Statement of Financial Position	126
2.	Statement of Financial Performance	127
3.	Statement of Changes in Net Assets	128
4.	Cash Flow Statement	129
5.	Statement of Comparison of Budget and Actual Amounts	130
6.	Accounting Policies	131 to 149
7.	Notes to the Annual Financial Statements	150 to 194

ANNUAL FINANCIAL STATEMENTS

National Executive Committee's Responsibilities and Approval

The National Executive Committee (NEC) in line with good governance is required to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the NEC to ensure that the annual financial statements fairly present the state of affairs of South African Local Government Association as at the end of the financial year and the results of its operations and cash flows for the period then ended. The Auditor General of South Africa is engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with South African Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The NEC is of the opinion, that the system of internal financial control and risk management processes provide reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements.

The audited annual financial statements set out on pages 126 to 194, which have been prepared on the going concern (refer to **Note 38**), were approved by the Presidency on 31 July 2025 and were signed on the NEC's behalf by:



BHEKE STOFILE
PRESIDENT
Pretoria
31 July 2025



SITHOLE MBANGA
CHIEF EXECUTIVE OFFICER
Pretoria
31 July 2025

SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION

Registered Employer Body in terms of the Labour Relations Act, Act no. 66 of 1996 – Registration no.: LR/2/6/3/350
(Also recognised i.t.o. the Organised Local Government Act, 1997)
Annual Financial Statements for the year ended 31 March 2025

REPORT OF THE AUDITOR-GENERAL

to Parliament on the South African Local Government Association

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the South African Local Government Association set out on pages xx to xx, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, the cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the South African Local Government Association as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. 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 financial statements section of my report.
4. I am independent of the public entity 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Delisting from the PFMA

7. As disclosed in Notes 1.21, 1.22 and 31 to the financial statements, the South African Local Government Association was officially deregistered from Part A of

Schedule 3 of PFMA, effective 01 October 2024. This delisting was announced by the Minister of Finance in Government Gazette No. 51344, dated 01 October 2024.

Responsibilities of the accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting authority is responsible for assessing the public entity'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 public entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the 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 financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page x, forms part of my auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

12. 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 programmes presented in the

REPORT OF THE AUDITOR-GENERAL

to Parliament on the South African Local Government Association (CONTINUED)

annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

13. I selected the following programmes presented in the annual performance report for the year ended 31 March

2025 for auditing. I selected programmes that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2 Multi-disciplinary Support	202 to 212	This programme will facilitate support programmes to municipalities on a range of issues that pertain to municipal development
Programme 3 Employment relations and capacity building	212 to 214	This programme will ensure municipalities (councillors and administration) are capacitated to deliver on their constitutional mandate and represented in arbitrations, coalitions, and bargaining council.

14. I evaluated the reported performance information for the selected programmes 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 public entity's planning and delivery on its mandate and objectives.

15. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the public entity'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 reasons provided for any over- or underachievement of targets/ measures taken to improve performance.

16. I performed the procedures for the purpose of reporting material findings only; and not express an assurance opinion or conclusion
17. I did not identify any material findings on the reported performance information for the selected programmes.

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements/ measures taken to improve performance.
20. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicator that was not achieved as reported in the annual performance report. The reasons for the underachievement of target is included in the annual performance report on pages xx to XX.

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REPORT OF THE AUDITOR-GENERAL

to Parliament on the South African Local Government Association (CONTINUED)

Programme 2 – Multi-disciplinary Support

Targets achieved: 97%		
Key service delivery indicator not achieved	Planned target	Reported achievement
Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA	45 Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA by March 2025	No progress to be reported on this target.

REPORT ON COMPLIANCE WITH LEGISLATION

21. 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 authority is responsible for the public entity's compliance with legislation.
22. 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.
23. 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 public entity, 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.
24. I did not identify any material non-compliance with the selected legislative requirements.

OTHER INFORMATION IN THE ANNUAL REPORT

25. The accounting authority is responsible for the other information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
26. My opinion on the financial statements and my reports on the audit of the annual performance report and 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.

27. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

29. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
30. I did not identify any significant deficiencies in internal control.

AUDITOR GENERAL

Pretoria
31 July 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

The annexure includes the following:

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

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 financial statements and the procedures performed on reported performance information for selected programmes and on the public entity's compliance with selected requirements in key legislation.

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 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 public entity'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 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 public entity 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 financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the 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 public entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority 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 authority 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.

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Annual Financial Statements for the year ended 31 March 2025

**ANNEXURE – AUDITOR-GENERAL'S
RESPONSIBILITY FOR THE AUDIT** (CONTINUED)**Compliance with legislation – selected legislative requirements**

The selected legislative requirements applicable to a Schedule 3A public entity were applied to the South African Local Government Association for the period up to its deregistration from the PFMA, effective 01 October 2024. These requirements were relevant and enforceable only while the South African Local Government Association remained listed under Part A of Schedule 3 of the PFMA.

Legislation	Section, regulation or paragraph
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); (1)(e)(ii); ((ii); 54(2)(c); 54(2)(c); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A.9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(®); 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(i); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 4 of 2025/16	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework, Act 5 of 2000	Section 1; 2.1(a); 2.1 (f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 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; 11.1; 11.2



CHIEF FINANCIAL OFFICER'S REVIEW

Thembeke Mthethwa

OVERVIEW OF OPERATING RESULTS

Results of operations for the year ended 31 March 2025 reflect a surplus of R 54.1 million (2024: R 122.2 million). A decrease of 55.7 percent.

STATEMENT OF FINANCIAL PERFORMANCE

<i>R million</i>	2025	2024	2025 % Change
Operating revenue	878,3	847,8	3,6
Operating expenditure	(919,3)	(815,8)	12,7
Operating surplus	(41,0)	32,0	(228,3)
Net non-operating revenue	95,1	90,2	5,4
Surplus for the period	54,1	122,2	(55,7)

Total operating revenue increased by 3.6 per cent to R 878.3 million (2024: R 847.8 million). The increase in operating revenue is primarily due to an increase in membership levies attributable to inflationary adjustments.

Total operating expenditure increased by 12.7 per cent to R 919.3 million (2024: R 815.3 million). The increase in operating expenditure was attributable to an increase in activities and programmes that are aimed at fulfilling SALGA's mandate of aiding municipalities.

Comparatively the expenditure trend, excluding the impact of the allowance for doubtful debts (R24 million), indicates an increase in operating expenditure by 9.1 per cent to R 894.5 million (2024: R 819.8 million). The increase in operating expenditure is also backed by the remarkable achievement in the pre-determined objectives at 98 percent, a remarkable increase compared to last year's 87%.

The increase by 5.4% in net non-operating revenue to R 91.5 million also had a positive impact on this year's results.

Further details on the financial performance are detailed on notes to the annual financial statements.

MEMBERSHIP LEVIES

SALGA's formula to calculate membership levies is as follows:

Membership levy formula	
Category of municipality:	Applicable formula:
Metropolitan municipalities	Flat rate of plus 1 percentage point above the Consumer Price Index (CPI)
Local and district municipalities	Prior year approved annual salary budget plus cpi with a minimum of R500 000

Membership levy revenue comprises 97.0 per cent of SALGA's operating revenue streams. The rate at which levies are paid remains a key performance indicator for the organisation, as it determines the rate at which programme implementation is rolled out, as well as the organisation's operational sustainability.

MEMBERSHIP LEVY PAYMENT LEVELS

As at 31 March 2025, the levy collection rate was 77 per cent.

The economic and financial challenges face by our members remains a major strategic risk for the organisation's ability to collect revenue. The alternative revenue initiative gained a massive momentum during the current year and in the coming year we should begin seeing the results of these initiatives.

The payment levels per province for the 2024/25 and 2023/24 financial years are tabulated below.

Percentage	2025		2024	
	Current	Overall	Current	Overall
Eastern Cape	108%	86%	69%	71%
Free State	70%	58%	71%	78%
Gauteng	86%	87%	74%	78%
KwaZulu-Natal	89%	78%	88%	82%
Limpopo	94%	72%	78%	83%
Mpumalanga	77%	74%	82%	100%
Northern Cape	79%	49%	41%	50%
North West	81%	63%	55%	57%
Western Cape	116%	113%	93%	97%
Organisational payment levels rate	91%	77%	74%	78%

COMPARISON OF ACTUAL OPERATING RESULTS AGAINST ADJUSTED BUDGET

The budget has been prepared on an accrual basis using a classification based on the nature of expenses. This is comparable with the financial statements.

Comparison of actual operating results against adjusted budget	Actual 2025	Adjusted Budget 2025	Variance
<i>R million</i>			
Total revenue from exchange transactions	923,4	900,9	22,4
Total revenue from non-exchange revenue	51,9	37,4	14,4
Total revenue	975,2	938,4	36,9
Total Expenses	(921)	(938)	17,0
Surplus for the year	54,1	0,3	53,9

The adjustments made during the year only affect transfers in-between categories. This also includes additional budget requests which were duly authorised.

The adjusted budget column shall be used for comparison of actuals against budget on the 2024/2025 financial year. Actual surplus of R 54,1 million is higher than the final budget of R267 thousand.

Further details on the variances are detailed on note 41 of the annual financial statements.

OUTLOOK FOR THE YEAR AHEAD

The current economic climate calls for tightening of our purse to ensure the organisation remains financially sustainable and can continue with its work of contributing towards better communities.

The revenue diversification strategy made huge progress during the reporting period, with a product development catalogue produced, showing various products and solutions that are ready to be implemented. Engagements have also been held with National Treasury, trying to find efficient ways of how solutions can be effectively implemented at Municipalities, and add value as well as increase municipal revenue, whilst earning revenue for the organisation. These engagements are continuing.

Digitisation and automation of processes, cash flow management and cost rationalisation remain key important strategic focus for the year ahead.

CONCLUSION

In conclusion, I thank the Chief Executive Officer and my executive colleagues for their continued support, leadership, and strategic direction.

In addition, I also extend my appreciation to the Finance, Supply Chain and Business Development teams for their immense dedication and contribution during the past year.

Lastly, I also thank the members of the Performance Management and Remuneration Committee and Audit and Risk Committee for their wise counsel and strategic direction as part of their oversight role.



Thembeka Mthethwa
Chief Financial Officer
31 July 2025

SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION

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STATEMENT OF FINANCIAL POSITION

as at 31 March 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Current Assets			
Operating lease asset	6	133 243	124 586
Assets classified as held-for-sale	11	-	762 000
Receivables from exchange transactions	8	104 826 207	80 276 933
Receivables from non-exchange transactions	9	7 848 221	4 779 668
Cash and cash equivalents	10	815 013 320	751 157 169
		927 820 991	837 100 356
Non-Current Assets			
Investment property	2	6 010 000	8 800 000
Property, plant and equipment	3	52 393 309	46 203 694
Intangible assets	4	295 878	311 081
Deposits	5	5 141 321	2 886 630
		63 840 508	58 201 405
Total Assets		991 661 499	895 301 761
Liabilities			
Current Liabilities			
Operating lease liability	6	82 991	294 496
Finance lease obligation	13	557 412	197 475
Unspent conditional grants and receipts	14	1 412 292	2 909 491
Provisions	15	7 401 919	4 681 953
Payables from exchange transactions	16	156 240 064	116 849 013
		165 694 678	124 932 428
Non-Current Liabilities			
Operating lease liability	6	4 320 392	4 049 931
Finance lease obligation	13	758 390	95 486
Provisions	15	931 894	417 752
		6 010 676	4 563 169
Total Liabilities		171 705 354	129 495 597
Net Assets			
Revaluation reserve	12	2 259 566	2 259 566
Accumulated surplus		817 696 579	763 546 598
Total Net Assets		819 956 145	765 806 164
Total Net Assets and Liabilities		991 661 499	895 301 761

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2025

Figures in Rand	Note(s)	2025	2024
Revenue			
Revenue from exchange transactions			
Revenue from exchange transactions	18	818 908 882	785 772 983
Other revenue from exchange transactions	21	7 567 079	10 709 489
Investment revenue	26	96 876 621	91 503 467
Total revenue from exchange transactions		923 352 582	887 985 939
Revenue from non-exchange transactions			
Government grants and subsidies - Executive Authority	18	36 949 000	36 408 000
Grant recognised – LGSETA (CIP)	18	-	(16 200)
Grant recognised – LGSETA (Capacity Building)	18	2 750 261	-
Sponsorships and donations from non-exchange transactions	18	2 689 813	3 829 000
Grant recognised – DSI	18	779 767	315 393
Grant recognised – UNDP	18	-	600 686
Grant recognised - FASSET	18	5 595 000	-
Grant recognised – EU Pari (Compact Project)		2 268 969	2 215 047
Grant recognised – European Union (SGCLG)	18	370 087	-
Grant recognised – KZN Rise Project	18	18 267	-
Grant recognised – BANKSETA (SMECB)	18	-	8 000 000
Grant recognised – FoCM (BIGM)	18	466 041	-
Total revenue from non-exchange revenue		51 887 205	51 351 926
Total Revenue		975 239 787	939 337 865
Expenses			
Employee related costs	25	(130 367 649)	(117 000 005)
Programme costs	19	(596 500 068)	(523 230 446)
Administrative expenses	22	(99 429 807)	(83 643 004)
Depreciation and amortisation expense	3&4	(7 639 578)	(6 156 663)
Other operational expenditure	23	(85 394 842)	(85 314 489)
Finance costs	30	(1 757 862)	(1 299 344)
Total Expenses		(921 089 806)	(816 643 951)
Surplus for the year		54 149 981	122 693 914

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STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2025

Figures in Rand	Revaluation surplus	Accumulated surplus	Total net assets
Balance at 1 April 2023	2 259 566	640 852 684	643 112 250
Changes in net assets			
Surplus for the year	-	122 693 914	122 693 914
Total changes	-	122 693 914	122 693 914
Balance at 1 April 2024	2 259 566	763 546 598	765 806 164
Changes in net assets			
Surplus for the year	-	54 149 981	54 149 981
Total changes	-	54 149 981	54 149 981
Balance at 31 March 2025	2 259 566	817 696 579	819 956 145
Note(s)	12		

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CASH FLOW STATEMENT

for the year ended 31 March 2025

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Cash receipts from customers		850 745 340	864 322 573
Cash paid to suppliers and employees		(867 518 641)	(829 675 169)
Net cash flows from operating activities		(16 773 301)	34 647 404
Interest received	26	96 876 621	91 503 467
Interest paid	30	(1 757 862)	(1 299 344)
Cash generated from operations	33	78 345 458	124 851 527
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(14 251 139)	(7 315 535)
Proceeds from sale of investment property	2&11	887 329	-
Proceeds from sale of property, plant and equipment	3&22	106 354	113 900
Movement in financial assets	17	(2 254 691)	(1 296 182)
Net cash flows from investing activities		(15 512 147)	(8 497 817)
Cash flows from financing activities			
Finance lease payments		1 022 840	(214 530)
Net cash flows from financing activities		1 022 840	(214 530)
Net increase in cash and cash equivalents		63 856 151	116 139 180
Cash and cash equivalents at the beginning of the year		751 157 169	635 017 989
Cash and cash equivalents at the end of the year	10	815 013 320	751 157 169

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Actual 31 March 2024	Figures in Rand	Note(s)	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual
R			R	R	R	R	R
	Revenue						
	Revenue from exchange transactions						
785 772 983	Revenue from exchange transactions	18	853 902 761	(10 000 000)	843 902 761	818 908 882	(24 993 879)
10 709 489	Other revenue from exchange transactions	21	2 020 000	-	2 020 000	7 567 079	5 547 079
91 503 467	Investment revenue	26	45 000 000	10 000 000	55 000 000	96 876 621	41 876 621
887 985 939	Total revenue from exchange transactions		900 922 761	-	900 922 761	923 352 582	22 429 821
	Revenue from non-exchange transactions						
(16 200)	Grant recognised – LGSETA (ICIP)	18	-	-	-	-	-
-	Grant recognised – LA Health	18	-	-	-	-	-
-	Grant recognised – LGSETA (CB)	18	-	-	-	2 750 261	2 750 261
36 408 000	Government grants and subsidies - Executive Authority	18	36 948 584	-	36 948 584	36 949 000	416
-	Grant recognised – Federation of Canadian Municipalities (BiGM)	18	-	-	-	466 041	466 041
600 686	Grant recognised - UNDP	18	-	-	-	-	-
3 829 000	Sponsorships and donations from non-exchange transactions	18	500 000	-	500 000	2 689 813	2 189 813
-	Grant recognised – DPSA (Tirelo Boshu)	18	-	-	-	-	-
-	Grant recognised – European Union (SGCLG)	18	-	-	-	370 087	370 087
-	Grant recognised – FASSET	18	-	-	-	5 595 000	5 595 000
8 000 000	Grant recognised – SME Capacity Building (BANKSETA)	18	-	-	-	-	-
2 215 047	EU-PARI - Compact Project	18	-	-	-	2 268 969	2 268 969
-	KDZ RISE Project	18	-	-	-	18 267	18 267
315 393	Grant recognised – Department of Science & Technology (MIMI)	18	-	-	-	779 767	779 767
51 351 926	Total revenue from non-exchange revenue		37 448 584	-	37 448 584	51 887 205	14 438 621
939 337 865	Total Revenue		938 371 345	-	938 371 345	975 239 787	36 868 442
	Expenses						
(427 407 642)	Employee costs	25	(538 500 226)	32 000 000	(506 500 226)	(493 788 317)	12 711 909
(212 822 809)	Programme costs	19	(152 993 400)	(82 000 000)	(234 993 400)	(233 079 400)	1 914 000
(140 044 206)	Administrative expenses	22	(191 218 867)	30 000 000	(161 218 867)	(160 045 570)	1 173 297
(6 156 663)	Depreciation and amortisation expense	3 & 4	(10 873 387)	3 000 000	(7 873 387)	(7 639 578)	233 809
(28 913 287)	Other expenditure	23	(42 858 952)	17 100 000	(25 758 952)	(24 779 080)	979 872
(1 299 344)	Finance costs	30	(1 659 513)	(100 000)	(1 759 513)	(1 757 862)	1 651
(816 643 951)	Total Expenses		(938 104 345)	-	(938 104 345)	(921 089 806)	17 014 539
122 693 914	Surplus for the year		267 000	-	267 000	54 149 981	53 882 981

Refer note 41 for further information.

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS – BASIS OF PREPARATION

Statement of compliance

These annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP).

Basis of measurement

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of SALGA.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that SALGA will continue to operate as a going concern into the foreseeable future.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts presented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

1.3.1 Trade receivables and other receivables

SALGA assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

1.3.2 Fair value estimation

The carrying value less impairment losses of trade receivables and the carrying value of trade payables are deemed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to SALGA for similar financial instruments.

1.3.3 Effective interest rate

SALGA uses the prime interest rate to discount future cash flows for payables and/or expenditure and the R186 government bond yield rate to discount the future cash flows in receivables and/or revenue.

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ACCOUNTING POLICIES (CONTINUED)

1.3 Significant judgements and sources of estimation uncertainty (continued)

1.3.4 Provision for doubtful debts

For trade receivables an impairment loss is recognised in surplus or deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the trade receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.3.5 Useful lives and residual values

SALGA re-assesses the useful lives and residual values of property, plant and equipment on a yearly basis. These assessments require judgements and assumptions to be made by management. The assessments involve the estimation of months or years based on past experience and historical information to determine the estimated period of time over which an asset is expected to be used. Other assessments involve the determination of value where a comparison of the resale value of a specific asset taking into consideration its age and condition. This determination represents the estimated amount that SALGA would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and condition expected at the end of its useful life.

1.3.6 Impairment of non-cash generating assets

Criteria developed by SALGA to distinguish non-cash-generating assets from cash-generating assets are as follows: SALGA's mandate or intention is not in pursuit of commercial return but service delivery to its members, therefore assets acquired by SALGA are solely to facilitate service delivery to its members (i.e. administrative in nature).

There is no uncertainty as to whether SALGA assets are non-cash generating assets, as SALGA does not have an asset or class of assets that operate or generate cash flows independently from other assets, nor does its assets form part of a group of assets that generate cash flows independently from other assets. Therefore, no impairment has been provided.

1.4 Investment property

Recognition and measurement

Investment property is property (land or a building - or part of a building - or both) held to earn rental income and for capital appreciation or both, rather than for:

- use in the production or supply of goods or services,
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when it is probable that the future economic benefits or service potential that are associated with the investment property will flow to SALGA, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost plus any transaction costs included in initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

ACCOUNTING POLICIES (CONTINUED)

1.4 Investment property (continued)

Subsequent measurement

Subsequent to initial measurement, investment property is measured at fair value based on reports from professional valuation. The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in surplus or deficit for the period in which it arises.

Re-measurements to fair value are made annually to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Assets held for sale

Non-current assets classified as held for sale are measured at:

- the lower of carrying value and fair value less cost to sell;
- not depreciated or amortised.

Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and results of discontinued operations to be presented separately in the statement of comprehensive income (statement of financial performance).

Impairment losses on measurement and re-measurement to fair value less costs to sell are recognised in line with the GRAP on Impairment.

1.5 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, or for administrative purposes, and are expected to be used for more than one period.

Initial recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost. Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of an item of property, plant and equipment is recognised as an asset if and only if:

- i) it is probable that the future economic benefits or service potential associated with the item will flow to SALGA and the cost or fair value of the item can be measured reliably.
- ii) where an asset is acquired at a cost that is less than a thousand Rand, its cost is fully depreciated in the period in which it is acquired.

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ACCOUNTING POLICIES (CONTINUED)**1.5 Property, plant and equipment (continued)****Subsequent expenditure**

Costs include costs incurred initially to acquire or improve an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Subsequent expenditure of an item of property, plant and equipment is recognised as an asset if and only if:

- (a) it is probable that the future economic benefits or service potential associated with the item will flow to SALGA; and
- (b) the cost or fair value of the item can be measured reliably.

Costs of the day-to-day servicing are recognised in surplus or deficit as incurred.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Following initial recognition at cost, land and buildings classified as property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

The revaluation surplus in equity relates to a specific item of property, plant and equipment is transferred directly to accumulated surplus when the asset is derecognised.

The revaluation surplus in equity related to a specific item of property, plant and equipment is transferred directly to accumulated surplus as the asset is used. The amount transferred is equal to the difference between depreciation based on the revalued carrying amount and depreciation based on the original cost of the asset.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives taking into account their estimated residual value.

ACCOUNTING POLICIES (CONTINUED)

1.5 Property, plant and equipment (continued)

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	None	Indefinite, not depreciated
Buildings	Straight-line	75 years
Furniture and fixtures	Straight-line	3 to 20 years
Motor vehicles	Straight-line	5 years
Office equipment	Straight-line	2 to 20 years
IT equipment	Straight-line	3 to 4 years
Leasehold improvements	Straight-line	The shorter of useful life or lease term (36 to 60 months)
Leased equipment	Straight-line	The shorter of useful life or lease term (24 to 36 months)

Residual values

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require SALGA to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciable amount of an asset is determined by deducting the residual value of an asset from its original cost (or revalued amount, where applicable).

The depreciation charge for each period is recognised in surplus or deficit.

No residual value is assessed for assets where the value of the residual is considered immaterial in relation to the cost of the asset. Management intends using the assets shown in the statement of financial position over their entire economic life.

The residual values of motor vehicles are set as determined by market forces. When setting a residual value for a motor vehicle consideration is given to the expected useful life and expected proceeds that could be received today if the same motor vehicle at the end of its useful life were to be sold.

Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The carrying amount of property, plant and equipment is reviewed for impairment when events or changes in the circumstances indicate that the carrying amount may not be recoverable.

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ACCOUNTING POLICIES (CONTINUED)**1.5 Property, plant and equipment (continued)****Specific categories of property, plant and equipment:****Land and buildings**

Land and buildings are separable assets and are accounted for separately, even when they are acquired together. Land has an unlimited useful life and therefore is not depreciated.

Buildings have a limited useful life and therefore are depreciable assets. The useful lives of buildings are re-assessed annually.

Furniture and fittings and office equipment

Furniture and fittings and office equipment are not currently componentised as no component accounting is considered necessary due to the nature of furniture and fittings and office equipment, namely, that the useful lives of individual components do not differ from the whole.

Estimated useful lives are based on past experience and historical information.

IT equipment

IT equipment can be separated into the following components:

- computer hardware, and
- computer software (integral part and embedded into hardware).

IT equipment is not currently componentised as no component accounting is considered necessary due to the nature of the computer equipment.

Expenditure relating to ongoing maintenance (which does not meet the recognition criteria), IT support and customisation is debited in the statement of financial performance as and when incurred.

Purchased software is recognised at cost, including all direct costs associated with the customisation and installation thereof.

Motor vehicles

Where there is an indicator of impairment, the recoverable amount of the individual asset is estimated. When the residual values are re-assessed annually, the carrying amount is compared to the resale value of the specific motor vehicle taking into consideration its age and condition.

Gains and losses

The gains or losses arising from de-recognition or disposal of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gains and losses arising from de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any and the carrying amount of the item.

Leased assets

Leased assets can be separated into the following categories:

- leases for office equipment, and
- leasehold improvements.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that SALGA will obtain ownership by the end of the lease term.

Leasehold improvements arise when SALGA improves the premises occupied under operating leases to suit operational requirements. Capitalised leasehold improvements are depreciated over the shorter of the estimated useful life of the asset and the lease term.

ACCOUNTING POLICIES (CONTINUED)

1.6 Intangible assets

An asset is identifiable if it is either:

- separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

SALGA assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Intangible assets are initially recognised at cost.

Subsequent to initial recognition intangible assets are carried at cost less any accumulated amortisation and any impairment losses. An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Useful life
Computer software	Straight-line	2 to 5 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

1.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Classification

SALGA has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

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ACCOUNTING POLICIES (CONTINUED)**1.7 Financial instruments (continued)**

Class	Category
Operating lease receivables – exchange transactions	Financial asset measured at amortised cost
Trade and other receivables from exchange transactions	Financial asset measured at amortised cost
Trade and other receivables from non-exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost

SALGA has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and other payables from exchange transactions	Financial liability measured at amortised cost
Sundry payables – exchange transactions	Financial liability measured at amortised cost
Other payables (lodge cards) – exchange transactions	Financial liability measured at amortised cost

Initial recognition

SALGA recognises financial assets and liabilities in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

SALGA recognises financial assets and liabilities at their fair value at date of acquisition.

Initial measurement of financial assets and financial liabilities

When a financial asset or liability is recognised initially, SALGA measures it at its fair value. In the case of a financial asset or financial liability initially not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability are included in the value of the financial instrument.

Subsequent measurement of financial assets and financial liabilities

SALGA measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost are subject to an impairment review.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or non-collectability.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the entity estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

ACCOUNTING POLICIES (CONTINUED)

1.7 Financial instruments (continued)

Impairment and non-collectability of financial assets

At the end of each reporting period SALGA assesses whether there is any objective evidence (e.g., continuous defaults on settlement) that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly in surplus or deficit. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Interest, losses or gains

Interest relating to a financial instrument or a component that is a financial liability, is recognised as income or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as income or expense in surplus or deficit.

1.8 Leases

Whether a lease is a finance lease or an operating lease depends on the substance of the transaction rather than the form of the contract. Situations that individually or in combination would normally lead to a lease being classified as a finance lease are:

- the lease transfers ownership of the asset to SALGA by the end of the lease term;
- SALGA has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised;
- the lease term is for a major part of the economic life of the asset even if title is not transferred;
- at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset;
- the leased assets are of such a specialised nature that only SALGA can use them without major modifications;
- if SALGA can cancel the lease, the lessor's losses associated with the cancellation are borne by SALGA;
- gains or losses from the fluctuation in the fair value of the residual accrue to SALGA (for example, in the form of a rent rebate equalling most of the sales proceeds at the end of the lease);
- SALGA has the ability to continue the lease for a secondary period at a rent that is substantially lower than market rent; and
- If the lease transfers substantially all the risks and rewards incidental to ownership.

An operating lease is a lease other than a finance lease.

Finance leases - where SALGA is the lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

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ACCOUNTING POLICIES (CONTINUED)**1.8 Leases (continued)**

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic reduction of the remaining balance of the liability.

Subsequent to initial recognition the asset is accounted for in accordance with the accounting policy applicable to that asset.

Operating leases - where SALGA is the lessor

Operating lease income is recognised as revenue on a straight-line basis over the lease term.

Operating leases - where SALGA is the lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Any contingent rentals are expensed in the period in which they are incurred.

Assets under operating leases are not recognised in the statement of financial position.

1.9 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash and cash equivalents are measured at amortised cost.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition.

SALGA does not have an overdraft facility.

1.10 Revaluation reserve

The revaluation reserve results from the revaluation of property, plant and equipment while still owner occupied. It remains after treating the same assets as investment property since they were vacated by the entity.

Upon transfer of the owner-occupied property to investment property the revaluations surplus is treated in the following manner:

- any remaining part of the increase is credited directly to net assets in revaluation surplus. On subsequent disposal of the investment property, the revaluation surplus included in net assets may be transferred to accumulated surpluses or deficits. The transfer from revaluation surplus to accumulated surpluses or deficits is not made through surplus or deficit.

1.11 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

ACCOUNTING POLICIES (CONTINUED)

1.11 Impairment of non-cash-generating assets (continued)

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by SALGA; or
- (b) the number of production or similar units expected to be obtained from the asset by SALGA.

Criteria developed by SALGA to distinguish non-cash-generating assets from cash-generating assets are as follows: SALGA's mandate or intention is not in pursuit of commercial return but service delivery to its members, therefore assets acquired by SALGA are solely to facilitate service delivery to its members (i.e., administrative in nature).

There is no uncertainty as to whether SALGA assets are non-cash generating assets, as SALGA does not have an asset or class of assets that operate or generate cash flows independently from other assets, nor does its assets form part of a group of assets that generate cash flows independently from other assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

SALGA assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, SALGA estimates the recoverable service amount of the asset.

When SALGA is assessing whether there is any indication that an asset may be impaired, at a minimum the following indications are considered:

External sources of information

- (a) Cessation, or near cessation, of the demand or need for services provided by the asset.
- (b) Significant long-term changes with an adverse effect on SALGA have taken place during the period or will take place in the near future, in the technological, legal or government policy environment in which the entity operates.

Internal sources of information

- (a) Evidence is available of physical damage of an asset.
- (b) Significant long-term changes with an adverse effect on SALGA have taken place during the period or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, or plans to dispose of an asset before the previously expected date.
- (c) Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected.

Value in use

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The present value of the remaining service potential of non-cash-generating assets is determined using the following approach:

Service units' approach

The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state. The current cost of replacing the remaining service potential of the asset before impairment is determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

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ACCOUNTING POLICIES (CONTINUED)

1.11 Impairment of non-cash-generating assets (continued)

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Reversal of an impairment loss

SALGA assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the recoverable service amount of that asset is estimated.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised.

The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.12 Employee benefits Short-term employee benefits

Short-Term benefits

The cost of short-term employee benefits, (those payable within 12 months after the end of the reporting period in which the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as study leave), are recognised in the period in which the service is rendered and are not discounted.

The organisation remunerates employees on total cost-to-company basis, this package includes SALGA's portion of contribution in respect of retirement benefits. The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to industry-managed retirement benefit schemes are dealt with as defined contribution plans where the SALGA's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

SALGA's defined contribution plans are as follows:

- Pension fund - an employer contribution based on 10.5% p.a. based on 70% of an employee's basic salary towards pension and/or retirement funds. However, during the year under review, the NEC approved the suspension of the requirement to reduce the pensionable salary. Employees are required to contribute a corresponding contribution of 6.5% p.a. based on their basic salary;

ACCOUNTING POLICIES (CONTINUED)

1.12 Employee benefits Short-term employee benefits (continued)

- Medical aid - an employer contribution capped at R 3 920 (2024: R 3 712) per month, per employee per calendar year. The contribution amount is reviewed annually depending on prevailing medical insurance inflation;
- Group risk - an employer contribution that covers funeral benefit for the employee and immediate family members at a cost of R21.50 (2024: R21.50) per employee per month; as well as 4 extended family members per employee, where monthly premiums are age dependent, as follows:
 - 0 – 64 years old at R17.70;
 - 65 – 74 years old at R52.80;
 - 75 years and older at R123.20;
- The risk cover also includes life assurance at three times an employee's annual salary in case of death. The risk cover is based on 0.63% (2024: 0.63%) of SALGA's basic payroll costs;
- The critical illness cover is 0.148% (2024: 0.148%) and calculated based on an employee's basic salary;
- The Disability cover is 1.152% (2024: 1.152%) calculated based on employee's pensionable salary;
- Long-term incentive scheme - the employer provides for Long-Term Incentive (LTI) scheme for Fixed Term Contract (FTC) employees. These employees' make-up the top management structure of SALGA and are some of the employees employed on a five (5) year fixed term contract. The incentive scheme is based on performance (merit) and the employee remaining in the employ of the organisation for a period longer than 3 years.

1.13 Provisions and contingencies

Provisions are recognised when:

- SALGA has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to settle the present obligation at the reporting date. Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if SALGA settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement is limited to the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

1.14 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue and a corresponding asset to the extent that SALGA has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

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ACCOUNTING POLICIES (CONTINUED)**1.15 Revenue from exchange transactions**

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets.

An exchange transaction is one in which SALGA receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to SALGA;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified timeframe, revenue is recognised on a straight-line basis over the specified timeframe unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Stage of completion for membership levies

The membership levy entitles members to 'services' or 'benefits of association' for the financial period of SALGA. Although the formula for fees is based on annual budgeted salary, this is not relevant in terms of revenue recognition. The recognition of revenue depends, rather, on the timing, nature and value of benefits provided.

On the basis of the accounting standard GRAP 9, the stage of completion needs to be determined at year end, and revenue recognised in accordance with the stage of completion of the transaction.

The guidance in GRAP 9 par A11 of the Appendix also states that the membership levies should be recognised on the basis which reflects the timing of benefits provided.

"Revenue recognition depends on the nature of the services provided. If the fee permits only membership, and all other services or products are paid for separately, or if there is a separate annual subscription, the fee is recognised as revenue when no significant uncertainty as to its collectability exists. If the fee entitles the member to services or publications to be provided during the membership period or to purchase goods or services at prices lower than those charged to non-members, it is recognised on a basis that reflects the timing, nature and value of the benefits provided".

1.16 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

ACCOUNTING POLICIES (CONTINUED)

1.16 Revenue from non-exchange transactions (continued)

Recognition and measurement

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As SALGA satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date.

Revenue is measured at fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Transfers

Apart from services in kind, which are not recognised, SALGA recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Gifts and donations

Gifts and donations are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to SALGA and the fair value of the assets can be measured reliably.

1.17 Investment revenue

Investment revenue is recognised on a time-proportion basis using the effective interest method.

1.18 Budget information

General purpose financial reporting by SALGA shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The annual financial statements and the budget are prepared on a comparable basis of accounting, therefore a statement of comparison with the budgeted versus actual amounts has been included as well as the related note.

1.19 Translation of foreign currencies Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rand, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

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ACCOUNTING POLICIES (CONTINUED)**1.19 Translation of foreign currencies Foreign currency transactions (continued)**

When a gain or loss on a non-monetary item is recognised directly in net assets, any exchange component of that gain or loss is recognised directly in net assets. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit.

Cash flows arising from transactions in a foreign currency are recorded in Rand by applying to the foreign currency amount the ruling spot exchange rate.

1.20 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.21 Fruitless and wasteful expenditure**Note – SALGA de-listing**

The below policy requirements regarding the fruitless and wasteful expenditure were applicable to SALGA for half of the financial year being 1 April to 30 September 2024. SALGA has subsequently been de-listed from the PFMA. From 01 October 2024 until 31 March 2025, SALGA was governed by its own policies even though the legal requirement based on the PFMA and regulation was no more applicable in the true legal sense, The analysis of the fruitless and “wasteful expenditure” if at all applicable, should be analysed taking this legal reality into account. The supply chain laws and regulations were used as a guideline and not as a legal prescriptive requirement.

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

National Treasury INSTRUCTION NO.4 OF 2022/2023 ON FRUITLESS AND WASTEFUL EXPENDITURE FRAMEWORK issued in terms of section 38(1)(c)(ii) and 51(1)(b)(ii) of PFMA on effective steps to prevent irregular expenditure. The instruction referenced section 45(c) and 57(c) of the PFMA with regard to appropriate steps to be taken in regard to prevent fruitless and wasteful expenditure. The INSTRUCTION draws its authority from sections 76(2) (e) to 76(4)(a) of the PFMA. The effective date of the INSTRUCTION is from 3 January 2023.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as income in the statement of financial performance.

1.22 Irregular expenditure**Note – SALGA de-listing**

The below policy requirements regarding irregular expenditure were applicable to SALGA for half of the financial year being 1 April to 30 September 2024. SALGA has subsequently been de-listed from the PFMA. From 01 October 2024 until 31 March 2025, SALGA was governed by its own policies even though the legal requirement based on the PFMA and regulation was no more applicable in the true legal sense, The analysis of irregular expenditure” if at all applicable, should be analysed taking this legal reality into account. The supply chain laws and regulations were used as a guideline and not as a legal prescriptive requirement.

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including-

- (a) the PFMA; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury INSTRUCTION NO.4 OF 2022/2023 ON IRREGULAR EXPENDITURE FRAMEWORK issued in terms of section 38(1)(c)(ii) and 51(1)(b)(ii) of PFMA on effective steps to prevent irregular expenditure. The instruction referenced section 45(c) and 57(c) of the PFMA with regard to appropriate steps to be taken in regard to prevent irregular expenditure. The INSTRUCTION draws its authority from sections 76(2) (e) to 76(4)(a) of the PFMA. The effective date of the INSTRUCTION is from 3 January 2023.

ACCOUNTING POLICIES (CONTINUED)

1.22 Irregular expenditure (continued)

- Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the annual financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is required with the exception of updating the note to the annual financial statements.
- Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.
- Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.
- Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury, or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the annual financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/ expenditure item, be disclosed as such in the note to the annual financial statements and updated accordingly in the irregular expenditure register.

1.23 Related parties

SALGA operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government in respect of CoGTA and members of the NEC and their respective municipalities belonging to the local sphere of government are related parties.

Management are those persons responsible for planning, directing and controlling the activities of SALGA, including those charged with the governance of SALGA in accordance with legislation and SALGA Constitution.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

A related party is related if one party has the ability to control the other party or jointly control or exercise significant influence over the other party in making financial and operating decisions or if the related party and the other entity are subject to common control.

Specific information with regards to related party transactions is included in the disclosure notes.

Identification of Related Parties

Controlling Entities Related Party identification

All municipalities are represented at SALGA through direct membership to SALGA, furthermore representation in SALGA structures is carried by the elected provincial representative at a Provincial Conference as well at National Conference.

The National Conference elects representatives who comprise the National Executive Committee of SALGA. Each municipality has a single vote which entitles it to vote at SALGA governance structures. A single municipality would not have control or significant influence over running the affairs or determining the policies of SALGA. The control and significant influence over SALGA's policies and finances is jointly held by all the 257 municipalities. In terms of SALGA's constitution all municipalities are members and would have equal rights over the residual assets of the organisation upon dissolution. The ten directly elected members at National Conference and the nine ex-officio members elected by the respective Provincial Conferences are related parties of SALGA by virtue of being part of the National Executive, as well as the Chief Executive who is also an ex-officio member of the NEC due to his role. The NEC has an option to co-opt up to three members, who once co-opted become related parties by virtue of being part of the National Executive of SALGA.

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ACCOUNTING POLICIES (CONTINUED)

1.23 Related parties (continued)

SALGA does not have a sister entity that is subjected to common control by the National Conference or jointly by the 257 municipalities in South Africa.

Significant Influence Entities Related Parties identification

As part of good governance SALGA reports to the Department of Corporate Governance and Traditional Affairs (CoGTA). SALGA continues to report on a quarterly and annual basis to the Minister of CoGTA. In the current year the Public Finance Management Act (PFMA) was only applicable for the first six months (01 April 2024 until 30 September 2024). However, as part of good governance SALGA continued its reporting to CoGTA and the Minister due to SALGA's role it plays in the local government sphere. CoGTA has significant influence over SALGA's activities by virtue of CoGTA's role in the sector SALGA cannot ignore its policies that affect municipalities. The department is tasked with the function of developing national policies and legislation with regard to provinces and local government. CoGTA's role has a direct impact or significant influence over the decisions of SALGA's policies and finance decisions. Although disclosed as a Related Party transaction, the fees paid by CoGTA to SALGA are part of normal funding that Government grants to its entities.

Senior management of SALGA comprising of the Chief Executive Officer; Chief Operations Officer; Chief Financial Officer and Chief Officers of the respective Clusters including their close family members have been identified as Related Parties of SALGA due to the significant influence that senior / key management exert over SALGA's operating and finance policies.

The governing body members of SALGA, being the NEC; Audit and Risk Committee; and Performance and Remuneration Committee members and their close families have been identified as Related Parties, due to the significant influence these structures exert over SALGA's operating and finance policies.

SALGA does not provide loans whether at market rates/prices or non-market related rates/prices to either Senior Management; NEC members; Audit and Risk Committee; and Performance and Remuneration Committee members.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

Compensation paid to key management personnel including their family members, where relevant is included in the disclosure notes.

1.24 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that SALGA will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

Items are classified as commitments when SALGA has committed itself to future transactions that will normally result in the outflow of cash.

1.25 Segment reporting

SALGA has considered the implementation of GRAP 18 – Segment reporting, however the organisation is unable to implement the standard because it does not satisfy all the requirements of the standard. GRAP 18.05(b) requires regular review of the potential segment financial information at its management meetings for the purpose of making decisions about resources allocation.

Good governance requires that entities must ensure and maintain effective, efficient and transparent systems of financial and risk management. In ensuring a transparent system for resource allocation, SALGA budgeting process includes "Budget Panel Hearings". The Budget Panel is a formal established forum where all business units are granted an equal opportunity to present their respective programmes, in detail or summary depending on the process for each year.

The SALGA budget process requires all business units to populate their budget, in a prescribed format, on an annual basis based on their annual priorities in line with the approved annual plan. The respective budgets are presented to the Budget Panel which is

ACCOUNTING POLICIES (CONTINUED)

1.25 Segment reporting (continued)

chaired by the selected member of the NEC. Members of the Budget Panel include the Chief Financial Officer (CFO) as well as the Executive Management Team of SALGA, as well as two NEC members, excluding the Chairperson. The Budget panel is a structure that decides and recommends the budget allocation after deliberations and requests presentation from all cost centres, based on the organisational strategic imperatives and advice of the CFO.

Financial management reports for business units are only presented at management meetings for budget implementation and cost monitoring purposes. There are no comprehensive segment financial reports that serve at management meetings for purposes of making decisions about resources allocations as defined in the standard. In view of the above-mentioned SALGA cannot comply with all the requirements of GRAP 18 and thus the standard is not applicable to the organisation.

1.26 Joint Arrangements

Through the Business Development unit, SALGA enters into business agreements with third parties to generate revenue for the benefit of the organisations. The agreements specify the rights and obligations for each party. These agreements meet the requirements of GRAP 37 relating to joint operations without a separate legal form as defined.

1.27 New standards and interpretations

Below is the list and analysis of GRAP Standards and interpretations issued and effective from the current financial year. No GRAP standards or Interpretations have been issued that are not yet effective:

Document no	Title	Consideration for applicability
GRAP 104	Financial Instruments Effective date: 01 April 2024	SALGA already complies with the issued standard on financial instruments GRAP 104 (Revised). The non-effective standard deals with: <ol style="list-style-type: none"> 1) Financial Instruments with Residual Interest i.e., ownership in another company. <i>SALGA does not have exposure to these types of financial assets.</i> 2) Loan and Commitments that will be settled in cash or using another financial instrument. <i>SALGA does not have loans.</i> 3) Contracts to buy or sell non-financial items that are settled in cash. <i>SALGA already accounts for all the Financial Instruments of this nature based on the current applicable GRAP104 standard.</i>
GRAP 105	Not specified and awaiting the regulation to be published by the Minister under section 91(1)(b)	Transfer of functions between entities that are under common control: <ol style="list-style-type: none"> 1) The statement is not applicable to SALGA because the organisation does not have a sister company that is under the control of the National Executive Committee of SALGA
GRAP103	Not specified and awaiting the regulation to be published by the Minister under section 91(1)(b)	Heritage assets are assets that have cultural significance, significance and are held indefinitely for the benefit of present and future generations. <i>Not applicable to SALGA because the organisation does not hold such assets.</i>
GRAP 107	Not specified and awaiting the regulation to be published by the Minister under section 91(1)(b)	A merger is the establishment of a new combined entity in which none of the former entities obtains control over any other and no acquirer can be identified. <i>Not applicable to SALGA because the organisation has not merged with any entity as prescribed by the standard.</i>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS**2. INVESTMENT PROPERTY**

	2025		2024	
	Valuation	Carrying value	Valuation	Carrying value
Investment property	6 010 000	6 010 000	8 800 000	8 800 000

	Opening balance	Fair value adjustment gain	Transferred (to) / from held for sale	Total
Reconciliation of investment property – 2025				
Investment property	8 800 000	(2 790 000)	-	6 010 000

	Opening balance	Fair value adjustment gain	Transferred (to) / from held for sale	Total
Reconciliation of investment property – 2024				
Investment property	-	2 700 000	6 100 000	8 800 000

Details of property

- (a) Stand 3278, Johannesburg, Gauteng
- (b) Portion 654 of the farm Albinia no. 957, FT KwaZulu-Natal

Details of valuation

Revaluations were performed by an independent valuer, Mr. P J M Terblanche – Appraiser of SA Valuations – Appointed by the Dept of Justice. (South African Council for the Property Valuers Profession). SA Valuations are not in any way connected to SALGA and have recent experience in location and category of the investment property being valued.

The valuation was based on market value which is an estimated amount that would exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction. For the purpose of determining the market value of the investment properties the capitalisation of the "Net Annual Income", generally considered to determine the market value of an income producing property such as shopping centres, offices and industrial or commercial properties where the building has an earning potential. Amounts recognised in surplus and deficit for the year is the rental income received from letting a portion of the investment property relating to the Hillcrest property in KwaZulu-Natal, where a portion of the land is let to Mobile Telephone Networks (MTN) for a cellular phone mast erected on the land. Such leasing of the property is incidental and insignificant relative to the potential of the property. Other investment properties are held for capital appreciation.

None of the investment property has been pledged as security for any loan.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. Investment property (continued)

There are no restrictions on the realisation of investment property or the remittance of revenue and proceeds of disposal. There are also no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Figures in Rand

Amounts recognised in surplus or deficit

Rental revenue from investment property

Fair value gain

From investment property that generated rental revenue

Direct operating expenses

From investment property that did not generate rental revenue

Direct operating expenses

	2025	2024
Rental revenue from investment property	149 643	149 644
Fair value gain	-	-
From investment property that generated rental revenue		
Direct operating expenses	1 190 553	1 383 989
From investment property that did not generate rental revenue		
Direct operating expenses	4 633 150	3 980 904

The operating costs above relates mainly to municipal charges and security costs. In the current year an initiative to pursue a revenue generating project has commenced. This project involves various investment options being pursued and these are currently in progress.

3. PROPERTY, PLANT AND EQUIPMENT

	2025			2024		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Land	4 029 152	-	4 029 152	4 029 152	-	4 029 152
Buildings	20 316 489	(1 935 672)	18 380 817	20 316 489	(1 664 240)	18 652 249
Furniture and fixtures	17 233 918	(10 311 886)	6 922 032	17 884 632	(10 219 722)	7 664 910
Motor vehicles	2 347 728	(2 131 953)	215 775	2 347 728	(2 107 645)	240 083
Office equipment	8 254 436	(3 921 871)	4 332 565	7 841 916	(3,704 658)	4 137 258
IT equipment	26 924 812	(17 414 247)	9 510 565	23 074 431	(15 047 561)	8 026 870
Leased office equipment	3 542 878	(2 258 544)	1 284 334	1 994 275	(1 800 476)	193 799
Leasehold improvements	17 740 224	(10 022 155)	7 718 069	11 485 966	(8 226 593)	3 259 373
Total	100 389 637	(47 996 328)	52 393 309	88 974 589	(42 770 895)	46 203 694

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3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment – 2025

	Opening balance	Additions	Impairment loss	Depreciation	Total
Land	4 029 152	-	-	-	4 029 152
Buildings	18 652 249	-	-	(271 432)	18 380 817
Furniture and fixtures	7 664 911	265 286	(310 439)	(697 726)	6 922 032
Motor vehicles	240 083	-	-	(24 308)	215 775
Office equipment	4 137 258	630 993	(56 152)	(379 534)	4 332 565
IT equipment	8 026 869	5 551 999	(70 558)	(3 997 745)	9 510 565
Leased office equipment	193 799	1 548 603	-	(458 068)	1 284 334
Leasehold improvements	3 259 373	6 254 258	-	(1 795 562)	7 718 069
	46 203 694	14 251 139	(437 149)	(7 624 375)	52 393 309

Reconciliation of property, plant and equipment – 2024

	Opening balance	Additions	Impairment loss	Depreciation	Total
Land	4 029 152	-	-	-	4 029 152
Buildings	18 924 426	-	-	(272 177)	18 652 249
Furniture and fixtures	8 474 650	41 479	(94 631)	(756 587)	7 664 911
Motor vehicles	289 577	-	-	(49 494)	240 083
Office equipment	3 575 231	913 193	(46 182)	(304 984)	4 137 258
IT equipment	7 871 422	3 900 545	(240 014)	(3 505 084)	8 026 869
Leased office equipment	491 342	144 067	-	(441 610)	193 799
Leasehold improvements	1 663 325	2 316 251	-	(720 203)	3 259 373
	45 319 125	7 315 535	(380 827)	(6 050 139)	46 203 694

Compensation received for losses on property, plant and equipment – included in surplus or deficit.

Figures in Rand

Property, plant and equipment

2025	2024
437 149	380 827
437 149	380 827

Assets subject to lease (Net carrying amount)

Figures in Rand

Leased office equipment

Leasehold improvements

2025	2024
1 284 334	193 799
7 718 069	3 259 373
9 002 403	3 453 172

There are no assets pledged as security or contractual commitments for Property Plant and Equipment.

The compensation for losses on IT Equipment relates to recoveries from insurance on lost assets.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4. INTANGIBLE ASSETS

	2025			2024		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Computer software	360 146	(64 268)	295 878	360 146	(49 065)	311 081

Reconciliation of intangible assets

	Opening balance	Additions	Impairment loss	Amortisation	Total
2025					
Computer software	311 081	-	-	(15 203)	295 878
2024					
Computer software	545 450	-	(127 845)	(106 524)	311 081

5. DEPOSITS

*Figures in Rand***At amortised cost**

Rental deposits held by lessors

Terms and conditions

The deposits are refundable by the lessors only on termination of the lease agreement

Non-current assets

Rental deposits held by lessors

Current assets

Rental deposits held by lessors and held at attorney's trust account

	2025	2024
Rental deposits held by lessors	5 141 321	2 886 630
Total	5 141 321	2 886 630
Rental deposits held by lessors	5 141 321	2 886 630
Rental deposits held by lessors and held at attorney's trust account	-	-

6. OPERATING LEASE ASSET / (LIABILITY)

Figures in Rand

Current assets

Non-current liabilities

Current liabilities

	2025	2024
Current assets	133 243	124 586
Non-current liabilities	(4 320 392)	(4 049 931)
Current liabilities	(82 991)	(294 496)
Total	(4 270 140)	(4 219 841)

The operating lease asset arose because of straight lining the operating lease receipts in accordance with GRAP 13 (Leases). Refer to note 34 for details on the non-cancellable operating lease rentals payable in future.

SALGA leases a portion of its property in KwaZulu-Natal to a cellular phone operator for a cellular phone mast. The lease period covers a period of 119 months from 07 April 2020. The annual escalation is 8% and the remaining lease term is 59 months.

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6. Operating lease asset / (liability) (continued)

The leased period of these premises' ranges from 36 to 60 months. The average annual escalation is 7% and the average remaining lease term is 41 months. Most of the lease agreements entered between SALGA and Lessors have an extension period option included in the lease agreements. Lease extensions are subject to negotiations and/or confirmation by the parties of the lease agreements (SALGA and Lessors) prior to the lease expiry date, except for the lease agreement for Northern Cape Provincial office which provides for an automatic renewal method. SALGA commonly enters negotiations to extend lease contracts at least four - six months prior to the termination of the lease.

None of the lease agreements between SALGA and the Lessors have an option to purchase the property being leased.

7. EMPLOYEE BENEFIT OBLIGATIONS DEFINED CONTRIBUTION PLAN

It is the policy of SALGA to provide retirement benefits to all its employees. A defined contribution pension or retirement fund, subject to the Pensions Fund Act exists for this purpose.

SALGA is under no obligation to cover any unfunded benefits.

Figures in Rand

The amount recognised as an expense for defined contribution plan is:

2025	2024
25 153 360	23 107 190

Included in defined contribution plan information above, is the following plan which is accounted for as a defined contribution plan:

- Pension fund – R 25 153 360 (2024: R 23 107 190)

8. TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS

Figures in Rand

Trade receivables

Prepayments

Sundry receivables

2025	2024
80 233 331	72 185 915
24 157 581	7 934 367
435 295	156 651
104 826 207	80 276 933

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are past due and not impaired can be assessed by reference to historical default rates. The credit qualities rating of each of these financial instruments are as follows:

Low credit grade (High risk) - The counter parties have evidenced high occurrences of defaults and / or re-negotiations of contractual terms in prior periods. Furthermore, an assessment of the financial position and liquidity position of the parties has provided evidence of financial difficulties that may impede the recoverability of the outstanding amounts. As such the counter parties included in the low credit grade category pose a high credit risk to the entity.

Medium credit grade (Medium risk) - The counter parties have evidenced instances of defaults and / or re-negotiations of contractual terms in prior periods on the repayment of outstanding amounts. An assessment of the financial position and liquidity positions of the parties has provided evidence of financial difficulties that may impede the recoverability of the outstanding amounts. The counter parties included in this credit grade category are active in an industry that is highly sensitive to market fluctuations and volatility in the international economies.

High credit grade (Low risk) - The counter parties have evidenced no instances of defaults and / or re-negotiations of contractual terms in prior periods.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

8. Trade and other receivables from exchange transactions (continued)

Figures in Rand

Trade receivables schedule (gross carrying amount)
Less: Allowance for impairment

2025	2024
311 210 322	279 432 784
(230 976 991)	(207 246 869)
80 233 331	72 185 915

The allowance for impairment relates to the assessment of doubtful debts that SALGA may not realise.

Trade and other receivables past due payment date but not impaired (Exchange transactions):

As of 31 March 2025, trade and other receivables from exchange transactions of R 80 233 331 (2024: R 72 185 915) were past due payment date and not impaired:

Figures in Rand

The ageing of amounts past due payment date but not impaired is as follows:

Not more than 30 days
More than 30 days but not more than 60 days
More than 60 days but not more than 90 days
More than 90 days but not more than 120 days
More than 120 days

2025	2024
270 961	337 530
-	-
-	-
-	-
79 962 370	71 848 385
80 233 331	72 185 915

The carrying amount of trade and other receivables that are past due payment date and have re-negotiated settlement terms amount to R nil (2024: R nil).

Trade and other receivables past due payment date but impaired (Exchange transactions):

As of 31 March 2025, trade and other receivables of R 230 976 991 (2024: R 207 246 869) were impaired and provided for.

Figures in Rand

The ageing of impaired amounts is as follows:

Not more than 30 days
More than 30 days but not more than 60 days
More than 60 days but not more than 90 days
More than 90 days but not more than 120 days
More than 120 days

2025	2024
-	-
-	-
-	-
-	-
230 976 991	207 246 869
230 976 991	207 246 869

Figures in Rand

Reconciliation of allowance account for doubtful debts

Opening balance
Increase in allowance for impairment
Amounts written off as irrecoverable
Unused amounts reversed

2025	2024
207 246 869	199 541 181
230 409 824	206 520 883
567 167	725 986
(207 246 869)	(199 541 181)
230 976 991	207 246 869

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8. Trade and other receivables from exchange transactions (continued)

The creation and release of allowance for impaired receivables have been included in operating expenses in surplus or deficit (note 22). The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. SALGA does not hold any collateral as security. SALGA is exposed to credit risk as a result of transactions entered into with customers on extended payment terms, and cash and cash equivalents held with commercial banks that may not be able to produce cash on demand.

SALGA manages these risks by independent checks and only uses commercial banks approved by National Treasury. No changes occurred in the management of these risks from the prior year.

Figures in Rand

	2025	2024
Trade receivables	80 233 331	72 185 915
Prepayments	24 157 581	7 934 367
Sundry receivables	435 295	156 651
	104 826 207	80 276 933

9. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Figures in Rand

	2025	2024
Receivables from non-exchange transactions	5 234 656	18 307
Prepayments	-	-
Sundry receivables from non-exchange transactions	2 613 565	4 761 361
	7 848 221	4 779 668

Credit quality of receivables from non-exchange transactions

The credit quality of other receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Low credit grade (High risk) - The counter party has evidenced high occurrences of defaults and / or re-negotiations of contractual terms in prior periods. Furthermore, an assessment of the financial position and liquidity position of the party has provided evidence of financial difficulties that may impede the recoverability of the outstanding amounts. As such the counter parties included in the low credit grade category pose a high credit risk to the entity.

Medium credit grade (Medium risk) - The counter party has evidenced instances of defaults and / or re-negotiations of contractual terms in prior periods on the repayment of outstanding amounts. An assessment of the financial position and liquidity positions of the party has provided evidence of financial difficulties that may impede the recoverability of the outstanding amounts. The counter parties included in this credit grade category are active in an industry that is highly sensitive to market fluctuations and volatility in the international economies.

High credit grade (Low risk) - The counter party has evidenced no instances of defaults and / or re- negotiations of contractual terms in prior periods.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

9. Receivables from non-exchange transactions (continued)

Receivables from non-exchange transactions past due payment date but not impaired:

As of 31 March 2025, receivables from non-exchange transactions of R 5 234 656 (2024: R 18 307) were past due payment date and not impaired:

Figures in Rand

The ageing of amounts past due payment date but not impaired is as follows:

Not more than 30 days
More than 30 days but not more than 60 days
More than 60 days but not more than 90 days
More than 90 days but not more than 120 days
More than 120 days

	2025	2024
Not more than 30 days	4 144 797	20
More than 30 days but not more than 60 days	-	-
More than 60 days but not more than 90 days	-	-
More than 90 days but not more than 120 days	61 404	-
More than 120 days	1 028 455	18 287
	5 234 656	18 307

Receivables from non-exchange transactions impaired:

As of 31 March 2025, receivables from non-exchange transactions of R 1 585 258 (2024: R 17 134 500) were impaired and provided for.

Figures in Rand

The ageing of impaired amounts is as follows:

Not more than 30 days
More than 30 days but not more than 60 days
More than 60 days but not more than 90 days
More than 90 days but not more than 120 days
More than 120 days

	2025	2024
Not more than 30 days	-	-
More than 30 days but not more than 60 days	-	-
More than 60 days but not more than 90 days	-	-
More than 90 days but not more than 120 days	-	693
More than 120 days	1 585 258	17 133 807
	1 585 258	17 134 500

Reconciliation of provision for impairment of receivables from non-exchange transactions:

Figures in Rand

Opening balance
Provision for impairment
Amounts written off as irrecoverable
Unused amounts reversed

	2025	2024
Opening balance	17 134 500	30 741 664
Provision for impairment	(14 490 040)	7 995 949
Amounts written off as irrecoverable	16 075 298	9 138 551
Unused amounts reversed	(17 134 500)	(30 741 664)
	1 585 258	17 134 500

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10. CASH AND CASH EQUIVALENTS

The carrying value of cash and cash equivalents is measured at amortised cost. None of the instruments included in the cash and cash equivalents were pledged as security for any financial obligation.

Cash and cash equivalents consist of:

Figures in Rand

	2025	2024
Cash on hand	10 666	22 693
Restricted cash (conditional grants received)	558 918	840 911
Bank balances	814 443 736	750 293 565
	815 013 320	751 157 169

11. ASSETS HELD-FOR-SALE

Description of the assets:

The investment property held-for-sale

- Stand 750, Kimberly, Northern Cape.

Carrying values**Figures in Rand**

	2025	2024
Carrying values of the assets	-	762 000

Assets held for sale require that the property be disclosed at the lower of the carrying amount and selling price less costs to sell. The property is accounted for and disclosed using their carrying value.

Facts and circumstances of the disposal

The NEC approved the disposal of the investment properties on 5 August 2013 with a proviso that proceeds from the disposal be ring-fenced for the acquisition of administrative buildings for the respective offices. The Kimberly building has been sold during the period for R1 million.

The Kimberly office is part of the Capital Asset Acquisition Strategy approved by the organisation and SALGA has enough funds or will be able to raise the funds if and when a suitable property is identified for the office, currently the office is leasing a building for its administrative functions.

12. REVALUATION SURPLUS RESERVE

The revaluation surplus is non-distributable.

Figures in Rand

	2025	2024
Balance	2 259 566	2 259 566

The revaluation reserve results from the revaluation of property, plant and equipment while still owner occupied. It remains after treating the same assets as investment property since they were vacated by the entity. Upon transfer of the owner-occupied property to investment property the revaluation surplus is treated in the following manner:

Any remaining part of the increase is credited directly to net assets in revaluation surplus. On subsequent disposal of the investment property, the revaluation surplus included in net assets may be transferred to accumulated surpluses or deficits. The transfer from revaluation surplus to accumulated surpluses or deficits is not made through surplus or deficit but through the Statement of Changes

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

12. Revaluation surplus reserve (continued)

in Net Assets. The reserves will remain until re-imagine project for the rest of the investment properties has been finalised, as the selling of these buildings still remains an option.

13. FINANCE LEASE OBLIGATION

*Figures in Rand***Minimum lease payments due**

- within one year
- in second to fifth year inclusive

Less: Future finance charges

Present value of minimum lease payments**Present value of minimum lease payments due**

- within one year
- in second to fifth year inclusive

Non-current liabilities

Current liabilities

	2025	2024
Minimum lease payments due		
- within one year	632 562	208 441
- in second to fifth year inclusive	795 620	102 313
Less: Future finance charges	1 428 182	310 754
	(112 380)	(17 793)
Present value of minimum lease payments	1 315 802	292 961
Present value of minimum lease payments due		
- within one year	557 412	197 475
- in second to fifth year inclusive	758 390	95 486
	1 315 802	292 961
Non-current liabilities	758 390	95 486
Current liabilities	557 412	197 475
	1 315 802	292 961

It is SALGA's standard operating practice to lease certain office equipment under finance leases. Obligations under finance leases are secured by the lessor's title to the leased assets.

SALGA ordinarily concludes office automation solutions leasing arrangements following applicable supply chain management processes. The lease period of the agreements is normally the initial period of thirty-six (36) months, commencing on the day the solution equipment is delivered, installed, and commissioned. The average remaining lease term is 11.5 months and the average effective interest rate implicit in the lease was 7% (2024: 7%). Interest rates are fixed at the contract date. All leases have fixed repayments amounts and/or terms for the initial period of thirty-six (36) months. No arrangements have been entered into for contingent rent between SALGA and the service provider. SALGA does not renew the leases upon expiry, as the useful life approximates the lease term.

SALGA's obligations under the office automation solutions leases are secured by the lessor's claim over the leased assets, for an example in an instant the office automation is damaged. Refer note 3. Leased office equipment with a carrying amount of R 1 315 802 (2024: R 292 961) are subject to the Lessors restrictions in terms of movement (relocation).

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS**14. UNSPENT CONDITIONAL GRANTS AND RECEIPTS**

Assets recognised and included in cash and cash equivalents amounting to R 1 412 292 (2024: R 2 909 491) are ring-fenced and can solely be used in terms of the conditions of the grants.

Unspent conditional grants and receipts comprises of:

*Figures in Rand***Unspent conditional grants and receipts**

	2025	2024
European Union (SGCLG)	-	370 087
Federation of Canadian Municipalities (BIGM)	-	466 041
United Nations Development Program (UNDP)	259 999	259 999
Department of Science and Technology (MIMI)	904 840	1 684 607
European Union – PARI	247 453	128 757
	1 412 292	2 909 491
Movement during the year		
Balance at the beginning of the year	2 909 491	1 872 771
Additions during the year	10 714 660	13 556 587
Reclassification during the year	-	(1 388 741)
Revenue recognition during the year	(12 211 859)	(11 131 126)
	1 412 292	2 909 491

The nature and extent of conditional government grants recognised in the annual financial statements and an indication of other forms of assistance from which SALGA has directly benefited are disclosed in note 20; and any unfulfilled conditions and attaching to government and other assistance has not been recognised in surplus or deficit and remain reflected as a liability (Unspent conditional grants and receipts).

See note 20 for reconciliation of grants from National / Provincial Government and other Institutions.

15. PROVISIONS**Reconciliation of provisions – 2025**

	Opening Balance	Additions	Paid during the year	Total
FTC employee long term incentive	5 099 705	5 335 599	(2 101 491)	8 333 813
	5 099 705	5 335 599	(2 101 491)	8 333 813

Reconciliation of provisions – 2024

	Opening Balance	Additions	Paid During the year	Total
FTC employee long term incentive	17 914 308	1 709 128	(14 523 731)	5 099 705
	17 914 308	1 709 128	(14 523 731)	5 099 705

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

15. Provisions (continued)

Figures in Rand

Non-current liabilities

Current liabilities

	2025	2024
Non-current liabilities	931 894	417 752
Current liabilities	7 401 919	4 681 953
	8 333 813	5 099 705

The Fixed Term Contract (FTC) employee long-term retention incentive represents management's best estimate of SALGA's liability under year six of the retention incentive scheme. The FTC retention incentive scheme only vests to FTC employees provided the employee's performance is acceptable in terms of SALGA's merit-based rating matrix. Furthermore, should the employee remain in the employ of SALGA for a period exceeding three years whereupon the incentive shall vest to the employee. There is no change on the basis used to calculate the entity's obligation on the retention scheme.

The provision also includes a gratuity provision for an outstanding payment to be made to the former CEO, in line with his employment contract.

The provision for LTI on senior managers and specialists included on the above and relates to a settlement to all employees whose contracts were converted to permanent employees.

16. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Figures in Rand

Trade payables

Membership levies received in advance

Sundry payables

Accrued leave pay

Accrued thirteenth cheque

Accrued expenses

Accrued performance rewards

Other payables (lodge cards)

	2025	2024
Trade payables	12 454 822	7 637 801
Membership levies received in advance	50 407 098	28 152 121
Sundry payables	664 240	843 859
Accrued leave pay	33 636 152	27 803 782
Accrued thirteenth cheque	2 522 651	2 162 629
Accrued expenses	15 170 423	9 576 142
Accrued performance rewards	33 452 992	27 374 782
Other payables (lodge cards)	7 931 686	13 297 897
	156 240 064	116 849 013

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS**17. FINANCIAL INSTRUMENTS****Categories of financial instruments****2025****Financial assets**

Operating lease receivables – exchange transactions
Trade and other receivables from exchange transactions
Other receivables from non-exchange transactions
Cash and cash equivalents

At amortised cost	Total
133 243	133 243
83 282 191	83 282 191
7 848 221	7 848 221
815 013 320	815 013 320
906 276 975	906 276 975

Financial liabilities

Trade and other payables from exchange transactions
Sundry payables
Other payables

At amortised cost	Total
27 625 245	27 625 245
664 240	664 240
7 931 687	7 931 687
36 221 172	36 221 172

2024**Financial assets**

Operating lease receivables – exchange transactions
Trade and other receivables from exchange transactions
Other receivables from non-exchange transactions
Cash and cash equivalents

At amortised cost	Total
124 586	124 586
72 342 565	72 342 565
4 779 668	4 779 668
751 157 169	751 157 169
828 403 988	828 403 988

Financial liabilities

Trade and other payables from exchange transactions
Sundry payables
Other payables

At amortised cost	Total
17 213 942	17 213 942
843 859	843 859
13 297 897	13 297 897
31 355 698	31 355 698

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

18. REVENUE

Total revenue disclosed in the statement of financial performance is made up as follows:

Figures in Rand

	2025	2024
Revenue from exchange transactions	818 908 882	785 772 983
Revenue from non-exchange transactions	51 887 205	51 351 926
Other revenue (refer note 21)	7 567 079	10 709 489
Investment revenue (refer note 26)	96 876 621	91 503 467
Total revenue	975 239 787	939 337 865

The amounts included in revenue arising from exchange of goods or services are as follows:

Figures in Rand

	2025	2024
Rendering of services - Membership levies	818 908 882	785 772 983
Other revenue (refer note 21)	7 567 079	10 709 489
Total	826 475 961	796 482 472

The amount included in revenue arising from non-exchange transactions is as follows:

Figures in Rand

	2025	2024
Transfers – Government grant and subsidies	36 949 000	36 408 000
Sponsorship and donations	2 689 813	3 829 000
Grant recognised – LGSETA (Capacity Building)	2 750 261	-
Grant recognised – FoCM (BIGM<)	466 041	-
Grant recognised – FASSET	5 595 000	-
Grant recognised – EU (SGCLG)	370 087	-
Grant recognised – DSI	779 767	315 393
Grant recognised – UNDP	-	600 686
Grant recognised – KZN RISE Project	18 267	-
Grant recognised – European Union (Pari Compact Project)	2 268 969	2 215 047
Grant recognised – BANKSETA (SGCLG)	-	8 000 000
Grant recognised – LGSETA (CIP)	-	(16 200)
Total	51 887 205	51 351 926

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS**19. DIRECT EXPENDITURE – PROGRAMME COST***Figures in Rand***Municipal advisory and support service cost**

Annual remuneration	271 017 202	244 408 845
Performance rewards	26 097 563	17 579 616
Employer contribution to medical aid	11 502 412	10 538 800
Unemployment insurance fund (UIF)	697 631	644 714
Skills development levy (SDL)	3 012 481	2 788 705
Other payroll levies	12 130 591	10 092 508
Leave pay accrual charge	7 026 819	145 074
Cell phone allowance	3 907 115	3 670 917
Employer contribution to group risk	5 231 409	4 780 867
Employer contribution to the defined contribution plan	17 973 862	16 580 878
Long-term benefits – Retention incentive scheme	4 823 583	(823 287)
	363 420 668	310 407 637

IGR Participation and mandating cost (councillors)

Sitting allowance	5 176 907	4 390 688
Travel allowance	4 667 451	4 173 735
	9 844 358	8 564 423

OLG Mandate implementation cost

Member support – professional and advisory services	44 965 149	74 372 581
Travel expenditure	43 391 350	32 112 593
Venue hire and accommodation	107 076 465	80 505 826
Capacity building expenditure	15 627 739	7 491 169
Logistical support expenses	12 174 339	9 776 217
	223 235 042	204 258 386
	596 500 068	523 230 446

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

20. GOVERNMENT GRANTS AND SUBSIDIES

Figures in Rand

Transfers and subsidies - CoGTA unconditional grant

2025	2024
36 949 000	36 408 000

Conditional grant - Local Government SETA (Capacity Building)

Figures in Rand

Balance unspent at beginning of year

Current year receipts

Conditions met - transferred to revenue (refer note 18)

2025	2024
-	-
2 750 261	-
(2 750 261)	-
-	-

Conditions met – no remaining liability (refer note 14)

The grant is funded by the LGSETA with the aim of building capacity in local government. The grant received from the LGSETA gives municipal employees and councillors bursaries at different tertiary institutions to further their studies.

Conditional grant – BANKSETA (SMECB)

Figures in Rand

Balance unspent at beginning of year

Current-year receipts

Conditions met - transferred to revenue (refer note 18)

2025	2024
-	-
-	8 000 000
-	(8 000 000)
-	-

Conditions met – no remaining liability (refer note 14)

This grant is funded by the Banking Sector Education & Training Authority (BANKSETA). It is intended to build capacity of small & medium enterprises in rural communities. The main focus areas for this capacity building are financial management, agriculture, land management, among others. This grant is in support of the national rural development strategy.

Conditional grant - European Union (EU) – Strengthening Governance and Capacity in Local Government (SCLG)

Figures in Rand

Balance unspent at beginning of year

Current-year receipts

Conditions met - transferred to revenue (refer note 18)

2025	2024
370 087	370 087
-	-
(370 087)	-
-	370 087

Conditions met – no remaining liability (refer note 14)

The grant is from the European Union (EU) – SCLG to fund SALGA to strengthen governance and capacity building in municipalities.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS**20. Government grants and subsidies (continued)****Conditional grant – Federation of Canadian Municipalities (BIGM)****Figures in Rand**

Balance unspent at beginning of year
Current-year receipts
Conditions met - transferred to revenue (refer note 18)

2025	2024
466 041	466 041
-	-
(466 041)	-
-	466 041

Conditions met – no remaining liability (refer note 14)

This grant is from Federation of Canadian Municipalities. Its main purpose is to support municipalities to improve their capacity; to develop and implement plans for green infrastructure, trade & economic development; to enhance SALGA's capacity to provide institutional support to its members.

Conditional grant – United Nations Development Program (UNDP)**Figures in Rand**

Balance unspent at beginning of the year
Current-year receipts
Conditions met - transferred to revenue (refer note 18)

2025	2024
259 999	36 643
-	824 042
-	(600 686)
259 999	259 999

Conditions still to be met – remaining liability (refer note 14)

This grant is funded by the United Nations Development Program with the main purpose of supporting formal and informal traders and SMME's. SALGA is the leading support implementation partner in this initiative.

Conditional grant – Department of Science and Innovation (DSI)**Figures in Rand**

Balance unspent at beginning of year
Current-year receipts
Transferred from trade and other receivables (sundry receivables) (refer note 8)
Conditions met - transferred to revenue (refer note 18)

2025	2024
1 684 607	1 000 000
-	2 000 000
-	(1 000 000)
(779 767)	(315 393)
904 840	1 684 607

Conditions still to be met – remaining liability (refer note 14)

The grant is funded by Department of Science and Innovation (DSI) to develop municipal stakeholder engagement, mobilisation and activation of municipal participation in the viability and validation for service delivery programmes (VVISDP).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

20. Government grants and subsidies (continued)

Conditional grant – VVSG (Enhancing Capacity in Local Government Waste Management)

Figures in Rand

Balance unspent at beginning of year
Current-year receipts
Conditions met - transferred to revenue (refer note 18)

	2025	2024
Balance unspent at beginning of year	-	-
Current-year receipts	-	66 687
Conditions met - transferred to revenue (refer note 18)	-	(66 687)
	-	-

Conditions met – no remaining liability (refer note 14)

The grant is funded by the Association of Flemishes Cities and Municipalities (VVSG). The objectives of the grant are to (1) To enhance the capacity of local governments in SA to contribute to the implementation of the integrated waste management policies respecting the principles of good local governance; (2) Contribute to good, inclusive local governance through the enhance digital capacity for smart governance and improved service delivery of SALGA and its member municipalities.

Conditional grant – European Union (PARI)

Figures in Rand

Balance unspent at beginning of year
Current-year receipts
Transferred from trade and other receivables (sundry receivables) (refer note 8)
Conditions met - transferred to revenue (refer note 18)

	2025	2024
Balance unspent at beginning of year	128 757	-
Current-year receipts	2 387 666	2 665 858
Transferred from trade and other receivables (sundry receivables) (refer note 8)	-	(322 055)
Conditions met - transferred to revenue (refer note 18)	(2 268 970)	(2 215 046)
	247 453	128 757

Conditions still to be met – remaining liability (refer note 14)

This grant is funded by European Union - Public Affairs Research Institute (EU-PARI) to establish internal municipal systems to ensure proper alignment of developmental goals with internal planning and performance management of a Municipality.

Conditional grant – FASSET

Figures in Rand

Balance unspent at beginning of year
Current-year receipts
Conditions met - transferred to revenue (refer note 18)

	2025	2024
Balance unspent at beginning of year	-	-
Current-year receipts	5 595 000	-
Conditions met - transferred to revenue (refer note 18)	(5 595 000)	-
	-	-

Conditions met – no remaining liability (refer note 14)

This grant is funded by the finance and accounting services sector education and training authority (FASSET) established in terms of skills development act of 1998, with an aim to capacitate and develop 5000 local government (Municipal) employees in asset management, municipal finance support programmes, audit committee and annual financial statements training.

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20. Government grants and subsidies (continued)

Conditional grant –KZN RISE Project

Figures in Rand

Balance unspent at beginning of year	-
Current-year receipts	18 267
Conditions met - transferred to revenue (refer note 18)	(18 267)

2025	2024
-	-
18 267	-
(18 267)	-
-	-

Conditions met – no remaining liability (refer note 14)

This grant is funded by Zentrum Fur Verwaltungsforschung (KDZ) in partnership with SALGA and other international partners. The purpose of this grant is to exchange knowledge, conduct research and innovation, compare and share best practices in key areas of local government.

21. OTHER REVENUE

Figures in Rand

Delegate fees - national and provincial members assembly	5 317 670
Sundry revenue	1 638 068
Commission revenue	411
Rent revenue	149 643
Investment property fair value adjustments	-
Gain on foreign exchange differences	461 287

2025	2024
5 317 670	6 225 065
1 638 068	1 629 476
411	463
149 643	149 644
-	2 700 000
461 287	4 841
7 567 079	10 709 489

22. ADMINISTRATIVE EXPENDITURE

Figures in Rand

Impairment loss	437 149
Lease rentals (operating and finance lease)	39 026 370
Provision for doubtful debts	24 805 252
Fair value adjustment on investment property	2 790 000
Repairs and maintenance	7 835 060
Profit on disposal of assets	(243 104)
Other overheads	24 779 080

2025	2024
437 149	508 689
39 026 370	43 606 913
24 805 252	3 963 061
2 790 000	-
7 835 060	6 764 954
(243 104)	(113 900)
24 779 080	28 913 287
99 429 807	83 643 004

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

23. OTHER OPERATIONAL

Figures in Rand

	2025	2024
Advertising	3 786 291	2 587 237
Auditors' remuneration	3 140 383	4 867 934
Bank charges	257 091	244 195
Cleaning	826 646	1 063 435
IT consumables	483 993	349 611
Professional and advisory services	2 171 608	2 650 507
Gifts and donations	-	2 000
Insurance	356 258	891 530
Community development initiatives	430 188	681 659
IT support and licence fees	28 046 397	18 671 545
Marketing	3 959 381	6 939 582
Motor vehicle expenses	777 793	843 507
Postage and courier	253 287	359 741
Printing and stationery	1 317 381	1 473 888
Municipal profiling	516 685	1 186 116
Security costs	1 688 885	2 902 279
Staff welfare	2 167 277	987 483
Subscriptions and membership fees	1 582 757	1 365 608
Telephone and fax	4 994 353	10 857 495
Training	7 430 444	7 149 889
Municipal charges - utilities	11 527 542	11 563 899
Municipal charges - other levies	4 470 558	4 898 467
Staff uniforms	949 488	55 378
Other office accommodation costs	376 511	255 374
Recruitment costs	1 944 614	1 033 109
Corporate Governance costs	1 939 031	1 433 021
	85 394 842	85 314 489

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24. OPERATING SURPLUS

Operating surplus for the year is stated after accounting for the following amongst others:

Figures in Rand**Lease charges**

Premises

- Straight-lined amounts

Equipment

- Leases capitalised / (unwinding of interest expense)

Profit on disposal of assets

Legal fees

Repairs and maintenance

Impairment on property, plant and equipment

Amortisation of intangible assets

Depreciation of property, plant and equipment

Municipal advisory and support service cost

Employee costs - administration support

Defined contribution fund (note 7)

	2025	2024
	37 895 783	40 641 578
	1 130 587	2 965 335
	39 026 370	43 606 913
	(243 104)	(113 900)
	1 608 693	1 083 750
	7 835 060	6 764 954
	437 149	508 689
	15 203	106 524
	7 624 375	6 050 139
	363 420 668	310 407 637
	95 696 803	87 374 117
	25 153 360	23 107 190

25. EMPLOYEE RELATED COSTS

The disclosed personnel cost is inclusive of direct expenditure for municipal advisory and support service cost which are necessary for the organisation to provide member support.

The distribution of personnel costs between core services i.e., implementation of SALGA's mandate and administration support is as follows:

Figures in Rand

Municipal advisory and support service cost (refer note 19)

Administration support

	2025	2024
	363 420 668	310 407 637
	130 367 649	117 000 005
	493 788 317	427 407 642

Core services accounts for 74% (2024: 73%) of total employee related costs.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

25. Employee related costs (continued)

Personnel cost

Figures in Rand

	2025	2024
Annual remuneration	95 696 803	87 374 117
Performance rewards	10 410 152	8 562 009
Employer contribution medical aid	6 379 712	5 829 332
Unemployment Insurance Fund	314 067	302 489
Workmen's Compensation Fund	376 878	765 987
Skills Development Levy	1 175 577	1 073 333
Other payroll levies	1 388 987	1 003 441
Leave pay accrual charge	2 426 547	208 828
Cell phone allowance	1 444 784	1 253 596
Employer contribution group risk	1 866 436	1 740 774
Other short-term costs	1 116 111	1 073 113
Defined contribution plan – Employer contribution pension fund	7 179 498	6 526 311
Long-term benefits – Retention incentive scheme	592 097	1 286 675
	130 367 649	117 000 005

Remuneration of senior management (included in personnel costs above)

Figures in Rand

	2025	2024
Annual remuneration	22 438 212	20 904 978
Employer contribution to retirement fund	1 615 274	1 524 429
Performance rewards (excluding long-term incentive)*	2 273 139	1 923 719
Subsistence; cell phone; and travel allowances	1 984 826	1 772 622
Employer contribution to group risk	444 353	421 849
Employer contribution to medical aid	326 454	295 086
	29 082 258	26 842 683

* The long-term incentive is recognised on an annual basis until it vests according to the LTI policy. Payments are made annually to qualifying individuals as and when they request payment. The payment is offset against the provision in line with the long-term incentive standard and policy.

26. INVESTMENT REVENUE

Figures in Rand

Interest revenue

	2025	2024
Bank	72 970 335	67 468 427
Trade and other receivables at amortised cost – interest revenue	23 906 286	24 035 040
	96 876 621	91 503 467

Total interest revenue calculated using the effective interest rate, on financial instruments not at fair value through surplus or deficit amounted to R 96 876 621 (2024: R 91 503 467).

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27. FAIR VALUE ADJUSTMENTS

Figures in Rand

Investment property (fair value model) (see note 2)

2025	2024
(2 790 000)	2 700 000

28. IMPAIRMENT OF ASSETS

Figures in Rand**Impairments****Property, plant and equipment**

An impairment loss has been recognised on items of property, plant and equipment due to the said assets having no future service potential. Furniture and fixtures that is broken and thus having no service potential R 310 439 (2024: R 94 631). Whilst impairment losses were recognised for IT equipment no longer required for delivery of services to members over the longer planning period due to technological obsolescence R 70 558 (2024: R 240 014). Office equipment amounting to R 56 152 (2024: R 46 182) were impaired due to the equipment having no service potential over the longer planning period. All these assets are not required for the delivery of services to members, either currently, or over the longer planning period and some have evidenced physical damage to the asset.

Intangibles

Intangibles with no future service potential.

Total impairment losses recognised

2025	2024
437 149	380 827
-	127 845
437 149	508 672

The main classes of assets affected by impairment losses are:

- Furniture & fixtures – R 310 439 (2024: R 94 631)
- IT equipment – R 70 558 (2024: R 240 014)
- Office equipment – R 56 152 (2024: R 46 182)
- Intangibles – R nil (2024: R 127 845)

The main events and circumstances that led to the recognition of these impairment losses are as follows:

- Furniture & fixtures - damaged/broken resulting in these assets having no service potential.
- IT Equipment - not required for the delivery of services due to technological obsolescence.
- Office equipment - not required for the delivery of services due to evidenced physical damage.
- Intangibles – these were assets with no future service potential.

Value in use

In determining the recoverable amount of the assets subjected to impairment SALGA considered the following:

- Usefulness of the assets and their current state. SALGA's IT department/experts that the intangible assets have an indefinite useful life and will be assessed annually for usefulness.
- The intention of management on the current use of the assets and upgrades effected on specific assets.
- The nature/classes of the assets affected, being both intangible and tangible i.e., Software, Furniture and Fittings and Office Equipment.
- The appropriateness of the carrying value of the assets prior the change in use.
- In the absence an active market for the same assets due to technological advancements and change in design, management opted for the cost replacement approach to determine value in use, this was done through the application of Consumer Price Increase (CPI) on the affected assets.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

28. Impairment of assets (continued)

SALGA determined the value in use of the assets affected by impairment as follows:

A depreciated replacement cost approach was used, where the replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. In the absence of an active market for assets of a similar condition the depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

29. COMMUNITY DEVELOPMENT INITIATIVES

Figures in Rand

Community Development Initiatives

	2025	2024
	430 188	681 659
	430 188	681 659

Included in Note 23 under Community Development Initiative is an amount of R 430 188 (2023: R 288 163) which was spent during the year under review on the Nelson Mandela Day initiative.

30. FINANCE COSTS

Figures in Rand

Finance leases

Trade and other payables at amortised cost – interest expense

	2025	2024
	76 005	20 097
	1 681 857	1 279 247
	1 757 862	1 299 344

Total interest expense calculated using the effective interest rate, on financial instruments not at fair value through surplus or deficit amounted to R 1 757 862 (2024: R 1 299 344).

31. TAXATION

No provision is made for taxation as SALGA is exempt from Income Tax in terms of section 10 (1) (CA) (i) of the Income Tax Act No. 58 of 1962. No Value Added Tax was applicable to SALGA as it is exempt from complying with the Value Added Tax Act No. 89 of 1991.

The organization has undertaken a process of evaluating its tax status overall since it de-listed from the PFMA from 1 October 2024. As things stand the organisational tax affairs remain as they were pre-SALGA de-listing from the PFMA during this transitional period. A formal remedial action request has been made to the Commissioner of the South African Revenue Service ('SARS'), as part of the transitional period, to allow SALGA during this transitional period to continue to operate as an exempt status under section 10 (1) (CA) (i) until a determination has been made by SARS. An appointed firm of both legal and tax experts, RV Inc, has been appointed to assist with this matter as well as all other de-listing matters.

In addition, a meeting with senior SARS officials was held on 30 May 2025. SARS formally approved for SALGA to continue to operate as an income tax exempt organisation, until further notice.

32. AUDITORS' REMUNERATION

Figures in Rand

Audit fees

	2025	2024
	3 140 383	4 867 934

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS**33. CASH GENERATED FROM OPERATIONS***Figures in Rand*

Surplus

Adjustments for:

Depreciation and amortisation

Gain on foreign exchange transactions

Profit on disposal of assets

Fair value adjustment to investment property

Recognised Impairment loss

Increase in allowance for doubtful debts

Movements in operating lease assets and accruals

Movements in provisions

Decrease in accruals relating to employee costs

Changes in working capital:

Trade and other receivables from exchange transactions

Trade and other receivables from non-exchange transactions

Trade and other payables from exchange transactions

Underspent / (overspent) conditional grants and receipts

	2025	2024
Surplus	54 149 981	122 693 914
Adjustments for:		
Depreciation and amortisation	7 639 578	6 156 663
Gain on foreign exchange transactions	461 287	4 841
Profit on disposal of assets	(231 684)	(113 900)
Fair value adjustment to investment property	2 790 000	(2 700 000)
Recognised Impairment loss	437 149	508 672
Increase in allowance for doubtful debts	24 805 252	3 963 061
Movements in operating lease assets and accruals	50 299	1 486 918
Movements in provisions	3 234 109	(12 814 603)
Decrease in accruals relating to employee costs	6 078 209	1 435 192
Changes in working capital:		
Trade and other receivables from exchange transactions	(49 354 527)	6 866 108
Trade and other receivables from non-exchange transactions	(3 068 553)	5 659 006
Trade and other payables from exchange transactions	32 851 557	(9 331 064)
Underspent / (overspent) conditional grants and receipts	(1 497 199)	1 036 719
	78 345 458	124 851 527

34. COMMITMENTS**Authorised capital expenditure***Figures in Rand***Already contracted for but not provided for**

- Property, plant and equipment

Total capital commitments

- Already contracted for but not provided for

Authorised operational expenditure Already contracted for but not provided for

- Expenditure

Total commitments

- Authorised and contracted capital expenditure
- Authorised and contracted operational expenditure

	2025	2024
Already contracted for but not provided for	2 744 259	4 661 802
Total capital commitments	2 744 259	4 661 802
Authorised operational expenditure Already contracted for but not provided for	134 039 478	138 250 785
Total commitments	2 744 259	4 661 802
	134 039 478	138 250 785
	136 783 737	142 912 587

The committed operational expenditure relates to expenditure of purchase orders issued at year-end. All commitments will be realised in the normal operating cycle of SALGA and funded from internal resources.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

34. Commitments (continued)

Operating leases - as lessee (expense)

Figures in Rand

Minimum leases payments due

- within one year
- in second to fifth year inclusive

	2025	2024
	31 183 348	31 639 732
	64 658 776	56 790 995
	95 842 124	88 430 727

SALGA has nine operating leases for office accommodation across eight provinces as well as the national office. Operating lease payments represent rentals payable by SALGA for its administrative office accommodation.

Leases are negotiated for an average term of five years. The average extension period is 3.4 years (2024: 2.0 years). The average escalation rate is 7%.

Most of the lease agreements entered into by and between SALGA and Lessors have an extension period option included in the lease agreements. Lease extensions are subject to negotiations and/or confirmation by the parties of the lease agreements (SALGA and Lessors) prior to the lease expiry date, except for the lease agreement for Northern Cape Provincial office which provides for an automatic renewal method. SALGA commonly enters negotiations to extend lease contracts at least four - six months prior to the termination of the lease.

Operating leases - as lessor (income)

Figures in Rand

Minimum leases payments due

- within one year
- in second to fifth year inclusive
- later than five years

	2025	2024
	152 265	140 986
	723 750	686 123
	-	189 892
	876 015	1 017 001

SALGA leases a portion of its property in KwaZulu-Natal to a cellular phone operator for a cellular phone mast. The lease period on integration of SALGA KwaZulu-Natal into the SALGA fold was renewed for a period of 119 months from 01 April 2020. The annual escalation is 8% and the remaining lease term is 59 months.

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35. RELATED PARTIES

35.1 Non-Executive

Members of the National Executive Committee (“NEC”)	
President of SALGA (Office bearer)	Cllr. Bheke Charles Stofile Speaker – Matjhabeng Local Municipality
Deputy President of SALGA (Office bearer)	Cllr. Flora Noliqwa Maboja-Boltman Councillor – Gert Sibande Local Municipality
Deputy President of SALGA (Office bearer)	Cllr. Xola Pakati Councillor – Buffalo City Metropolitan Municipality
Deputy President of SALGA (Office bearer)	Cllr. Xanthea Limberg Councillor - City of Cape Town Metropolitan Municipality
Member of the NEC	Cllr. Thamsanqa Ngubane Councillor – Umvoti Local Municipality
Member of the NEC	Cllr. Bahula Maladimo Maitula Councillor – Makhuduthamaga Municipality
Member of the NEC	Cllr. Annelie Rabie Mayor – Overstrand Municipality
Member of the NEC	Cllr. Nomvuyo Mposelwa Mayor – Joe Gqabi District Municipality
Member of the NEC	Cllr. Lesetja Jacob Dikgale Mayor – Thembisile Hani Municipality
Member of the NEC	Cllr. Prudence Ntombenkosi Pepping Mayor – Ingquza Hill Local Municipality
Member of the NEC	Cllr. Nikiwe Julia Num Mayor – Kenneth Kaunda District Municipality
Member of the NEC	Cllr. Xolani Sotashe Councillor - City of Cape Town Metropolitan Municipality
Member of the NEC	Cllr. Xolani Ngwezi Mayor – Umhlathuze Local Municipality
Member of the NEC	Cllr. Agnes Shasha Councillor – Xhariep District Municipality
Member of the NEC	Cllr. Lulamile Nkumbi Mayor – Emthanjani Local Municipality
Member of the NEC	Cllr. Jane Naidoo Councillor – eThekweni Metropolitan Municipality
Member of the NEC	Cllr. Lerato Maloka Mayor – Sedibeng Municipality
Member of the NEC	Cllr. Mluleki Ronald Nkosi Executive Mayor – Lesedi Local Municipality

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

35. Related Parties (continued)

Members of the National Executive Committee ("NEC")	
Member of the NEC	Cllr. Neo Masegela Mayor – Gasegonyana Local Municipality
Member of the NEC	Cllr. Sebang Motlhabi Mayor – Lekwa Teemane Local Municipality
Member of the NEC	Cllr. Gillian Pieters Speaker – Namakwa District Municipality
Member of the NEC	Cllr. Mesuli Ngqondwana Mayor – OR Tambo Municipality
Member of the NEC	Cllr. Bongani Mathae Councillor – Mangaung Metropolitan Municipality
Member of the NEC	Cllr. Jongisizwe Dlabathi Executive Mayor – Ekurhuleni Metropolitan Municipality
Member of the NEC	Cllr. David Dube Mayor – Newcastle Local Municipality
Member of the NEC	Cllr. Walter Mngomezulu Mayor – Enhlanzeni Local Municipality
Member of the NEC	Cllr. Pule Shayi Mayor – Mopani Local Municipality
Member of the NEC	Cllr. Micheal Segede Mayor – Dawid Kruiper Municipality
Member of the NEC	Cllr. Khumalo Molefe Executive Mayor – Ngaka Modiri Molema Municipality
Member of the NEC	Cllr. Donavan Joubert Speaker - Cape Winelands Local Municipality
Member of the NEC	Cllr. John Mpe Executive Mayor – Polokwane Municipality
Member of the NEC	Cllr. Samkelo Janda Mayor – Umbhashe Local Municipality
Ex-officio member of the NEC	Mr. Sithole Mbanga CEO – SALGA

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

35. Related Parties (continued)

Members of the Audit and Risk Committee

Chairperson	Ms. Amanda Mazibuko
Member	Mr. Lulamile Peter
Member	Mr. Protas Phili
Member	Ms. Sipiwe Desiree Nage

Members of the Performance Management and Remuneration Panel

Chairperson	Ms. Joyce Moloi-Moropa
Member	Ms. Bennedict Monama
Member	Mr. Sisa Njikelana
Member	Mr. Makgobotla Kganaga
Member	Ms. Pearl Maphoshe
Member	Mr. Ralph Rathford

35.2 Executive

Mr Sithole Mbanga	Chief Executive Officer
Ms Thembeke Mthethwa	Chief Financial Officer
Mr Kutlwano Chaba	Chief Digital Officer
Mr Lance Joel	Chief of Operations
Ms Pindiwe Gida*	Chief Officer: Human Capital and Corporate Services
Mr Mthobeli Kolisa	Chief Officer: IDS
Mr Luncedo Njezula	Executive Manager: Office of the CEO
Ms Lerato Phasha**	Acting Chief Officer: Municipal Finance
Jean de la Harpe***	Acting Chief Officer: Municipal Finance

* Acting Chief Officer (MCG): since 14 November 2024

** Acting Chief Officer (MFF): 01 April 2024 until 30 September 2024

*** Acting Chief Officer (MFF): since 01 October 2024 until 31 March 2025

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

35. Related Parties (continued)

35.3 Municipalities

All transactions with the below listed municipalities are at arm's length and in terms of SALGA's Constitution, policies and procedures. All transactions are on terms and conditions that are no more or less favourable than those which it is reasonable to expect SALGA to have adopted if dealing with any other municipality or entity in the same circumstances. All terms and conditions are within the normal operating parameters established by SALGA's legal mandate.

The nature of transactions entered into with related parties are comprised primarily by membership levies that SALGA levies to all its members; conference/event registration fees and tuition fees for capacity building programmes. All outstanding balances emanate from these transactions.

These municipalities are related party to SALGA by virtue of either an Executive Mayor; Speaker or Councillor being elected to serve on SALGA's NEC. In some instance municipalities have transacted with SALGA during the current year.

City of Mangaung Metropolitan Municipality	Thembisile Hani Local Municipality
Ethekezi Metropolitan Municipality	Ingquza Local Municipality
Lejweleputswa District Municipality	Dr Kenneth Kaunda Local Municipality
Dr Beyers Naude District Municipality	Umhlathuze Local Municipality
Nelson Mandela Bay Metropolitan Municipality	Lesedi Local Municipality
Umvoti Local Municipality	Ga-Segonyana Local Municipality
Merafong Local Municipality	Lekwa-Teemane Local Municipality
Ehlanzeni District Municipality	Thembelihle Local Municipality
Ngaka Modiri District Municipality	O.R. Tambo District Municipality
Rustenburg Local Municipality	Ekurhuleni Metropolitan Municipality
Garden Route District Municipality	Dawid Kruiper (Khara Hais) Local Municipality
Chris Hani District Municipality	Cape Winelands District Municipality
Sedibeng District Municipality	Mbhashe Local Municipality
Polokwane Local Municipality	City of Matlosana Local Municipality
John Taolo District Municipality	Sol Plaatjie Municipality
Bojanala Platinum District Municipality	Thembisile Hani Local Municipality
Overstrand Local Municipality	Ingquza Local Municipality
Namakwa District Municipality	Dr Kenneth Kaunda Local Municipality
Mopani District Municipality	Umhlathuze Local Municipality
King Cetshwayo District Municipality	Lesedi Local Municipality
Emthanjeni Local Municipality	Ga-Segonyana Local Municipality
Midvaal Local Municipality	Lekwa-Teemane Local Municipality
Gert Sibande District Municipality	Thembelihle Local Municipality
Buffalo City Metropolitan Municipality	O.R. Tambo District Municipality
City of Cape Town Metropolitan Municipality	Ekurhuleni Metropolitan Municipality
Mathlabeng Local Municipality	Dawid Kruiper (Khara Hais) Local Municipality
Greater Sekhukhune District Municipality	Cape Winelands District Municipality
Emalahleni Local Municipality	Mbhashe Local Municipality
City of Johannesburg Metropolitan Municipality	City of Matlosana Local Municipality
Makhudutamaga Local Municipality	Sol Plaatjie Municipality

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

35. Related Parties (continued)

35.4 Other entities

All transactions with the below listed entities are at arm's length and in terms of SALGA's Constitution, policies and procedures. All transactions are on terms and conditions that are no more or less favourable than those which it is reasonable to expect SALGA to have adopted if dealing with any other municipality or entity in the same circumstances. All terms and conditions are within the normal operating parameters established by SALGA's legal mandate.

The nature of the transactions is membership fees ordinarily paid local government associations; capacity building initiatives and pursuance of common mandate initiatives and strengthening of local government associations.

Auditor General of South Africa
Braamfontein Improvement District
Government Communication and Information Services (RSA) (GCIS)
Government Printing Works
Municipal Demarcations Board
Local Government SETA
Eskom
Department of Local Government and Housing
Department of Cooperative Governance and Traditional Affairs
Telkom SA Limited
South African Post Office
South African Broadcasting Corporation (SABC)
Green Building Council of SA
Passenger Rail Agency of South Africa (PRASA)
Municipal Infrastructure Support Agency (MISA)
Cultural Religious and Linguistic Communities
Department of Public Works
Department of Rural Development and Land Reform

These entities are related party to SALGA by virtue of either an NEC member; Executive Management Team member serves on the board or governance structure of these entities.

Local Government Sector Education and Training Authority (LGSETA)
South African Cities Network (SACN)
United Cities and Local Governments (UCLG)
United Cities and Local Governments of Africa (UCLGA)
United Cities and Local Governments of Africa - Southern Africa Regional Office (UCLGA-SARO)
Commonwealth Local Government Forum (CLGF)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

35. Related Parties (continued)

35.5 Transfers – Government grant and subsidies

Figures in Rand

Department of Cooperative Governance and Traditional Affairs

2025	2024
36 949 000	36 408 000

The grant paid by the Department of Cooperative Governance and Traditional Affairs to SALGA is part of an ongoing assisted to SALGA to further its mandate. CoGTA is the legislated department under which SALGA belongs and reports. SALGA was a public entity listed in the Schedule 3A of the PFMA for the first six months of the year however the organisations' role in the sector has sustained hence the continued support in the form of a grant received from CoGTA.

35.6 UCLGA SARO

Figures in Rand

SALGA Loan to UCLGA SARO

2025	2024
435 295	156 651

As part of the strategic consolidation and formalisation of the local government space in AFRICA, SALGA became a founding member of the UCLGA SARO for all Southern African countries. The South African Government, as part of the founding members of UCLGA SARO assumed the responsibility of funding the programmes of the region through grant which was paid to the UCLGA SARO and managed by SALGA. In the past the department of CoGTA had advanced a grant to the UCLGA SARO office which has since been discontinued. There are ongoing negotiations to re-instate the grant in future. The loan to UCLGA SARO by SALGA is utilised in the advancement of its programmes as well as day-to-day operations.

The loan between SALGA and UCLGA is non-interest bearing and it does not have any repayment terms.

35.7 Key management information (Executive and Non-Executive)

Class	Description	Number
Non-executive board sub- committee members	Audit and Risk Committee (4); and Performance Management and remuneration committee (6)	10
Non-executive board members	Accounting authority	31
Executive board member	Chief Executive Officer	1
Executive management	Executive Management Team (Senior Management excludes the Chief Executive Officer)	8

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36. REMUNERATION REPORT

36.1 Non-Executive

National Executive Committee members

In terms of the notice issued in terms of the "Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998), SALGA is required to pay sitting allowances to councillors appointed to governance structures of Organised Local Government. The said allowance is limited to R1 179.50 per sitting of the Provincial Executive Committee or National Executive Committee or any committee of organised local government, regardless of the number of meetings that are attended by such councillor on a single day. The sitting allowance is also payable to members of SALGA deployed to formal intergovernmental relations forums.

No loans were advanced to NEC members, and no remuneration or compensation was provided to close family members of NEC members. There were no transactions entered with entities that are owned by NEC members.

Audit and Risk Committee members

No loans were advanced to Audit and Risk Committee members and no remuneration or compensation was provided to close family members of Audit and Risk Committee members. There were no transactions entered with entities that are owned by Audit and Risk Committee members.

Performance Management and Remuneration Committee members

No loans were advanced to the Performance Management and Remuneration Committee members, and no remuneration or compensation was provided to close family members of the Performance Management and Remuneration Committee members. There were no transactions entered with entities that are owned by the Performance Management and Remuneration Committee members.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

36. Remuneration Report (continued)

National Executive Committee (NEC)

2025

	Sitting Allowance **	Reimbursed Travel Allowance *	Subsistence Allowance (Overseas) *	Subsistence Allowance (Local) *	Expenses Refund	LLT ***	Total
Cllr. Bhekumuzi C Stofile	27 234	-	190 822	-	600	-	218 656
Cllr. Anna Louise Rabie	20 051	1 868	-	338	600	-	22 857
Cllr. Xanthea Limberg	16 512	-	-	-	300	-	16 812
Cllr. Bahula M Maitula	13 976	-	-	-	500	-	14 476
Cllr. Xolani Sotashe	26 055	-	57 873	-	500	-	84 427
Cllr. Thamsanqa Ngubane	31 987	8 422	-	3 211	4 340	-	47 960
Cllr. Lesetja Jacob Dikgale Cllr.	31 793	-	16 228	-	900	-	48 920
Prudence N Pepping	11 759	-	-	-	200	-	11 959
Cllr. Xola Pakati	23 660	-	201 675	-	500	-	225 835
Cllr. Nikiwe Julia Num	17 621	-	-	-	600	-	18 221
Cllr Xolani Ngwezi	-	-	-	-	-	-	-
Cllr. Jaine Naidoo	10 899	-	-	-	100	-	10 999
Cllr. Lerato Maloka	20 016	-	47 724	-	600	-	68 340
Cllr. Mluleki Ronald Nkosi	24 769	-	23 916	169	700	-	49 554
Cllr. Neo Masegela	6 793	-	42 563	-	500	-	49 856
Cllr. Mesuli Ngqondwana	19 226	-	-	-	200	-	19 426
Cllr. Pule Shayi	17 657	-	-	-	600	-	18 257
Cllr. Jongisizwe Dlabathi	24 609	-	42 464	-	900	-	67 973
Cllr. Jesta Sidell ¹	1 180	-	-	-	100	-	1 280
Cllr. Micheal Segede ²	15 050	8 151	-	338	600	-	24 138
Cllr. Khumalo Molefe	21 620	-	-	-	500	-	22 120
Cllr. Donavan Joubert	51 178	67 316	19 324	11 983	4 469	-	154 270
Cllr. John Mpe	14 331	-	-	-	300	-	14 631
Cllr. Flora N Boltman	26 302	-	131 088	-	700	-	158 091
Cllr. Samkelo Janda	16 424	-	-	-	500	-	16 924
Cllr. Gillian Pieters	18 677	-	19 324	-	600	-	38 600
Cllr. Ntandokazi Capa ¹	4 399	-	-	-	6 094	-	10 493
Cllr. Sebang Mothlabi	16 831	-	62 775	-	200	-	79 806
Cllr. Thamsanqa Ntuli ¹	-	-	-	-	-	-	-
Cllr. Bongani Mathae	21 195	-	-	-	900	-	22 095
Cllr. Agnes Shasha ³	19 261	-	-	-	300	-	19 561
Cllr. Walter Mngomezulu ⁴	16 831	-	-	169	-	-	17 000
Cllr. David Dube ⁴	2 359	3 388	-	338	-	-	6 085
Cllr. Nomvuyo Mposelwa ⁵	24 085	-	64 013	-	200	-	88 299
Cllr. Lulamile Nkumbi ⁶	25 194	32 583	-	1 843	-	-	59 620
	639 535	121 727	919 787	18 389	28 102	-	1 727 541

¹ Resigned 01 June 2024

² Resigned 30 November 2024

³ Appointed 01 May 2024

⁴ Appointed 01 July 2024

⁵ Appointed 01 November 2024

⁶ Appointed 3 January 2025

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36. Remuneration Report (continued)

* Reimbursed travel and local subsistence allowances is remitted to NEC members in terms of SALGA policy for participating in governance structures of organised local government (where applicable). The rates used for local travel and subsistence are based on SARS rates deemed as expended. An international per diem is paid to NEC members who undertake SALGA's mandate of strategic profiling. For example, SALGA's President partakes in Governance structures of international bodies such as the local government Pan-African body, United Cities and Local Governments of Africa (UCLGA).

The President of SALGA also presides over the world body United Cities and Local Government (UCLG). SALGA also participates at these world bodies: Commonwealth Local Government Forum (CLGF) and Metropolis; UN Habitat; UN Panel. In pursuit of SALGA's mandate in these bodies the SALGA NEC mandates NEC members to participate at these bodies from time to time.

** In terms of the notice issued in terms of the "Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998), SALGA is required to pay sitting allowances to councillors appointed to governance structures of Organised Local Government as well as to Councillors deployed to formal Intergovernmental Relations forums. The said allowance is limited to R 1 179.50 per sitting regardless of the number of meetings that are attended by such councillor on a specific day.

*** Other re-imbursement claims

2024

	Sitting Allowance **	Reimbursed Travel Allowance *	Subsistence Allowance (Oversees) *	Subsistence Allowance (Local) *	Expenses Refund	LLT ***	Total
Cllr. Bhekumuzi C Stofile	15,300	-	133,521	-	200	-	149,021
Cllr. Anna Louise Rabie	8,160	3,248	-	1,044	600	-	13,052
Cllr. Xanthea Limberg	10,200	1,183	-	322	1,060	-	12,765
Cllr. Bahula M Maitula	9,180	-	-	322	200	-	9,702
Cllr. Xolani Sotashe	13,260	-	92,756	-	200	-	106,216
Cllr. Thamsanqa Ngubane	11,220	4,777	-	1,127	1,785	-	18,909
Cllr. Lesetja Jacob Dikgale	16,320	-	45,455	161	700	-	62,636
Cllr. Mapaseka mothibi- Nkoane ¹	1,020	-	-	-	-	-	1,020
Cllr. Prudence N Pepping	2,040	-	-	-	-	-	2,040
Cllr. Xola Pakati	12,240	-	176,789	-	200	-	189,229
Cllr. Nikiwe Julia Num	10,200	-	-	-	300	-	10,500
Cllr Xolani Ngwezi	3,060	-	-	-	100	-	3,160
Cllr. Jaine Naidoo	8,160	-	-	-	200	-	8,360
Cllr. Lerato Maloka	7,140	-	31,977	-	200	-	39,317
Cllr. Mluleki Ronald Nkosi	18,360	-	94,702	313	700	-	114,075
Cllr. Neo Masegela	7,140	2,246	-	322	600	-	10,308
Cllr. Sebang Motlhabi	-	-	-	-	-	-	-
Cllr. Mesuli Ngqondwana	11,220	-	40,850	-	100	-	52,170
Cllr. Pule Shayi	9,180	-	33,457	-	300	41,613	84,550
Cllr. Jongisizwe Dlabathi	9,180	-	58,764	-	400	-	68,344
Cllr. Thamsanqa Ntuli	-	-	-	-	-	-	-
Cllr. Jesta Sidell	7,140	-	28,913	-	200	54,417	90,670
Cllr. Micheal Segede	13,260	15,628	-	1,932	300	-	31,120
Cllr. Khumalo Molefe	11,220	-	-	-	100	-	11,320
Cllr. Donavan Joubert	25,500	44,650	38,340	5,134	6,104	-	119,728
Cllr. John Mpe	14,280	-	-	-	100	-	14,380
Cllr. Flora N Boltman	12,240	-	54,249	-	200	-	66,689
Cllr. Samkelo Janda	29,580	-	-	-	300	-	29,880
Cllr. Gillian Pieters ²	6,120	21,400	38,340	-	300	-	66,160
Cllr. Ntandokazi Capa ³	5,100	-	78,120	322	200	-	83,742
Cllr. Bongani Mathae ⁴	8,160	-	-	-	300	-	8,460
	315,180	93,131	946,234	10,999	15,949	96,030	1,477,522

¹ Resigned: 31 March 2023

² Appointed: 01 March 2023

³ Appointed: 01 August 2022

⁴ Appointed: 01 June 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

36. Remuneration Report (continued)

* Reimbursed travel and local subsistence allowances is remitted to NEC members in terms of SALGA policy for participating in governance structures of organised local government (where applicable). The rates used for local travel and subsistence are based on SARS rates deemed as expended. An international per diem is paid to NEC members who undertake SALGA's mandate of strategic profiling. For example, SALGA's President partakes in Governance structures of international bodies such as the local government Pan-African body, United Cities and Local Governments of Africa (UCLGA).

The President of SALGA also presides over the world body United Cities and Local Government (UCLG). SALGA also participates at these world bodies: Commonwealth Local Government Forum (CLGF) and Metropolis; UN Habitat; UN Panel. In pursuit of SALGA's mandate in these bodies the SALGA NEC mandates NEC members to participate at these bodies from time to time.

** In terms of the notice issued in terms of the "Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998), SALGA is required to pay sitting allowances to councillors appointed to governance structures of Organised Local Government as well as to Councillors deployed to formal Intergovernmental Relations forums. The said allowance is limited to R 1 179.50 per sitting regardless of the number of meetings that are attended by such councillor on a specific day.

*** As part of ushering in new councillors' post the local government elections, Trainers accredited by the LGSETA are used to impart knowledge to new councillors. These trainers are paid a daily fee for each session that is facilitated for instance in the Integrated Councillor Induction Programme (ICIP).

Audit and Risk Committee and Performance and Remuneration Committee members 2025

	Attendance fees *	Reimbursed travel cost **	Other fees ***	Expense refund **	Retainer	Total
Audit and Risk Committee						
Ms Amanda Mazibuko (Chairperson)	118 906	-	-	-	80 184	199 090
Ms Siphwe Desiree Nage	79 833	-	-	-	53 456	133 289
Mr Timothy Maake ¹	89 956	-	-	-	53 456	143 412
Mr Lulamile Peter	105 141	-	-	-	53 456	158 597
Mr Protas Phili	111 422	-	53 790	648	61 474	227 335
Performance Management and Remuneration Committee						
Ms Joyce Moloi-Moropa (Chairperson)	75 239	252	20 046	-	80 184	175 721
Ms Benedict Monama	107 342	6 853	132 376	2 275	53 456	302 302
Mr Sisa Njikelana	108 816	-	30 069	-	53 456	192 341
Mr Magobotla Kganaga	37 319	542	20 046	-	-	57 907
Ms Pearl Maphose ²	68 387	1 084	63 215	195	-	132 881
Mr Ralph Ruthford ²	108 679	513	43 169	1 755	-	154 116
	1 011 043	9 244	362 711	4 873	489 122	1 876 993

1 Resigned 31 October 2024

2 Appointed 01 May 2024

* Members of SALGA's NEC sub-committees are remunerated for participating in SALGA's governance structures based on SALGA's policy for remuneration of NEC sub-committees. Attendance fees are based on an hourly rate and claimable hours are capped regardless of the duration on the meeting or preparation time.

** Reimbursed travel allowance is remitted to members based on the applicable SARS rates deemed as expended.

*** Other meetings relate to engagements of members outside the normal meeting such as interviews and Employee Recognition Awards evaluation work.

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36. Remuneration Report (continued)

Audit and Risk Committee and Performance and Remuneration Committee members 2024

	Attendance fees *	Reimbursed travel cost **	Other fees ***	Expense refund **	Retainer	Total
Audit and Risk Committee						
Ms Amanda Mazibuko (Chairperson)	129,812	510		510	57,618	188,451
Ms Sipiwe Desiree Nage	119,697	343	58,194		38,412	216,646
Mr Timothy Maake	100,299	3,294	19,847	-	38,412	161,852
Mr Lulamile Peter	119,697	241	-	-	38,412	158,350
Mr Protas Phili	135,341	548	7,362	-	44,174	187,424
Performance Management and Remuneration Committee						
Ms Joyce Moloi-Moropa (Chairperson)	80,645		-	-	-	80,645
Ms Benedict Monama	104,036	4,801	47,253	-	38,412	194,503
Mr Sisa Njikelana	81,975	520	-	-	38,412	120,907
Mr Magobotla Kganaga	19,285		84,058	-	38,412	141,756
	890,788	10,258	216,714	510	332,264	1,450,534

* Members of SALGA's NEC sub-committees are remunerated for participating in SALGA's governance structures based on SALGA's policy for remuneration of NEC sub-committees. Attendance fees are based on an hourly rate and claimable hours are capped regardless of the duration on the meeting or preparation time.

** Reimbursed travel allowance is remitted to members based on the applicable SARS rates deemed as expended.

*** Other meetings relate to engagements of the members outside the normal meeting like interviews and Employee Recognition Awards evaluation work.

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36. Remuneration Report (continued)

36.2 Executive

No loans were advanced to Executive Management, and no remuneration or compensation was provided to close family members of Executive Management. There were no transactions entered with entities that are owned by Executives Management of SALGA.

2025

	Basic salary	Bonuses and performance related payments ^{**}	Long term incentive ^{***}	Subsistence and other allowances [*]	Employer contribution to pension and retirement	Employer contribution to medical aid	Employer contribution to group risk	Total
Mr. Sithole Mbanga	3 489 327	-	-	223 654	246 777	41 456	66 131	4 067 344
Ms. Thembeke Mthethwa	2 401 477	327 515	214 796	116 396	176 509	-	49 687	3 286 379
Mr. Rio Noluthungu ¹	1 418 868	216 433	80 080	234 529	80 041	18 208	21 642	2 069 800
Mr. Lance Joel	3 176 526	431 145	274 509	320 035	233 475	45 168	62 172	4 543 031
Mr. Mthobeli Kolisa	2 473 299	310 012	-	291 106	181 787	40 950	49 335	3 346 489
Mr. Kutlwano Chaba	2 295 923	290 452	226 005	183 448	168 750	45 168	46 990	3 256 737
Ms. Jean de la Harpe ³	2 255 694	261 534	-	161 402	165 793	45 168	45 062	2 934 654
Ms. Lerato Phasha ²	1 509 575	132 840	-	226 827	110 954	45 168	32 203	2 057 567
Mr. Luncedo Njezula ⁴	1 105 413	-	-	45 177	81 248	-	23 054	1 254 891
Ms. Pindiwe Gida	2 312 109	303 208	186 398	182 252	169 940	45 168	48 077	3 247 153
	22 438 212	2 273 139	981 788	1 984 826	1 615 274	326 454	444 353	30 064 046

1 Deceased: 06 August 2024

2 Acting CO Municipal Finance: 01 April 2024 until 30 September 2024

3 Acting CO Municipal Finance: 01 October 2024 until 31 March 2025

4 Joined: 01 October 2024

* Other allowances comprise travel allowance; cell phone allowance and acting allowance (where applicable). International per diem is paid to employees who undertake SALGA's mandate of strategic profiling. SALGA's chairperson partakes in Governance structures of internal bodies such as the local government Pan-African body, United Cities and Local Governments of Africa (UCLGA) as Vice President; he is also President of the UCLGA Southern Africa Regional Office (UCLGA-SARO); SALGA also participates in other world-wide bodies such as United Cities and Local Government (UCLG); Commonwealth Local Government Forum (CLGF) and Metropolis. In pursuit of SALGA's mandate in these bodies the chairperson is supported by the Chief Executive of the organisation.

** Performance related bonuses are per the SALGA Performance Management policy that is implemented with an oversight role of the Performance Management and Remuneration Committee comprised by independent non-executive members. The applicable performance rewards are based on merit and the applicable reward rates matrix range from 9% (minimum) to 20% (maximum). SALGA's Performance Management and Remuneration Committee is charged with normalising of SALGA's remuneration framework, particularly in instances where salary bands of some executives are on a "personal to holder basis" till the expiry of the contract or through natural attrition or earlier.

The Chief executive officer's current remuneration has been classified under this category of employees. Notwithstanding, the efforts to manage the escalation of remuneration at SALGA, particularly those of Executives, it is important to note that SALGA had to review its remuneration policies as it pertains to its Executives and benchmark these with municipalities particularly Metro's since metropolitan municipalities pose the greatest direct remuneration competitor to SALGA (also see report of the chairperson of SALGA's Performance Management and Remuneration Committee in the annual report).

*** Long-term incentive scheme is a scheme that the employer provides for, for Fixed Term Contract (FTC) employees. These employees' make-up the top management structure of SALGA and are employed on a five (5) year fixed term contract. The incentive scheme is based on performance (merit) and the employee remaining in the employ of the organisation for a period longer than 3 years. The payment of the incentive is made after an employee has fulfilled all the conditions set out on the LTI policy, including being in the employment of SALGA for a period of longer than 3 years and also in the employment of SALGA at 31 March. The condition also includes Cluster performance of 80% and above as well as a performance rating of 3 and above.

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36. Remuneration Report (continued)

2024

	Basic salary	Bonuses and performance related payments ^{***}	Long term incentive ^{***}	Subsistence and other allowances [*]	Employer contribution to pension and retirement	Employer contribution to medical aid	Employer contribution to group risk	Total
Mr. Sithole Mbanga ¹	2 549 270	-	-	143 734	187 371	-	50 989	2 931 364
Ms. Thembeke Mthethwa	2 222 073	226 663	181 449	95 602	163 322	-	46 346	2 935 456
Mr. Seana Nkahlé ²	2 290 536	217 520	93 112	184 425	168 354	42 744	48 004	3 044 695
Mr. Rio Noluthungu	2 404 947	237 301	105 251	190 289	176 764	42 144	47 837	3 204 532
Mr. Lance Joel	2 941 131	319 595	156 161	237 148	216 173	42 744	57 948	3 970 900
Mr. Mthobeli Kolisa ³	2 313 655	260 813	261 854	311 586	170 054	39 222	46 509	3 403 692
Mr. Kutlwano Chaba	2 251 704	254 495	-	100 356	153 207	42 744	42 990	2 845 495
Ms. Pindiwe Gida	2 150 537	243 219	228 780	187 998	158 064	42 744	45 117	3 056 460
Mr. Zamokuhle Gwala ⁴	1 781 127	164 115	-	321 483	131 119	42 744	36 109	2 476 696
	20 904 978	1 923 719	1 026 607	1 772 622	1 524 429	295 086	421 849	27 869 290

1 Appointed: 01 July 2023

2 Acting CO (IDS): 01 April 2023 – 30 June 2023; 06 January 2024 – 31 March 2024

3 Acting CEO: 06 January 2024 – 31 March 2024

4 Acting CO (MFF): 01 April 2023 – 31 March 2024

* Other allowances comprise travel allowance; cell phone allowance and acting allowance (where applicable). International per diem is paid to employees who undertake SALGA's mandate of strategic profiling. SALGA's chairperson partakes in Governance structures of internal bodies such as the local government Pan-African body, United Cities and Local Governments of Africa (UCLGA) as Vice President; he is also President of the UCLGA Southern Africa Regional Office (UCLGA-SARO); SALGA also participates in other world-wide bodies such as United Cities and Local Government (UCLG); Commonwealth Local Government Forum (CLGF) and Metropolis. In pursuit of SALGA's mandate in these bodies the chairperson is supported by the Chief Executive of the organisation.

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The Chief executive officer's current remuneration has been classified under this category of employees. Notwithstanding, the efforts to manage the escalation of remuneration at SALGA, particularly those of Executives, it is important to note that SALGA had to review its remuneration policies as it pertains to its Executives and benchmark these with municipalities particularly Metro's since metropolitan municipalities pose the greatest direct remuneration competitor to SALGA (also see report of the chairperson of SALGA's Performance Management and Remuneration Committee in the annual report).

*** Long-term incentive scheme is a scheme that the employer provides for, for Fixed Term Contract (FTC) employees. These employees' make-up the top management structure of SALGA and are employed on a five (5) year fixed term contract. The incentive scheme is based on performance (merit) and the employee remaining in the employ of the organisation for a period longer than 3 years. The payment of the incentive is made after an employee has fulfilled all the conditions set out on the LTI policy, including being in the employment of SALGA for a period of longer than 3 years and also in the employment of SALGA at 31 March. The condition also includes Cluster performance of 80% and above as well as a performance rating of 3 and above.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

37. RISK MANAGEMENT FINANCIAL RISK MANAGEMENT

SALGA's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash. SALGA receives cash in the form of membership levies from its members and grants from government. The entity maintains liquidity by limiting capital and operational expenditure within the approved budget.

SALGA's risk to liquidity is because of inadequate funds available to cover future commitments. SALGA manages liquidity risk through an ongoing review of future commitments and credit facilities.

2025

Maturity analysis

Not later than one month
Later than one month and not later than three months;
Later than three months and not later than one year; and
Later than one year and not later than five years.

Trade payables	Other payables
35 980 343	-
43 407 668	-
51 017 396	33 876 980
-	6 010 675
130 405 407	39 887 655

2024

Maturity analysis

Not later than one month
Later than one month and not later than three months;
Later than three months and not later than one year; and
Later than one year and not later than five years.

Trade payables	Other payables
31 122 501	-
29 581 832	-
28 599 671	28 036 980
-	8 827 370
89 304 004	36 864 350

Values presented in the maturity analysis are undiscounted according to the terms of the instrument. These amounts will all be settled in cash. Trade payables are considered to mature in 30 days after financial year end as these suppliers require 30 days' settlement terms. No changes between the current and prior year assumptions have been made.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

37. Risk management Financial risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents (refer note 10), derivative financial instruments (refer note 17) and trade receivables (refer note 8 and 9). The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Trade receivables comprise of municipalities which are invoiced once a year based on their budgeted salary cost. There is no independent rating, therefore management assesses the credit quality of the customer, considering its financial position, past experience and other factors. The entity establishes an impairment that represents its estimate of incurred losses in respect of trade receivables.

Market risk**Interest rate risk**

SALGA's interest rate risks arise from market and economic factors, loans and other payables, cash and cash equivalents and loans and other receivables. The entity's exposure to interest rate risk is minimal due to the following factors:

- No interest is levied on overdue trade receivables;
- Interest paid on trade payables is limited as it is the policy of the entity to settle within the credit terms, cash flow permitting; and
- SALGA does not have a bank overdraft.

Based on the activities of SALGA the only area affected by interest rate risk is finance leases and investment income earned on call deposits and other bank balances.

Interest sensitivity

At 31 March 2025, if interest rates at that date had been 200 basis points lower with all other variables held constant, surplus for the year would have been R 1 902 375 (2024: R 1 804 082) lower arising mainly as a result of lower interest earned on call deposits and bank balances.

If interest rates had been 200 basis points higher, with all other variables held constant, surplus would have been R 1 902 375 (2024: R 1 804 082) higher, arising mainly because of higher interest expense on variable payable and receivables.

Interest sensitivity analysis**Net interest Income**

If interest rates were 2% higher the net interest income

If interest rates were 2% lower the net interest income

Thus, the net interest revenue /(expense) would have been

Thus, the net interest revenue /(expense) would have been

Change in Interest rate	2025	2024
	95 118 758	90 204 122
+200	97 021 134	92 008 205
-200	93 216 383	88 400 040
+200	1 902 375	1 804 082
-200	(1 902 375)	(1 804 082)

Cash flow interest rate risk

SALGA's exposure to this type of risk arises when SALGA has a financial instrument with a floating interest rate. SALGA is seldom exposed to this type of risk. When the need arises, management employs conservative approaches with a limited risk exposure such as Call Accounts or limit the risk completely by employing fixed deposits. The following credit facilities are available, which are payable 30 days from statement date:

- Amex R 10 000 000
- Lodge cards R 5 000 000
- Office equipment rentals R 2 000 000
- Fleet cards R 50 000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

37. Risk management Financial risk management (continued)

Fairvalue interest rate risk

SALGA's exposure to this type of risk is slightly higher than the cash flow interest rate risk, primarily due to the conservative investment philosophy. Ordinarily fixed deposits expose SALGA to this type of risk. SALGA manages this risk by keeping fixed investments on a shorter-term to mitigate the impact that this type of risk might have on the organisation.

Price risk

SALGA's exposure to price risk is limited to the effect that inflation has on the market prices for goods and services ordinarily procured by the organisation. The risk arises when SALGA's revenue does not escalate at a similar or better rate than the prevailing market conditions, this is rare since the entity's major source of revenue is its membership levies which due to the basis of deriving the levy amount normally escalates at a rate higher or equivalent to the prevailing inflationary trends.

Other than membership levies adjusted annually, there are no special mechanisms employed by management to manage this kind of risk other than pursuing a fair market value/price through a 'dipstick' in the market viz. sourcing formal price quotations and open tenders per the organisations SCM policy.

38. GOING CONCERN

We draw attention to the fact that the organisation has accumulated surplus of R819,9 million. Total assets exceed total liabilities by R819,9 million.

The annual financial statements have been prepared based on accounting policies applicable to a going concern. The National Executive Committee (NEC) believes that the organisation has adequate financial resources to finance future operations and that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business.

The ability for the organisation to continue as a going concern is dependent on membership levies it collects from the 257 municipalities as well as the unconditional grant it receives from the Department of Cooperative Governance and Traditional Affairs (CoGTA).

39. EVENTS AFTER THE REPORTING DATE

There are no material facts or circumstances that have arisen between the reporting date and the date of approval, which affect the financial position of SALGA as reflected in these annual financial statements.

40. UNAUTHORISED, IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

Figures in Rand

Unauthorised expenditure
Fruitless and wasteful expenditure
Irregular expenditure

	2025	2024
Unauthorised expenditure	-	-
Fruitless and wasteful expenditure	87 090	159 927
Irregular expenditure	-	-
	87 090	159 927

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS**40. Unauthorised, irregular and fruitless and wasteful expenditure (continued)****Fruitless and wasteful expenditure****Reconciliation Fruitless and wasteful expenditure:****Figures in Rand**

	2025	2024
Opening Balance	159 927	-
Adjustments to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	45 085	159 927
Less: Fruitless and wasteful expenditure recovered	(117 922)	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing Balance	87 090	159 927

Reconciling note:**Figures in Rand**

	2025	2024
Fruitless and wasteful that was under assessment	42 005	-
Fruitless and wasteful that was under prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	45 085	159 927
Total	87 090	159 927

Details of fruitless and wasteful expenditure**Figures in Rand**

	2025	2024
Fruitless and wasteful expenditure recoverable	87 090	159 927
Total	87 090	159 927

The amount of fruitless and wasteful expenditure is as a result of 3 incidents:

To one incident related to a system error, resulting in 3 employees being paid an amount of R117 922 whilst no longer in the employ of SALGA, occurred during the prior year. This was repaid in the current year.

The other 2 incidents relate to 2 employees who resigned and did not serve the required 30 day calendar notice, and their leave was paid out, without deducting the amount due for notice period not served. The invoices of the outstanding amount have been raised, and efforts to recover the money are being sought.

Irregular Expenditure

No irregular expenditure was incurred during the financial year.

41. STATEMENT OF COMPARATIVE BUDGET AND ACTUAL INFORMATION

The budget is prepared on an accrual basis which is comparable with the financial statements. The original budget for the 2024/2025 financial year was duly approved by the National Executive Committee. The budget is prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance.

The adjustments made during the year only affect transfers in-between categories. This also includes additional budget requests which were duly authorised.

The adjusted budget column shall be used for comparison of actuals against budget on the 2024/2025 financial year. Actual surplus of R 54,1 million is higher than the final budget of R267 thousand.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

41. Statement of comparative budget and actual information (continued)

This is attributable to the following positive variances that were achieved during the year:

- **Revenue from exchange transactions**

Revenue from exchange transactions include membership levies, fees generated from exhibitions and events, as well as interest income. The positive variance is mainly due to more interest income generated from the increase cash balances. Revenue from levies were higher than budgeted due to the revenue fair value adjustment at year-end.

- **Revenue from non-exchange transactions**

Revenue from non-exchange transactions include unconditional grant received from the department of cooperative governance and traditional affairs (CoGTA), Sponsorships and donor income, grants received, as well as unwinding of grant income as and when the obligation has been fulfilled in line with GRAP 23. The positive variance is mainly due to more grants received during the current year as well as increased sponsorship income received.

- **Expense**

Expenses include programme costs, employee related costs as well as administrative and other operating costs. The positive variance is largely due to decreased employee related expenditure than what was originally budgeted. The organisation is in the process of reviewing its organisational structure, and once the process is finalised, there maybe a required to fill certain positions as a result of this process.

42. CONTINGENT LIABILITIES

The following matters are currently before the courts/arbitration and are deemed material from an either a financial or reputational risk perspective. The potential liability of the matters cannot be quantified because the costs in the event of loss normally follow the result save for the amounts claimed are indicated:

42.1 SALGA VS ESKOM & Others (Declaratory Order)

In terms of the South African Constitution, Municipal Systems Act, and the Municipal Structures Act, municipalities have exclusive rights to distribute/reticulate electricity in the country. Eskom has for many years assumed this role which is an exclusive function of municipalities. SALGA's Court application seeks to confirm the exclusive authority of municipalities to reticulate electricity and as such, ensure that ESKOM's role becomes that of a Service Provider who is obliged to enter into Service Delivery Agreements with municipalities. This is an important matter for SALGA and its member municipalities.

SALGA through its application at the High Court Application is seeking a declaratory order that:

- Contracts entered by its members with Eskom are valid and enforceable;
- Eskom had the authority to enter such agreements and will be able to enter future agreements;
- SALGA's interpretation of Section 156 (1)(a) (the municipalities 'exclusive right to reticulation) of the Constitution be declared invalid and against the provisions of the Electricity Regulation Act 4 of 2006.

The matter started in Sep 2021. The joinder applications of interested parties were dismissed by the North Gauteng High Court and the appeal application for the aforesaid is set down for the 15th of May 2025.

The main application will be heard in the North Gauteng High Court in August 2025 and the actual date is yet to be allocated by the court. The outcome of the case is not yet known.

42.2 Let's Talk Komani & The Independence vs Premier of the province of the Eastern cape & The Executive & 11 Others

The Applicants have brought the application in seeking a declaratory order on amongst others:

- Enoch Mgijima Municipality's direct contravention and resulting breach of sections 152(2) and 153(a) of the Constitution, due to a failure to ensure the provision of services to its community;

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42. Contingent Liabilities (continued)

- The dissolution of the Municipality in terms of section 139 of the Constitution of the Republic of South Africa;
- The Application indicates because of the continued failure to deliver services and the persistent financial crisis, the executive has intervened in the administration and operation of the municipality by appointing an administrator and by preparing a financial recovery plan for the implementation by the municipality. The provincial interventions have been indicated as abject failures.

The main application was dismissed by the Makhanda High Court in March 2024 and with no order as to cost. The applicants have elected to take the matter on appeal and both SALGA, and the municipality have opposed the application for leave to appeal. The leave to appeal application was heard on the 8, 9 and the 10 April 2025 with judgment remaining reserved.

43. JOINT ARRANGEMENTS

SALGA has partnered with these entities to enhance service delivery in local government. The purpose of the agreements is to diversify SALGA's revenue with the primary purpose of improving service delivery at municipalities. Below are the solutions that will be included in the catalogue based on agreements signed with external parties.

- **ISLE**
The agreement between SALGA and ISLE will provide to the sector a subscription-based portal for water technology benchmarking at the discounted prices compared to the general market.
- **Lightech**
The agreement is for SALGA to provide a Digital Outdoor Advertising solutions that caters for the end-to-end management of the outdoor advertising process. This will provide municipalities with insights of the industry that will lead to the improvement of the outdoor advertising revenue.
- **MakgoloKwe**
The Agreement is to implement a Revenue Enhancement programme to support long-term financial sustainability and enhance service delivery. This aims to increase municipal revenues through more efficient collection processes, diversified revenue streams, and strategic partnerships. This intends to supply and commission solar solutions for non-grid electrification projects to benefit communities.
- **Supply Flow**
The arrangement is intended to provide municipalities with a cloud-based procurement solution that streamlines procurement processes, integrates in real-time with the National Treasury's Central Supplier Database (CSD), and ensures compliance with South African procurement legislation. This will enhance efficiency, improve service delivery, and support governance within municipalities.
- **Boxfusion**
The agreement is to deliver an integrated suite of digital solutions aimed at streamlining and automating various administrative functions within local government with a specific focus of creating an end-to-end citizen-municipality online engagement for all municipal services. This seeks to address the substantial backlog in technology and automation faced by municipalities.
- **Ornecy**
The arrangement aims to implement Cloud-based Payroll and Human Resources application. The solution intends to address issues related to capabilities, governance, and leadership within the local government sector, while ensuring improved transparency and management of workforce, human resources policies, and overall effectiveness.



PART G: **APPENDICES**

APPENDIX A:

ANNUAL PERFORMANCE AGAINST PREDETERMINED OBJECTIVES 2024-2025

Outcome	Mandate	Programme	Actual Audited Performance 2021-2022	Actual Audited Performance 2022-2023	Actual Audited Performance 2023-2024	Output
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	6 SALGA Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR by 31 March 2023	Multi-Sectoral Lobby & Advocacy Programme implemented by 31 March 2024	Assessment report on the effectiveness of SALGA's participation in the IGR structures
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	6 SALGA Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR by 31 March 2023	Multi-Sectoral Lobby & Advocacy Programme implemented by 31 March 2024	Assessment report on the effectiveness of SALGA's participation in the IGR structures
Outcome 5: Inclusive socio-economic return	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	N/A	N/A	N/A	Assessment report on the effectiveness of SALGA's participation in the IGR structures
Outcome 5: Inclusive socio-economic return	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	N/A	N/A	N/A	Assessment report on the effectiveness of SALGA's participation in the IGR structures
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	Proposal on the IGR support, monitoring, and interventions Bill	Assessment conducted on SALGA's influence in IGR by 31 March 2023	Position Restructuring Disaster Management Institutional & Funding Arrangements developed by 31 March 2024	Assessment report on the effectiveness of SALGA's participation in the IGR structures
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	N/A	N/A	Multisectoral Lobby & advocacy programme implemented by 31 March 2024	Assessment report on the effectiveness of SALGA's participation in IGR Structures
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR	Multisectoral Lobby & advocacy programme implemented	Assessment report on the effectiveness of SALGA's participation in the IGR structures
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	N/A	N/A	New Indicator	Assessment report on the effectiveness of SALGA's participation in the IGR structures
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR	Multisectoral Lobby & advocacy programme implemented	Assessment report on the effectiveness of SALGA's participation in the IGR structures
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR	Multisectoral Lobby & advocacy programme implemented	Assessment report on the effectiveness of SALGA's participation in the IGR structures

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	Lobby and advocacy agenda developed to facilitate engagements to represent LG in the relevant IGR structures by 31 March 2025	1	The 2024–2025 Lobby and Advocacy Agenda was developed to guide SALGA's engagements in relevant intergovernmental relations (IGR) structures. As a result, SALGA developed and tabled 14 position papers.	Achieved	None
Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	Lobby against the encroachment of local government's Constitutional Powers and Functions by 31 March 2025	2	SALGA had lobbied against the Encroachment of Local Government's Constitutional Powers and Functions in the following areas: <ol style="list-style-type: none"> 1. Unilateral Withholding of Equitable Share Transfers 2. Critique of National Treasury's Role as Debt Collector 3. Challenges to Overregulation and Misinterpretation of Functions 4. Defense Against Unconstitutional Provincial Supervision and Private Takeovers 	Achieved	None
Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	Lobby for the adoption of the SALGA position on Roads Funding by DoT and National Treasury by 31 March 2025	3	SALGA Lobbied for the adoption of the SALGA position on Road Funding by the DoT and the National Treasury.	Achieved	None
Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	Lobby for the inclusion of the SALGA position into the Devolution Framework for Urban Rail and influencing the CoCT Urban Rail feasibility Study by 31 March 2025	4	SALGA lobbied for the inclusion of the SALGA position into the Devolution Framework for Urban Rail and influencing the CoCT Urban Rail feasibility Study	Achieved	None
Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	Lobby & Advocacy programme on disaster management institutional and funding arrangements developed and implemented by 31 March 2025	5	SALGA's Lobby & Advocacy programme on disaster management institutional and funding arrangements was developed and implemented.	Achieved	None
Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	Lobby the Commission for the implementation of the SALGA position on the Councillor welfare and support recommendations by 31 March 2025	6	SALGA lobbied the Commission for the implementation of the SALGA position on the Councillor Welfare and Support recommendations. The lobbying included SALGA lobbying COGTA as the regulator for local government through the Minister proposing implementation of recommendations that support Councillor Welfare on the Upper Limits Notice.	Achieved	None
Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Develop the SALGA position on proposed municipal price increases on bulk water and electricity tariffs developed 31 March 2025	7	SALGA position on proposed municipal price increase on bulk water and electricity tariffs developed	Achieved	None
Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	SALGA's position on the District Development Model (DDM/JDMA) developed by 31 March 2025	8	SALGA's position on the District Development Model (DDM/JDMA) developed.	Achieved	None
Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Develop the SALGA position on the conditional grants review programme 31 March 2025	9	SALGA position on the conditional grants review programme developed	Achieved	None
Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Develop position on Improved Fiscal Allocation for municipalities by 31 March 2025	10	SALGA position on Improved Fiscal Allocation for municipalities was developed.	Achieved	None

Outcome	Mandate	Programme	Actual Audited Performance 2021 - 2022	Actual Audited Performance 2022 - 2023	Actual Audited Performance 2023 - 2024	Output
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	N/A	N/A	New Indicator	Structured engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties on key local government issues
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	SALGA Position Papers submitted for engagements to IGR structure and or Legislatures	SALGA Position Papers submitted for engagements to IGR structure and or Legislatures	Multisectoral Lobby & advocacy programme implemented by 31 March 2024	Multi stakeholder consultation sessions on fire services in Local Government
Outcome 4: Effective Networks and IGR	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	N/A	12 value-based partnerships and sponsorships secured by 31 March 2023	12 value-based partnerships and sponsorships secured by 31 March 2024	Facilitate organisation- wide partnerships for overall improved strategic relations
Outcome 4: Effective Networks and IGR	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	N/A	12 value-based partnerships and sponsorships secured by 31 March 2023	12 value-based partnerships and sponsorships secured by 31 March 2024	Facilitate organisation- wide partnerships for overall improved strategic relations
Outcome 4: Effective Networks and IGR	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	N/A	12 value-based partnerships and sponsorships secured by 31 March 2023	12 value-based partnerships and sponsorships secured by 31 March 2024	Facilitate organisation- wide partnerships for overall improved strategic relations
Outcome 4: Effective Networks and IGR	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	N/A	12 value-based partnerships and sponsorships secured by 31 March 2023	12 value-based partnerships and sponsorships secured by 31 March 2024	Facilitate organisation- wide partnerships for overall improved strategic relations
Outcome 6: Developmental Local Government for Global Competitiveness	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	N/A	N/A	2017 Reviewed IR Strategy	Reviewed International Relations Strategy
Outcome 6: Developmental Local Government for Global Competitiveness	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	SALGA's participation in International Structures	SALGA's participation in International Structures	Participation of SALGA in 25 UCLF and other International events by 31 March 2024	Strengthening the role of SALGA through participation in SARO, UCLG, UCLGA and other relevant regional and international associations by 31 March 2025
Outcome 6: Developmental Local Government for Global Competitiveness	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	N/A	N/A	N/A	Municipal Voluntary Local Reviews and SALGA Voluntary Subnational Review reports

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties on key local government issues coordinated.	Quarterly Structured engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties on key local government issues by 31 March 2025	11	SALGA convened quarterly structured engagements on key local government issues as follows: <ul style="list-style-type: none"> Three engagements with executive and legislature discussed the areas of collaboration for the envisaged partnerships between SALGA and the legislature. Two engagements with civil society deliberated collaborative opportunities between the two organizations Eight engagements with private sector mobilized resources both in monetary value and in-kind contributions for the successful hosting of SALGA events. 	Achieved	None
Number of Provincial Multi stakeholder consultations on fire services in Local Government conducted	09 Provincial Multi stakeholder consultations on fire services in Local Government conducted on fire services by 31 March 2025	12	Nine provincial multi-stakeholder consultations on fire services in local government were conducted and a National Multi-stakeholder consultation engagement was held.	Achieved	None
SALGA scorecard on the status of implementation of the approved partnerships (MOUs, donor funding, sponsorship in kind)	Develop a scorecard on the implementation of MOU's by 31 March 2025	13	A scorecard on the status of the implementation of MoUs was developed. There is currently 37 active MoUs, 16 lapsed MoU's, and 3 new MoU's entered into this financial year.	Achieved	None
Engage strategic partners to Leverage resources from the private sector (in-kind and cash) to support identified municipal programmes	Quarterly engagements with strategic partners to leverage resources from the private sector (in-kind and cash) to support identified municipal programmes by 31 March 2025	14	SALGA convened quarterly engagements with six strategic partners to leverage resources for municipal programmes. R607'000 was raised in-kind towards the Social Labour Plan and Mining Municipalities Programme while 17 municipalities in Limpopo and Northern Cape received training on guidelines developed on the managing of asset transfers from mines to municipalities.	Achieved	None
Number of donor funded projects	Two (2) donor funded projects mobilised for local government programmes by 31 March 2025	15	SALGA mobilised support for local government programmes from three donor funders namely <ol style="list-style-type: none"> UN-DESA Nuffic, the Dutch organization for internationalization in education UCLG VSR. UNDP VLRs) 	Achieved	None
Engage strategic partners to Leverage resources from the private sector (in-kind and cash) to support identified municipal programmes	Quarterly engagements with strategic partners to support (cash/in-kind) SALGA Key events by 31 March 2025	16	Quarterly engagements were held with nine (9) strategic partners to support SALGA's events. R815'000 was raised in cash and R70'000 raised in-kind.	Achieved	None
Reviewed IR strategy implemented and assessment of twinning agreements	International Relations Strategy Reviewed and used to assess Municipal Twinning Agreements by 31 March 2025	17	SALGA reviewed the International Relations Strategy and used it to assess the municipal twinning agreement in 36 municipalities.	Achieved	None
Outcome report on SALGA's participation on international events	Facilitate and coordinate SALGA's Participate in international structures (UCLG, UCLGA, SARO, BRICKS, CLGF & other forums) to strengthen SALGA's development cooperation agenda and profiling by 31 March 2025	18	To strengthen cooperation and profile local government, SALGA facilitated and participated in the following international structures: <ol style="list-style-type: none"> UCLG: UCLG Bureau Meeting, UCLG Executive Bureau (Barcelona), Summit of the Future (New York), VSR engagements UCLGA: African Local Government Academy, SDG and Localization meeting SARO: Technical committee meetings; planning for regional decentralization strategy BRICS: BRICS Urban Forum Preparatory Session CLGF: CLGF Executive Committee, Technical Roundtable, SDG Partnership Forum 	Achieved	None
Municipalities supported to conduct the Voluntary Subnational Reviews (VSR)	Support 15 municipalities to conduct the Voluntary Subnational Reviews (VSR) by 31 March 2025	19	SALGA supported 28 municipalities to conduct the Voluntary Local Reviews (VLR) and ultimately compiled the Local Government Voluntary Subnational Review (VSR) Report which was shared with the United Cities of Local Government and at the United Nations.	Achieved	SALGA exceeded its target due to increased municipal demand to align with the SDGs, driven by strong advocacy, capacity building, and technical support. Strategic partnerships and SALGA's leadership in national SDG reporting further boosted municipal participation in the VLR process.

Outcome	Mandate	Programme	Actual Audited Performance 2021-2022	Actual Audited Performance 2022-2023	Actual Audited Performance 2023-2024	Output
Outcome 6: Developmental Local Government for Global Competitiveness	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	N/A	COMPACT Annual Narrative report and Expenditure verification report	COMPACT Annual Narrative report and Expenditure verification report	Facilitate the implementation of the COMPACT Project
Outcome 5: Inclusive socio-economic return	M 1: Lobby, Advocate and Represent	Programme 1: Advocacy & Strategic Profiling	n/a	EDI reform roadmap work with GIZ	EDI reform roadmap document	EDI reform strategy
Outcome 1: An Agile Force of Influence	M 3: Capacity Building	Programme 1: Advocacy & Strategic Profiling	0	0	4 legal opinions produced	Legal advisory services and opinions provided to municipalities and clusters
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	Multisectoral profiling programme	Multisectoral profiling programme	Multisectoral profiling programme	Municipalities supported with Multi-Media campaign to profile and encourage households and business to pay their debts
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	Effective municipal communication	Municipalities supported through marcomms interventions	Multisectoral profiling programme	Municipalities supported through marcomms interventions to improve municipal communication

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Compact project coordinated and implemented	Facilitate and coordinate the implementation of the Compact project to selected municipalities by 31 March 2025	20	SALGA facilitated and coordinated the implementation of the Compact project to 12 selected municipalities.	Achieved	None
EDI Reform strategy completed and presented to the NEC	EDI reform strategy developed and lobbied at NEC by March 2025	21	The EDI reform strategy was developed and lobbied at SALGA Governance structures held on 12 March and 06 May 2025	Achieved	None
Number of Capacity Building Sessions on legal best practices and management of legal services for Municipal Legal Practitioners developed and implemented.	Four (4) Capacity Building sessions on legal best practices and management of legal services for Municipal Legal Practitioners implemented by 31 March 2025	22	SALGA implemented four (4) Capacity Building programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners on legal best practices. In addition, SALGA convened the 5th National Municipal Legal Practitioners Forum.	Achieved	None.
Multi-media campaign for municipal debt collection developed and implemented	Quarterly Multi-media campaign plan for municipal debt collection rolled out by 31 March 2025	23	Quarterly Multi-media campaign plan for municipal debt collection implemented as follows: <ol style="list-style-type: none"> 1. Targeted radio campaigns aired in over 8 regional stations, reaching multilingual audiences 2. Infographics and e-posters were disseminated across all provinces, tailored for local relevance 3. Three (3) SALGA TV episodes produced 4. Website content creating awareness and the drive STS TID meter rollover 5. Municipal communicators trained on campaign messaging and best practice implementation - In provinces such as the Northern Cape, where communication resources are limited, SALGA facilitated hands-on training workshops for municipal communicators. These sessions focused on equipping municipal staff with the tools and knowledge to develop and implement effective, locally relevant revenue collection campaigns. 	Achieved	None
Municipalities supported on Marketing and Communication interventions	54 municipalities supported on the five (05) Marketing and Communication interventions to improve municipal communications by 31 March 2025	24	A total of 113 municipalities supported on 5 Marketing and Communication interventions to improve municipal communications. <p>27 Municipalities Supported on Communication Planning and Crisis Management</p> <p>18 Municipalities Supported on Assisting Municipalities in Drafting and Developing Comprehensive communication Policies</p> <p>44 Municipalities Supported on Media and Communication Training</p> <p>21 Municipalities Supported on Corporate Identity and Branding</p> <p>51 Municipalities Supported on Media and Marketing</p> <p>R4.8 million in cost savings achieved by providing free branding and design services, web design, media and media monitoring training, consulting services.</p>	Achieved	None

Outcome	Mandate	Programme	Actual Audited Performance 2021-2022	Actual Audited Performance 2022-2023	Actual Audited Performance 2023-2024	Output
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 1: Advocacy & Strategic Profiling	Multisectoral profiling programme	Multisectoral profiling programme	Multisectoral profiling programme	SALGA programmes profiled.
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	N/A	Outcomes Report on municipalities supported on Just Transition awareness & potential solutions
Outcome 2: Customised innovative solutions	M 5: Knowledge Sharing	Programme 2: Multidisciplinary Support	N/A	Study on the provision of Free Basic Services by municipalities conducted by 31 March 2023	Municipal capabilities assessment conducted in municipalities and improvement interventions implemented	Plan of action to support municipalities implemented
Outcome 5: Inclusive socio-economic return	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	18 District Municipalities	18 District Municipalities	Support Programme towards improving municipal health function implemented

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
SALGA profiling programme developed and implemented	SALGA profiling programme rolled out by 31 March 2025	25	<p>SALGA Profiling programme was rolled out as follows:</p> <ol style="list-style-type: none"> Four volumes of Digital Dash published, profiling best practices and promoting leadership and innovation in local governance. Multilingual election campaign content developed in various South African languages and disseminated via digital channels, targeting youth and first-time voters. Email and payslip banner campaigns rolled out in English and isiZulu, supporting municipal revenue collection messaging. SALGA national events (NEC Lekgotla, SWC Lekgotla, National Communicators Forum) profiled through SALGA TV, live social media updates, newsletters, and interviews. Produced high-impact visual content and infographics for infrastructure protection, climate awareness (wetlands), and gender-based violence. Strengthened intergovernmental relations through co-branded campaigns and participation in cross-sector platforms such as the Electrification Roundtable and Disaster Management Indaba. <p>As the result the following was achieved:</p> <ol style="list-style-type: none"> R259 million in media value (AVE) secured across for the year, reflecting strong media pickup and relevance. Over 560 million in total audience reach across radio, TV, online, print, and social media. 	Achieved	None
Municipalities supported on Just Transition awareness & potential solutions	15 municipalities supported on the Just Transition awareness & potential solutions relating to workforce by 31 March 2025	26	44 municipalities supported on the Just Transition awareness & potential solutions relating to workforce. Over and above 72 municipalities participated in the generic Masterclass session.	Achieved	The Just Transition is receiving a lot of prominence at present, both nationally and globally, and is relevant to all municipalities, hence many municipalities requested to be part of the engagements outside of those included in the pre-listing.
Municipalities supported to improve implementation of Indigent Policies	18 municipalities supported to improve implementation of indigent policies by 31 March 2025	27	35 municipalities were supported to improve implementation of indigent policies	Achieved	Sedibeng District Municipality does not have a Free Basic Services (FBS) policy in place, as it does not provide services that fall under the scope of FBS. District municipalities are generally not expected to implement indigent policies, as they do not directly serve households. In this context, SALGA engaged with the local municipalities within the district (Emfuleni and Midvaal Local Municipalities) as appropriate replacements for assessment and support.
Municipalities supported to perform municipal health function	33 municipalities supported to improve performance of Municipal Health function by 31 March 2025.	28	Thirty three (33) municipalities were supported to improve performance of Municipal Health function.	Achieved	None

Outcome	Mandate	Programme	Actual Audited Performance 2021-2022	Actual Audited Performance 2022-2023	Actual Audited Performance 2023-2024	Output
Outcome 2: Customised innovative solutions	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	3 municipalities supported on alternative and workable waste management solutions	5 municipalities supported on alternative and workable waste management solutions	Alternative and workable waste management solutions implemented in municipalities (e.g. separation at source, Waste to Energy, Mobile Waste Apps)
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	20 municipalities supported under a call for participation or expression of interest	Energy transition support package (including the power procurement)
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	4 municipalities supported on water services collaborative programme by 31 March 2023	5 municipalities supported on water services collaborative programme by 31 March 2024	Outcome report on Municipalities supported with development of draft Municipal Priority Action Plans (MPAPs)
Outcome 1: An Agile Force of Influence	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	80% of legal matters finalised as per the legal register of cases by 31 March 2023	90% of legal matters finalised as per the legal register of cases by 31 March 2024	Legal advisory services provided to municipalities and clusters
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Municipal Investment Guidelines Developed	Municipalities supported with the rollout of the Municipal Investment Guidelines	Municipal Investment Profiles developed	Municipal Business Climate Improvement Report
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	Capacity Building initiatives implemented in selected municipalities	Municipalities supported on the informal economy	Outcome report on municipalities supported on small business, informal economy, township and rural economies
Outcome 6: Developmental Local Government for Global Competitiveness	M 6: Strategic Profiling	Programme 2: Multidisciplinary Support	Regional Economic Development programme implemented	Regional Economic Development programme implemented	SALGA Regional Economic Development Programme implemented in selected regions	Regional Economic Development Programme implemented in support of economic integration and inclusive growth

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Municipalities supported in alternative and workable waste management solutions	10 municipalities supported in waste management solutions by 31 March 2025	29	A total of 21 municipalities were supported on waste management solutions covering the following key interventions: <ul style="list-style-type: none"> Development of authority function tools (Waste Bylaws and IWMPs) Support on the use of MIG and USDG to procure waste specialised vehicles Capacity building for councillors The use of Waste App to improve waste management services Implementation of Extended Producer Responsibility 	Achieved	The target was exceeded due to requests from various municipalities seeking additional support. This demand stemmed from their need to enhance waste management services for the benefit of their communities.
Energy transition support materials (including toolkits)	Support package for municipalities on the energy transition developed by 31 March 2025	30	A energy transition support package comprising nine interventions was developed and implemented for municipalities.	Achieved	None
Municipalities supported with development of draft MPAPs	12 municipalities supported on water services collaborative programme by 31 March 2025	31	Fourteen (14) Municipalities were supported on the Water Services Collaborative programme.	Achieved	Target over-achieved as SALGA was able to leverage partnerships to access additional support for municipalities.
% internal legal processes of registered (litigious and non litigious) matters completed as per the Standard Operating Procedure (SOP)	90% internal legal processes of registered (litigious and non litigious) matters in the legal register completed as per the Standard Operating Procedure (SOP) by 31 March 2025	32	100% of registered legal matters, both litigious and non-litigious, have been completed in accordance with the internal legal Standard Operating Procedure (SOP). The legal matters included: <ul style="list-style-type: none"> Five (5) legal opinions, Five (5) litigations matter at different phases of the litigation process, Four (4) matters wherein SALGA elected to abide and Five (5) matters whereby legal support was provided. 	Achieved	Target was exceeded since 100% of registered (litigious and non-litigious) matters were handled in line with the SOP. SALGA completed all internal legal processes for recorded matters, both litigious and non-litigious, in compliance with the current financial year's SOP. The main reason for the variation was the effective implementation of the SOP by the legal team, as well as ensuring that all cases are prioritized and addressed.
Municipalities supported to improve their business climate	Twelve (12) Municipalities supported with improving their business climate by 31 March 2025	33	Twelve (12) targeted municipalities were supported to improve their business climate during the year under review. An additional 20 municipalities were also supported on Municipal Investment Guidelines implementation, LED strategy and investment strategy review, incentive policy review and on LED strategy development capacity building: economic data support and ease of doing business.	Achieved	The project supported additional municipalities due to high demand, including some municipalities involved in the Municipal Investment Guideline rollout since 2021. SALGA provided technical support as part of the programme's process flow.
Municipalities supported on small business, informal economy, township and rural economies	Six (6) municipalities supported on small business development by 31 March 2025	34	Ninety six (96) municipalities supported on small business development by 31 March 2025. The breakdown is as follows: <ul style="list-style-type: none"> Informal Economy: Six (6) municipalities (pre-listed) supported with the review of their informal trading ByLaws and an additional four (4) non-prelisted municipalities supported Local Procurement: Six (6) municipalities supported to employ local procurement as a tool to stimulate local economic development Funding Opportunities: Eighty eight (88) municipalities supported to access funding opportunities 	Achieved	The overachievement of the set target can be attributed to a greater-than-anticipated uptake from beneficiaries, as well as co-implementation of programmes with sector departments and stakeholders.
Regional Economic Development Programme in support of economic integration and inclusive growth implemented	Regional Economic Development programme implemented in four (04) Regions by 31 March 2025	35	The regional economic development programme was facilitated and implemented in four regions (West Coast Region, Namakwa, Upington Cargo Hub, Eastern Seaboard Region for the SEZs) through the planned sub-programme component activities.	Achieved	None

Outcome	Mandate	Programme	Actual Audited Performance 2021-2022	Actual Audited Performance 2022-2023	Actual Audited Performance 2023-2024	Output
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Small Town Regeneration Strategy Developed	STR Municipalities identified	STR programme rolled out in two (2) municipalities	Regional Economic Development Programme implemented in support of economic integration and inclusive growth
Outcome 5: Inclusive socio-economic return	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	N/A	Outcome report on Financial Sustainability interventions implemented in municipalities
Outcome 5: Inclusive socio-economic return	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	N/A	Outcome report Financial Sustainability interventions implemented in municipalities
Outcome 5: Inclusive socio-economic return	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	N/A	Outcome report Financial Sustainability interventions implemented in municipalities
Outcome 5: Inclusive socio-economic return	M 6: Strategic Profiling	Programme 2: Multidisciplinary Support	N/A	N/A	N/A	Outcome Report on the Exploration of SALGA as a Local Government Funding Agency
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Monitor spatial Transformation in 30 selected municipalities	Spatial Transformation Indicators developed and Annual Publication on monitoring of spatial Transformation in selected municipalities	Annual Outcomes report tabled to NWG & Publication	Municipalities measured on Spatial Transformation
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Support municipalities to comply with SPLUMA requirements	20 Municipalities supported on SPLUM and compliance with SPLUMA	36 Municipalities supported on SPLUM and compliance with SPLUMA	Spatial Planning and Land Use Management support
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Develop municipal policy guide for land disposal and assembly	Develop and share tools to capacitate municipalities to manage unlawful land and property occupation	Developed and share tools and legal opinion to capacitate municipalities to manage unlawful land property occupation	Unlawful Land occupation support
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Develop SALGA Land program	SALGA support plan for municipal land audits and MoU with BANK SETA implemented	Trained 2000 rural enterprise beneficiaries and mentored 15 selected rural enterprises by March 2024	District Rural Development Plans
Outcome 5: Inclusive socio-economic return	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Municipalities Supported on Accreditation and PSHDA	Municipalities Supported on Accreditation and PSHDA	Municipalities Supported on Accreditation and PSHDA	Local Government Support Programme on Human Settlements (including Accreditation, PSHDAs, USDG, ISUPG, Backyard Dwelling etc)

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Small Town Regeneration (STR) Programme rolled out in selected Regions	Small Town Regeneration (STR) Programme rolled in two (2) Regions by March 2025	36	Small Town Regeneration (STR) Programme rolled in the following two (2) regions: 1. Karoo Region - through the 8th Karoo STR Conference held from 29-30 October 2024 2. Waterberg Region - through the development of a Regionalist approach Guide for the Region and training held on the 22nd of January 2025	Achieved	None
Municipalities supported through financial sustainability interventions	Support 23 municipalities with implementation of the financial sustainability interventions by 31 March 2025	37	Twenty four (24) municipalities were supported with financial sustainability interventions.	Achieved	The target was overachieved. During the FY2024-25, the Municipal Financial Sustainability team supported a total of 24 municipalities, 23 were prelisted and 1 was a special request from Dipaleseng local municipality.
Municipalities and municipal entities supported with Municipal Audit Support Programme	18 municipalities and 2 municipal entities supported with municipal audit support by 31 March 2025	38	Eighteen (18) municipalities plus two (2) entities were supported with the Municipal Audit Support Programme during the year under review. An additional 42 municipalities were provided with general support .	Achieved	Ad-hoc support provided on the basis of direct requests from Municipalities.
Municipalities supported to improve Financial Sustainability as per SALGA interventions on revenue management	40 Municipalities supported through Revenue Management interventions by 31 March 2025	39	A total of 63 municipalities were supported through Revenue Management interventions	Achieved	Direct requests from municipalities. SALGA leveraged on available partnerships in the roll out of the revenue management intervention.
Exploration of SALGA as a Local Government Funding Agency	Conduct a feasibility study to explore SALGA as a Local Government Funding Agency by 31 March 2025	40	A feasibility study to explore SALGA as a Local Government Funding Agency was conducted and concluded.	Achieved	None
Spatial Transformation knowledge exchange sessions to share experiences between municipalities	Four (4) spatial transformation knowledge exchange sessions coordinated to share experiences between municipalities by 31 March 2025	41	Six (6) Spatial Transformation knowledge exchange sessions were coordinated in 2024-2025.	Achieved	SALGA leverage partnerships to convene more than what was planned for the year under review
Municipalities supported on Spatial Planning and Land Use Management	Twenty (20) Municipalities supported and capacitated to undertake spatial planning and land use management by 31 March 2025	42	Sixty one (61) Municipalities were supported and capacitated to undertake spatial planning and land use management.	Achieved	SALGA leverage partnerships with DLLRD to share land use management tools through virtual platforms. More municipalities were able to benefit from the sessions beyond what was planned.
Municipalities supported on Unlawful Land and property occupation	Ten (10) municipalities supported and capacitated to manage unlawful land and property occupation by 31 March 2025.	43	Twenty four (24) municipalities were supported and capacitated to manage unlawful land and property occupation.	Achieved	SALGA leverage partnerships to support municipalities on unlawful land and property occupation. This allowed additional municipalities to benefit from this support.
District Municipalities supported to develop and implement regional (district) rural development plans	Twelve (12) District Municipalities supported to develop and implement regional (district) rural development plans by 31 March 2025	44	SALGA supported twenty three (23) district municipalities to enable them to develop and implement regional (district) rural development plans.	Achieved	SALGA was able to reach out to more Districts given the variety of platforms that were utilized, (virtual sessions as well as physical sessions).
Local Government Human Settlement Support Plan developed and implemented	Quarterly Human Settlement Support Plan rolled out by 31 March 2025	45	The Human Settlement Support Plan was rolled out to address the following areas: 1. Accreditation 2. Backyard Housing 3. Human Settlements Grants Spending and Planning Alignment 4. National Urban Forum 5. Property Investment Interface 6. PIE Act Amendment and PSHSDA Engagement	Achieved	None

Outcome	Mandate	Programme	Actual Audited Performance 2021-2022	Actual Audited Performance 2022-2023	Actual Audited Performance 2023-2024	Output
Outcome 4: Effective Networks and IGR	M 1: Lobby, Advocate and Represent	Programme 2: Multidisciplinary Support	N/A	N/A	Multisectoral Lobby & advocacy programme implemented by 31 March 2024	Integrated programme to manage external and internal migration
Outcome 5: Inclusive socio-economic return	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Study on the role of local government in implementing social cohesion	Local government Social cohesion strategy developed.	18 Municipalities supported to develop and implement programs of building social cohesion by 31 March 2024	Municipal social cohesion programmes
Outcome 5: Inclusive socio-economic return	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	18 District Municipalities	18 District Municipalities	Plan of action to support municipalities implemented
Outcome 5: Inclusive socio-economic return	M 6: Strategic Profiling	Programme 2: Multidisciplinary Support	SALGA Women's Commission	SALGA Women's Commission	SALGA Women's Commission	Plan of action to support municipalities implemented
Outcome 5: Inclusive socio-economic return	M 6: Strategic Profiling	Programme 2: Multidisciplinary Support	An integrated Framework on the inclusion of Vulnerable Groups developed and approved.	Assessment Tool for mainstreaming of vulnerable groups developed.	27 Municipalities supported on the implementation of the integrated framework on the inclusion of vulnerable groups by 31 March 2024	Plan of action to support municipalities implemented
Outcome 5: Inclusive socio-economic return	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	38 municipalities supported to perform the community safety function	45 municipalities supported to perform the community safety function	Municipal community safety function strengthened
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	90% of SALGA deliverables in the Environmental sector LG Support Programme implemented by 31 March 2022	90% of SALGA deliverables in the Environmental sector LG Support Programme implemented by 31 March 2023	18 Municipalities supported through the implementation of the Municipal Environmental Management Support Programme by 31 March 2024	District Municipalities supported on environmental management, climate change, disaster management and fire services functions

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Municipalities supported to effectively manage migration	27 municipalities supported to effectively manage migration by 31 March 2025	46	120 municipalities participated in the Migration Programme. These municipalities were supported to effectively manage migration	Achieved	During the implementation of the programmes, we identified several interlinkages with other focus areas. This led to the development of joint programmes designed to holistically address the challenges faced by municipalities. As a result, municipalities that were not originally prioritized for migration support benefited through the integrated approach.
Municipalities supported to develop and implement programmes to promote social cohesion	27 Municipalities supported to develop and implement programmes to promote social cohesion by 31 March 2025	47	85 municipalities were supported to develop and implement programmes to promote social cohesion	Achieved	During the implementation of the programmes, we identified numerous interlinkages with other focus areas. This led to the development of joint programmes aimed at holistically addressing the challenges faced by municipalities. Consequently, municipalities that were not originally prioritized for social cohesion support, benefited through the integrated approach.
Municipalities supported on mainstreaming vulnerable groups	27 Municipalities supported on mainstreaming vulnerable groups by 31 March 2025	48	Seventy-six (76) municipalities participated in the Mainstreaming of Vulnerable Groups Programme. These municipalities were supported on mainstreaming vulnerable groups in their municipalities.	Achieved	On mainstreaming vulnerable groups, additional municipalities were accommodated due to the interest they expressed in participating.
Municipalities supported on mainstreaming vulnerable groups	SWC programme of action implemented by 31 March 2025	49	SALGA Women's Commission programme of action was implemented in 8 thematic areas.	Achieved	None
Municipalities supported on mainstreaming vulnerable groups	SALGA Youth Commission and 9 provincial chapters established by 31 March 2025	50	The SALGA Youth Commission was established, along with the nomination of provincial champions across all nine provincial chapters.	Achieved	None
Municipalities supported with the implementation of Community Safety	42 municipalities supported to perform the community safety function by 31 March 2025	51	156 municipalities participated in the Community Safety Programme. These municipalities were supported to perform the community safety function	Achieved	The number of municipalities supported exceeded due to the expanded scope, scale, and nature of the programmes implemented.
District Municipalities supported on environmental management, climate change, disaster management and fire services functions	44 District Municipalities supported on environmental management, climate change, disaster management and fire services functions by 31 March 2025	52	44 district Municipalities was supported on environmental management, climate change, disaster management and fire services functions.	Achieved	None

Outcome	Mandate	Programme	Actual Audited Performance 2021-2022	Actual Audited Performance 2022-2023	Actual Audited Performance 2023-2024	Output
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	City Sustainability Support Programme implemented by 2022	90% of SALGA deliverables in the City Sustainability Support Programme implemented by 31 March 2023	Cities supported through the implementation of the City Sustainability Support Programme by 31 March 2024	City Sustainability Support Programme on Environment, Climate Change, Disaster Management & Human Settlements implemented
Outcome 2: Customised innovative solutions	M 5: Knowledge Sharing	Programme 2: Multidisciplinary Support	Research conducted to support SALGA's advocacy programme	Research conducted to support SALGA's advocacy programme	Five (5) research products and activities aligned to SALGA's research priorities conducted by 31 March 2024	Empirical Research & Outcomes Reports
Outcome 3: Capable and reputable local government	M 5: Knowledge Sharing	Programme 2: Multidisciplinary Support	N/A	N/A	N/A	Governance Maturity Assessment Report
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	N/A	Outcome Report on Performance Management processes in Municipalities
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Performance management support interventions for 40 selected municipalities	Performance management support interventions for 40 selected municipalities	Performance management support interventions for 40 selected municipalities	Outcome Report on Performance Management processes in Municipalities
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	2022/23 Local Government Indicators and Municipal Performance Assessment Tool (MPAT)	Outcome Report on Performance Management processes in Municipalities
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Engagement and support on the implementation of the local government service standards for 40 municipalities	Engagement and support on the implementation of the local government service standards for 40 municipalities	Engagement and support on the implementation of the local government service standards for 40 municipalities	Engagement and support of municipalities on the implementation of the Local Government Service Standards

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Cities and Metros supported on Environment, Climate Change, Disaster Management & Human Settlements issues.	36 Cities and 8 Metros supported through the implementation of the City Sustainability Support Programme on Environment, Climate Change, Disaster Management & Human Settlements by 31 March 2025	53	39 Cities and 8 Metros was supported through the implementation of the City Sustainability Support Programme on Environment, Climate Change, Disaster Management & Human Settlements	Achieved	SALGA has been working with SACN on this programme and the list we used had 36 intermediate cities. However, during the implementation of the programme, it was realized that there actually 39 intermediate cities listed by Department of Cooperative Governance. As a result, the Portfolio decided to support all of them instead of the 36 that was originally listed.
Research products that contribute to the development of knowledge in Local Government produced	Six (6) research products aligned to SALGA's research priorities conducted by 31 March 2025	54	SALGA conducted Six (6) topical research and produced six products aligned to SALGA's research priorities.	Achieved	None
Municipalities assessed on Good Governance Index and Peer Reviewed	18 municipalities assessed based on the Good Governance Index and Peer Review by 31 March 2025	55	52 municipalities assessed on the Good Governance and Peer Review	Achieved	Due to the integration of the GGMI with the Municipal Capability Index (MCI) and the digitisation of the tools, additional municipalities were able to complete the GGMI component.
Automated Performance Management Solution for Municipalities piloted.	Pilot Implementation of the Performance Management Digitization Solution in five (5) Municipalities by 31 March 2025.	56	Performance Management Digitization Solution for Municipalities was piloted in six (6) municipalities.	Achieved	Emfuleni Local Municipality expressed interest in the solution and opted into the intervention, resulting in an additional municipality being supported.
Municipalities supported with Performance management interventions	Performance management support interventions implemented in forty five (45) selected municipalities by 31 March 2025	57	121 municipalities have been supported on performance management support interventions	Achieved	Due to high demand from municipalities, increased interest in the support programmes, and the flexible design of the interventions that accommodated multiple municipalities per session. The urgent need to comply with the Municipal Staff Regulations drove a greater uptake of the support offered.
Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA	45 Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA by March 2025	58	No progress to be reported on this target.	Not achieved	Due to external dependency and internal difficulties, the MPAT programme was not implemented.
Municipalities engaged and supported on the implementation of the local government service standards for selected municipalities	45 Municipalities engaged and supported on the implementation of the local government service standards for selected municipalities by 31 March 2025	59	A total of 78 municipalities were engaged and supported on initiatives to develop and implement the Local Government Service Standards (LGSS) during the 2024/25 performance period	Achieved	Due to a combination of high demand and flexible implementation, municipalities submitted on-demand and ad-hoc requests for support. The rollout of supplementary support programmes, some initiated by SALGA and others co-organised with municipalities enabled broader participation, as the format allowed engagement with multiple municipalities simultaneously.

Outcome	Mandate	Programme	Actual Audited Performance 2021 - 2022	Actual Audited Performance 2022 - 2023	Actual Audited Performance 2023 - 2024	Output
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	N/A	Oversight, accountability, anti-corruption, ethics and integrity management support provided to municipalities
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	Multisectoral Lobby & advocacy programme implemented by 31 March 2024	Support provided to municipalities on roles and responsibilities of the internal structures and functionaries
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	N/A	N/A	50 municipalities supported to enhance inclusive governance, public participation and active citizenry engagements by 31 March 2024	Support provided to municipalities on Inclusive governance and public participation
Outcome 3: Capable and reputable local government	M 4: Support and Advice	Programme 2: Multidisciplinary Support	Municipalities supported on the development and/or implementation of innovation programmes	2 Municipalities supported on the development and/or implementation of innovation programmes	8 Municipalities supported on technological and Innovative Solutions	Municipalities and MoEs supported on Innovation programme
Outcome 6: Developmental Local Government for Global Competitiveness	M 4: Support and Advice	Programme 2: Multidisciplinary Support	10 Municipalities Audited	55 Municipalities Assessed & 47 Municipalities Supported	40 municipalities supported for the 2023-2024 financial year	Digital Maturity Level Assessment
Outcome 3: Capable and reputable local government	M 2: Employer Body	Programme 3: Employment Relations & Capacity Building	Consolidated Report on Representation	Consolidated Report on Representation	Consolidated Report on Representation	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court, where possible.
Outcome 3: Capable and reputable local government	M 2: Employer Body	Programme 3: Employment Relations & Capacity Building	Signed Collective Agreements	Signed Collective Agreements	Bargaining Strategy on Salary and Wages developed.	Representation of Municipalities in Collective Bargaining matters
Outcome 3: Capable and reputable local government	M 5: Knowledge Sharing	Programme 3: Employment Relations & Capacity Building	N/A	13 Municipalities assessed and support programmes implemented	27 Municipalities assessed and support programmes implemented by 31 March 2026.	Municipal Capabilities Assessment
Outcome 2: Customised innovative solutions	M 5: Knowledge Sharing	Programme 3: Employment Relations & Capacity Building	SALGA Knowledge Products Produced and Circulated	10 Knowledge Products and activities conducted by 31 March 2023	12 Knowledge Products and activities conducted by 31 March 2024	Knowledge Products and Forums

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Municipalities supported with oversight, accountability, anti-corruption and integrity management	63 municipalities supported oversight, accountability, anti-corruption and integrity management by 31 March 2025	60	175 municipalities were supported on oversight, accountability, anti-corruption and integrity management.	Achieved	Due to municipal requests and working with stakeholders, additional municipalities were supported.
Municipalities capacitated on their Roles and responsibilities	30 Municipalities capacitated on the roles and responsibilities of the internal structures and functionaries by 31 March 2025	61	140 municipalities were capacitated on the roles and responsibilities of the internal structures and functionaries	Achieved	Due to increased demand from municipalities and various platforms like Speakers Forums in provinces additional municipalities could be supported.
Municipalities supported with public participation interventions	50 Municipalities supported to enhance inclusive governance, public participation and active citizenry engagements by 31 March 2025	62	110 municipalities were supported to enhance inclusive governance, public participation and active citizenry engagements	Achieved	Leveraging on existing structures and requests from municipalities resulted in an increased number of municipalities supported.
Municipalities supported to develop the innovation maturity	20 Municipalities/ MOE supported with the development of the innovation maturity by 31 March 2025	63	21 Municipalities was supported with the development of innovation maturity.	Achieved	An additional municipality was supported that met the criteria to developing its innovation maturity, ensuring responsiveness and inclusivity in line with SALGA's mandate.
% Progression in Municipal Digital Maturity Levels	50% of municipalities that were previously assessed moved to level 2 maturity by 31 March 2025.	64	50% of municipalities that were previously assessed moved to level 2.	Achieved	None
Representation of Municipalities as Employer Body.	Outcome Report on municipalities represented in Disciplinary Matters, Conciliation, Arbitration and Labour Court, where possible by 31 March 2025.	65	SALGA as an Employer Body, represented in total 87 municipalities on labour related matters. The cases were as follows: <ul style="list-style-type: none"> - 100 Disciplinary hearings; - 42 conciliations and - 225 arbitrations. An outcome report was produced detailing all support provided to municipalities.	Achieved	None
Facilitator Report on Negotiation proceedings.	Facilitator Report on the collective bargaining negotiations developed by 31 March 2025	66	SALGA represented municipalities and concluded another five year Collective Agreement for the period 2024-2029. This Collective Agreement on Salaries and Wages was signed by all parties involved in the negotiations. A facilitator outcome report was produced detailing the process of the negotiations.	Achieved	None
Municipal Capabilities Assessment conducted in identified municipalities and support programmes implemented	Municipal Capabilities Assessment conducted in 45 identified municipalities and support programmes implemented by 31 March 2025	67	Municipal Capabilities Assessment conducted in 51 municipalities and support programmes implemented in 19 municipalities informed by previous assessment findings.	Achieved	An additional six municipalities expressed interest in being assessed.
Number of knowledge products and activities that contribute to the development of knowledge in Local Government produced	Fourteen (14) Knowledge Products and activities conducted by 31 March 2025	68	23 Knowledge products produced and 10 knowledge activities conducted	Achieved	Due to strong collaboration across SALGA clusters and provincial offices, which facilitated the co-development of additional knowledge products. Increased awareness of SALGA's Knowledge Management initiatives also led to a rise in requests from municipalities and COGTA for learning events and the creation of tailored knowledge products.

Outcome	Mandate	Programme	Actual Audited Performance 2021 - 2022	Actual Audited Performance 2022 - 2023	Actual Audited Performance 2023 - 2024	Output
Outcome 3: Capable and reputable local government	M 3: Capacity Building	Programme 3: Employment Relations & Capacity Building	Prioritised LG Professionalisation Programmes Implemented and Contribution to the Development of the Public Sector Framework	Institutionalisation of the SALGA 2022 National Conference Resolutions and repurposing of the LG Professionalisation Implementation Model	Implementation of the repurposed LG Professionalisation implementation model and the LG Professionalisation Social Compact concluded.	Local government Professionalisation Programme
Outcome 3: Capable and reputable local government	M 3: Capacity Building	Programme 3: Employment Relations & Capacity Building	Profiling outcomes and NEC approved legal opinion in relation to CoGTA Circular 4/2016	Transition to the current operating model	Partnership in place with two service providers. MLCAC service rendered to approximately 69 municipalities for 700 candidates to date. NEC Approved practice protocol.	Local government Professionalisation Programme
Outcome 3: Capable and reputable local government	M 3: Capacity Building	Programme 3: Employment Relations & Capacity Building	N/A	N/A	N/A	Local government Professionalisation Programme
Outcome 3: Capable and reputable local government	M 3: Capacity Building	Programme 3: Employment Relations & Capacity Building	N/A	5883 municipal councillors and officials trained	3000 councillors trained	Councillors and municipal officials trained on local government policies and relevant legislative frameworks
Outcome 2: Customised innovative solutions	M 4: Support and Advice	Programme 4: Business & Product Development	10 municipalities assessed	4 Digital Products and 4 Data Services/ Use-Cases Enabled (8 Solutions)	8 Solutions deployed/enabled (Digital Products and Data Services/ Use Cases)	Digital solutions deployed to municipalities
Outcome 1: An Agile Force of Influence	M 4: Support and Advice	Programme 4: Business & Product Development	N/A	1 Product completed	2 products finalised and packaged	Products and or services catalogue
Outcome 5: Inclusive socio-economic return	M 1: Lobby, Advocate and Represent	Programme 4: Business & Product Development	N/A	Broadband Framework Approved	2% municipal utilisation by 31 March 2024	PPP Framework for municipalities on Broadband as a fifth utility
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Annual financial statements
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Annual financial statements
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Annual financial statements
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	Not Applicable	Not Applicable	Not Applicable	Automated and integrated Systems
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	88% collection on current levies	91% collection on current levies	80% collection on current levies	Membership Levies collected
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	100% culture survey results actions implemented by 31 March 2022	Establish a baseline for Net Engagement Score by 31 March 2023	Organisational Culture Survey report by 31 March 2024	Organisational Culture report

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Local government Professionalisation programme implemented	Implementation of Local Government Professionalization Programme Priority Areas by 31 March 2025	69	The Local Government Professionalisation Programme was implemented focusing on Priority Area 7: Local Government Professionalisation Metrics Developed and Tested and Priority Area 8: Local Government Professionalisation Social Compact Monitored	Achieved	None
Local government Professionalisation programme implemented	Implement the 3rd Generation Components of the Municipal Competency Assessment Sustainability Model by March 2025.	70	The 3rd Generation Components of the Municipal Competency Assessment Sustainability Model were implemented in Metros, Districts and Local municipalities where 43 Recruitment Plans were mobilised to secure SALGA's support towards filling of senior managers vacancies. A total of 424 candidates were assessed – (competency assessment - 28 candidates and 396 candidate's personal credentials were validated and integrity vetting undertaken).	Achieved	None
Local government Professionalisation programme implemented	Lobby for the introduction of minimum competency levels for local public office bearers by 31 March 2025	71	SALGA lobbied sector stakeholders for the introduction of minimum competency levels for local public office bearers including the Inter-Departmental Task Team on Recognition of Prior Learning Chaired by DHET and the National Capacity Building Coordinating Forum Chaired by CoGTA.	Achieved	None
SALGA capacity building programmes on local government policies and relevant legislative frameworks rolled out to municipalities	Twelve (12) Capacity building Programmes on local government policies and relevant legislative frameworks rolled to municipalities by 31 March 2025	72	SALGA implemented twelve (12) Capacity Building Programmes which benefited 1169 Councillors and 1951 Municipal Officials. Over and above these programmes SALGA conducted workshops to municipalities based on requests and the Municipal Support Programme. In total, 2414 Councillors and 4312 Municipal Officials were capacitated in the 2024-2025 financial year.	Achieved	FASSET funding awarded in Quarter 1, along with numerous on-demand requests from municipalities, enabled the rollout of additional capacity building programmes throughout the year.
Number of Digital Solutions deployed to municipalities	Nine (9) Digital Solutions deployed to municipalities by 31 March 2025	73	SALGA deployed 6 Data solutions and 3 Digital Factory solutions to municipalities	Achieved	None
Products and services catalogue developed	Products and services catalogue developed by 31 March 2025	74	Products and services catalogue was developed.	Achieved	None
Municipalities utilizing signed PPP agreements with operators/spectrum-holders	Four (04) municipalities utilising the signed PPP agreements with operators/ spectrum holders by 31 March 2025	75	4 municipalities utilising the PPP agreements with operators/spectrum holders	Not achieved	The PPP agreements have not been signed.
Unqualified Audit Opinion for the 2024/2025 Financial Year	Annual and quarterly Financial Statements developed and submitted to National Treasury by 31 March 2025	76	Quarterly financial statement as well as the Annual Financial Statements were developed and submitted to COGTA, National Treasury and Parliament as per the requirements of the PFMA	Achieved	None
Unqualified Audit Opinion for the 2024/2025 Financial Year	Procurement plan developed and submitted to National Treasury by 31 March 2025	77	The 2025-2026 Annual Procurement Plan was developed and submitted to National Treasury on the 31 March 2025.	Achieved	None
Unqualified Audit Opinion for the 2024/2025 Financial Year	Submission of MTEF by 30th September inline with MTEF guidelines and timelines	78	The draft and final MTEF were developed and submitted in line with the guidelines on 19 July and 03 December 2024 respectively.	Achieved	None
Approved Project Plan for the SCM automation system	Project Plan for the SCM automation system developed by 31 March 2025.	79	Project Plan for the SCM automation system was developed	Achieved	None
Percentage collection of membership levies	90% levies collection for current year by 31 March 2025	80	91% levies was collection for 2024-2025 financial year	Achieved	None
Leader-led Vision and Values programme implemented	Two (02) Leadership engagements convened by 31 March 2025	81	Two leadership engagements were convened over the financial year: 1. SALGA top Leadership Culture Conversation session 15-16 July 2024 2. Leadership Conference held on 14-16 October 2025.	Achieved	None

Outcome	Mandate	Programme	Actual Audited Performance 2021 - 2022	Actual Audited Performance 2022 - 2023	Actual Audited Performance 2023 - 2024	Output
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	Talent Mapping and Succession plan Implemented by 31 March 2022	Talent mapping of Level 2 (excluding EXCO) and Level 3 by 31 March 2023	Talent mapping for Portfolio Heads and Senior Managers by 31 March 2024	Talent strategies
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	New Indicator.	Customer Satisfaction Assessment conducted by 31 March 2023.	1% Improvement of internal customer satisfaction with HCCS based on 2022-23 achievement by 31 March 2024.	Human Resource Employee Request Report
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	New Indicator	Productivity Assessment Report by 31 March 2023.	Workforce Productivity assessment report by 31 March 2024.	Workforce Productivity Assessment Report
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	100% compliance with the SALGA governance framework by 31 March 2022	100% compliance with the SALGA governance framework by 31 March 2023	100% compliance with the SALGA governance framework by 31 March 2024	Multisectoral municipal support programme Report on support provided to the registered projects
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	2021-2022 APP	2022-2023 APP	2023-2024 APP	SALGA Annual Performance Plan for the year 2025-2026
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	92% Performance achieved by 31 March 2022	98% Performance achieved by 31 March 2023	90% Performance against the APP by 31 March 2024	Performance against the Annual Performance Plan
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	2020-2021 Annual Report	2021-2022 Annual Report	2022-2023 Annual Report	SALGA Annual Report
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	None	None	None	Monitoring and Evaluation Policy and Framework
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	100% Implementation of the 2021-2022 Internal Audit Plan by 31 March 2022	100% Implementation of the 2022-2023 Internal Audit Plan by 31 March 2023	100% Implementation of the 2023-2024 Internal Audit Plan by 31 March 2024	2024 - 2025 Internal Audit Plan
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	96% implementation status	100% implementation status	80% implementation status	2024-2025 Strategic risk profile
Outcome 1: An Agile Force of Influence	M 6: Strategic Profiling	Programme 5: Administration	% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar	% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar	% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar	An assessment report on the effectiveness of SALGA Governance Structures

Output Indicator	Planned Annual Target 2024-2025	Target No	Actual Achievement	Performance Status	Reason for Variance
Segmented Talent Profiles Developed	Develop targeted strategies for different talent segments by 31 March 2025	82	Targeted strategies for the different talent segments of SALGA were developed.	Achieved	None
Percentage completion of internally focused Human Resource related employee requests	90% of internally focused Human Resource related employee requests resolved by 31 March 2025	83	99.4% (321 of 323) of internally focused Human Resource-related queries logged via the Service Desk Pro system during the 2024/2025 financial year were successfully resolved.	Achieved	None
Workforce Productivity index	Workforce Productivity assessment conducted by 31 March 2025.	84	SALGA conducted a workforce productivity assessment and maintained a strong Composite Workforce Productivity Index of 1.10.	Achieved	None
Project Management support to registered proect through the Multisectoral municipal support programme	Project management support provided to 35 registered projects through the multisectoral municipal support programme (MMSP) by 31 March 2025	85	Technical Project management support was provided to project teams for 35 registered projects through the multisectoral municipal support programme.	Achieved	None
2025-2026 Annual Performance Plan developed	2025-2026 Annual Performance Plan developed by 31 March 2025	86	SALGA's 2025-2026 Annual Performance Plan was developed and submitted to CoGTA, National Treasury and Parliament on 31 January 2025 following the EMT Lekgotla and on 28 February 2025 following the NEC approval	Achieved	None
Quarterly Reports on SALGA performance	Quarterly Reports developed on the Performance against the 2024 - 2025 Annual Performance Plan	87	Quarterly reports on performance against the APP were developed and submitted to COGTA, National Treasury, and Parliament as follows: Q4 submitted on 30 April 2024 Q1 submitted on 31 July 2024 Q2 submitted on 31 October 2024 Q3 submitted on 31 January 2025	Achieved	None
Development of 2023-2024 Annual Report	2023-2024 Annual Report developed by 30 September 2024	88	SALGA's 2023-2024 Annual Report was developed and submitted to CoGTA and National Treasury on the 31 August 2024 and to Parliament on 27 September 2024.	Achieved	None
Implementation of M&E Policy and Framework	Monitoring & Evaluation Policy and Framework implemented by 31 March 2025	89	Monitoring & Evaluation Policy and Framework was implemented through the development of the M&E implementation readiness, development of M&E plans for selected projects/programmes as well as the conclusion of the PMA effectiveness.	Achieved	None
Percentage implementation of the 2024-2025 Internal Audit Plan	100% Implementation of the 2024-2025 Internal Audit Plan by 31 March 2025	90	SALGA implemented 100% of the 2024-2025 internal Audit plan.	Achieved	None
Percentage implementation of the Strategic risk profile	80% implementation of the Strategic risk action plans by 31 March 2025	91	SALGA implemented 100% of the strategic risk action plans identified for the 2024-2025 fy.	Achieved	None
SALGA Governance structures convened and effectiveness assessed.	SALGA Governance Structures convened and effectiveness assessed on a quarterly basis by 31 March 2025	92	SALGA Governance Structures convened and effectiveness assessed on a quarterly basis. In total, 452 meetings were convened in the 2024-2025 financial year.	Achieved	None

APPENDIX B:

MUNICIPAL MEMBERS AND CONTACT DETAILS

EASTERN CAPE PROVINCE MUNICIPALITIES	
Buffalo City Metropolitan	<p>Postal: P.O Box 134, East London, 5200</p> <p>Physical: 117 Oxford Street, 10th Floor, Trust Centre, North Street, East London</p> <p>Tel: 043 705 2000</p> <p>Website: www.buffalocity.gov.za</p>
Nelson Mandela Metropolitan	<p>Postal: P O Box 136, Port Elizabeth, 6000</p> <p>Physical: City Hall, Vuyisile Mini Square, Port Elizabeth</p> <p>Tel: 041 506 1911</p> <p>Fax: 086 771 9398</p> <p>Website: www.nelsonmandelabay.gov.za</p>
Alfred Nzo District Municipality	<p>Postal: Private Bag X511, eMaXesibeni, 4735</p> <p>Physical: Erf 1400, Ntsizwa Street, eMaXesibeni</p> <p>Tel: 039 254 5000</p> <p>Fax: 086 627 7836</p> <p>Website: www.andm.gov.za</p>
Amahlathi Local Municipality	<p>Postal: Private Bag X4002, Stutterheim, 4930</p> <p>Physical: 12 Maclean Street, Stutterheim</p> <p>Tel: 043 683 5000</p> <p>Fax: 043 683 1127</p> <p>Website: www.amahlathi.gov.za</p>
Amatole District Municipality	<p>Postal: P.O Box 320, East London, 5200</p> <p>Physical: 15 Rees Street, Quigney, East London, 5201</p> <p>Tel: 043 701 4000</p> <p>Website: www.amathole.gov.za</p>
Dr Beyers Naude Local Municipality	<p>Postal: P.O Box 71, Graaff-Reinet, 6280</p> <p>Physical: 12 Church Square, Graaff-Reinet</p> <p>Tel: 049 807 5700</p> <p>Website: www.bnml.gov.za</p>
Blue Crane Route Local Municipality	<p>Postal: P.O Box 21, Somerset East, 5850</p> <p>Physical: 67 Nojoli Street, Somerset East</p> <p>Tel: 042 243 6400</p> <p>Website: www.bcrm.gov.za</p>
Chris Hani District Municipality	<p>Postal: Private Bag X7121, Komani, 5320</p> <p>Physical: 15 Bells Road, Central Komani</p> <p>Tel: 045 808 4600</p> <p>Website: www.chrishanidm.gov.za</p>
Elundini Local Municipality	<p>Postal: P.O Box 1, Maclear, 5480</p> <p>Physical: 1 Seller Street, Maclear</p> <p>Tel: 045 932 8100</p> <p>Website: www.elundini.gov.za</p>
Emalahleni Local Municipality	<p>Postal: Private Bag X1161, Cacadu, 5410</p> <p>Physical: 37 Indwe Road, Cacadu</p> <p>Tel: 047 8782000 / 087 808 0905</p> <p>Website: www.emalahlenilm.gov.za</p>
Dr AB Xuma Local Municipality (Formerly known as Engcobo)	<p>Postal: P.O Box 24, Engcobo, 5050</p> <p>Physical: 58 Union Street, Engcobo</p> <p>Tel: 047 548 5600</p> <p>Fax: 047 548 1078</p> <p>Website: N/A</p>

EASTERN CAPE PROVINCE MUNICIPALITIES	
Great Kei Local Municipality	Postal: Private Bag X2, Komga, 4950 Physical: 17 Main Street, Komga, 4950 Tel: 043 831 5700 Website: greatkeilm.gov.za/Website
Inqquza Hill Local Municipality	Postal: P.O Box 14, Flagstaff, 4810 Physical: 135 Main Street, Flagstaff Tel: 039 252 0131 Website: www.ihlm.gov.za
Intsika Yethu Local Municipality	Postal: Private Bag X1251, Cofimvaba, 5380 Physical: 201 Main Street, Cofimvaba Tel: 047 874 8700 Website: www.intsikayethu.gov.za
Inxuba Yethemba Local Municipality	Postal: P.O Box 24, Cradock, 5880 Physical: 1 J A Calata Street, Cradock Tel: 048 801 5000 Website: www.iym.gov.za
Joe Gqabi District Municipality	Postal: Private Bag X102, Barkly East, 9786 Physical: Cnr. Cole & Graham Streets, Barkly East Tel: 045 979 3000 Website: www.jgdm.gov.za
King Sabata Dalindyebo Local Municipality	Postal: P.O Box 45, Mthatha, 5099 Physical: Munitata Building, Sutherland Street, Mthatha Tel: 047 501 4000 Website: www.ksd.gov.za
Kouga Local Municipality	Postal: P.O Box 21, Jeffreys Bay, 6330 Physical: 33 Da Gama Road, Jeffreys Bay Tel: 042 200 2200 Website: www.kouga.gov.za
Kou-Kamma Local Municipality	Postal: Private Bag X011, Kareedouw, 6400 Physical: 5 Keet Street, Kareedouw Tel: 042 288 7200 Website: www.koukammamunicipality.gov.za
Enoch Mgijima Local Municipality	Postal: 70 Cathcart Road, Town Hall, Komani, 5320 Physical: 70 Cathcart Road, Town Hall, Komani Tel: 045 807 2606 Website: www.enochmgijima.gov.za
Makana Local Municipality	Postal: P.O Box 176, Makhanda, 6140 Physical: City Hall, High Street, Makhanda, 6139 Tel: 046 603 6111 Website: www.makana.gov.za
Walter Sisulu Local Municipality	Postal: P.O Box 13, Burgersdorp, 9744 Physical: 1 Greyling Street, Burgersdorp, 9744 Tel: 051 653 1777 Website: www.wslm.gov.za
Matatiele Local Municipality	Postal: P.O Box 35, Matatiele, 4730 Physical: 102 Main Street, Matatiele Tel: 039 737 8100 Website: www.matatiele.gov.za
Mbashe Local Municipality	Postal: P.O Box 25, Dutywa, 5000 Physical: 454 Streatfield Road, Dutywa Tel: 047 489 5800 Website: www.mbashemun.gov.za

EASTERN CAPE PROVINCE MUNICIPALITIES

Winnie Madikizela-Mandela Local Municipality <i>(Formerly known as Mbizana)</i>	Postal: P.O Box 12, Bizana, 4800 Physical: 51 Main Street, Bizana Tel: 039 251 0230 Website: www.winniemmlm.gov.za
Mhlontlo Local Municipality	Postal: P.O Box 31, Qumbu, 5180 Physical: 96 LG Mabindla Avenue, Qumbu Tel: 047 553 7000 Website: www.mhlontlolm.gov.za
Mnquma Local Municipality	Postal: P.O Box 36, Butterworth, 4960 Physical: Cnr. King & Mthatha Streets, Butterworth Tel: 047 050 1101 Website: www.mnquma.gov.za
Ndlambe Local Municipality	Postal: P.O Box 13, Port Alfred, 6170 Physical: 47 Campbell Street, Port Alfred Tel: 046 604 5500 Website: www.ndlambe.gov.za
Ngqushwa Local Municipality	Postal: P.O Box 539, Peddie, 5640 Physical: Erf 313, Main Road, Peddie Tel: 040 673 3095 Website: ngqushwamun.gov.za
Ntabankulu Local Municipality	Postal: P.O Box 234, Ntabankulu, 5130 Physical: 85 Main Street, Ntabankulu Tel: 039 258 0056 Website: www.ntabankulu.gov.za
Nyandeni Local Municipality	Postal: Private Bag X504, Libode, 5160 Physical: B Nomandela Drive, Municipality Building, Libode Tel: 047 555 5000 Website: www.nyandenilm.gov.za
OR Tambo District Municipality	Postal: Private Bag X6043, Mthatha, 5100 Physical: OR Tambo House, Nelson Mandela Drive, Myezo Park, Mthatha Tel: 047 501 6400 Website: www.ortambodm.gov.za
Port St Johns Local Municipality	Postal: P.O Box 2, Port St Johns, 5120 Physical: 257 Main Street, Port St Johns Tel: 047 564 1207/8 Website: www.psjmunicipality.gov.za
Raymond Mhlaba Local Municipality	Postal: P.O Box 36, Fort Beaufort, 5720 Physical: 8 Somerset Road, Fort Beaufort Tel: 046 645 7400 Website: www.raymondmhlaba.gov.za
Sakhisizwe Local Municipality	Postal: P.O Box 26, Cala, 5455 Physical: 458 Umthatha Road, Cala Tel: 047 877 5200 Website: www.sakhisizwe.gov.za
Sarah Bartman District Municipality	Postal: P.O Box 318, Port Elizabeth, 6000 Physical: 32 Govan Mbeki Avenue, Port Elizabeth Tel: 041 508 7111 Website: www.sarahbaartman.co.za
Senqu Local Municipality	Postal: Private Bag X03, Lady Grey, 9755 Physical: 19 Murray Street, Lady Grey Tel: 051 603 1300 Website: www.senqu.gov.za

EASTERN CAPE PROVINCE MUNICIPALITIES

Sunday's River Valley Local Municipality	Postal: P.O Box 47, Kirkwood, 6120 Physical: 23 Middle Street, Kirkwood, 6120 Tel: 042 230 7700 / 7730 Website: www.srvm.gov.za
Umzimvubu Local Municipality	Postal: Private Bag X9020, KwaBhaca, 5090 Physical: 813 Main Street, KwaBhaca Tel: 039 255 8500 Website: umzimvubu.gov.za

FREE STATE PROVINCE MUNICIPALITIES

Dihlabeng Local Municipality	Postal: P.O Box 551, Bethlehem, 9700 Physical: 9 Muller Street, Bethlehem Tel: 058 303 5732 Website: www.dihlabeng.gov.za
Fezile Dabi District Municipality	Postal: P.O Box 10, Sasolburg, 1947 Physical: John Vorster Road, Sasolburg Tel: 016 970 8600 Website: feziledabi.gov.za
Kopanong Local Municipality	Postal: Private Bag X23, Trompsburg, 9913 Physical: 20 Louw Street, Trompsburg Tel: 051 713 9200 Website: www.kopanong.gov.za
Letsemeng Local Municipality	Postal: Private Bag X3, Koffiefontein, 9986 Physical: No7 Groot Trek Street, Koffiefontein, 9986 Tel: 053 330 0200 Website: www.letsemeng.fs.gov.za
Lejweleputswa District Municipality	Postal: P.O Box 2163, Welkom, 9460 Physical: Cnr. Jan Hofmeyer & Tempest Streets, Welkom Tel: 057 353 3094 Website: www.mylejwe.co.za
Mafube Local Municipality	Postal: P.O Box 2, Frankfort, 9830 Physical: 64 JJ Hadebe Street, Frankfort Tel: 058 813 1051/9700/9718 Website: www.mafube.fs.gov.za
Maluti-A-Phofung Local Municipality	Postal: Private Bag X805, Witsieshoek, 9866 Physical: Cnr. Moremoholo & Motlounge Streets, Setsing Complex, Phuthaditjhaba Tel: 058 718 3700 Website: N/A
Mangaung Metropolitan Municipality	Postal: P.O Box 3704, Bloemfontein, 9300 Physical: Bram Fischer Building, Nelson Mandela Drive & Markgraaff Street, Bloemfontein Tel: 0800 111 300 Website: www.mangaung.co.za
Mantsopa Local Municipality	Postal: P.O Box 64, Ladybrand, 9745 Physical: 38 Joubert Street, Ladybrand Tel: 051 924 0654 Website: www.mantsopa.fs.gov.za
Masilonyana Local Municipality	Postal: P.O Box 8, Theunissen, 9410 Physical: 47 Le Roux Street, Theunissen, 9410 Tel: 057 733 0106 Website: www.masilonyana.fs.gov.za
Matjhabeng Local Municipality	Postal: P.O Box 708, Welkom, 9460 Physical: 319 Stateway, Welkom Tel: 057 391 3911 Website: www.matjhabengmunicipality.co.za

FREE STATE PROVINCE MUNICIPALITIES

Metsimaholo Local Municipality	Postal: P.O Box 60, Sasolburg, 1947 Physical: Civic Centre, Fichardt Street, Sasolburg Tel: 016 973 8300 Website: www.metsimaholo.gov.za
Mohokare Local Municipality	Postal: P.O Box 20, Zastron, 9950 Physical: Hoofd Street, Zastron Tel: 051 673 9600 Website: www.mohokare.gov.za
Moqhaka Local Municipality	Postal: P.O Box 302, Kroonstad, 9500 Physical: Hill Street, Kroonstad Tel: 056 216 9911/9900 Website: www.moqhaka.gov.za
Nala Local Municipality	Postal: Private Bag X15, Bothaville, 9660 Physical: 8 Preller Street, Bothaville Tel: 056 514 9200 Website: www.nala.org.za
Nketoana Local Municipality	Postal: P.O Box 26, Reitz, 9810 Physical: Cnr. Church & Voortrekker Streets, Reitz Tel: 058 863 2811 Website: www.nketoana.fs.gov.za
Ngwathe Local Municipality	Postal: P.O Box 359, Parys, 9585 Physical: Liebenburg Street, Parys Tel: 056 816 2700 Website: www.ngwathe.fs.gov.za
Phumelela Local Municipality	Postal: Private Bag X5, Vrede, 9835 Physical: Cnr. Prinsloo & Kuhn Streets Streets, Vrede Tel: 058 913 8300 Website: www.phumelela.gov.za
Setsoto Local Municipality	Postal: P.O Box 116, Ficksburg, 9730 Physical: 27 Voortrekker Street, Ficksburg Tel: 051 933 9300 Website: www.setsoto.gov.za
Thabo Mofutsanyana District Municipality	Postal: Private Bag X810, Witsieshoek, 9870 Physical: 1 Mampoi Street, Old Parliament Building, Phuthaditjhaba Tel: 058 718 1000 Website: www.thabomofutsanyana.gov.za
Tokologo Local Municipality	Postal: Private Bag X46, Boshoff, 8340 Physical: Market Square, Voortrekker Street, Boshoff Tel: 053 541 0014 Website: www.tokologo.fs.gov.za
Tswelopele Local Municipality	Postal: P.O Box 3, Bultfontein, 9670 Physical: Civic Centre, Bosman Street, Bultfontein Tel: 051 853 1111 Website: www.tswelopele.gov.za
Xhariep District Municipality	Postal: Private Bag X136, Trompsburg, 9913 Physical: 20 Louw Street, Trompsburg Tel: 051 713 9300 Website: www.xhariep.gov.za

GAUTENG PROVINCE MUNICIPALITIES	
City of Johannesburg Metropolitan	<p>Postal: P.O Box 1049, Johannesburg, 2000</p> <p>Physical: Metropolitan Centre, 1st Floor Council Chamber Wing, 158 Loveday Street, Braamfontein, Johannesburg</p> <p>Tel: 011 407 6111</p> <p>Fax: 011 339 5704</p> <p>Website: www.joburg.org.za</p>
City of Tshwane Metropolitan	<p>Postal: P.O Box 440, Pretoria, 0001</p> <p>Postal: Munitoria Building, 2nd Floor, Vermeulen Street, Pretoria</p> <p>Tel: 012 358 4900</p> <p>Fax: 012 323 5117</p> <p>Website: www.tshwane.gov.za</p>
City of Ekurhuleni Metropolitan	<p>Postal: P.O Box 145, Germiston, 1400</p> <p>Physical: EGSC Building, cnr. Cross and Roses Streets, Germiston</p> <p>Tel: 011 999 0764 / 0907</p> <p>Fax: 011 999 1564</p> <p>Website: www.ekurhuleni.gov.za</p>
Sedibeng District Municipality	<p>Postal: P.O Box 471, Vereeniging, 1930</p> <p>Physical: Cnr. Beaconsfield & Leslie Streets, Vereeniging</p> <p>Tel: 016 450 3000</p> <p>Website: www.sedibeng.gov.za</p>
Emfuleni Local Municipality	<p>Postal: P.O Box 3, Vanderbijlpark, 1900</p> <p>Physical: Cnr. Klasie Havenga and Frikkie Meyer Boulevard, Vanderbijlpark</p> <p>Tel: 016 950 5000</p> <p>Website: www.emfuleni.gov.za</p>
Midvaal Local Municipality	<p>Postal: P.O Box 9, Meyerton, 1960</p> <p>Physical: Cnr. Junius & Mitchell Street, Meyerton</p> <p>Tel: 016 360 7400</p> <p>Website: www.midvaal.gov.za</p>
Lesedi Local Municipality	<p>Postal: P.O Box 201, Heidelberg, 1438</p> <p>Physical: Civic Centre, Cnr. HF Verwoerd and Louw Street, Heidelberg</p> <p>Tel: 016 340 4300</p> <p>Fax: 016 360 7519</p> <p>Website: www.lesedi-lm.gauteng.gov.za</p>
West Rand District Municipality	<p>Postal: Private Bag X033, Randfontein, 1760</p> <p>Physical: Cnr. Sixth and Park Streets, Randfontein</p> <p>Tel: 011 411 5000</p> <p>Fax: 011 412 3663</p> <p>Website: www.wrdm.gov.za</p>
Merafong City Local Municipality	<p>Postal: P.O Box 3, Carletonville, 2500</p> <p>Physical: 3 Halite Street, Carletonville</p> <p>Tel: 018 788 9500</p> <p>Fax: 018 786 1105</p> <p>Website: www.merafong.gov.za</p>
Mogale City Local Municipality	<p>Postal: P.O Box 94, Krugersdorp, 1740</p> <p>Physical: Cnr. Commissioner & Market Streets, Krugersdorp</p> <p>Tel: 011 951 2000/1</p> <p>Website: www.mogalecity.gov.za</p>
Randwest Local Municipality	<p>Postal: P.O Box 218, Randfontein, 1760</p> <p>Physical: Cnr. Sutherland & Pollock Streets, Randfontein</p> <p>Tel: 011 411 0000</p> <p>Fax: 011 693 1736</p> <p>Website: www.randfontein.gov.za</p>

KWAZULU-NATAL PROVINCE MUNICIPALITIES

Amajuba District Municipality	Postal: Private Bag X6615, Newcastle, 2940 Physical: Unit B9356 Amajuba Building, Section 1, Madadeni Tel: 034 329 7200 Website: www.amajuba.gov.za
AbaQulusi Local Municipality	Postal: P.O Box 57, Vryheid, 3100 Physical: Cnr. High & Mark Streets, Vryheid, 3100 Tel: 034 982 2133 Website: www.abaqulusi.gov.za
Alfred Duma Local Municipality	Postal: P.O Box 29, Ladysmith, 3370 Physical: 221 Murchison Street, Lister Clarence Building, Ladysmith Tel: 036 637 2231 Website: www.alfredduma.gov.za
Big 5 Hlabisa Local Municipality	Postal: P.O Box 387, Hlabisa, 3937 Physical: Lot 808, Off Masson Street, Hlabisa Tel: 035 838 8500 Website: big5hlabisa.gov.za
Dannhauser Local Municipality	Postal: Private Bag X1011, Dannhauser, 3080 Physical: 8 Church Street, Dannhauser Tel: 034 621 2666 Website: www.dannhauser.gov.za
Dr Nkosazana Dlamini Zuma Local Municipality	Postal: P.O Box 62, Creighton, 3263 Physical: Main Street, Creighton, 3263 Tel: 039 833 1038 Website: www.ndz.gov.za
eDumbe Local Municipality	Postal: Private Bag X308, Paulpietersburg, 3180 Physical: 10 Hoog Street, Paulpietersburg Tel: 034 995 1650 Website: www.edumbe.gov.za
eMadlangeni Local Municipality	Postal: P.O Box 11, Utrecht, 2980 Physical: 34 Voor Street, Utrecht, 2980 Tel: 034 331 3041 Website: emadlangeni.gov.za
Endumeni Local Municipality	Postal: Private Bag X2024, Dundee, 3000 Physical: 64 Victoria Street, Dundee Tel: 034 212 2121 Website: www.endumeni.gov.za
eThekweni Metropolitan Municipality	Postal: P.O Box 1014, Durban, 4000 Physical: City Hall, 263 Dr Pixley Ka Seme Street, Durban Tel: 031 311 1111 Website: www.durban.gov.za
Greater Kokstad Local Municipality	Postal: P.O Box 8, Kokstad, 4700 Physical: Adam Kok III Building, 75 Hope Street, Kokstad Tel: 039 797 6600 Website: www.kokstad.gov.za
Harry Gwala District Municipality	Postal: Private Bag X501, Ixopo, 3276 Physical: 40 Main Street, Ixopo Tel: 039 834 8700 Website: www.harrygwaladm.gov.za
iLembe District Municipality	Postal: P.O Box 1788, KwaDukuza, 4450 Physical: iLembe House, 59/61 Mahatma Ghandi Street, KwaDukuza Tel: 032 437 9375 Website: www.ilembe.gov.za

KWAZULU-NATAL PROVINCE MUNICIPALITIES	
Impendle Local Municipality	Postal: Private Bag X512, Impendle, 3227 Physical: 21 Mafahleni Street, Impendle Tel: 033 996 6000 Website: www.impendle.gov.za
Inkosi Langelibalele Local Municipality	Postal: P.O Box 15, Estcourt, 3310 Physical: Civic Building, 1 Victoria Street, Estcourt, 3310 Tel: 036 342 7800 Website: www.ilm.gov.za
Jozini Local Municipality	Postal: Private Bag X28, Jozini, 3969 Physical: Circle Street, Bottom Town, Jozini Tel: 035 572 1292 Website: www.jozini.gov.za
King Cetshwayo District Municipality	Postal: Private Bag X1025, Richards Bay, 3900 Physical: King Cetshwayo House, Kruger Rand, Richards Bay Tel: 035 799 2500 Website: www.kingcetshwayo.gov.za
KwaDukuza Local Municipality	Postal: P.O Box 72, KwaDukuza, 4450 Physical: 14 Chief Albert Luthuli Street, KwaDukuza Tel: 032 437 5000 Website: www.kwadukuza.gov.za
Mandeni Local Municipality	Postal: P.O Box 144, Mandeni, 4490 Physical: 2 Kingfisher Road, Mandeni Tel: 032 456 8200 Website: www.mandeni.gov.za
Maphumulo Local Municipality	Postal: Private Bag X9205, Maphumulo, 4470 Physical: MR 711, LOT 152, Maphumulo Tel: 032 481 4500 Website: maphumulo.gov.za
uMfolozi Local Municipality	Postal: P.O Box 96, KwaMbonambi, 3915 Physical: 25 Bredelia Street, KwaMbonambi Tel: 035 580 1421 Website: umfolozi.org.za
uMhlabuyalingana Local Municipality	Postal: Private Bag X901, KwaNgwanase, 3973 Physical: R22 Main Road, 01 Manguzi, Manguzi Tel: 035 592 0680 Website: www.umhlabuyalingana.gov.za
Mpofana Local Municipality	Postal: P.O Box 47, Mooi River, 3300 Physical: 10 Cloughton Terrace, Mooi River Tel: 033 263 1221 Website: www.mpofana.gov.za
Msunduzi Local Municipality	Postal: Private Bag X321, Pietermaritzburg, 3200 Physical: Cnr. Church & Chief Albert Luthuli Streets, Pietermaritzburg Tel: 033 392 3000 Website: www.msunduzi.gov.za
Inkosi uMtubatuba Local Municipality	Postal: P.O Box 52, Mtubatuba, 3935 Physical: Lot 105, Inkosi Mtubatuba Road, Mtubatuba Tel: 035 550 0069/087 106 9700 Website: www.mtubatuba.gov.za
Mkhambathini Local Municipality	Postal: Private Bag X04, Camperdown, 3720 Physical: 18 Old Main Road, Camperdown Tel: 031 785 9300 Website: www.mkhambathini.gov.za

KWAZULU-NATAL PROVINCE MUNICIPALITIES

Mthonjaneni Local Municipality	<p>Postal: P.O Box 11, Melmoth, 3835</p> <p>Physical: 21 Reinhold Street, Melmoth</p> <p>Tel: 035 450 2082</p> <p>Website: www.mthonjaneni.org.za</p>
Ndwedwe Local Municipality	<p>Postal: Private Bag X503, Ndwedwe, 4342</p> <p>Physical: P100 Road, Ndwedwe</p> <p>Tel: 032 532 5000</p> <p>Website: www.ndwedwe.gov.za</p>
Newcastle Local Municipality	<p>Postal: Private Bag X6621, Newcastle, 2940</p> <p>Physical: 37 Murchison Street, Newcastle</p> <p>Tel: 034 328 7600</p> <p>Website: www.newcastle.gov.za</p>
Nkandla Local Municipality	<p>Postal: Private Bag X161, Nkandla, 3855</p> <p>Physical: Lot 292, Maree Road, Nkandla</p> <p>Tel: 035 833 2000</p> <p>Website: www.nkandla.gov.za</p>
Nongoma Local Municipality	<p>Postal: P.O Box 84, Nongoma, 3950</p> <p>Physical: Lot 103, Main Street, Nongoma</p> <p>Tel: 035 831 7500</p> <p>Website: www.nongoma.gov.za</p>
Nquthu Local Municipality	<p>Postal: Private Bag X5521, Nquthu, 3135</p> <p>Physical: 83 Mdlalose Street, Nquthu</p> <p>Tel: 034 271 6100</p> <p>Website: www.nquthu.gov.za</p>
Okhahlamba Local Municipality	<p>Postal: P.O Box 71, Bergville, 3350</p> <p>Physical: 259 Kingsway Street, Bergville</p> <p>Tel: 036 448 8000</p> <p>Website: www.okhahlamba.gov.za</p>
Ray Nkonyeni Local Municipality	<p>Postal: P.O Box 5, Port Shepstone, 4240</p> <p>Physical: 10 Connor Street, Port Shepstone</p> <p>Tel: 039 688 2000</p> <p>Website: www.rnm.gov.za</p>
Richmond Local Municipality	<p>Postal: Private Bag X1028, Richmond, 3780</p> <p>Physical: 57 Shepstone Street, Richmond</p> <p>Tel: 033 212 2155</p> <p>Website: www.richmond.gov.za</p>
Ugu District Municipality	<p>Postal: P.O Box 33, Port Shepstone, 4240</p> <p>Physical: 28 Connor Street, Port Shepstone</p> <p>Tel: 039 688 5700</p> <p>Website: www.ugu.gov.za</p>
Umdoni Local Municipality	<p>Postal: P.O Box 19, Scottburgh, 4180</p> <p>Physical: Cnr. Bram Fischer & Williamson Streets, Scottburgh</p> <p>Tel: 039 976 1202 / 039 978 4313</p> <p>Website: www.umdoni.gov.za</p>
uMkhanyakude District Municipality	<p>Postal: P.O Box 449, Mkuze, 3965</p> <p>Physical: Harlingen No.13433, Kingfisher Road, Mkuze, 3965</p> <p>Tel: 035 573 8600</p> <p>Website: www.ukdm.gov.za</p>
Ubuhlebezwe Local Municipality	<p>Postal: P.O Box 132, Ixopo, 3276</p> <p>Physical: 29 Margaret Street, Ixopo</p> <p>Tel: 039 834 7700</p> <p>Website: www.ubuhlebezwe.gov.za</p>

KWAZULU-NATAL PROVINCE MUNICIPALITIES	
Ulundi Local Municipality	Postal: Private Bag X17, Ulundi, 3838 Physical: BA 81, Prince Mangosuthu Street, Ulundi Tel: 035 874 5100 Website: www.ulundi.gov.za
uMgungundlovu District Municipality	Postal: P.O Box 3235, Pietermaritzburg, 3200 Physical: 242 Langalibalele Street, Pietermaritzburg Tel: 033 897 6700 Website: www.umd.gov.za
City of uMhlathuze Local Municipality	Postal: Private Bag X1004, Richards Bay, 3900 Physical: 5 Mark Strasse, Central Business District, Richards Bay Tel: 035 907 5000 / 0800 222 827 Website: www.umhlathuze.gov.za
uMlalazi Local Municipality	Postal: P.O Box 37, Eshowe, 3815 Physical: Hutchinson Street, Eshowe Tel: 035 473 3300 Website: www.umlalazi.gov.za
uMngeni Local Municipality	Postal: P.O Box 5, Howick, 3290 Physical: Cnr. Dicks & Somme Streets, Howick Tel: 033 239 9200 Website: www.umngeni.gov.za
uMsinga Local Municipality	Postal: Private Bag X530, Tugela Ferry, 3010 Physical: R33 Main Road, Tugela Ferry Tel: 033 493 8000 Website: www.umsinga.gov.za
Umzimkhulu Local Municipality	Postal: P.O Box 53, Umzimkhulu, 3297 Physical: 169 Mzimkhulu Mlonyana, uMzimkhulu Tel: 039 259 5000 Website: www.umzimkhululm.gov.za
Umzumbe Local Municipality	Postal: P.O Box 561, Hibberdene, 4220 Physical: Sipofu Road, Mathulini MPCC, Mthwalume, 4186 Tel: 039 972 0005 Website: www.umzumbe.gov.za
uMshwathi Local Municipality	Postal: Private Bag X29, Wartburg, 3233 Physical: Main Street, New Hanover Tel: 033 816 6800 Website: www.umshwathi.gov.za
Umuziwabantu Local Municipality	Postal: Private Bag X1023, Harding, 4680 Physical: Murchison Street, Harding Tel: 039 433 3500 Website: www.umuziwabantu.gov.za
Umvoti Local Municipality	Postal: P.O Box 71, Greytown, 3250 Physical: 41 Bell Street, Greytown Tel: 033 413 9100 Website: www.umvoti.gov.za
uMzinyathi District Municipality	Postal: P.O Box 1965, Dundee, 3000 Physical: 39 Victoria Street, Princess Magogo Building, Dundee Tel: 034 219 1500 Website: www.umzinyathi.gov.za
uPhongolo Local Municipality	Postal: P.O Box 191, Pongola, 3170 Physical: 61 Martin Street, Pongola Tel: 034 413 1223 Website: www.uphongolo.gov.za

KWAZULU-NATAL PROVINCE MUNICIPALITIES

uThukela District Municipality	Postal: P.O Box 116, Ladysmith, 3370 Physical: 36 Lyel Street / 33 Forbes Street, Ladysmith Tel: 036 638 5100 / 036 638 2400 Website: www.uthukela.gov.za
Zululand District Municipality	Postal: Private Bag X76, Ulundi, 3838 Physical: 400 Ugagane Street, Ulundi Tel: 035 874 5530 Website: www.zululand.org.za

LIMPOPO PROVINCE MUNICIPALITIES

Capricorn District Municipality	Postal: P.O Box 4100, Polokwane, 0700 Physical: 41 Biccard Street, Polokwane Tel: 015 294 1000 Email: communications@cdm.org.za Website: www.cdm.org.za
Blouberg Local Municipality	Postal: P.O Box 1593, Senwabarwana, 0790 Physical: Bochum Road, 2nd Building Mogwadi, Senwabarwana. Tel: 015 505 7100 Email: info@blouberg.gov.za Website: www.blouberg.gov.za
Lepelle-Nkumpi Local Municipality	Postal: Private Bag X07, Chuenespoort, 0745 Physical: 170 BA, Lebowakgomo, 0737 Tel: 015 633 4500 Website: www.lepelle-nkumpi.gov.za
Molemole Local Municipality	Postal: Private Bag X 44, Mogwadi, 0715 Physical: Mogwadi Head Office, 303 Church Street, Mogwadi Tel: 015 501 0243 Website: www.molemole.gov.za
Polokwane Local Municipality	Postal: P.O Box 111, Polokwane, 0700 Physical: Cnr. Landros Mare & Bodenstein Streets, Polokwane Tel: 015 290 2000 Website: www.polokwane.gov.za
Mopani District Municipality	Postal: Private Bag X9687, Giyani, 0826 Physical: Old Government Complex, Giyani Main Road, Giyani Tel: 015 811 5500 Website: www.mopani.gov.za
Ba-Phalaborwa Local Municipality	Postal: Private Bag X01020, Phalaborwa, 1390 Physical: Cnr. Nelson Mandela Drive & Selati Road, Phalaborwa Tel: 015 780 6300 Website: www.ba-phalaborwa.gov.za
Greater Giyani Local Municipality	Postal: Private Bag X9559, Giyani, 0826 Physical: BA 59/2 Giyani Main Road, opposite Nkensani Hospital, Giyani Tel: 015 811 5500 Website: www.greatergiyani.gov.za
Greater Letaba Local Municipality	Postal: P.O Box 36, Mojadjiekloof, 0835 Physical: 44 Botha Street, Civic Centre, Mojadjiekloof Tel: 015 309 9248 Website: www.greaterletaba.gov.za
Greater Tzaneen Local Municipality	Postal: P.O Box 24, Tzaneen, 0850 Physical: 38 Agatha Street, Civic Centre, Tzaneen Tel: 015 307 8000 Website: www.tzaneen.gov.za

LIMPOPO PROVINCE MUNICIPALITIES	
Maruleng Local Municipality	Postal: P.O Box 627, Hoedspruit, 1380 Physical: 55 Springbok Street, Hoedspruit, 1380 Tel: 015 793 2409/ 2237 Website: www.maruleng.gov.za
Greater Sekhukhune District Municipality	Postal: Private Bag X8611, Groblersdal, 0470 Physical: 3 West Street, Groblersdal Tel: 013 262 7300/ 7301 Website: www.sekhukhunedistrict.gov.za
Elias Motsoaledi Local Municipality	Postal: P.O Box 48, Groblersdal, 0470 Physical: 2nd Grobler Avenue, Groblersdal Tel: 013 262 3056 Website: www.eliasmotsoaledi.gov.za
Ephraim Mogale Local Municipality	Postal: P.O Box 111, Marble Hall, 0450 Physical: 13 Ficus Street, Marble Hall Tel: 013 261 8400 Website: www.ephraimmogalelm.gov.za
Fetakgomo - Tubatse Local Municipality	Postal: P.O Box 206, Burgersfort, 1150 Physical: 1 Kastania Street, Burgersfort Tel: 013 231 1000 / 015 622 8000 Website: www.ftlm.gov.za
Makhuduthamaga Local Municipality	Postal: Private Bag X434, Jane-Furse, 1085 Physical: No.1 Groblersdal Road, Jane-Furse Tel: 013 265 8600/ 1262 Website: www.makhuduthamaga.gov.za
Vhembe District Municipality	Postal: Private Bag X5006, Thohoyandou, 0950 Physical: Old Parliament, Government Complex, Tusk Venda Street, Thohoyandou Tel: 015 960 2000 Website: www.vhembe.gov.za
Collins Chabane Local Municipality	Postal: Private Bag X 9271, Malamulele, 0982 Physical: DCO Offices, Hospital Road, Malamulele Tel: 015 851 0110 Website: www.lim345.gov.za
Makhado Local Municipality	Postal: Private Bag X2596, Makhado, 0920 Physical: 83 Krogh Street, Civic Center, Makhado, 0920 Tel: 015 519 3000 Website: www.makhadomunicipality.gov.za
Musina Local Municipality	Postal: Private Bag X611, Musina, 0900 Physical: 21 Irwin Street, Musina Tel: 015 534 6100 Website: www.musina.gov.za
Thulamela Local Municipality	Postal: Private Bag X5066, Thohoyandou, 0950 Physical: Thohoyandou Civic Centre, Thohoyandou Tel: 015 962 7500 Website: www.thulamela.gov.za
Waterberg District Municipality	Postal: Private Bag X1018, Modimolle, 0510 Physical: Harry Gwala Street, Modimolle Tel: 014 718 3300 Website: www.waterberg.gov.za
Bela-Bela Local Municipality	Postal: Private Bag X1609, Bela-Bela, 0480 Physical: Chris Hani Drive, Bela-Bela Tel: 014 736 8000 Website: www.belabela.gov.za

LIMPOPO PROVINCE MUNICIPALITIES

Lephalale Local Municipality	Postal: Private Bag X136, Lephalale, 0555 Physical: Cnr. Joe Slovo Street & Douwater Avenue, Civic Centre, Onverwacht Tel: 014 763 2193 Website: www.lephalale.gov.za
Modimolle–Mookgophong Local Municipality	Postal: Private Bag X 1008, Modimolle, 0510 Physical: No.1 Harry Gwala Street, OR Tambo Square, Modimolle Tel: 014 718 2000 Website: www.modimolle.gov.za
Mogalakwena Local Municipality	Postal: P.O Box 34, Mokopane, 0600 Physical: 54 Retief Street, Mokopane Tel: 015 491 9600 Website: www.mogalakwena.gov.za
Thabazimbi Local Municipality	Postal: Private Bag X530, Thabazimbi, 0380 Physical: 7 Rietbok Street, Thabazimbi Tel: 014 777 1525 Website: www.thabazimbi.gov.za

MPUMALANGA PROVINCE MUNICIPALITIES

Ehlanzeni District Municipality	Postal: P.O Box 3333, Mbombela, 1200 Physical: 8 Van Niekerk Street, Mbombela Tel: 013 759 8500 Website: www.ehlanzeni.gov.za
Bushbuckridge Local Municipality	Postal: Private Bag X9308, Bushbuckridge, 1280 Physical: R533 Graskop Road, Opposite Mapulaneng DLTC Tel: 013 004 0291/2 Website: www.bushbuckridge.gov.za
Nkomazi Local Municipality	Postal: Private Bag X101, Malalane, 1320 Physical: 9 Park Street, Malalane Tel: 013 790 0245 Website: www.nkomazi.gov.za
City of Mbombela Local Municipality	Postal: P.O Box 45, Mbombela, 1200 Physical: 1 Nel Street, Mbombela Civic Centre, Mbombela, 1200 Tel: 013 759 9111 Website: www.mbombela.gov.za
Thaba Chweu Local Municipality	Postal: P.O Box 61, Mashishing, 1120 Physical: Cnr. Central & Viljoen Streets, Mashishing Tel: 013 235 7300 Website: www.tclm.gov.za
Dr JS Moroka Local Municipality	Postal: Private Bag X4012, Siyabuswa, 0472 Physical: 2601/3 Bongimfundo Street, Siyabuswa Tel: 013 973 1101 Website: www.moroka.gov.za
Thembisile Hani Local Municipality	Postal: Private Bag X4041, eMpumalanga, 0458 Physical: Stand 24 Kwaggafontein C, eMpumalanga Tel: 013 986 9100 Website: www.thembisilehanilm.gov.za
Emakhazeni Local Municipality	Postal: P.O Box 17, eMakhazeni, 1100 Physical: 25 Scheepers Street, eMakhazeni Tel: 013 253 7600 Website: emakhazeni.gov.za
Steve Tshwete Local Municipality	Postal: P.O Box 14, Middelburg, 1050 Physical: Cnr. Walter Sisulu Street & Wanderers Avenue, Middelburg Tel: 013 249 7000 Website: www.stlm.gov.za

MPUMALANGA PROVINCE MUNICIPALITIES

Emalahleni Local Municipality	<p>Postal: P.O Box 3, eMalahleni, 1035</p> <p>Physical: Civic Centre, Cnr. Mandela & Arras Streets, eMalahleni</p> <p>Tel: 013 690 6911</p> <p>Website: www.emalahleni.gov.za</p>
Victor Khanye Local Municipality	<p>Postal: P.O Box 6, Delmas, 2210</p> <p>Physical: Cnr. Samuel & Van der Walt Streets, Mpumalanga, Delmas</p> <p>Tel: 013 665 6000</p> <p>Website: www.victorkhanyelm.gov.za</p>
Nkangala District Municipality	<p>Postal: P.O Box 437, Middelburg, 1050</p> <p>Physical: 2A Walter Sisulu Street, Middelburg</p> <p>Tel: 013 249 2000</p> <p>Website: www.nkangaladm.gov.za</p>
Govan Mbeki Local Municipality	<p>Postal: Private Bag X1017, Secunda, 2302</p> <p>Physical: Horwood Street, Secunda CBD</p> <p>Tel: 017 620 6000</p> <p>Website: www.govanmbeki.gov.za</p>
Dipaleseng Local Municipality	<p>Postal: Private Bag X10005, Balfour, 2410</p> <p>Physical: Cnr. Johnny Makoena Drive & Themba Shozi Street, Balfour</p> <p>Tel: 017 004 0027</p> <p>Website: www.dipaleseng.gov.za</p>
Lekwa Local Municipality	<p>Postal: P.O Box 66, Standerton, 2430</p> <p>Physical: Cnr. Mbonani Mayisela & Dr Beyers Naude Streets, Standerton</p> <p>Tel: 017 712 9600</p> <p>Website: lekwal.m.gov.za</p>
Dr Pixley Ka Isaka Seme Local Municipality	<p>Postal: Private Bag X9011, Volksrust, 2470</p> <p>Physical: Cnr. Adelaide Tambo Street & Dr Nelson Mandela Drive, Volksrust</p> <p>Tel: 017 734 6100</p> <p>Website: www.pixleykaseme.gov.za</p>
Mkhondo Local Municipality	<p>Postal: P.O Box 23, eMkhondo, 2380</p> <p>Physical: 33 Mark & De Wet Streets, eMkhondo</p> <p>Tel: 087 630 0180</p> <p>Website: www.mkhondo.gov.za</p>
Msukaligwa Local Municipality	<p>Postal: P.O Box 48, Ermelo, 2350</p> <p>Physical: Cnr. Kerk & Taute Streets, Ermelo</p> <p>Tel: 017 801 3500</p> <p>Website: www.msukaligwa.gov.za</p>
Chief Albert Luthuli Local Municipality	<p>Postal: P.O Box 24, Carolina, 1185</p> <p>Physical: 28 Kerk Street, Carolina</p> <p>Tel: 017 843 4000</p>
Gert Sibande District Municipality	<p>Postal: P.O Box 1748, Ermelo, 2350</p> <p>Physical: Cnr. Joubert & Oosthuise Streets, Ermelo</p> <p>Tel: 017 801 7000</p> <p>Website: www.gsibande.gov.za</p>

NORTH WEST PROVINCE MUNICIPALITIES

Bojanala Platinum District Municipality	<p>Postal: P.O Box 1993, Rustenburg, 0300</p> <p>Physical: Cnr. Beyers Naude & Fatima Bhayat Drives, Rustenburg</p> <p>Tel: 014 590 4500</p> <p>Website: www.bojanala.gov.za</p>
Kgetlengrivier Local Municipality	<p>Postal: P.O Box 66, Koster, 0348</p> <p>Physical: Cnr. Smuts & De Wit Streets, Koster</p> <p>Tel: 014 543 2004</p> <p>Website: www.kgetlengrivier.gov.za</p>

NORTH WEST PROVINCE MUNICIPALITIES

Madibeng Local Municipality	<p>Postal: P.O Box 106, Brits, 0250 Physical: 53 Van Velden Street, Brits Tel: 012 318 9100 /9500 /9215 Fax: 012 318 9665 Website: www.madibengWebsite.co.za</p>
Moretele Local Municipality	<p>Postal: Private Bag X367, Makapanstad, 0404 Physical: 4065 B, Mathibestad, Makapanstad Tel: 012 716 1300 Fax: 012 716 9999 Website: www.moretele.org.za</p>
Moses Kotane Local Municipality	<p>Postal: Private Bag X1011, Mogwase, 0314 Physical: Stand No.935, Railway Road, Unit 3, Mogwase, 0314 Tel: 014 555 1300 /1401 Fax: 014 555 6368 Website: www.moseskotane.gov.za</p>
Rustenburg Local Municipality	<p>Postal: P.O Box 16, Rustenburg, 0300 Physical: 159 Nelson Mandela & Beyers Naude Streets, Rustenburg Tel: 014 590 3111 Fax: 014 590 3481 Website: www.rustenburg.gov.za</p>
Dr Kenneth Kaunda District Municipality	<p>Postal: Private Bag X5017, Klerksdorp, 2570 Physical: Civic Centre, Patmore Road, Orkney Tel: 018 473 8000 Fax: 018 473 2523 Website: www.kaundadistrict.gov.za</p>
City of Matlosana Local Municipality	<p>Postal: P.O Box 99, Klerksdorp, 2570 Physical: Cnr. Braamfisher & OR Tambo Streets, Klerksdorp Tel: 018 487 8300 Fax: 018 464 1780 Website: matlosana.local.gov.za</p>
Maquassi Hills Local Municipality	<p>Postal: Private Bag X3, Wolmaransstad, 2630 Physical: 19 Kruger Street, Wolmaransstad Tel: 018 596 1074 Fax: 018 596 1555 Website: www.maquassi-hills.co.za</p>
JB Marks Local Municipality	<p>Postal: P.O Box 113, Potchefstroom, 2520 Physical: 35 Cnr. Sol Plaatje & Wolmarans Streets, Potchefstroom Tel: 018 299 5111 Fax: 018 299 5555 Website: www.tlokwecitycouncil.co.za</p>
Dr Ruth Segomotsi Mompati District Municipality	<p>Postal: P.O Box 21, Vryburg, 8600 Physical: 50 Market Street, Vryburg Tel: 053 928 4700 Fax: 053 927 2401 Website: www.rsmompatidm.gov.za</p>
Greater Taung Local Municipality	<p>Postal: Private Bag X1048, Taung, 8580 Physical: Main Road, Taung Station, Taung Tel: 053 994 9400 Fax: 053 994 3917 Website: www.greatertaung.gov.za</p>
Kagisano-Molopo Local Municipality	<p>Postal: Private Bag X522, Ganyesa, 8613 Physical: Municipal Offices (Next to Ganyesa Health Clinic), Ganyesa Tel: 053 998 4455 Fax: 053 998 3711 Website: www.kmlm.gov.za</p>

NORTH WEST PROVINCE MUNICIPALITIES

Lekwa-Teemane Local Municipality	<p>Postal: P.O Box 13, Christiana, 2680</p> <p>Physical: Cnr. Robyn & Dirkie Uys Streets, Christiana</p> <p>Tel: 053 441 2206/3952/3954</p> <p>Fax: 053 441 3735</p> <p>Website: www.lekwateemane.co.za</p>
Mamusa Local Municipality	<p>Postal: P.O Box 5, Schweizer-Reneke, 2780</p> <p>Physical: 2 Schweizer Street, Schweizer-Reneke</p> <p>Tel: 053 963 1331</p> <p>Fax: 053 963 2474</p> <p>Website: www.mamusa.local.gov.za</p>
Naledi Local Municipality	<p>Postal: P.O Box 35, Vryburg, 8600</p> <p>Physical: 19A Market Street, Vryburg</p> <p>Tel: 053 928 2200</p> <p>Fax: 053 927 3482</p> <p>Website: naledi.local.gov.za</p>
Ngaka Modiri Molema District Municipality	<p>Postal: Private Bag X2167, Mahikeng, 2745</p> <p>Physical: Cnr. Carrington Street & 1st Avenue, Industrial Site, Mahikeng</p> <p>Tel: 018 381 9400</p> <p>Fax: 018 381 0561</p> <p>Website: www.nmmdm.gov.za</p>
Ditsobotla Local Municipality	<p>Postal: P.O Box 7, Litchtenburg, 2740</p> <p>Physical: Cnr. Nelson Mandela Drive & Transvaal Street, Litchtenburg</p> <p>Tel: 018 633 3800</p> <p>Fax: 018 632 5247</p> <p>Website: www.ditsobotla.co.za</p>
Mahikeng Local Municipality	<p>Postal: Private Bag X63, Mmabatho, 2735</p> <p>Physical: Cnr. University Drive & Hector Peterson Street, Mmabatho</p> <p>Tel: 018 389 0111</p> <p>Fax: 018 384 4830</p> <p>Website: www.mafikeng.gov.za</p>
Ramotshere Moiloa Local Municipality	<p>Postal: P.O Box 92, Zeerust, 2865</p> <p>Physical: Cnr. President & Coetzee Streets, Zeerust</p> <p>Tel: 018 642 1081</p> <p>Fax: 018 642 3586</p> <p>Website: www.ramotshere.gov.za</p>
Ratlou Local Municipality	<p>Postal: Private Bag X209, Madibogo, 2772</p> <p>Physical: Delareyville Road, Next to Setlagole Library, Setlagole</p> <p>Tel: 018 330 7000</p> <p>Fax: 018 330 7047</p> <p>Website: www.ratlou.gov.za</p>
Tswaing Local Municipality	<p>Postal: P.O Box 24, Delareyville, 2770</p> <p>Physical: Cnr. General Delarey & Government Streets, Delareyville</p> <p>Tel: 053 948 0900</p> <p>Fax: 053 948 1500</p> <p>Website: N/A</p>

NORTHERN CAPE PROVINCE MUNICIPALITIES

Frances Baard District Municipality	<p>Postal: Private Bag X6088, Kimberley, 8300</p> <p>Physical: 51 Drakensberg Avenue, Carters Glen, Kimberley</p> <p>Tel: 053 838 0911</p> <p>Fax: 053 861 1538</p> <p>Email: france.baard@fbdm.co.za</p> <p>Website: www.francesbaard.gov.za</p>
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NORTHERN CAPE PROVINCE MUNICIPALITIES

Dikgatlong Local Municipality	<p>Postal: Private Bag X5, Barkly West, 8375</p> <p>Physical: 33 Campbell Street, Barkly West</p> <p>Tel: 053 531 0671</p> <p>Fax: 053 531 0624</p> <p>Email: munman@dikgatlong.co.za</p> <p>Website: www.dikgatlong.co.za</p>
Magareng Local Municipality	<p>Postal: P.O Box 10, Warrenton, 8530</p> <p>Physical: Magrieta Prinsloo Street, Warrenton</p> <p>Tel: 053 497 3111</p> <p>Fax: 053 497 4514</p> <p>Website: www.magareng.gov.za</p>
Phokwane Local Municipality	<p>Postal: Private Bag X3, Hartswater, 8570</p> <p>Physical: 24 Hertzog Street, Hartswater</p> <p>Tel: 053 474 9700</p> <p>Fax: 053 474 1768</p> <p>Website: www.phokwane.gov.za</p>
Sol Plaatje Local Municipality	<p>Postal: Private Bag X5030, Kimberley, 8300</p> <p>Physical: Jan Smuts Street, Boulevard, Kimberley</p> <p>Tel: 053 830 6911</p> <p>Fax: 053 833 1005</p> <p>Website: www.solplaatje.org.za</p>
John Taolo Gaetsewe District Municipality	<p>Postal: P.O Box 1480, Kuruman, 8460</p> <p>Physical: 4 Federale Mynbou Street, Kuruman</p> <p>Tel: 053 712 8700</p> <p>Fax: 053 712 1001</p> <p>Email: kaldc@mWebsite.co.za</p> <p>Website: www.taologaetsewe.gov.za</p>
Ga-Segonyana Local Municipality	<p>Postal: Private Bag X1522, Kuruman, 8460</p> <p>Physical: Cnr. Voortrekker & School Streets, Kuruman</p> <p>Tel: 053 712 9300</p> <p>Fax: 053 712 3581</p> <p>Website: www.ga-segonyana.gov.za</p>
Gamagara Local Municipality	<p>Postal: P.O Box 1001, Kathu, 8446</p> <p>Physical: Cnr. of Hendrick van Eck and Frikkie Meyer Road, Kathu</p> <p>Tel: 053 723 6000</p> <p>Fax: 053 723 2021</p> <p>Website: www.gamagara.co.za</p>
Joe Morolong Local Municipality	<p>Postal: Private Bag X117, Mothibistad, 8474</p> <p>Physical: D320 Cardington Road, Mothibistad</p> <p>Tel: 053 773 9300</p> <p>Fax: 053 773 9350</p> <p>Website: www.joemorolong.gov.za</p>
Namakwa District Municipality	<p>Postal: Private Bag X20, Springbok, 8240</p> <p>Physical: Van Riebeeck Street, Springbok</p> <p>Tel: 027 712 8000</p> <p>Fax: 027 712 8040</p> <p>Email: info@namakwa-dm.gov.za</p> <p>Website: www.namakwa-dm.gov.za</p>
Hantam Local Municipality	<p>Postal: Private Bag X14, Calvinia, 8190</p> <p>Physical: Hope Street, Calvinia</p> <p>Tel: 027 341 8500</p> <p>Fax: 027 341 8501</p> <p>Email: info@hantam.gov.za/ awolvaardt@hantam.gov.za</p> <p>Website: www.hantam.gov.za</p>

NORTHERN CAPE PROVINCE MUNICIPALITIES	
Kamiesberg Local Municipality	<p>Postal: Private Bag X200, Garies, 8220</p> <p>Physical: 22 Main Street, Garies</p> <p>Tel: 027 652 8000</p> <p>Fax: 027 652 8001</p> <p>Email: josephc@kamiesberg.co.za</p> <p>Website: www.kamiesberg.gov.za</p>
Karoo Hoogland Local Municipality	<p>Postal: Private Bag X03, Williston, 8920</p> <p>Physical: 7 Mulder Street, Williston</p> <p>Tel: 053 391 3003/0532850998</p> <p>Fax: 053 391 3294</p> <p>Email: info@karoohoogland.gov.za</p> <p>Website: www.karoohoogland.co.za/karoohoogland.gov.za</p>
Khai-Ma Local Municipality	<p>Postal: P.O Box 108, Pofadder, 8890</p> <p>Physical: New Street, Khai Ma Local Municipality, Pofadder</p> <p>Tel: 054 933 1000</p> <p>Fax: 054 933 0252</p> <p>Email: munman@khaima.gov.za</p> <p>Website: www.khaima.gov.za</p>
Nama Khoi Local Municipality	<p>Postal: P.O Box 17, Springbok, 8240</p> <p>Physical: Namakhoi Street, Springbok</p> <p>Tel: 027 718 8100</p> <p>Fax: 027 712 1635</p> <p>Website: www.namakhoi.org.za</p>
Richtersveld Local Municipality	<p>Postal: Private Bag X113, Port Nolloth, 8280</p> <p>Physical: Main Road, Port Nolloth</p> <p>Tel: 027 851 1111</p> <p>Fax: 027 851 1101</p> <p>Email: reception@richtersveld.gov.za</p> <p>Website: www.richtersveld.gov.za</p>
Pixley Ka Seme District Municipality	<p>Postal: Private Bag X1012, De Aar, 7000</p> <p>Physical: Culvert Road, De Aar</p> <p>Tel: 053 631 0891</p> <p>Fax: 053 631 2529</p> <p>Email: pixley@telkomsa.net</p> <p>Website: www.pixleykasemedm.co.za</p>
Emthanjeni Local Municipality	<p>Postal: P.O Box 42, De Aar, 7000</p> <p>Physical: 45 Voortrekker Street, De Aar</p> <p>Tel: 053 632 9100</p> <p>Fax: 053 631 0105</p> <p>Website: www.emthanjeni.co.za</p>
Kareeberg Local Municipality	<p>Postal: P.O Box 10, Carnarvon, 8925</p> <p>Physical: Hanau Street, Carnarvon</p> <p>Tel: 053 382 3012</p> <p>Fax: 053 382 3142</p> <p>Email: kareeberg@xsinet.co.za</p> <p>Website: www.kareeberg.co.za</p>
Renosterberg Local Municipality	<p>Postal: P.O Box 112, Petrusville, 8770</p> <p>Physical: 555 School Street, Petrusville</p> <p>Tel: 053 663 0041</p> <p>Fax: 053 663 0180</p> <p>Website: www.renosterbergmunicipality.gov.za</p>
Siyancuma Local Municipality	<p>Postal: P.O Box 27, Douglas, 8730</p> <p>Physical: 7 Charl Street, Douglas</p> <p>Tel: 053 298 1810</p> <p>Fax: 053 298 3141</p> <p>Website: www.siyancuma.gov.za</p>

NORTHERN CAPE PROVINCE MUNICIPALITIES

Siyathemba Local Municipality	<p>Postal: P.O Box 16, Prieska, 8940 Physical: Victoria Street, Prieska Tel: 053 4923394 Fax: 053 353 1386 Website: www.siyathemba.gov.za</p>
Thembelihle Local Municipality	<p>Postal: Private Bag X3, Hopetown, 8750 Physical: Church Street, Hopetown Tel: 053 203 0005/0008 Fax: 053 203 0490 Website: www.thembelihlemunicipality.gov.za</p>
Ubuntu Local Municipality	<p>Postal: Private Bag X329, Victoria West, 7070 Physical: 78 Church Street, Victoria West Tel: 053 621 0026 Fax: 053 621 0368 Email: vw@ubuntu.gov.za Website: www.ubuntu.gov.za</p>
Umsobomvu Local Municipality	<p>Postal: Private Bag X6, Colesberg, 9795 Physical: 21A Church Street, Colesberg Tel: 051 753 0777 Fax: 051 753 0574 Website: www.umsobomvumun.co.za</p>
ZF Mgcawu District Municipality	<p>Postal: Private Bag X6039, Upington, 8800 Physical: Cnr. Hill & Le Roux Streets, Upington Tel: 054 337 2800 Fax: 054 337 2888 Website: www.zfm-dm.co.za/</p>
IKheis Local Municipality	<p>Postal: Private Bag X2, Groblershoop, 8850 Physical: 97 Orania Street, Groblershoop Tel: 054 833 9500 Fax: 054 833 9509 Website: www.kheis.co.za</p>
Kai - Garib Local Municipality	<p>Postal: Private Bag X6, Kakamas, 8870 Physical: 11 Avenue, Kai Garib Local Municipality, Kakamas Tel: 054 461 6400 Fax: 054 461 6401 Website: www.kaigarib.gov.za</p>
Kgatelopele Local Municipality	<p>Postal: P.O Box 43, Danielskuil, 8405 Physical: 222 Baker Street, Danielskuil Tel: 053 384 8600 Fax: 053 384 0326 Website: www.kgatelopele.gov.za</p>
Tsantsabane Local Municipality	<p>Postal: P.O Box 5, Postmasburg, 8420 Physical: 13 Springbok Street, Postmasburg Tel: 053 313 7300 Fax: 053 313 1602 Website: www.tsantsabane.co.za</p>
Dawid Kruijer Local Municipality	<p>Postal: Private Bag X6003 Physical: Mutual Street Tel: 054 338 7000 Fax: 086 497 9270 Email: mayor@dkm.gov.za Website: www.dkm.gov.za</p>

WESTERN CAPE PROVINCE MUNICIPALITIES	
City of Cape Town Metropolitan Municipality	<p>Postal: Private Bag X9181, Cape Town, 8000</p> <p>Physical: Civic Centre, 12 Hertzog Boulevard, Cape Town</p> <p>Tel: 021 400 1111/0860 103 089</p> <p>Fax: 021 400 1313/0860 103 090</p> <p>Website: www.capetown.gov.za</p>
Cape Winelands District Municipality	<p>Postal: P.O Box 100, Stellenbosch, 7599</p> <p>Physical: 46 Alexander Street, Stellenbosch</p> <p>Tel: 086 126 5263</p> <p>Fax: 021 887 2271</p> <p>Website: www.capewinelands.gov.za</p>
Breede Valley Local Municipality	<p>Postal: Private Bag X3046, Worcester, 6849</p> <p>Physical: 30 Baring Street, Worcester</p> <p>Tel: 023 348 2600</p> <p>Fax: 023 347 3671</p> <p>Website: www.bvm.gov.za</p>
Drakenstein Local Municipality	<p>Postal: P.O Box 1, Paarl, 7622</p> <p>Physical: Bergrivier Boulevard, Paarl</p> <p>Tel: 021 807 4500</p> <p>Fax: 021 870 1547</p> <p>Website: www.drakenstein.gov.za</p>
Langeberg Local Municipality	<p>Postal: Private Bag X2, Ashton, 6715</p> <p>Physical: 28 Main Street, Ashton</p> <p>Tel: 023 615 8000</p> <p>Fax: 023 615 1563</p> <p>Website: www.langeberg.gov.za</p>
Stellenbosch Local Municipality	<p>Postal: P.O Box 17, Stellenbosch, 7599</p> <p>Physical: Plein Street, Stellenbosch</p> <p>Tel: 021 808 8111/0861 808 911</p> <p>Fax: 021 808 8026</p> <p>Website: www.stellenbosch.gov.za</p>
Witzenberg Local Municipality	<p>Postal: P.O Box 44, Ceres, 6835</p> <p>Physical: 50 Voortrekker Street, Ceres</p> <p>Tel: 023 316 1854</p> <p>Fax: 023 316 1877</p> <p>Website: www.witzenberg.gov.za</p>
Central Karoo District Municipality	<p>Postal: Private Bag X560, Beaufort West, 6970</p> <p>Physical: 63 Donkin Street, Beaufort West</p> <p>Tel: 023 449 1000</p> <p>Fax: 023 415 1253</p> <p>Website: www.skdm.co.za</p>
Beaufort West Local Municipality	<p>Postal: Private Bag X582, Beaufort West, 6970</p> <p>Physical: 112 Donkin Street, Beaufort West</p> <p>Tel: 023 414 8020</p> <p>Fax: 023 415 1373</p> <p>Website: www.beaufortwestmun.co.za</p>
Laingsburg Local Municipality	<p>Postal: Private Bag X4, Laingsburg, 6900</p> <p>Physical: 2 Van Riebeeck Street, Laingsburg</p> <p>Tel: 023 551 1019</p> <p>Fax: 023 551 1019</p> <p>Website: www.laingsburg.gov.za</p>
Prince Albert Local Municipality	<p>Postal: Private Bag X53, Prince Albert, 6930</p> <p>Physical: 33 Church Street, Prince Albert</p> <p>Tel: 023 541 1320</p> <p>Fax: 023 541 1321</p> <p>Website: www.princealbertmunicipality.com</p>

WESTERN CAPE PROVINCE MUNICIPALITIES

Garden Route District Municipality	Postal: P.O Box 12, George, 6530 Physical: 54 York Street, George Tel: 044 803 1300 Fax: 086 555 6303 Website: www.edendm.co.za
Bitou Local Municipality	Postal: Private Bag X1002, Plettenberg Bay, 6600 Physical: 1 Sewell Street, Plettenberg Bay Tel: 044 501 3000 Fax: 044 533 3485 Website: www.plett.gov.za
George Local Municipality	Postal: P.O Box 19, George, 6530 Physical: 71 York Street, George Tel: 044 801 9111 Fax: 044 801 9105 Website: www.george.gov.za
Hessequa Local Municipality	Postal: P.O Box 29, Riversdale, 6670 Physical: Van den Berg Street, Riversdale Tel: 028 713 8000 Fax: 086 401 5202 Website: www.hessequa.gov.za
Kannaland Local Municipality	Postal: P.O Box 30, Ladismith, 6655 Physical: 32 Church Street, Ladismith Tel: 028 551 1023 Fax: 028 551 1766 Website: www.kannaland.gov.za
Knysna Local Municipality	Postal: P.O Box 21, Knysna, 6570 Physical: 5 Clyde Street, Knysna Tel: 044 302 6300 Fax: 044 302 6333 Website: www.knysna.gov.za
Mossel Bay Local Municipality	Postal: Private Bag X29, Mossel Bay, 6500 Physical: 101 Marsh Street, Mossel Bay Tel: 044 606 5000 Fax: 044 606 5062 Website: www.mosselbay.gov.za
Oudtshoorn Local Municipality	Postal: P.O Box 255, Oudtshoorn, 6620 Physical: Cnr. Baron Van Rheede Street & Voortrekker Road, Oudtshoorn Tel: 044 203 3000 Fax: 044 203 3104 Website: www.oudtmun.gov.za
Overberg District Municipality	Postal: Private Bag X22, Bredasdorp, 7280 Physical: 26 Long Street, Bredasdorp Tel: 028 425 1157 Fax: 028 425 1014 Website: www.odm.org.za
Cape Agulhas Local Municipality	Postal: P.O Box 51, Bredasdorp, 7280 Physical: 1 Dirkie Uys Street, Bredasdorp Tel: 028 425 5500 Fax: 028 425 1019 Website: www.capeagulhas.gov.za
Overstrand Local Municipality	Postal: P.O Box 20, Hermanus, 7200 Physical: Overstrand Civic Centre, Harmony Street, Hermanus Tel: 028 313 8000 Fax: 028 312 1894 Website: www.overstrand.gov.za

WESTERN CAPE PROVINCE MUNICIPALITIES	
Swellendam Local Municipality	<p>Postal: P.O Box 20, Swellendam, 6740</p> <p>Physical: 49 Voortrek Street, Swellendam</p> <p>Tel: 028 514 8500</p> <p>Fax: 028 514 2694</p> <p>Website: www.swellenmun.co.za</p>
Theewaterskloof Local Municipality	<p>Postal: P.O Box 24, Caledon, 7230</p> <p>Physical: 6 Plein Street, Caledon</p> <p>Tel: 028 214 3300</p> <p>Fax: 028 214 1289</p> <p>Website: www.twk.org.za</p>
West Coast District Municipality	<p>Postal: P.O Box 242, Moorreesburg, 7310</p> <p>Physical: 58 Long Street, Moorreesburg</p> <p>Tel: 022 4338400</p> <p>Fax: 086 692 6113</p> <p>Website: www.westcoastdm.co.za</p>
Bergrivier Local Municipality	<p>Postal: P.O Box 60, Piketberg, 7320</p> <p>Physical: 13 Church Street, Piketberg</p> <p>Tel: 022 913 6000</p> <p>Fax: 022 913 1406</p> <p>Website: www.bergmun.org.za</p>
Cederberg Local Municipality	<p>Postal: Private Bag X2, Clanwilliam, 8135</p> <p>Physical: 2A Voortrekker Road, Clanwilliam</p> <p>Tel: 027 482 8000</p> <p>Fax: 027 482 1933</p> <p>Website: www.cederbergmunicipality.co.za</p>
Matzikama Local Municipality	<p>Postal: P.O Box 98, Vredendal, 8160</p> <p>Physical: 37 Church Street, Vredendal</p> <p>Tel: 027 201 3300</p> <p>Fax: 027 213 3238</p> <p>Website: www.matzikamamun.co.za</p>
Saldanha Bay Local Municipality	<p>Postal: Private Bag X12, Vredenburg, 7380</p> <p>Physical: 12 Main Road, Vredenburg, 7380</p> <p>Tel: 022 701 7000</p> <p>Fax: 022 715 1518</p> <p>Website: www.sbm.gov.za</p>
Swartland Local Municipality	<p>Postal: Private Bag X52, Malmesbury, 7299</p> <p>Physical: 1 Church Street, Malmesbury</p> <p>Tel: 022 487 9400</p> <p>Fax: 022 487 9440</p> <p>Website: www.swartland.org.za</p> <p>Email: swartlandmun@swartland.org.za</p>

NOTES:

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South African Local Government Association (SALGA)

Registered employer body in terms of the Labour Relations Act, 66 of 1996

LR/2/6/3/350

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