WEST COAST DISTRICT MUNICIPALITY

ANNUAL REPORT

2022 / 2023



This Annual Report is compiled in terms of the Local Government: Municipal Finance Management Act, 2003(Act 56 of 2003) and the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

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INTRODUCTION

This Annual Report 2022/2023 addresses the performance of the West Coast District Municipality with respect of its core legislative obligations.

Local government must create a participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the municipal councils provide regular and predictable reporting on prprogramerformance and the general state of affairs in their locality.

The report reflects on the performance of the West Coast District Municipality for the period of 01 July 2022 to 30 June 2023. The layout of the Annual Report is prepared in terms of section 121(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), in terms of which the municipality must prepare for each financial year.

The Annual Report comprises six chapters with the following broad overview:

Chapter 1: **Mayors and Municipal Managers Foreword and the Profile of the West Coast District**
An overview of the municipality's overarching strategy and its accountability processes,
social and demographic profile and key highlights and challenges and details about finance, service delivery, organisational and institutional transformation, discussion on the Audit Report and the statutory annual report process.

Chapter 2: Governance
Aspects about the participatory framework that defines and enhances the relationship between elected leaders and their communities, municipality addressing the key aspects of good corporate governance.

Chapter 3: Service Delivery Performance
Highlights the municipality's performance for the year, focussing on the service delivery
and the pre-determined objectives of the Council.

Chapter 4: Organisational Development Performance
Provides details into the Human Resources and organisational management areas of the municipality, focussing on organisational structure and legislation.

Chapter 5: Financial Performance
An overview of the municipality's financial performance, reflecting on the municipality's
financial position, assets, cash flow and intergovernmental grants received by the municipality.

Chapter 6: Auditor-General Findings
An overview of the audit key findings per the Auditor-General.
The Auditor-General Report are included in terms of Section 121 3(d) of the of the Local Government: Municipal Finance Management Act No. 56 of 2003.

Volume 1: Annual Performance Report
The Annual Performance Report are compiled and included in terms of Section 121 3(c)" of the of the Local Government: Municipal Finance Management Act No. 56 of 2003 and Section 46 of the Local Government Municipal System Act, Act 32 of 2000.

Volume 11: Annual Financial Statements
The Annual Financial Statements are compiled and included in terms of Section 121 3(a) the of the Local Government: Municipal Finance Management Act No. 56 of 2003.

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: EXECUTIVE MAYOR'S FOREWORD



ALD RW STRYDOM (BOFFIE)

EXECUTIVE MAYOR

Once again, I am delighted to report to you, the citizens of the Weskus, on our progress towards pursuing the vision of "Weskus the caring centre for innovation and excellence" through the presentation of the Annual Report 2022-2023.

Allow me to share my excitement and thrill about our highest achievement to you, in service of the Weskus: West Coast District Municipality has received yet another positive audit outcome of the 13th consecutive "clean audit" from 2010/11 to 2022/23. This achievement illustrates amongst others the well governed working relationship that exists between the Council and Administration in terms of information sharing and communication and indeed how this translates into improving service delivery. It also shows how the progress and performance of the municipality is underscored by excellent systems of governance.

As raad het ons by die strategiese visie en missie gehou wat ons aan die begin van ons termyn daargestel het. As raad het ons ook begin gedy in ons rolle en het ook die volgende strategiese doelwit verfyn, om ook aandag te vestig op die belange van ons natuurlik omgewing. Hierdie doelstelling lees dus nou as volg: "Care for the social well-being, safety, health **and environmental integrity** of all our communities" en die oogmerk is om holisties na die welstand van ons inwoners te kyk.

In hierdie jaarverslag, sal die onderskeie prestasies en hoogtepunte uitgelig word, asook om met die leser te deel hoe daardie areas wat uitdagingend was, die hoof gebied was. Met die pligsgetroue en toegewyde Administrasie, het dit die oorsigtaak van die Raad baie vergemaklik en kon ons stukrag verleen aan die onderskeie direktorate en departemente in die uitvoering van hul pligte.

In terms of the key Mayoral Priorities of Agriculture and Rural Safety, I am pleased to report that the District Municipality convened the Community Safety summit over the reporting period,

amongst a number of other key initiatives as will be reported herein. This summit was the culmination of the joint efforts of a number of role-players, and articulated the nature and scope of safety in the West Coast. It also provided a better grasp and understanding of what we are faced with when we consider aspects like rural and community safety.

We are indeed fortunate and blessed to be endowed with such a capable and committed workforce, and it is clear that all of our staff strive for excellence in the execution of their duties. This encourages us as Council and myself as Executive Mayor in my personal vision to bring about real change and improved quality of life of the citizens of the Weskus. Only by working together, can we be equal to the task at hand.

Oor die rapporteringstermyn kon die Geintegreerde Ontwikkelingsplan (GOP), soos wetlik vereis, hersien word om enige veranderings en wisselende faktore in ons omgewing in ag te neem in die strategiese plan en doelstellings van die Raad. Alhoewel die GOP die mees strategiese beplanningsdokument is van die Raad, en die visie vir die Weskus daarstel vir die huidige termyn, is dit belangrik om ook bedag te wees op die veranderlike omstandighede wat ons mee gekonfronteer word, en ooreenkomstig enige nodige aanpassings in ons beplanning te maak.

As Executive Mayor, the following service delivery highlights are worthy of note with regard to the reporting period:

- 13th Consecutive 'Clean Audit' for 2010/11 – 2022/23
- The highest credit rating which can be afforded to a Municipality, namely A and A1 for long term and short term grading along with B+ long term international rating
- Various inter- and intra-district consultative and inter-governmental forums
- Annual bi-lateral engagements with municipalities in the district to foster sound relations

We pride ourselves for the continuous relationship building, trust and partnerships forged with our stakeholders towards achieving our common objectives of improved service delivery, repairs and maintenance of municipal infrastructure and sustainability over the longer period. We continue to regularly liaise with various role-players in our area regarding a number of aspects which include amongst others, the agriculture sector as significant contributor to the economy of the district as well as the co-operation with law enforcement agencies in pursuing a safer environment.

In conclusion, I would like to thank all Councillors, MPAC and MAYCO for their effective oversight of the municipality's operations. My sincere thanks to the Municipal Manager, Directors, Extended Management Team and all officials for your contribution to our success and diligence to serve this municipality. I also need to express my gratitude to the external Audit Committee for their guidance and oversight role. Lastly, I invite you the reader to partner with us in our endeavours to improve the quality of life of our people, and to turn the Weskus into the caring centre for innovation and excellence".

COMPONENT B: EXECUTIVE SUMMARY – MUNICIPAL MANAGER'S OVERVIEW



MR DAVID JOUBERT
MUNICIPAL MANAGER

"*Laat waai*" or loosely translated, 'Get Going' or 'Just Do It'. With this expression, the Executive Mayor articulated in two words, his vision for the pace and urgency with which services of the District Municipality must be provided to residents. This at first simple call to action, is the motivating expression employed by the Mayor when he wants to stress that time is indeed of the essence, and that we should go over to action. It embodies a philosophy of doing and service ethos, that has become synonymous with our organisation. The task of building the "Weskus of a caring centre for innovation and excellence", which is the strategic vision of council, can and may indeed be daunting, but with the encouraging slogan of "laat waai", it provides the buttress to us as the Administration, and myself as Accounting Officer, to eagerly and diligently pursue the vision.

This submission will outline the service highlights, challenges and solutions that we as the administration have achieved, in our task of translating the vision and mission of council into a set of programmes, projects and activities. It charts the multitude of services and functions that are performed across the various directorates and departments, and provides perspective on the programme scope and delivery focus for the organisation.

Despite being the vision, the features of excellence and innovation has become the hallmark of how we do things, and therefore have become both the means and the ends. These are indeed unparalleled times of innovation, and I am fortunate to lead a dedicated and esteemed personnel core that individually contribute to our collective success. With council's strategic intent having been clearly outlined, and refinements made over the last reporting period, administration can focusedly pursue the strategic objectives and find innovative ways to address the challenges faced by the district municipality. This will be clearly noticeable in the various initiatives and

programmes outlined in this submission, that each in turn contribute to promoting excellence and innovation.

We are mindful of the challenging fiscal constraints within the country and the prioritisation of budget modelling and finding alternatives ways in managed the allocated funds. It is indeed within our intent to explore diligently innovative means to have a financial and sustainable and viable position through exploring revenue generating opportunities and/or infrastructure development.

I would like to give special thanks to the Directors and the Extended Management Team for the oversight in execution during the financial year together with all of the colleagues in whatever role/capacity contributions has been made. The Chief Financial Officer and his team in strengthening the control environment and for the collective effort and keeping it balanced during the regulatory audit. Sincere appreciation for the Executive Mayor, Mayoral Committee and Council, Audit Committee, MPAC, for the leadership and/or oversight. We are indeed fortunate to have a balanced, layered team. We can only build on the strength of each individual and collectively reap the rewards. It is indeed a pleasure through this individual but collective outlook that we managed maintain our 13th consecutive clean audit since the 2010/2011 financial year. Testament to the robustness of the corporate governance processes and oversight structures.

1.1 VISION, MISSION, STRATEGIC OBJECTIVES AND VALUES



1.2. MUNICIPAL FUNCTIONS, POPULATION AND DISTRICT OVERVIEW

1.2.1 MUNICIPAL FUNCTIONS

A municipality has the functions and powers assigned to it in terms of Sections 156 and 229 of the Constitution.

A district municipality must seek to achieve the integrated, sustainable and equitable social and economic development of its area as a whole by:

a) ensuring integrated development planning for the district as a whole:
b) promoting bulk infrastructural development and services for the district as a whole;
c) building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and
d) promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area.

Section 84 of the Municipal Structures Act distinguishes between roles and responsibilities of district municipalities and those of B-municipalities. According to the Act, the West Coast District Municipality must perform the following functions:
(a) Integrated development planning for the district municipality as a whole.
(b) Potable water supply systems.
(c) Bulk supply of electricity, which includes for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity.
(d) Domestic wastewater and sewage disposal systems.
(e) Solid waste disposal sites, in so far as it relates to -
(i) the determination of a waste disposal strategy;
(ii) the regulation of waste disposal;
(iii) the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district.
(f) Municipal roads which form an integral part of a road transport system for the area of the district municipality as a whole.
(g) Regulation of passenger transport services.
(h) Municipal airports serving the area of the district municipality as a whole.
(i) Municipal health services.
(j) Firefighting services serving the area of the district municipality as a whole, which includes-
(i) planning, co-ordination and regulation of fire services;
(ii) specialised firefighting services such as mountain, veld and chemical fire services;
(iii) co-ordination of the standardisation of infrastructure, vehicles, equipment and procedures;
(iv) training of fire officers.
(k) The establishment, conduct and control of fresh produce markets and abattoirs serving the area of a major proportion of the municipalities in the district.
(l) The establishment conduct and control of cemeteries and crematoria serving the area of a major proportion of municipalities in the district.
(m) Promotion of local tourism for the area of the district municipality.
(n) Municipal public works relating to any of the above functions or any other functions assigned to the district municipality.
(o) The receipt, allocation and, if applicable, the distribution of grants made to the district municipality.
Functions

FUNCTIONS AND MANDATE OF THE WEST COAST DISTRICT MUNICIPALITY

1.	**Integrated development planning**.	✓
	Coordination of functions between local municipalities.	
2	**Fire services** -	
	Veld and mountain fires, and fire services rendered to municipalities where required by way of SLA's/MOUs.	✓
3	**Municipal Health**	✓
	(In terms of. Section 1 of the National Health Act, 61 of 2003).	
	a) Water Quality Monitoring	
	b) Food Control	
	c) Solid Waste Management	
	d) Health Surveillance of Premises	
	e) Surveillance and Prevention of Contagious Diseases, excluding Immunisation	
	f) Vector Control (insects or rodents control)	
	g) Environmental Pollution Control	
	h) Disposal of the Dead	
	i) Safe handling of Chemical Substances	
	j) Air Quality Control	
4	**Environmental Management**	✓
	a) Environmental Education and Awareness Raising	
	b) Integrated Coastal Management	
	c) Estuary management	
	d) Inland Water Management	
	e) Addressing Environmental complaints	
	f) Alien Clearing and Rehabilitation	
	g) Biodiversity Conservation	
	h) Coast Care	
	i) Acting as a commenting authority to applications	
	j) Environmental related issues	
5	**Tourism**	✓
	(Regional Tourism Organisation – promotion through marketing and development)	
6	**Regional Economic Development**. (New Approved	
	RED Strategy.)	
7	**Disaster Management**	✓
8	**Bulk Water Supply**.	✓
9	**Roads Agency**	✓
	(Provincial roads - upgrade and maintenance on behalf of DTPW).	

INTRODUCTION: BACKGROUND DATA

The West Coast District Municipality, a category C municipality, comprises five local municipalities. The District covers an area 31 119 km^2. The Municipal Economic Review of 2021 estimated the population of the entire West Coast region to be 468 764

The West Coast District is well known for its coastline, vast farmlands and wildflowers. The West Coast District borders the Cape Metro area, the Cape Winelands District and the Northern Cape.

HEADQUARTERS OF THE CATEGORY B (LOCAL) MUNICIPALITIES WITHIN THE WEST COAST DISTRICT

The West Coast District is a category C municipality, situated in Moorreesburg and comprises the following category B local municipalities: Matzikama, Cederberg, Bergrivier, Saldanha Bay and Swartland.

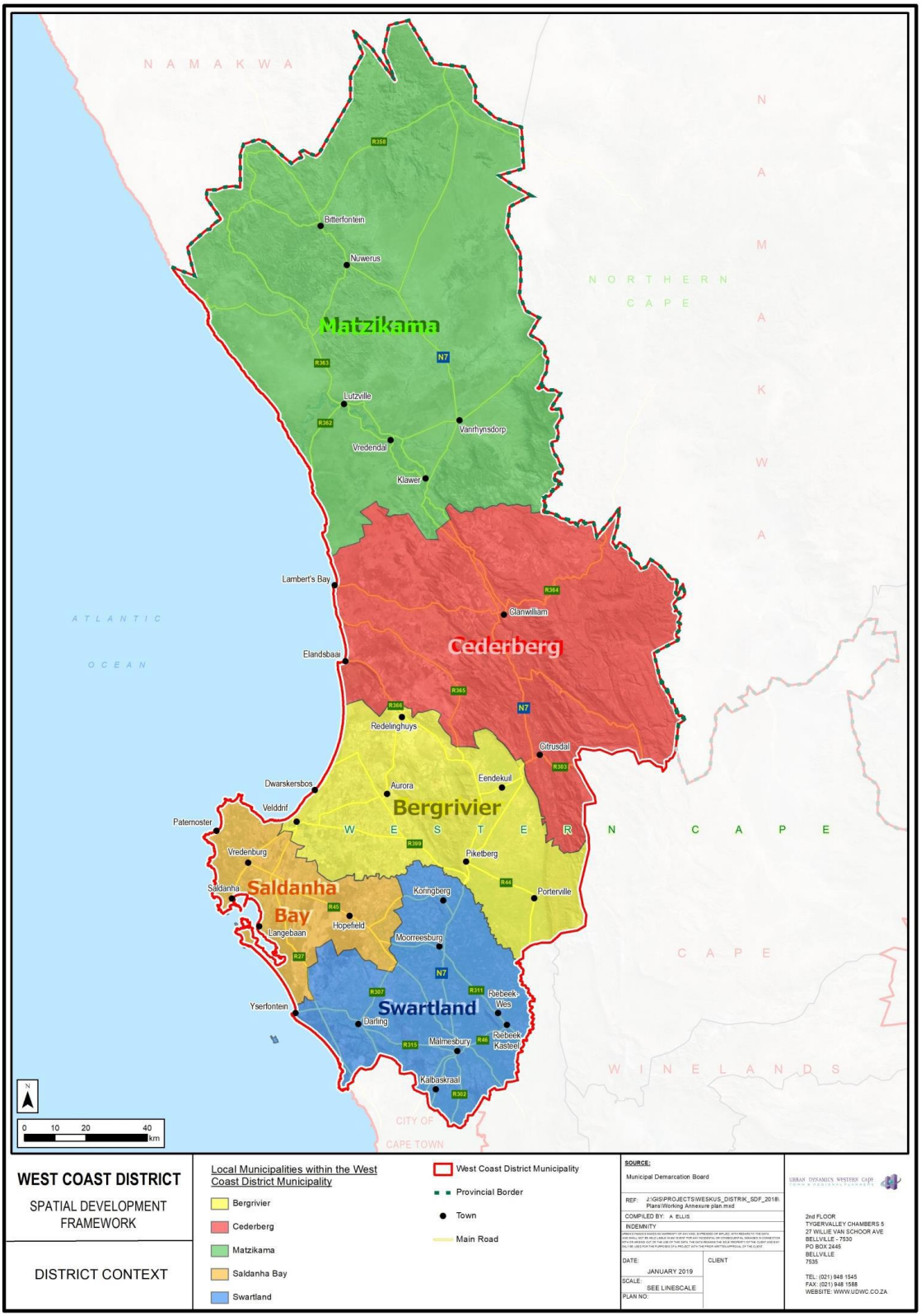
Website address of the West Coast District Municipality: https://westcoastdm.co.za/

The table below sets out the various municipalities that make up the West Coast District Municipality, along with their provincial codes and principal administrative centers.

Table 1.1 Local municipalities within the West Coast District

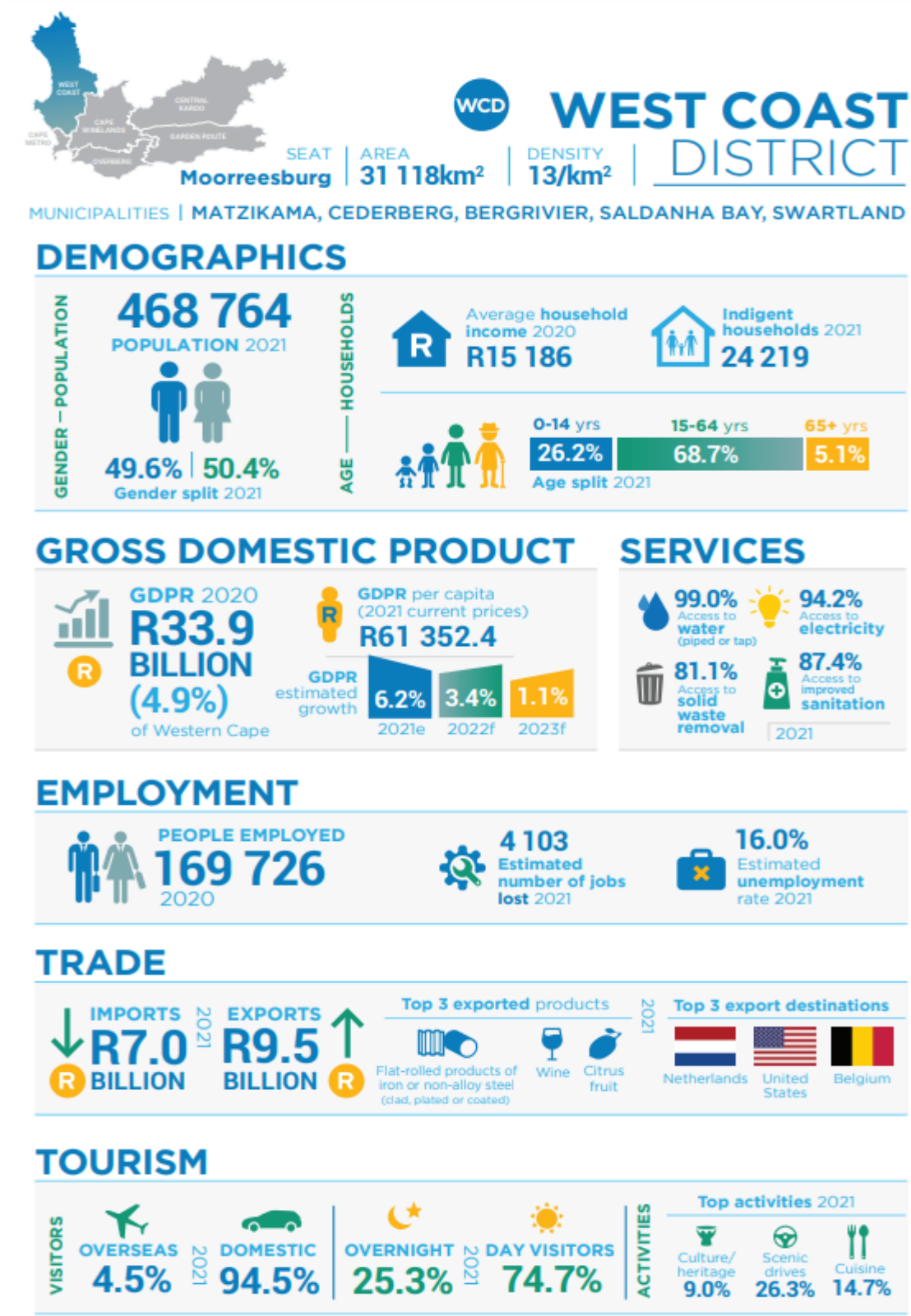
Local municipality	Logo / Coat of Arms	Headquarters
Matzikama Municipality (WC011) https://www.matzikamamunicipality.co.za/#/home		The geographical area of the Municipality is approximately 12900 km² **Administrative centre: Vredendal** The municipal area comprises of 18 towns / villages, Doring Bay, Strandfontein, Papendorp, Ebeneser, Lutzville, Koekenaap, Olifantsriviersettlement, Vredendal, Klawer, Vanrhynsdorp, Nuwerus, Bitterfontein, Kliprand, Put-se-Kloof, Rietpoort, Molsvlei and Stofkraal.
Bergrivier Municipality (WC013) http://www.bergmun.org.za/		The Municipality covers a geographic area of approximately 4 407, 04 km² and is geographically diverse. It includes 9 urban settlements, approximately 40 kilometres of coastline and a vast rural area. **Administrative centre: Piketberg** Porterville, Velddrif (which includes Port Owen, Laaiplek and Noordhoek), Dwarskersbos, Eendekuil, Aurora, Redelinghuis, Goedverwacht and Wittewater. The latter two are Moravian settlements on private land.
Cederberg Municipality (WC012) http://www.cederbergmun.gov.za/		The jurisdiction of the Cederberg Municipality covers an area of 8 007 km², which constitutes 26% of the total area (31 119 km²) of the West Coast District municipality within which it lies. **Administrative centre : Clanwilliam** Citrusdal, Graafwater, Leipoldtville, Wupperthal, Algeria, and the coastal towns of Elands Bay and Lamberts Bay.
Saldanha Bay Municipality WC014 http://www.sbm.gov.za/		The Saldanha Bay Municipality covers an area of 2 015 km² (approximately 166 565,48 hectares) and has a coastline of 238km. In total 6.5% of the geographical land are urban land and 93.5% rural land. Overall Saldanha Bay municipality constitutes 6.4% of the entire West Coast geographical land making it the smallest municipal area in the district. **Administrative centre: Vredenburg** Satellite offices in Hopefield, St Helena Bay, Paternoster, Saldanha and Langebaan. Middelpos, Witteklip, White City , Diazville, Saldanha, Blue water Bay, Jacobs Bay, Langebaan, Hopefield, Langebaanweg, Green Village, Ongegund, Louwville, St. Helena Bay, Paternoster, Laingville
Swartland Municipality WC015 http://www.swartland.org.za/pages/english/home.php		The jurisdiction of Swartland Municipality's covers a geographical area of 3 700 km². **Administrative centre: Malmesbury** The towns and settlements in the area are Malmesbury, Moorreesburg, Darling, Yzerfontein, Riebeek West, Riebeek Kasteel, Koringberg, Ruststasie, Ongegund, Riverlands, Chatsworth, Kalbaskraal and Abbotsdale.

Figure 1.1 Map of the West Coast District Municipality



Source: Spatial Development Framework 2020 (www.uwdc.co.za)

Figure 1.2: Infographic Summary



Source: MERO 2022-2023



	GDPR 2020	GDPR 2021	EMPLOYMENT 2020	EMPLOYMENT 2021
	GDPR CONTRIBUTION	GDPR GROWTH	EMPLOYMENT CONTRIBUTION	EMPLOYMENT GROWTH
PRIMARY SECTOR	**22.5%**	**7.7%**	**37.8%**	**-3.5%**
AGRICULTURE, FORESTRY & FISHING	21.1%	8.6%	37.6%	-3.5%
MINING & QUARRYING	1.4%	-16.0%	0.2%	-4.4%
SECONDARY SECTOR	**24.1%**	**6.4%**	**13.2%**	**-3.1%**
MANUFACTURING	19.2%	8.7%	9.3%	-2.0%
ELECTRICITY, GAS & WATER	1.6%	2.0%	0.2%	-3.6%
CONSTRUCTION	3.3%	-4.0%	3.6%	-6.0%
TERTIARY SECTOR	**53.4%**	**5.5%**	**49.0%**	**-1.4%**
WHOLESALE & RETAIL TRADE, CATERING & ACCOMMODATION	13.7%	7.7%	16.8%	-4.1%
TRANSPORT, STORAGE & COMMUNICATION	5.2%	4.4%	2.4%	-8.8%
FINANCE, INSURANCE, REAL ESTATE & BUSINESS SERVICES	14.6%	4.9%	9.2%	-1.2%
GENERAL GOVERNMENT	10.3%	1.5%	5.6%	1.3%
COMMUNITY, SOCIAL & PERSONAL SERVICES	9.5%	8.5%	15.0%	1.7%

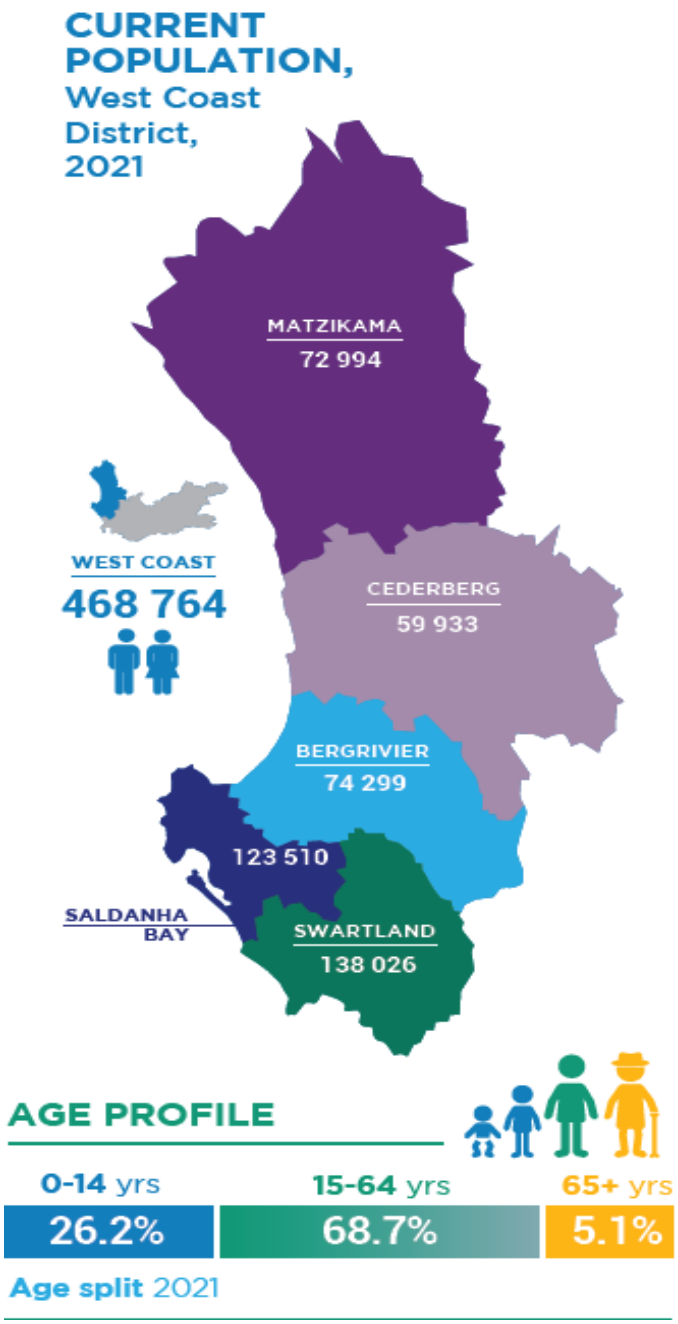
Source: MERO 2022-2023

SOCIO-ECONOMIC CONTEXT

This section describes the economic and social circumstances of households living in the WCD by analysing population, human development, housing, crime and access to basic services.

1.2.2 DEMOGRAPHICS

Figure 1.3: Demographics



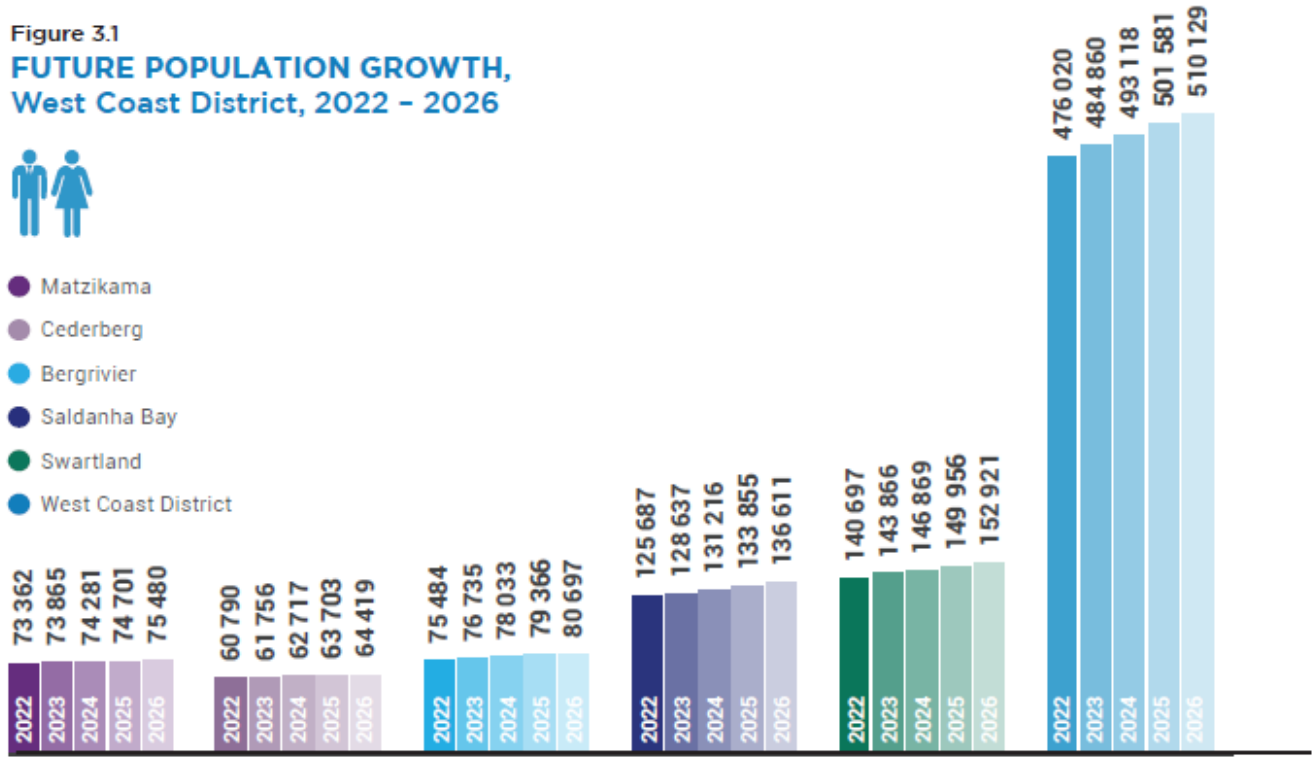
Source: Municipal Economic Review Outlook 2022-2023

POPULATION PROFILE

The WCD has a population of 468 764 people in 2021. Swartland and Saldanha Bay are the most populated municipal areas in the WCD, accounting for (138 026 people) and (123 510 people) of the District's total population respectively.

Figure 1.4: Future population growth

The total population for the WCD is expected to increase by 7.2 per cent from the current estimated population of 476 020 to 510 129 in 2026.



Source: Western Cape Government PPU, 2022. Provincial, district and local municipal area population estimates by sex and age (2002 to 2037) based on Stats SA MYPE series 2021 and 2022

Future household growth

The number of households in the WCD is expected to increase by 10.5 per cent between 2021 and 2026. The District's expected average annual household growth between 2022 and 2026 is 2.5 per cent.

1.2.3 Dwellings in the West Coast District

Housing are defined as follows:

Formal dwelling refers to a structure built according to approved plans, i.e., house on a separate stand, flat or apartment, townhouse, room in back yard, rooms or flatlet elsewhere.

Informal dwelling is a makeshift structure not erected according to approved architectural plans, e.g. shacks or shanties in informal settlements or in back yards.

87,9 % of the households in the WCD reside in formal dwellings and 11,4 % in informal dwellings.

Table 1.2: Number of dwellings

Table 3.7
NUMBER AND PROPORTION OF DWELLINGS, West Coast District, 2021

	West Coast District		Matzikama		Cederberg	
	Number	% of total	Number	% of total	Number	% of total
Formal	109 822	87.9%	18 891	89.2%	14 721	87.7%
Informal	14 248	11.4%	2 125	10.0%	1 939	11.6%
Other	882	0.7%	171	0.8%	120	0.7%

	Bergrivier		Saldanha Bay		Swartland	
	Number	% of total	Number	% of total	Number	% of total
Formal	17 587	95.1%	28 976	80.5%	29 647	91.2%
Informal	687	3.7%	6 860	19.1%	2 637	8.1%
Other	223	1.2%	138	0.4%	230	0.7%

Source: Quantec Research, 2022

1.2.4 Human Development

The performance of the economy plays a major role in determining the quality of life for citizens, which is measured by the standard of education, health, dwellings, access to basic services and crime levels.

The table below illustrates the GDPR per capita growth in the WCD between 2011 and 2021. The District's GDPR per capita increased from R58 600.6 in 2020 to an estimated R61 352.4 in 2021 in current prices.

Table 1.3: GDPR per capita growth

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021e
Western Cape	5.6%	4.7%	6.3%	5.2%	5.6%	5.8%	4.5%	2.6%	2.1%	-3.9%	8.1%
West Coast District	**5.7%**	**5.9%**	**6.6%**	**8.4%**	**7.3%**	**8.2%**	**4.5%**	**0.8%**	**-0.1%**	**0.7%**	**9.0%**
Matzikama	7.0%	6.0%	5.7%	7.6%	5.9%	7.9%	5.3%	0.6%	-0.8%	4.6%	7.4%
Cederberg	7.5%	7.1%	7.5%	10.2%	7.8%	9.9%	4.6%	1.3%	-0.4%	1.8%	10.1%
Bergrivier	6.3%	5.7%	6.0%	9.6%	6.7%	9.8%	3.1%	0.5%	-2.0%	4.1%	8.6%
Saldanha Bay	3.9%	5.0%	6.9%	8.4%	8.1%	8.0%	5.7%	0.1%	0.7%	-2.0%	9.9%
Swartland	5.9%	6.5%	6.6%	7.1%	7.6%	7.0%	3.4%	1.7%	0.2%	-0.4%	8.7%

Source: Quantec Research, 2022 (e denotes estimate)

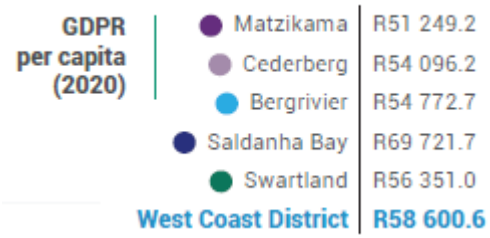


Table 1.4: Average monthly household income

AVERAGE MONTHLY HOUSEHOLD INCOME (CURRENT PRICES), West Coast District, 2020

MUNICIPAL AREA	Average household income 2020 (current prices)	Trend 2016 – 2020
Matzikama	R13 557	-1.3%
Cederberg	R14 244	0.0%
Bergrivier	R15 520	-0.7%
Saldanha Bay	R15 261	-1.8%
Swartland	R16 471	-1.3%
West Coast District	**R15 186**	**-1.2%**
Western Cape	**R18 995**	**-1.8%**

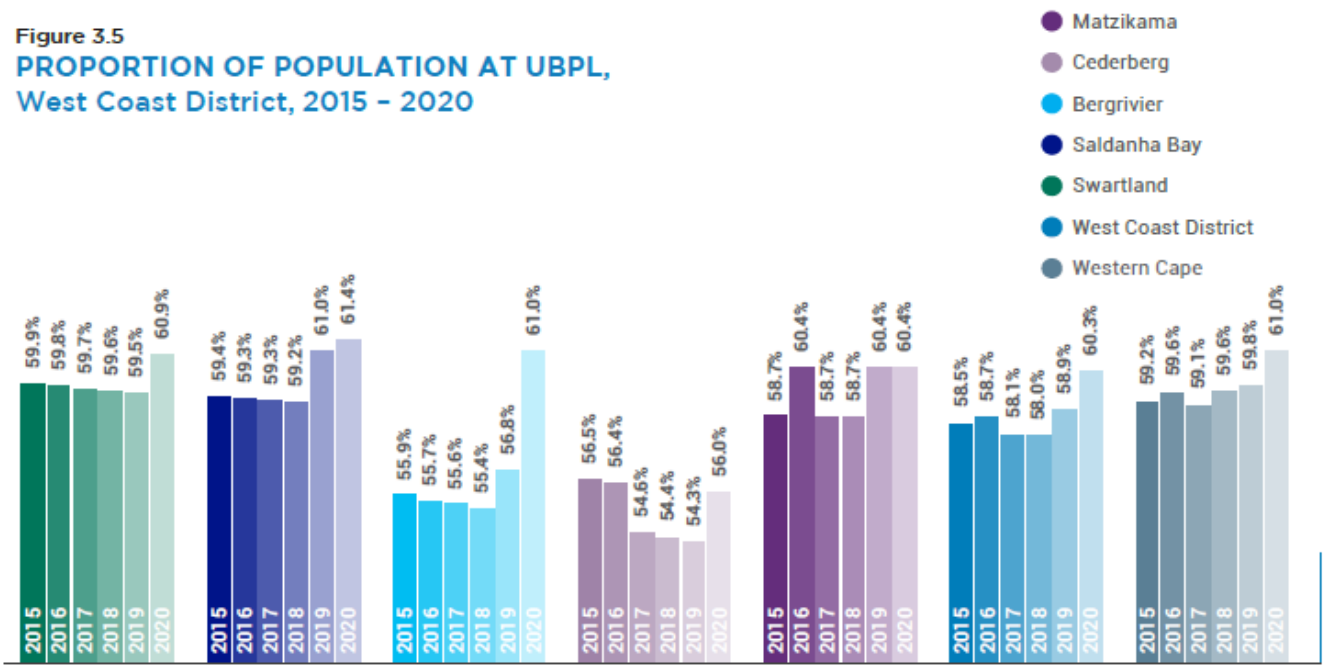
Source: Urban-Econ calculations based on Quantec Research, 2022

The average monthly household income in the WCD for 2020 was R15 186 (in current prices), which was lower than the average household income in the Western Cape. Household income didn't increase sufficiently to make provision for the inflation of 6.,5 %. The municipal areas that had the lowest average household income were the Matzikama Municipality with R13 557 per month. Swartland municipality had the highest monthly household income with R16 471.

1.2.5 Poverty

Stats SA utilises a cost-of-basic-needs approach to produce three poverty lines, namely the food poverty line (FPL), the lower-bound poverty line (LBPL) and the upper-bound poverty line (UBPL) which allows comparing poverty levels.

Figure 1.5: Proportion of Population at Upper-bound Poverty line



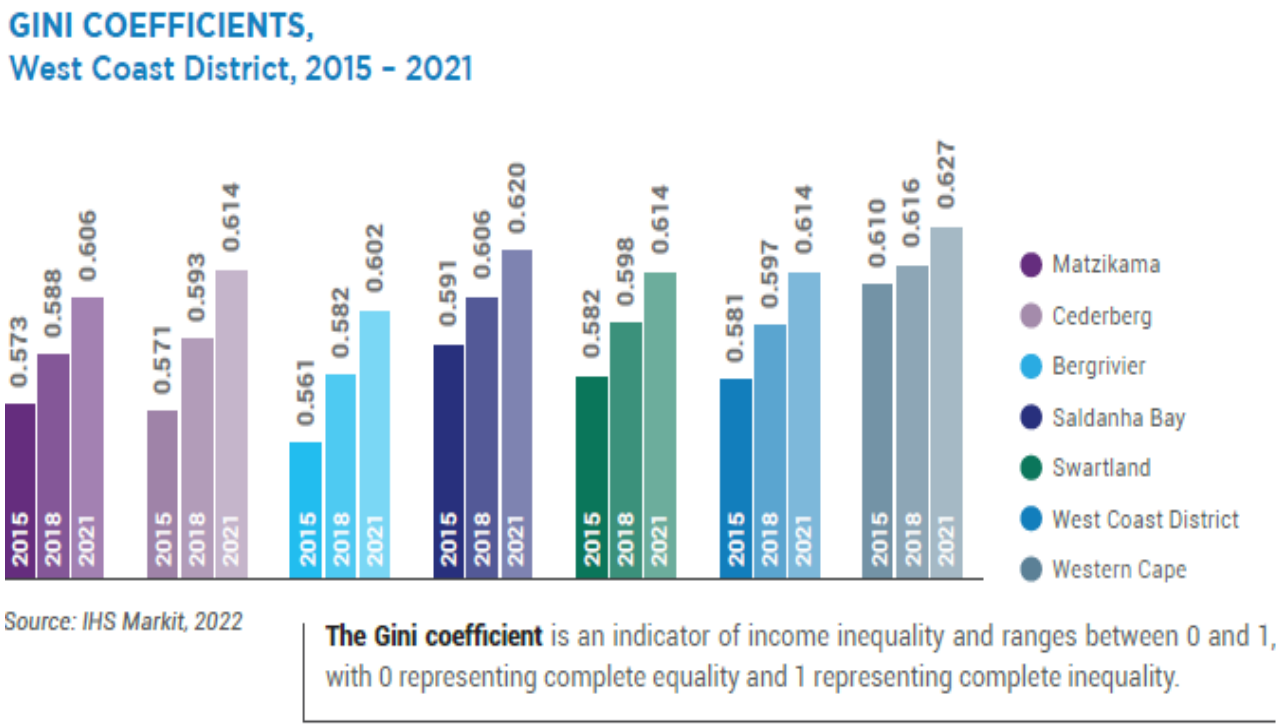
Source: IHS Markit, 2022

The WCD has a marginally smaller proportion of people at the UBPL compared with the Western Cape. The proportion of people at the UBPL declined from 58.5 per cent in 2015 to 58.0 per cent in 2018, before increasing to 60.3 per cent in 2020.

1.2.6 Inequality

There are numerous measurements of inequality in a society, including income, expenditure, asset, employment, education, health, basic services and social mobility inequality. at a local municipal level, data that is readily available and most widely used are the Gini-coefficient ratio a local level.

Figure 1.6: Gini Coefficients



Source: IHS Markit, 2022

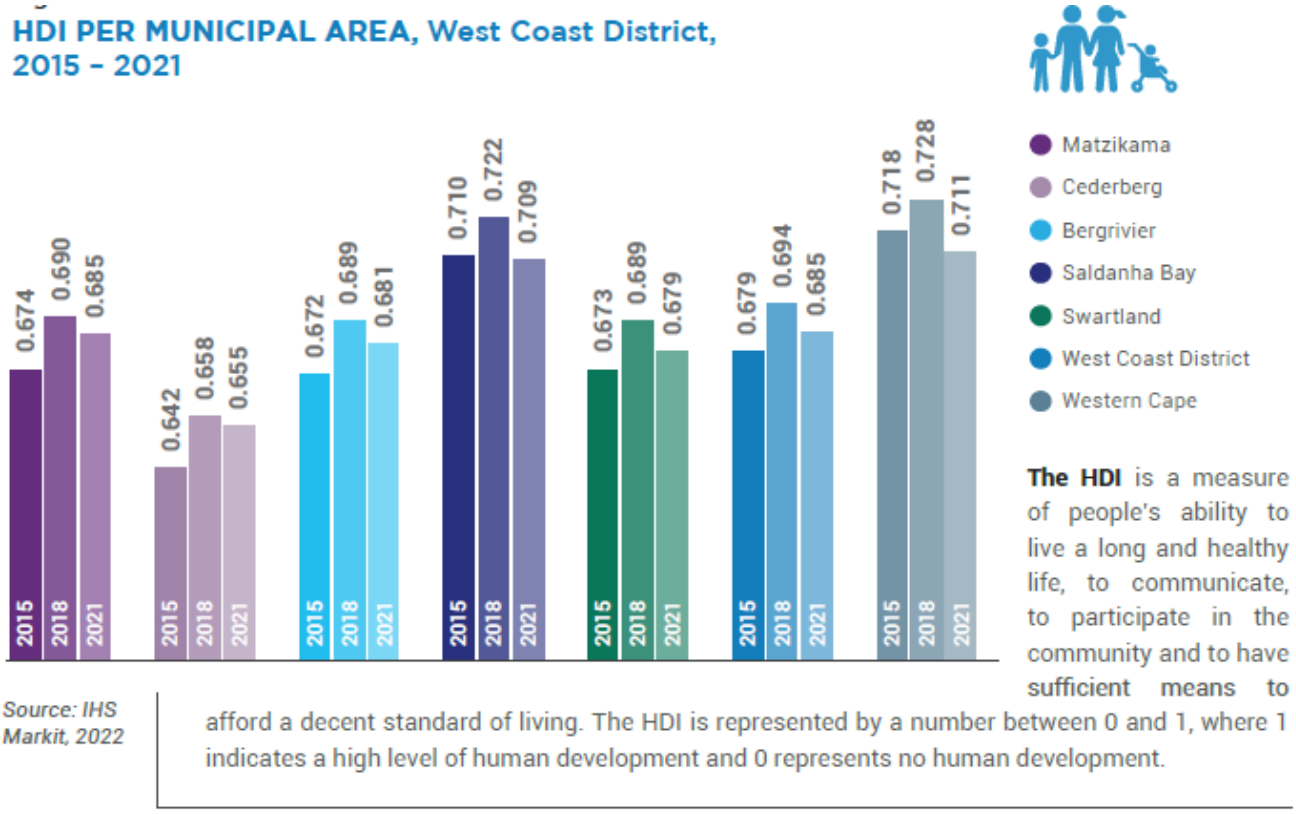
The Gini coefficient is an indicator of income inequality and ranges between 0 and 1, with 0 representing complete equality and 1 representing complete inequality.

Income inequality was lower in the WCD than in the Western Cape Province. A moderate increase in the West Coast District from 2015 to 2021..

1.2.7 Human Development Index

The HDI is a composite indicator reflecting education, health and income, and is used to compare the relative level of socio-economic development across countries.

Table 1.5: HDI on the West Coast



Source: IHS Markit, 2022

The HDI increased from 0,679 in 2015 to 0,694 in 2018 and a decline from 0,685 again in 2021. The West Coast District's HDI remains lower compared with that of the Province (0.711).

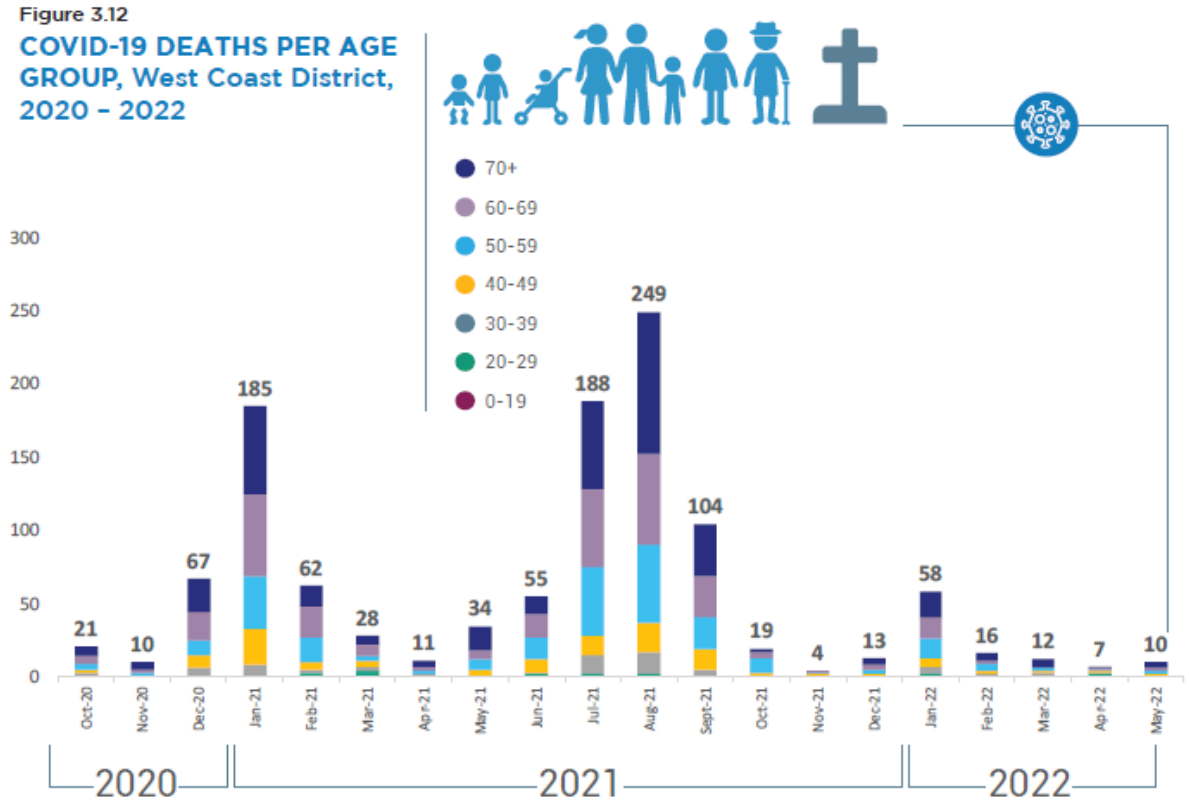
1.2.8 HEALTH

The health conditions of people living within the West Coast District are analysed by reviewing COVID-19, mortality, the prevalence of TB, HIV, infant mortality rates, maternal death rates and teenage pregnancies COVID-19.

Covid-19 pandemic

During the pandemic, the elderly was more vulnerable and likely to have adverse effects from COVID-19 The South African Government had Johnsons and Phizer.COVID-19 vaccine roll-outs from February 2021 for health workers and later the elderly. It was later rolled-out to adults and children.

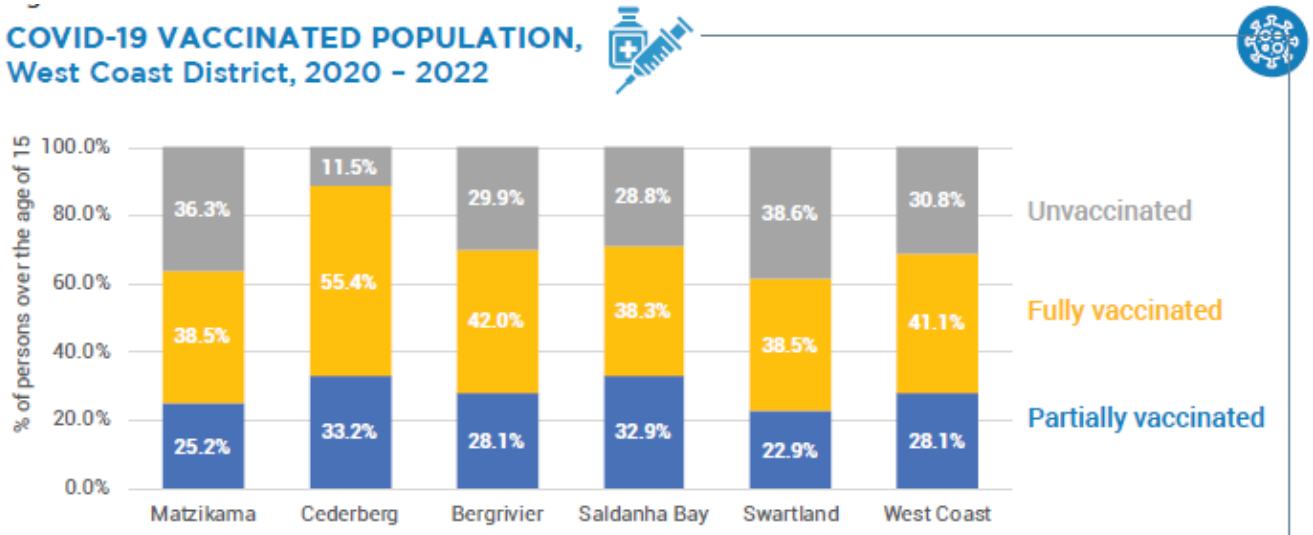
Table 1.6:: Covid-19 deaths per age group



Covid-19 Vaccinated and Unvaccinated Population

Below is a summary of the percentage of people vaccinated in the West Coast District

Table 1.7: Vaccinated population: 2020-2022



Vaccinations[19]	2020 – 2022		
	Partially vaccinated[20]	Fully vaccinated[21]	Unvaccinated
Matzikama	25.2%	38.5%	36.3%
Cederberg	33.2%	55.4%	11.5%
Bergrivier	28.1%	42.0%	29.9%
Saldanha Bay	32.9%	38.3%	28.8%
Swartland	22.9%	38.5%	38.6%
West Coast District	**28.1%**	**41.1%**	**30.8%**

Source: Mero 2022-2023

Cederberg Municipality has the highest percentage of fully vaccinated people, 55,4% and the least number of unvaccinated people, 11,5%. Saldanha Bay Municipality have the lowest percentage of fully vaccinated people, 38,3 % with Matzikama Municipality with the highest percentage, 36,3 & unvaccinated people. The partially vaccinated group in the West Coast District are 28,1%.

HIV/AIDS and Tuberculosis (TB)

HIV testing, treatment and outcomes

The number of people who are known to have tested positive in the WCD increased over the reference period from 21 831 in 2018/19 to 22 817 in 2021/22. Even though more people knew their status, the Covid-19 pandemic negatively affect the healthcare system.

HIV testing, treatment and outcomes trends indicate a recovery form the Covid-19 pandemic.

The table below provides an overview of the trends in HIV testing, treatment, and outcomes in the WCD between 2018/19 and 2021/22.

Table 1.8: HIV testing and outcomes

TRENDS IN HIV TESTING, TREATMENT AND OUTCOMES, West Coast District, 2018/19 – 2021/22

	2018/19	2019/20	2020/21	2021/22
Known HIV+ (Tested; n)	**21 831**	**22 723**	**23 094**	**22 817**
Of which: Clients started but no longer on ART	34.1%	33.0%	31.6%	28.8%
Of which: Clients on ART	**56.6%**	**58.4%**	**60.5%**	**63.5%**
Of which: Clients with confirmed viral suppression	68.7%	74.0%	73.7%	72.5%

Tuberculosis programme (TB)

The TB programme success rate in the WCD declined from 83.6 per cent in 2019/20 to 79.7 per cent in 2021/22. The TB client death rate increased from 2019/2020 to 2021/2022from 3,3 % in 2019/2020 to 5.3 % in 2021/2022 and the multidrug-resistant (MDR) treatment success rate decreased with 3 % from 2019/20 to 2021/2022.

Table 1.9: TB Notification and Outcomes

TRENDS IN TB NOTIFICATION AND OUTCOMES, West Coast District, 2019/20 – 2021/22

	2019/20	2020/21	2021/22
TB programme success rate	83.6%	82.6%	79.7%
TB clients lost to follow-up	12.1%	10.4%	12.8%
TB client death rate	3.3%	4.7%	5.3%
TB/HIV co-infected	38.4%	39.9%	37.8%
TB MDR treatment success rate	54.0%	45.9%	51.0%

Source: Western Cape Department of Health, 2022

Child and maternal health

The maternal death rate *is defined as maternal death per 100 000 live births in healthcare facilities. death is death occurring during pregnancy, childbirth and the puerperium of a woman while pregnant or within 42 days of termination of pregnancy, irrespective of the duration and site of pregnancy and irrespective of the cause of death (obstetric and non-obstetric).*

The table below outlines the maternal death rates per 100 000 live births in the WCD between 2019 and 2021.

Table 1.10 Maternal Death rates per 100 000 live births

MATERNAL DEATH RATES PER 100 000 LIVE BIRTHS, West Coast District, 2019 – 2021

MUNICIPAL AREA	2019	2020	2021
Bergrivier	0	0	0
Cederberg	0	130	245
Matzikama	0	0	102
Saldanha Bay	0	0	0
Swartland	0	212	0
West Coast District	**0**	**43**	**56**

Source: Western Cape Department of Health, 2022

The maternal death rate in the WCD increased from no deaths per 100 000 live births in 2019 to 43 deaths per 100 000 live births in 2020, and further increased to 56 deaths per 100 000 live births in 2021.

Teenage pregnancy

Teenage pregnancies can be influenced by lack of knowledge about or access to contraceptives, access to healthcare services and other sociocultural factors.

The table provides a municipal breakdown of teenage pregnancies in the WCD between 2019 and 2021 by indicating the percentage of babies born to mothers aged between 10 and 19 years.

Table 1.11 Delivery rate to women 10 – 19 years

DELIVERY RATE TO WOMEN 10 – 19 YEARS, West Coast District, 2019 – 2021

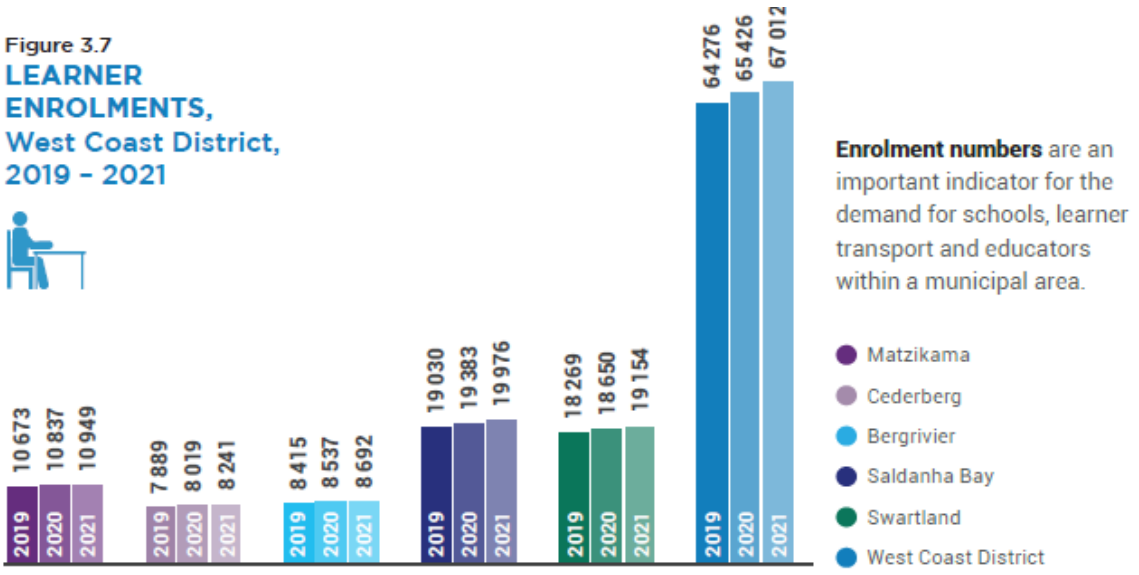
MUNICIPAL AREA	2019	2020	2021
Bergrivier	19.1%	16.0%	19.0%
Cederberg	18.6%	15.5%	17.9%
Matzikama	17.6%	15.5%	15.4%
Saldanha Bay	13.6%	13.3%	13.2%
Swartland	13.0%	15.8%	14.8%
West Coast District	**16.3%**	**14.7%**	**15.3%**

Source: Western Cape Department of Health, 2022

1.2.9 EDUCATION

This subsection explores the educational circumstances of households in the WCD by analysing data on learner enrolments and matric passing.

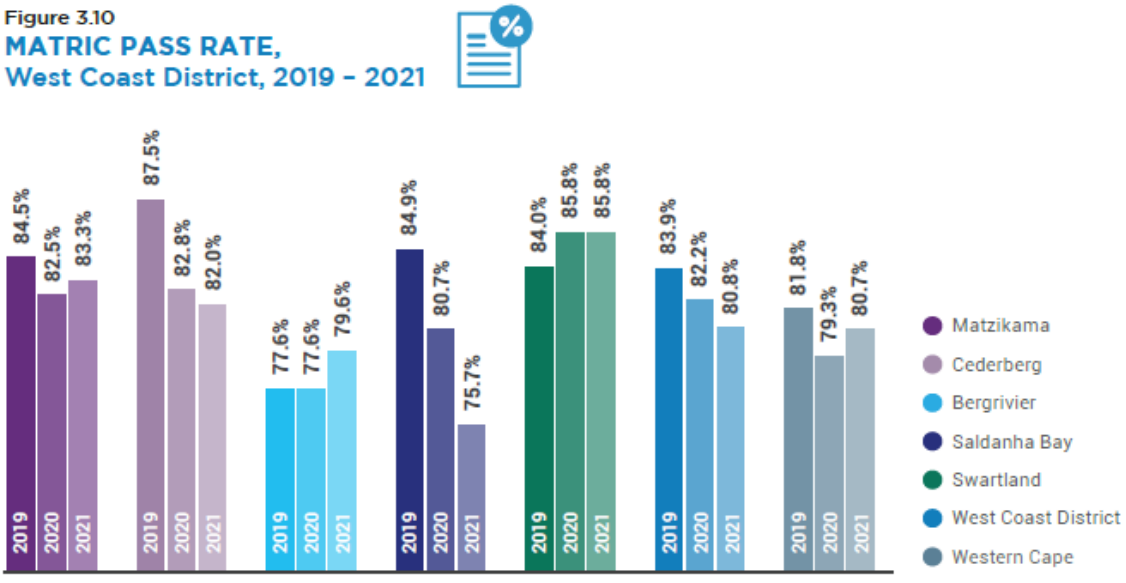
Table 1.12: Learner Enrolments



Source: Western Cape Education Department, 2022

In the WCD, learner enrolments increased consistently from 2018 to 2020

Table 1.13: Matric Pass rate



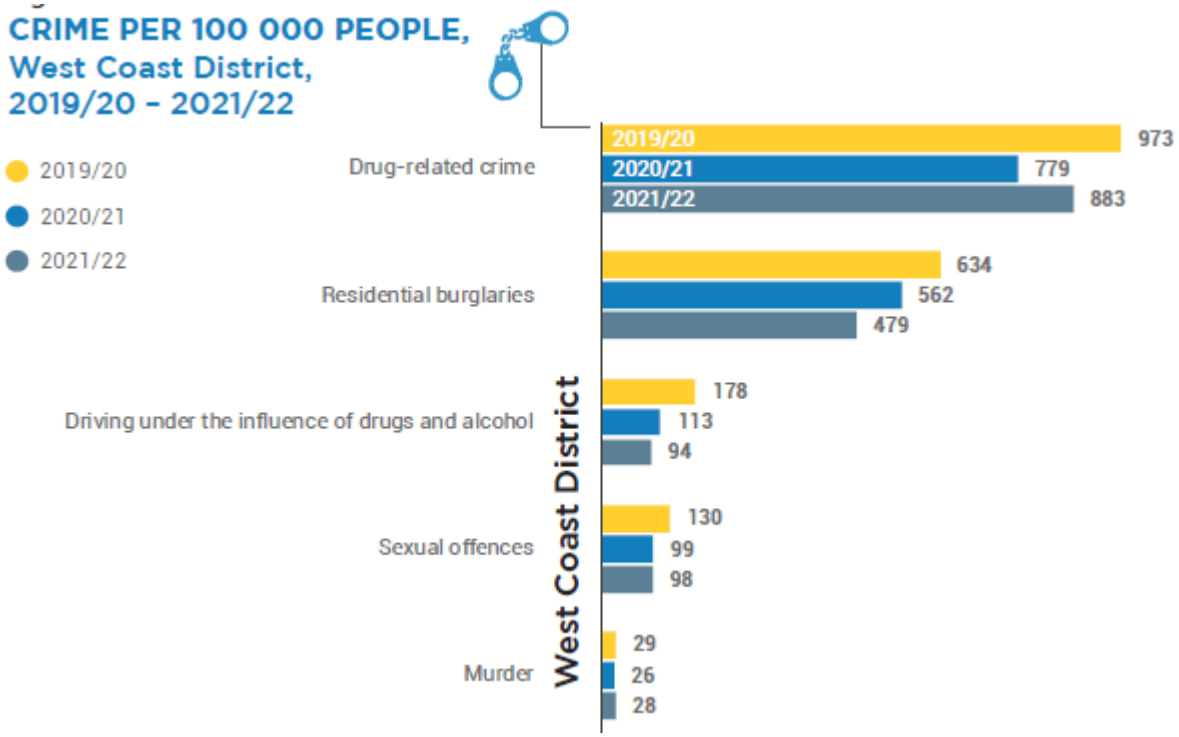
Source: Western Cape Education Department, 2022

The matric pass rate for the West Coast District was higher than the pass rate for the Western Cape but declined from 83.9 per cent in 2019 to 80.8 per cent in 2021. The decline can be attributed to the COVID-19 pandemic, which caused schools to close, and as a result the academic year was greatly impacted.

1.2.10 CRIME

The table below reflects the categories of crime from 2019 – 2022 per 100 000 people.

Table 1.14: Crime Categories in the West Coast District



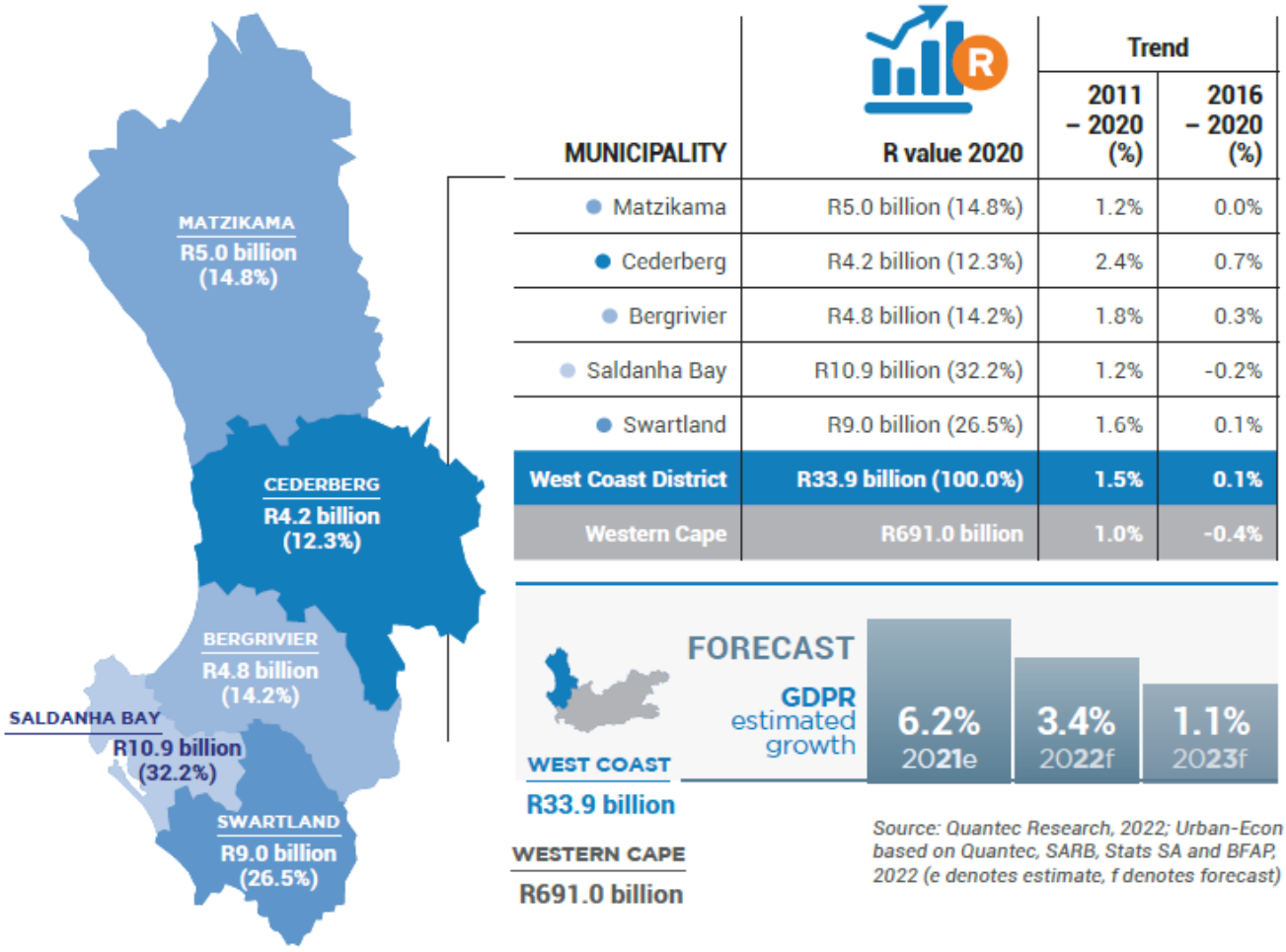
The recorded sexual offences, driving under the influence of drugs and alcohol and residential burglaries declined in 2021/2022.

ECONOMIC REVIEW

This section provides a brief overview of the key highlights of the West Coast District economy.

1.2.11 GDPR CONTRIBUTION AND AVERAGE GROWTH RATES PER MUNICIPAL AREA

Diagram 1.1 GDPR contribution and average growth rates per municipal area



MUNICIPALITY	R value 2020	Trend 2011 – 2020 (%)	Trend 2016 – 2020 (%)
Matzikama	R5.0 billion (14.8%)	1.2%	0.0%
Cederberg	R4.2 billion (12.3%)	2.4%	0.7%
Bergrivier	R4.8 billion (14.2%)	1.8%	0.3%
Saldanha Bay	R10.9 billion (32.2%)	1.2%	-0.2%
Swartland	R9.0 billion (26.5%)	1.6%	0.1%
West Coast District	**R33.9 billion (100.0%)**	**1.5%**	**0.1%**
Western Cape	**R691.0 billion**	**1.0%**	**-0.4%**

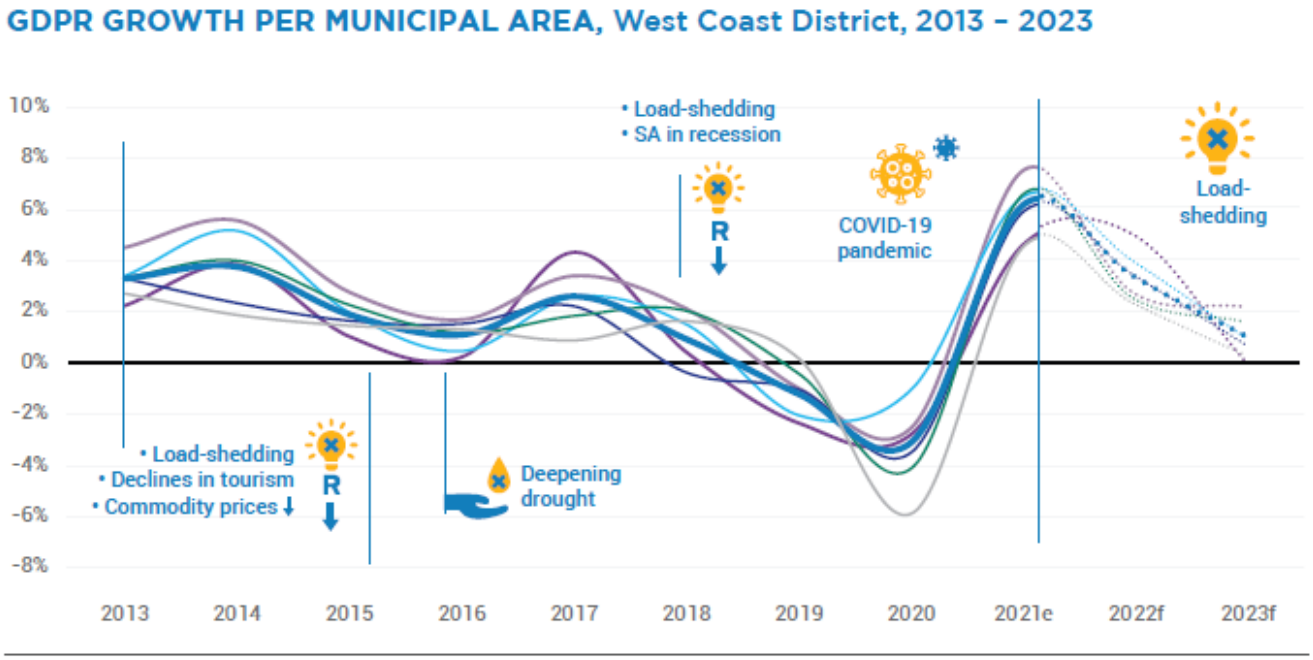
Source: Quantec Research, 2022; Urban-Econ based on Quantec, SARB, Stats SA and BFAP, 2022 (e denotes estimate, f denotes forecast)

Valued at R33.9 billion in 2020, the WCD economy accounted for 4.9 per cent of the Western Cape economy during the year.

According to the digram above, the two municipal areas that contributed the most to GDPR in 2020 were the Saldanha Bay (32,2 per cent) and Swartland (26,5 per cent) municipal areas. The Bergrivier and Matzikama municipal areas contributed 14.8 per cent and 14.2 per cent respectively to the economy of the WCD. The smallest contributor to the GDPR of the WCD was the Cederberg municipal area at 12,3 per cent.

1.2.12 GDPR Growth per municipal area

Figure 1.2.1: GDPR growth per municipal area



	2013	2014	2015	2016	2017	2018	2019	2020	2021e	2022f	2023f
Western Cape	2.7%	1.9%	1.5%	1.3%	0.9%	1.6%	0.1%	-5.9%	4.6%	2.3%	0.3%
West Coast District	**3.3%**	**3.8%**	**1.9%**	**1.1%**	**2.6%**	**0.9%**	**-1.2%**	**-3.1%**	**6.2%**	**3.4%**	**1.1%**
Matzikama	2.3%	3.9%	1.0%	0.3%	4.3%	0.4%	-2.3%	-2.7%	4.7%	4.9%	0.1%
Cederberg	4.5%	5.5%	2.7%	1.7%	3.4%	2.1%	-1.0%	-2.5%	7.5%	2.7%	2.2%
Bergrivier	3.4%	5.2%	2.0%	0.5%	2.6%	1.5%	-2.1%	-1.0%	6.5%	3.9%	1.0%
Saldanha Bay	3.3%	2.3%	1.7%	1.5%	2.2%	-0.4%	-1.1%	-3.5%	6.0%	3.4%	0.7%
Swartland	3.3%	4.0%	2.2%	1.2%	1.8%	2.0%	-0.5%	-4.1%	6.6%	2.5%	1.6%

Source: Quantec Research, 2022; Urban-Econ based on Quantec, SARB, Stats SA and BFAP, 2022 (e denotes estimate, f denotes forecast)

In the 2022 and 2023 forecast periods, GDPR growth in the WCD is expected to slow to 3,4 % and 1,1 % respectively.

Rising fuel prices due to Russian-Ukranian conflict is likely to restrain consumption expenditure.8 In addition, load-shedding in 2022 and the expected continuance thereof in 2023, exchange rate volatility as well as continued geopolitical tensions in Europe are expected to further exert downward pressure on growth.9 In addition, fears of a global economic recession weighed on 2023 forecasts.10

Figure 1.2.2: GDPR performance per sector

GDPR PERFORMANCE PER SECTOR, West Coast District (%)

SECTOR	R million value 2020	Trend 2011 – 2020	Trend 2016 – 2020	Real GDPR growth 2021e	Real GDPR growth 2022f	Real GDPR growth 2023f
Primary Sector	**R7 637.5 (22.5%)**	**3.6%**	**2.2%**	**7.7%**	**10.1%**	**0.2%**
Agriculture, forestry & fishing	R7 154.9 (21.1%)	3.7%	2.4%	8.6%	9.8%	0.5%
Mining & quarrying	R482.6 (1.4%)	1.1%	-0.7%	-16.0%	20.1%	-8.7%
Secondary Sector	**R8 155.5 (24.1%)**	**-0.1%**	**-1.7%**	**6.4%**	**1.1%**	**1.0%**
Manufacturing	R6 506.3 (19.2%)	0.6%	-0.5%	8.7%	0.5%	1.3%
Electricity, gas & water	R543.4 (1.6%)	-2.9%	-3.8%	2.0%	2.1%	-0.7%
Construction	R1 105.8 (3.3%)	-1.9%	-6.4%	-4.0%	4.0%	-0.6%
Tertiary Sector	**R18 078.8 (53.4%)**	**1.6%**	**0.2%**	**5.5%**	**1.3%**	**1.5%**
Wholesale & retail trade, catering & accommodation	R4 647.4 (13.7%)	0.7%	-1.9%	7.7%	7.7%	2.5%
Transport, storage & communication	R1 753.9 (5.2%)	-1.4%	-4.1%	4.4%	7.2%	1.3%
Finance, insurance, real estate & business services	R4 952.3 (14.6%)	2.8%	2.6%	4.9%	-1.6%	0.5%
General government	R3 498.1 (10.3%)	2.4%	1.5%	1.5%	-3.3%	2.2%
Community, social & personal services	R3 227.1 (9.5%)	2.3%	1.2%	8.5%	-1.1%	1.1%
Total West Coast District	**R33 871.8 (100.0%)**	**1.5%**	**0.1%**	**6.2%**	**3.4%**	**1.1%**

Source: Quantec Research, 2022; Urban-Econ based on Quantec, SARB, Stats SA and BFAP, 2022 (e denotes estimate, f denotes forecast)

Valued at 18,1 billion and 53,4 % the Tertiary sector was the leading contributor to the WCD economy during the year. it is concluded that growth in the District is largely dependent on the performance of the tertiary sector. The tertiary sector is estimated to have recorded a growth rate of 5.5 per cent in 2021.

In the 2022 forecast period, growth in the tertiary and secondary sectors is expected to slow to 1.3 per cent and 1.1 per cent respectively. Growth in the primary sector is expected to slow significantly reaching 0,2 % in 2023.

1.2.13 INFRASTRUCTURE

Infrastructure spending

Spending helps to create an enabling environment for economic and social development, boost and stimulate the economy from the operational activities that result from the initial capital spending.

The table below outlines the budgeted expenditure on infrastructure by the local municipalities in the West Coast District for 2022/23.

Table 1.2.1 Infrastructure spending

SPENDING ON INFRASTRUCTURE, West Coast District, 2022/23 DESCRIPTION R million	2022/23 Municipal infrastructure spend (original budget)
Economic infrastructure	**217.2**
Road transport and public works	217.2
Environmental services	-
Social infrastructure	**22.0**
Education	-
Health	0.7
Social development	9.3
Housing	12.0
Trading services	**401.7**
Energy sources	110.5
Water management	149.1
Wastewater management	122.8
Waste management	19.2
Other	**137.4**
Total infrastructure spend	**778.3**

Source: Provincial Treasury, 2022

1.3 SERVICE DELIVERY OVERVIEW

INTRODUCTION

ACCESS TO BASIC SERVICES – WATER AND SANITATION

Access to safe water and adequate sanitation in South Africa is a right, protected in the Bill of Rights, Chapter 2 of the South African Constitution. The Bill of Rights states that everyone in the country has a right to access sufficient water and 'to an environment that is not harmful to their health or well-being'. It further states that government 'must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of these rights'. Data regarding the provision of safe water and adequate sanitation are therefore critical in evaluating whether the government is upholding these basic rights.

The delivery of services by the West Coast District Municipality is informed by the powers and functions vested in a District Municipality as contemplated in Sections 156 and 229 of the Constitution of South Africa, Act 108 of 1996, as well Section 84 of the Local Government: Municipal Structures Act, 117 of 1998.

Services like potable water, sanitation, electricity, streets and community services are rendered by the local municipalities. The District is responsible for Environmental Health, Fire Services in terms of section (1)(i) and (j) of the Municipal Structures Act. The District Municipality maintain all gravel roads in the district on an agency basis for the Department of Public Works and Transport of the Western Cape Government.

West Coast District Municipality supplies bulk water to 3 of the 5 local municipalities as well as to various farms in the district.

Table 1.3.1 Distribution of household by access to safe drinking water

Code	Municipality	Access to safe drinking water		No access to safe drinking water		Total
		Number	Percentage	Number	Percentage	
WC011	Matzikama	19 145	92.3	1 587	7.7	20 732
WC012	Cederberg	14 140	93	1 069	7	15 209
WC013	Bergrivier	17 742	93.6	1 211	6.4	18 953
WC014	Saldanha	31 915	90	3 535	10	35 450
WC015	Swartland	37 183	95.7	1 669	4.3	38 852
DC01	West Coast DM	**120 125**	**93**	**9 071**	**7**	**129 196**

Source: Western Cape Community Survey 2016: STATSSA

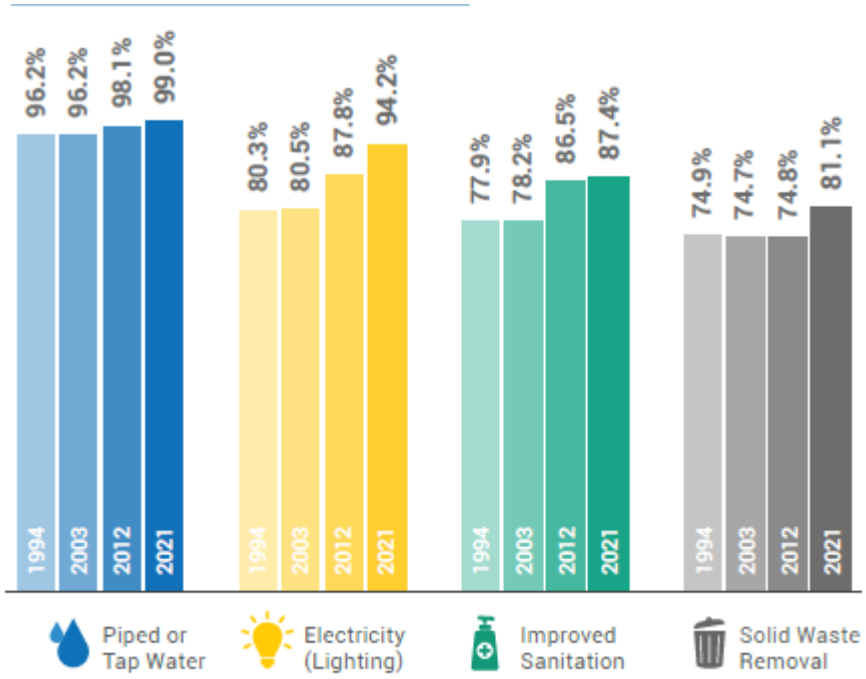
Saldanha Bay (10,0%) reported high proportions of households without access to safe drinking water

Access to Basic Services

Basic services to the residents in the West Coast District include piped or tap water, electricity, sanitation and solid waste removal.

Access to basic services in the WCD increased during the reference period. Between 1994 and 2021, access to piped or tap water increased by 2.8 percentage points and reached 99.0 % and almost every household in the WCD had access to water in 2021.

Table 1.3.2: Access to basic services



Source: Urban-Econ calculations based on Quantec Research, 2022

Access to a basic level of piped or tap water
Refers to having access to water inside a dwelling or yard.

Access to improved sanitation
Includes having access to a flush or chemical toilet or a pit toilet with ventilation.

Access to a basic level of solid waste removal
Services includes having refuse removed by the local government or having access to a communal refuse container or collection point.

Number of Indigent Households

Municipalities adopted an Indigent Policy which sets an income threshold to qualify. Below is a comparative table from 2019 to 2021. The West Coast District recorded 24 219 indigent households in 2021, which was a 19.4 % households in the District.

Table 1.3.3: Number and percentage of indigent households

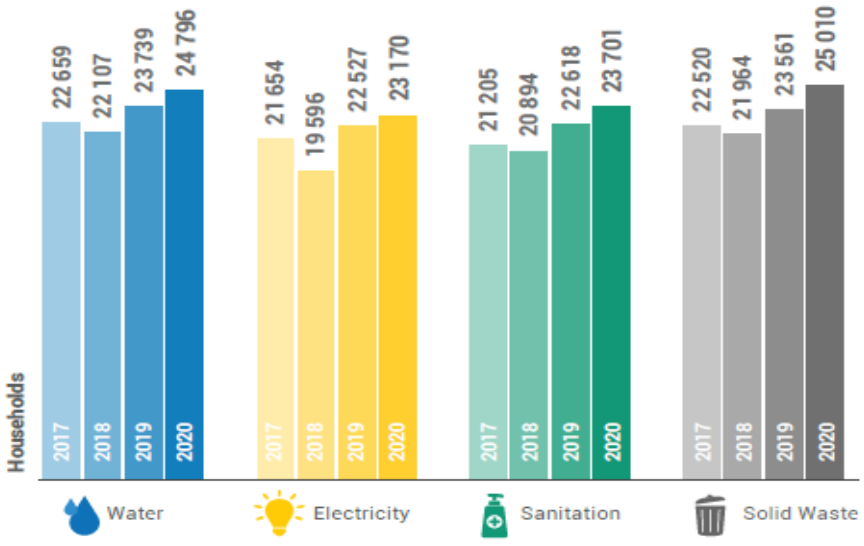
	2019		2020		2021	
Municipality	**Number**	**% of Household**	**Number**	**% of Household**	**Number**	**% of Household**
Matzikama	3 291	15.9%	3 147	15.0%	2 888	13.6%
Cederberg	2 041	12.5%	2 262	13.6%	2 487	14.8%
Bergrivier	1 992	11.0%	1 862	10.2%	2 128	11.5%
Saldanha	7 384	21.1%	8 481	23.8%	7 880	21.9%
Swartland	8 923	28.6%	9 027	28.3%	8 836	27.2%
West Coast District	23 631	19.5%	24 779	20.1%	24 219	19.4%

Source: MERO 2022-2023

Access to free services

The level of free basic services support is guided by the indigent policy of each local municipality. The increase in indigent households in the West Coast District are linked to the increase in the number of people who have access to free basic services.

Table 1.3.4: Number of free basic services



Source: Non-financial Census of Municipalities, Stats SA, 2022

Generally municipalities offer up to 6 kl water and 50kWh electricity as free basic service and limited support for sanitation and waste services. Free basic services differ on the type of service as levels and policies differ across municipalities.

1.4 FINANCIAL HEALTH OVERVIEW

INTRODUCTION

The Department of Finance is responsible for the management of the corporate financial services of the municipality in order to ensure maximum utilisation of the available financial resources. All figures used includes the Statement of Financial Performance and note 53 in the annual financial statements.

Table 1.4.1: Financial overview for 2022/2023 (R'000)

Details	Original budget	Adjustment budget	Actual
Income			
Grants	30 193	33 713	37 236
Taxes, levies and tariffs	126 633	126 633	139 358
Other	308 387	406 744	376 222
Sub total	465 213	567 090	552 816
Less expenditure	470 354	570 059	511 181
Net surplus/(deficit)	(5 143)	(2 970)	41 635

Table 1.4.2: Operating ratios

Detail	%
Employee cost	44.31
Repairs and maintenance	27.08
Finance charges and depreciation	1.99

Table 1.4.3: Total capital expenditure over three years (R'000)

Detail	2020/2021	2021/2022	2022/2023
Original budget	9 518	13 730	14 223
Adjustment budget	13 466	20 340	27 646
Actual	11 039	16 541	19 473

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

The District Municipality's macro-organisational structure (detailed below) constitutes the Council's policy according to which the micro-organisational structure was developed. The District Municipality consists of the Office of the Municipal Manager and three departments with their respective divisions. The three departments report to the municipal manager.

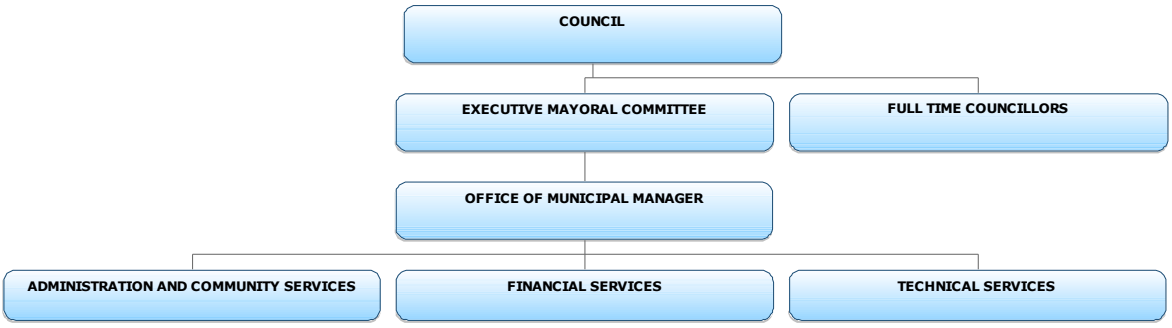


Figure 1.5.1: Organogram: West Coast District Municipality

The divisions are as follows:

(a) Office of the Municipal Manager

- Human Resources
- Internal Audit and Fraud/Risk Management
- Integrated Development Planning, Performance Management System, Intergovernmental Relations and Economic Development
- Tourism
- Communication and Public Relations

(b) Department: Administration and Community Services

- Administration
- Air Quality
- Municipal Environmental Health
- Municipal Environmental Management
- Disaster Management
- Fire Services
- Social and Community Development

(c) Department: Financial Services

- Financial Statements, Reporting and Asset Control
- Income
- Expenditure
- Supply Chain Management
- Information and Communication Technology
- Ganzekraal Resort

(d) Department: Infrastructure Services

- Spatial Planning
- Roads Construction and Maintenance
- Mechanical Workshops
- Water Purification
- Water Distribution
- Building Maintenance

The respective departments are responsible for the following functions:

(a) Office of the Municipal Manager

- Strategic Management
- Human Resource Development
- Occupational Health and Safety
- Employment Equity
- Employment Assistance Programme
- Organisation and Work study
- Labour Relations
- Personnel Administration
- Time and Attendance
- Internal Auditing
- Internal Audit Fraud/Risk Management
- Performance Management System
- Integrated Development Plan
- Intergovernmental Relations
- Economic Development
- Tourism Marketing and Development
- Communication and Public Relations

(b) Department: Administration and Community Services

- Archive Services
- Secretariat
- Legal Support Services
- Reprographic Services
- Cleaning services
- Municipal Environmental Health
- Air Quality Control
- Environmental Management
- Fire and Rescue Services
- Disaster Management
- Administrative Support Services
- Social and Community Development

(c) Department: Financial Services

- Financial Statements
- Budget Control
- Information Technology
- Revenue (Income)
- Expenditure Control
- Supply Chain Management
- Asset Control
- Resort Management

(d) Department: Technical Services

- Construction of roads
- Maintenance of roads
- Water purification
- Bulk water supply
- Building maintenance
- Spatial planning
- Mechanical workshops
- Project management
- Technical support (electrical, instrumentation, etc.)

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

Highlight	Description
Disciplinary actions against financial misconduct	No disciplinary actions were taken for financial misconduct.
Human Capital Development	Currently, the Municipality has three employees with NQF10 qualifications (doctorates), four employees obtained their first degree (NQF7) and one employee obtained a postgraduate diploma (NQF8).
Implementation of Municipal Staff Regulations	The Municipality implemented the Municipal Staff Regulation without the appointment of a consultant to assist in the process.

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

Challenge	Actions to address
The review and approval of the organisational structure	The organisational structure must be reviewed in terms of section 66 (d) of the Local Government: Municipal Systems Act (Act no 32 of 2000). The Organisational structure was reviewed in March 2023. The implementation date is 1 July 2023. The Municipality is one of sixteen municipalities that participate in the piloting and validation of staff establishments for municipalities.
Implementation of upper limits	Aligning the upper limits with T.A.S.K. as the remuneration of the T-18 T.A.S.K. grade posts is close to the published upper limits.
Recruitment and selection process	Streamline the appointment process to minimise the time taken to fill vacant positions. The vacancy rate is limited to 8%. With new posts in the Technical Department, recruitment and selection processes take longer.
HRM electronic personnel system and organisational structure incorporated in the financial system	The financial system should be customised to accommodate the HRM specifications for an HRM electronic personnel system and organisational structure or a separate system for HRM should be invested in which integrate with the financial system.

1.6 AUDITOR-GENERAL REPORT

Introduction

According to Section 4(1)(d) of the Public Audit Act of 2004, it is mandatory that the Auditor General conducts audits and reports on the financial accounts, statements, and management of Municipalities.

Strategic objective

Aligned with strategic goal 5, the Municipality endeavours to maintain good governance and financial viability, which supports the Auditor General's constitutional responsibility to facilitate oversight, accountability, and governance in the public sector, particularly within the Municipality.

Purpose

The purpose of the audit conducted by the Auditor General for the 2022/2023 financial year is to examine the Municipality's financial statements, annual performance report, and compliance with key legislation. Additionally, the audit aims to provide an audit opinion on the overall state of affairs within the Municipality.

The Auditor General have audited the financial statements, annual performance report and compliance with key legislation for the 2022/2023 financial year, and to provide an audit opinion on the state of affairs within the Municipality.

Challenges

In the 2022/2023 financial year, Management encountered challenges with legislation interpretation differences by the Office of the Auditor General, leading to an extremely complex dispute of a highly technical nature. Fortunately, the resolution of this dispute was achieved which resulted in a regulatory audit sign-off within the legislative timeframe of 30 November 2023.

Performance highlights

During the 2022/2023 financial year, the West Coast District Municipality achieved an impressive milestone by attaining its 13th consecutive clean audit status. This accomplishment highlights the Municipality's consistent commitment to sound financial management and adherence to rigorous auditing standards.

Comments

The Municipality will continue to prioritize good governance and financial viability to position itself for long-term success, sustainability, and positive societal impact. By upholding transparency, accountability, and ethical practices, we not only gain the trust and support of stakeholders, but also contribute to a stronger and more resilient economy and society as a whole.

1.7 STATUTORY ANNUAL REPORT PROCESS

Table 1.7.1: Overview of the statutory annual report process

Section of Legislation	Requirement	Legislative Provision
Section 127, 129, 130 and 131 of the MFMA.	Tabling the audited Annual Report within 6 / 7 months after the end of the financial year.	The Auditor-General's reports are issued during the period of November/December. Once the AG audit reports have been issued no further changes are allowed as the audit process is completed
Section 127, 129, 130 and 131 of the MFMA.	Tabling of the audited Annual Report and Annual financial statements to Council	Once the AG audit reports have been issued no further changes are allowed as the audit process is completed planning December
Section 75 of MFMA and Section 21 of the MSA for publication on website	Audited Annual Report is made public, e.g. posted on municipality's website.	Once the AG audit reports have been issued no further changes are allowed as the audit process is completed planning December
Section 129 of the MFMA.	Municipal Public Accounts Committee (MPAC) finalises assessment on Annual Report.	Once the AG audit reports have been issued no further changes are allowed as the audit process is completed planning December / January
Section 129 of the MFMA.	Council adopts Oversight report.	Once the AG audit reports have been issued no further changes are allowed as the audit process is completed planning December / January
Section 75 of MFMA and Section 21 of the MSA for publication on website	Oversight report is made public	The entire process, including oversight reporting and submission to provincial legislators is completed in December / January depending the Auditor-General Report
Section 132 of the MFMA	Oversight report is submitted to Legislators, Treasuries and Provincial Departments	

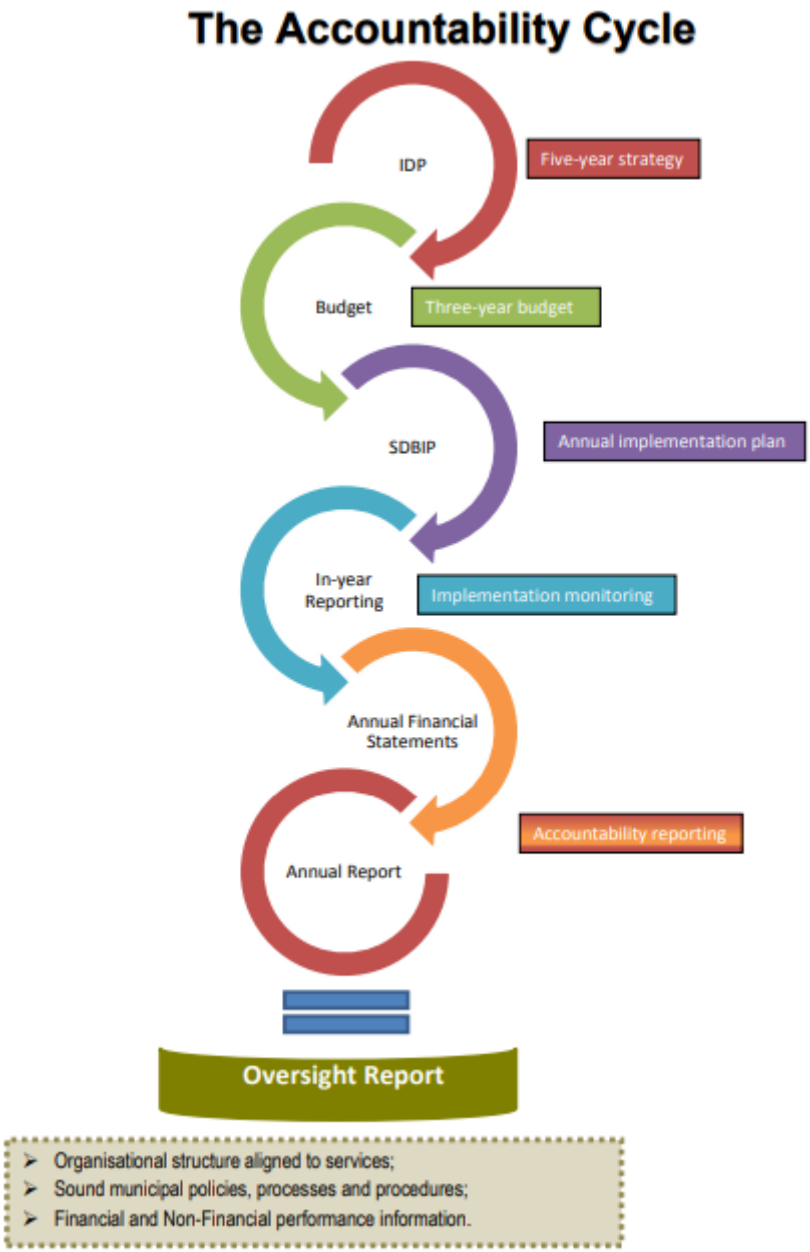
Comment On the Annual Report Process

In terms of Section 127 (2) of the Local Government: Municipal Finance Management Act (MFMA) 56 of 2003, every municipality must deal with its Annual Report within seven months after the end of a financial year.

A copy of the Draft Annual Report will be submitted to Senior Management and the Auditor-General for scrutiny. After the comments of Senior Management has been included, the Annual Report will be submitted to the Auditor-General. The Annual Report will be tabled to the Council for consideration and the Annual report with the Council minutes will be submitted to the Auditor-General, Provincial Treasury and the Provincial Department responsible for Local Government in the Province. Thereafter the Annual report will be published for public comment. The Municipal Public Accounts Committee (MPAC) will meet to discuss the Annual report, and a recommendation on whether it is approved or rejected will be drafted in the Oversight report within two months after the approval of the Annual Report. The Oversight and Annual reports will be tabled to Council for approval after all the comments have been considered.

Accountablity cycle

To ensure alignment between Council's strategic processes are adhered to, the municipal accountable cycle needs to be implemented:



CHAPTER 2

GOVERNANCE

CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE

In compliance with Section 151(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996); Section 53 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000); and the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), the Municipal Council governs the local government affairs of the local community on its own initiative. The roles and areas of responsibility of each political structure and each political office-bearer of the Municipality and of the Municipal Manager are defined and adhered to accordingly.

The Council is controlled by a majority political party. Council is governed by applicable legislation, the Rules of Order and the Code of Conduct.

Introduction To Governance

In terms of section 52(a): of the Local Government: Municipal Finance Management Act, 56 of 2003 The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality.

The Council combines both the Legislative and the Executive functions. The Council is convened and Chaired by the Speaker. The Council delegates most of its executive functions to the Executive Mayor as the Political Head of the Municipality, who is supported by the Deputy Executive Mayor as well as the Executive Mayoral Committee.

The Administration is headed by the Municipal Manager, who is supported by the Directors to execute the resolutions of the Council as well as programs and activities.

The Council and Committees established both in terms of Section 80 and Section 79 of the Municipal Structures Act plays an oversight role on the Administration of the Municipality to ensure that commitments in the Integrated Development Plan and Municipal Budget are implemented.

In addition, hereto a fixed meeting schedule was also adopted for the Municipal Public Accounts Committee (MPAC) to ensure oversight on behalf of Council, over the executive functionaries of Council.

2.1.1 Overview: Comprehensive Political Oversight within the Municipality

As committee members have developed or are able to develop specialised skills, the quality of the work done by them is potentially of a higher standard than that of larger structures. The composition of committees usually represents all political parties.

Sections 79 and 80 of the Local Government: Municipal Structure Act, Act 117 of 1998 deal with non-executive and executive committees. Section 79 committees are non-executive committees that may be established for the effective and efficient performance of any of a municipal council's functions, or the exercise of any of its powers, provided that the municipal council determines the functions of a committee and delegates duties and powers to it. The council must appoint the chairperson, and may authorise a committee to co-opt advisory members who are not members of the council within the limits determined by the council. The Council may also determine a committee's procedures.

Political Decision-Making

Committees of the Council

Section 160(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) prescribes the manner in which Council takes decisions. A quorum of all Councillors must be present to take any decision and the majority of the votes cast results in a legal decision. The exception to this rule is that when any of the following issues are determined, it is determined by a decision taken with a supporting vote of a majority of all its members:

- The passing of bylaws;
- The approval of budgets;
- The imposition of rates and other taxes, levies and duties; and
- The raising of loans.

The Executive Mayor is supported by a Mayoral Committee. Each member of the Mayoral Committee has a portfolio with specific functions. The Executive Mayor may delegate specific responsibilities to each member of the Mayoral Committee.

Section 80 committees are provided to assist the Executive Committee or Executive Mayor. If a Municipal Council has an Executive Committee or Executive Mayor, it may appoint, in terms of

Section 79, committees of councillors to assist the executive committee or executive mayor. Such committees may not in number exceed the number of members of the executive committee or mayoral committee. The executive committee or executive mayor appoints a chairperson for each committee from the executive committee or mayoral committee, and may delegate any powers and duties of the executive committee or executive mayor to the committee.

Political governance was maintained by way of a fixed monthly meeting schedule for all Section 80 Committees advising the Executive Mayor in order to ensure that matters are duly debated by prior to such matters being considered by the Mayoral Committee and/or Council

Audit Committee

Section 166(1) of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) states "that each municipality or municipal entity must have an Audit Committee", and Section 166(4) (a) of the MFMA states that "an Audit Committee must consist of at least three persons with appropriate experience". The Audit Committee is an independent advisory body and presently consists of five members who are appointed by the Council.

In compliance with Section 166(2) of the MFMA, Council has an Audit Committee which is an independent body advising the Municipal Council, the political office-bearers, the accounting officer and the management staff of the Municipality

With reference to the West Coast District Municipality Audit Charter, the Committee assists the Council by providing inputs to ensure effective systems that complement service delivery, the safeguarding of municipal assets, and the maintenance of financial records, risk management, corporate governance and an effective internal control system. The Audit Committee also investigates matters within the scope of the Committee's duties if referred to by Council or the municipal manager.

Furthermore, the Audit Committee provides independent specialist advice on financial performance, efficiency and effectiveness, performance management and compliance with legislation.

Municipal Public Accounts Committee (MPAC)

The purpose of the MPAC is to serve as an oversight committee to exercise oversight over the executive obligations of council. The MPAC will assist council to hold the executive to account, and to ensure the efficient and effective use of municipal resources. By so doing, the MPAC will help to increase council and public awareness of the financial and performance issues of the municipality. The MPAC is established in terms of section 79 of the MSA and performs an oversight function on behalf of council and is not a duplication of other committees of council, such as the Audit Committee.

The MPAC may engage directly with the public and consider public comments when received and will be entitled to request for documents or evidence from the accounting officer. The MPAC will report to Council on the activities of the committee. The report must include detail of its activities of the preceding and current financial years, the number of meetings held, the membership of the committee and key resolutions taken in the annual report.

The Committee is responsible for the detailed analysis and review of the Annual Report and then the drafting of an oversight report that may be taken to full Council for discussion. This committee receives reviews made by the public. The Municipality takes into account all costs of the various for reviewing the Annual Report and preparing an Oversight report – the cost needs to be balanced against the need for transparency, good governance practice and accountability, the capacity of the Municipality and the need for an effective process within the time allowed.

2.1.1 MEMBERS OF THE COUNCIL ARE AS FOLLOWS:

Executive Mayoral Committee



Executive Mayor: Ald RW Strydom
DA: PR for West Coast District Municipality



Speaker: Cllr NS Louw
DA: PR for West Coast District Municipality



Executive Deputy Mayor:
Ald SM Crafford
DA: PR for West Coast District Municipality



Member of EMC
Cllr M Schrader
DA: Appointed Saldanha Bay Municipality



Member of EMC
Cllr C Daniels
DA: Appointed Swartland Municipality



Member of EMC
Cllr JA Engelbrecht
DA: PR for West Coast District Municipality

Members of the Council are as follows:



Executive Mayor: Ald RW Strydom
DA: PR for West Coast District Municipality



Ald E Plaatjies
ANC: PR West Coast District Municipality



Cllr SA Gxabalashe
ANC: PR West Coast District Municipality



EMC: Cllr JA Engelbrecht
DA: PR for West Coast District Municipality



Speaker: Cllr NS Louw
DA: PR for West Coast District Municipality



Ald OM Stemele
DA: PR West Coast District Municipality



Executive Deputy Mayor: Ald SM Crafford
DA: PR for West Coast District Municipality



Cllr J Alexander
GOOD: PR West Coast District Municipality



Cllr TF Waldeck
PA: PR West Coast District Municipality

			
Cllr G Stephan FF+: PR West Coast District Municipality	Cllr Sampi Jakes Tshabalala ANC: Appointed Matzikama Municipality	Cllr AJ Pool DA: Appointed Matzikama Municipality	Cllr F Kamfer ANC: Appointed Cederberg Municipality
			
Cllr L Venter DA: Appointed Cederberg Municipality	Cllr IS Adams ANC: Appointed Bergrivier Municipality	Cllr A Small DA: Appointed Bergrivier Municipality	Cllr ZS Komani-Nkohla ANC: Appointed Saldanha Bay Municipality
			
Cllr L Mitchell DA: Appointed Saldanha Bay Municipality	EMC: Cllr M Schrader DA: Appointed Saldanha Bay Municipality	Ald M Koen (MPAC Chairperson) DA: Appointed Saldanha Bay Municipality	Cllr BL Witbooi GOOD: Appointed Saldanha Bay Municipality
			
Cllr BJ Penxa ANC: Appointed Swartland Municipality	Cllr IS Le Minnie DA: Appointed Swartland Municipality	EMC: Cllr C Daniels DA: Appointed Swartland Municipality	Cllr DC Pypers DA: Appointed Swartland Municipality

The Council meets once per quarter as prescribed in terms of Section 18 (2) of the Local Government: Municipal Structures Act, Act 117 of 1998. The Council has delegated powers and functions (except those functions which, according to Section 160 (2) of the Constitution which cannot be delegated, also to the Executive mayor. In this way, effective service delivery can be accelerated.

Appendix A where a list of Councillors may be found, as well as committee allocations and council meeting attendance figures.

Appendix B which sets out committees and committee purposes.

2.1.2 FUNCTION: EXECUTIVE AUTHORITY AND COUNCIL

The West Coast District Municipality consists of 25 councillors of which 40% have been directly elected (proportional). Of the remaining representation, 60% are members who have been elected from the municipalities within the District Municipality's area of jurisdiction.

The 60% are representatives from the following municipalities:

WC011	Matzikama Municipality	2 representatives
WC012	Cederberg Municipality	2 representatives
WC013	Bergrivier Municipality	2 representatives
WC014	Saldanha Bay Municipality	5 representatives
WC015	Swartland Municipality	4 representatives

The Mayoral Committee consists of the chairs of the respective portfolio committees which have been established in terms of Section 80 of the Local Government: Municipal Structures Act (117 of 1998).

Mayor	Ald RW Strydom
Deputy mayor	Ald S Crafford
Speaker	Ald NJ Louw

The Section 80 committees advise and make recommendations to the Executive Mayoral Committee and Council.

The following Section 80 committees have been established and the chairs of these committees are as follows:

Chairperson of Portfolio Committees	
Portfolio Committee: Finance	Ald S Crafford
Portfolio Committee: Administration and Community Services, Community and Rural Safety	Cllr JA Engelbrecht
Portfolio Committee: Infrastructure Services	Cllr M Schrader
Portfolio Committee: Strategic Support and Economic Development	Cllr C Daniels

2.2 ADMINISTRATIVE GOVERNANCE

2.2.1 Introduction

In terms of Section 60(b) of the MFMA, the municipal manager of a municipality is the accounting officer of the municipality for the purposes of this act and must provide guidance on compliance with this act to political structures, political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

OFFICE OF THE MUNICIPAL MANAGER



MUNICIPAL MANAGER
MR DC JOUBERT

Mr Joubert is responsible, subject to the policy directions of the council, for the formation and development of an economical, effective, efficient and accountable administration that is equipped to implement the IDP, operates within the municipality's performance management system and is responsive to the needs of the local community to participate in municipal affairs.

The Municipal Manager oversee the effective and efficient management of Departments:
Administration & Community Services,
Finance and
Technical Services

The Office of the Municipal Manager oversee the following divisions:

- Human Resources
- Internal Audit and Fraud/Risk Management
- Integrated Development Planning, Performance Management System, Intergovernmental Relations and Economic Development
- Tourism
- Communication and Public Relations

DIRECTORS OF THE WEST COAST DISTRICT MUNICIPALITY	
 **DIRECTOR:** **.ADMINISTRATION AND COMMUNITY SERVICES** **MR W MARKUS**	The Directorate consists of a Director who manages and strategizes over five municipal departments and ensure the achievement of the Department's strategic objectives and developmental and service delivery obligations. The Directorate provides an essential and critical service to the public and continuously carry out fire safety & security matters, environmental & health matters and administration affairs and consistently render an effective & efficient service. The Department are responsible for: ▪ Administration ▪ Air Quality ▪ Municipal Environmental Health ▪ Municipal Environmental Management ▪ Disaster Management ▪ Fire Services ▪ Social and Community Development
 **DIRECTOR: FINANCE** **DR JCP TESSELAAR**	The Department is responsible for fiscal discipline, enhancing the quality of expenditure, allocating financial resources and improving overall financial governance within the District. The Department aim towards efficient and effective financial management of financial resources and financial sustainability and to be able to deliver the mandated services within the budget. The Director implement sound and transparent financial management to improve efficiency, effectiveness, value for money and delivery. The Department are responsible for: ▪ Financial Management & Control ▪ Income ▪ Expenditure ▪ Supply Chain Management ▪ Information Technology ▪ Ganzekraal Resort



MR AC Koch

The West Coast District Municipality is responsible for the delivery of basic services in terms of bulk water provision to local municipalities, maintenance of provincial roads on an agency basis for the Western Cape Department of Transport, Public Works, spatial planning and planning on a regional basis.

Manage the execution of projects in order to provide Roads and Water Provision Services in the most cost-effective manner.

The Department are responsible for:
Spatial Planning

- Roads Construction and Maintenance
- Mechanical Workshops
- Water Purification
- Water Distribution
- Building Maintenance

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS FOR THE 2022/2023 FINANCIAL YEAR

2.3.1 National Intergovernmental Structures

2.3.2 Provincial Intergovernmental Structures

1. Western Cape Districts Integrated Forum
2. Premiers Co-ordinating Forum (PCF)
3. MinMay
4. MinMaytech
5. Western Cape MM Forum
6. Department of Local Government Provincial IDP Managers Forum
7. DEDAT LED Managers Forum
8. Department of Local Government Provincial Public Participation Forum

2.3.3 Relationships With Municipal Entities

Bi-Lateral engagements between District and Local Municipalities

2.3.4 District Intergovernmental Structures

1. District Co-ordinating Forum (DCF)
2. District Co-ordinating Forum (DCFTECH)
3. District IDP Managers forum
4. District Public Participation Forum
5 West Coast LED cluster

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4.1 PUBLIC ACCOUNTABILITY

Overview: Public Accountability And Participation

Section 15(b) of the Local Government: Municipal Systems Act 32 of 2000 requires a municipality to establish and organise its administration to facilitate and cultivate a culture of accountability among its staff. Section 16(i) states that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Section 18(i)(d) requires a municipality to supply its community with information concerning municipal governance, management and development.

Comment On Public Accountability

Public participation, public accountability and citizen engagement are achieved through a structured process of targeted public stakeholder engagement. This process is driven in conjunction with all the local municipalities in the District, using a shared platform of public engagement at the municipal level, and is further enhanced through direct engagements with the local municipalities in the District. In this regard, priority issues emanating from the local municipal areas are incorporated into the strategic planning of the District Municipality and, where applicable, referred to the relevant sector department.

In addition, the West Coast District Municipality promotes and supports district-wide public participation and the mobilisation of civil society through initiatives aimed at strengthening the functioning of ward structures throughout the region.

2.4.2 PUBLIC MEETINGS

Table 2.1: List of public meetings held during 2022/2023

Nature and purpose of meeting	Date of events	Participating municipal councillors (N)	Participating municipal administrators (N)	Community members attending (N)	Dates and manner of feedback given to community
IDP/LED Meeting (utilised for IDP process)	3 August 2022 12 September 2022 14 September 2022 6 October 2022 17 October 2022 15 November 2022 2 March 2023		10		Through IDP document
Provincial IDP Managers Forum	11-12 October 2022 16-17 February 2023		6		Through IDP document
Council IDP Workshop	27-28 October 2022	16	16		Through IDP document

Nature and purpose of meeting	Date of events	Participating municipal councillors (N)	Participating municipal administrators (N)	Community members attending (N)	Dates and manner of feedback given to community
Strategic Integrated Municipal Engagement	5 May 2023		6		Through IDP document
IDP Indaba West Coast	8 February 2023		6		Through IDP document
Provincial Public Participation Forum	6 February 2023		6		Minutes
West Coast Public Participation Meeting	1 July 2022 26 August 2022 29 September 2022 9 June 2023		7		Through IDP document
West Coast Business Development Forum (WCBDF)	21 July 2022 22 August 2022 1 September 2022 28 November 2022	4	2		Minutes / Reports
Western Cape Districts Integrated Forum	1 September 2022 4 November 2022		7		Through IDP document
West Coast LED Meetings	18 August 2022 26 October 2022 23 November 2022 19 May 2023 19 June 2023		6		Notes
West Coast Investment Promotion Workshop	11 August 2022	1	3		Minutes/ Reports

Bi-lateral Meetings: Matzikama Municipality Saldanha Bay Municipality Cederberg Municipality Matzikama Municipality Swartland Municipality Bergrivier Municipality	 19 July 2022 8 May 2023 10 May 2023 10 May 2023 15 May 2023 1 June 2023	6	7		Reports

2.5 INTEGRATED DEVELOPMENT PLAN PARTICIPATION AND ALIGNMENT

Introduction

The planning framework for the WCDM is used for improving inter-governmental alignment and service delivery integration.

At the district municipality level, the strategic objectives have been derived from those regional development imperatives that confront the district at present and will continue to confront the district.

Table 2.2: Integrated Development Plan: Participation and alignment criteria

IDP participation and alignment criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs*, development strategies?	Yes
Does the IDP have multiyear targets?	Yes
Are the above points aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 managers?	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarters' aligned reports submitted within stipulated timeframes?	Yes
** Section 26 of the Municipal Systems Act 2000* ** Key performance indicators*	

COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

2.6 RISK MANAGEMENT

INTRODUCTION

Risk management is an integral part of effective governance within the Municipality. It involves identifying, assessing, and mitigating potential risks that could hinder the achievement of the Municipality's goals and objectives. By implementing robust risk management practices, the Municipality aims to enhance decision-making processes and safeguard its assets, reputation, and service delivery to the community.

STRATEGIC OBJECTIVE

The objective of risk management is to assist management in making more informed decisions which:

- provide a level of assurance that current significant risks are effectively managed;
- improve operational performance by assisting and improving decision making and planning;
- promote a more innovative, less risk averse culture in which the taking of calculated risks; in pursuit of opportunities, to benefit the Municipality is encouraged; and
- provide a sound basis for integrated risk management and internal control as components of good governance.

PURPOSE

The purpose of the Municipality's risk management program is to create a systematic approach to identify, assess, and manage risks across all areas of operations. This includes fraud risks, information technology risks, operational risks, and strategic risks. By implementing a comprehensive risk management framework, the Municipality aims to enhance its resilience and ability to navigate uncertainties and challenges effectively.

CHALLENGES

One of the challenges faced by the Municipality is that the risk management function is outsourced to an external consultant. While outsourcing can bring expertise and specialized knowledge, it can also pose challenges in terms of effective coordination, communication, and alignment with the Municipality's strategic objectives.
However, Internal Audit assisted in coordinating risk management services to ensure a seamless integration between the outsourced risk management function and the internal processes of the Municipality. This included close collaboration and ongoing monitoring to ensure the objectives are met and risks are appropriately addressed.

PERFORMANCE HIGHLIGHTS

During the 2022/2023 financial year, the Municipality achieved significant milestones in its risk management endeavours. Some of the key performance highlights include:

1. Risk Identification and Assessment: The Municipality conducted comprehensive risk assessments across all departments and identified key risks that could impact its operations and strategic objectives.

2. Risk Mitigation Strategies: The Municipality developed and implemented risk mitigation strategies tailored to specific risk areas. By proactively addressing identified risks, the Municipality aimed to minimize their potential impact and improve overall resilience.

3. Enhanced Risk Monitoring: The Municipality strengthened its risk monitoring mechanisms by establishing regular reporting structures including the Fraud-and Risk Committee, Audit-and Performance Audit Committee and Council. This enabled the Municipality to promptly identify and respond to emerging risks and make informed decisions.

4. Stakeholder Engagement: The Municipality actively engaged with internal and external stakeholders to foster a risk-aware culture. This involved providing fraud awareness training, promoting open communication channels, and seeking feedback from stakeholders to improve risk identification and response mechanisms.

COMMENTS

Management recognizes that risk management is an ongoing and evolving process. Management remains committed to continuous improvement by reviewing its risk management framework, incorporating lessons learned, and adapting to emerging risks and challenges. We appreciate the dedication and efforts of our staff and stakeholders in embracing risk management practices and contributing to the overall success of the program.

Table 2.6.1: Financial performance: Risk management

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Financial Performance: Risk Management					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	-	-	-	-	-
Other	223 431.64	350 296.00	350 296.00	184 800.41	47.24%
Total Operating Expenditure	223 431.64	350 296.00	350 296.00	184 800.41	47.24%
Net Operating Expenditure		-	-	-	-

2.7 ANTI-CORRUPTION AND ANTI-FRAUD STRATEGY

ANTI-CORRUPTION AND ANTI-FRAUD STRATEGY

The Municipality's Anti-Corruption and Anti-Fraud Strategy is aimed at ensuring transparency, accountability, and integrity in all its operations. It outlines our commitment to preventing, detecting, and responding to corruption and fraud within the Municipality.

STRATEGIC OBJECTIVE

Our strategic objective is to maintain financial viability and good governance through establishing a culture of ethical conduct, zero tolerance for corruption and fraud, and to safeguard public resources.

We strive to create an environment that promotes ethical behaviour, encourages reporting of suspicious activities, and implements effective controls to prevent and detect corrupt practices and fraudulent activities.

PURPOSE

The purpose of our Anti-Corruption and Anti-Fraud efforts is to protect the interests of our stakeholders, including the public and employees, by fostering a climate of trust and integrity. We are dedicated to ensuring that resources allocated for public service delivery are utilized effectively and efficiently, without any misappropriation or misuse.

CHALLENGES

None identified.

PERFORMANCE HIGHLIGHTS

Management have made significant progress in our Anti-Corruption and Anti-Fraud efforts during the 2022/2023 fiscal year. Some of the highlights include:

1. Implementation of Robust Policies and Procedures: The Fraud-and Risk Committee have reviewed and enhanced the policies and procedures to strengthen internal controls, promote transparency, and mitigate the risk of corruption and fraud.
2. Whistleblower Protection: We have established mechanisms to protect whistleblowers who report corruption and fraud. This includes providing the provincial and national confidential reporting hotline and ensuring that whistleblowers are safeguarded against retaliation.
3. Awareness Programs: We have initiated awareness program to educate employees and stakeholders about the importance of ethical behaviour, the identification of corrupt practices, and the reporting of fraudulent activities.
4. Fraud Perception: We conducted a survey to gauge the perceptions and awareness of fraud within the Municipality and identify areas of potential risk and improvement.

COMMENTS

While Management made significant strides in their efforts to combat corruption and fraud, we recognize that there is always room for improvement. We remain committed to continually enhancing our Anti-Corruption and Anti-Fraud measures, leveraging technology, and fostering a culture of accountability and integrity within the municipality. By working together with our stakeholders, we aim to create a transparent and trustworthy environment that upholds the highest standards of governance and service delivery.

2.8 SUPPLY CHAIN MANAGEMENT (APPENDIX F)

INTRODUCTION

SCM system is premised on section 217 of the SA Constitution, which must be fair, equitable, transparent, competitive, and cost-effective.

The SCM Policy is reviewed annually and the SCM regulations were last reviewed, amended, and adopted by the West Coast District Municipality at the General Council meeting of 24 May 2023, ITEM 23/05/24/9.1.5, and comply with the prescribed framework as set out in section 112 of the MFMA and the implementation checklist as set out in circular 40 of the MFMA.

STRATEGIC OBJECTIVE

That all officials and other role players in the supply chain management system of the West Coast District Municipality implements the SCM Policy in the way that –

(a) gives effect to –
  (i) section 217 of the Constitution; and
  (ii) Part 1 of Chapter 11 and other applicable provisions of the MFMA;
(b) is fair, equitable, transparent, competitive, and cost-effective.
(c) complies with –
  (i) the Regulations; and
  (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
(d) is consistent with other applicable legislation;
(e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
(f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

PURPOSE

That supply chain management within the West Coast District Municipality be used for –

(a) procures goods or services.
(b) disposes of goods no longer needed.
(c) selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
(d) selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

CHALLENGES

Transactions with International companies.
Deviations and the non-availability of Municipal Bidding Documents from International companies.
Implementation of the PPPFA Regulations, 2022
Implementation of the newly approved Accelerated, Local – Economic Development – and Preferential Procurement Policy
Implementation of the newly approved Combatting Abuse of the Supply Chain Management Policy.

PERFORMANCE HIGHLIGHTS

The effective implementation of SCM within the West Coast District Municipality.
Being selected to host the next SCM & LED Indaba within the West Coast Region in collaboration with the Local Government SCM Unit at Provincial Treasury.
Being involved in the SCM District approach with the hosting of District SCM Forums within the West Coast District Region.
SCM staff being involved in the Western Cape Technical Reference Group for the SCM Governance work streams.
SCM staff is involved in the drafting of SCM competency statements in collaboration with the Provincial and National Treasury.
Involvement in Supply Chain Management Strategic Sessions between Provincial Treasury Western Cape and Western Cape Municipalities for the repositioning of SCM within Local Government.

COMMENTS

The Municipality ensures that the SCM processes are fair, transparent, equitable, competitive, and cost-effective.

2.9 BY-LAWS AND NOTICES

INTRODUCTION

The Municipal Systems Act 2000 S11 (3)(m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation. All by-laws go through a public participation process.

COMMENTS ON BY-LAWS

By-laws are published if and when needed.

Section 156 (2) of the Constitution provides that a municipality may make and administer by-laws for the effective administration of the matters, which it has the right to administer.

Section 13 of the MSA provides for the publication of a by-law in the Provincial Gazette after being passed by a Municipal council.

2.10 WEBSITES

The Municipality's website address is https://www.westcoastdm.co.za . The website is maintained internally and all information required by Section 75(1) of the Municipal Finance Management Act, applicable to the municipality, is placed on the website. The municipal website is a key communication mechanism in terms of service offering information sharing and public participation.

Table 2.5: Municipal website: Content and currency of material

Documents published on the Municipality's/entity's website	Yes/No	Notes
Current annual and adjustments budgets and all budget-related documents	Yes	Within legislated period
The previous Annual Report 2021/2022	Yes	Within legislated period
The Annual Report 2022/2023 to be published		Within legislated period
All current performance agreements required in terms of Section57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes	Within legislated period
All service delivery agreements	Yes	Within legislated period
All long-term borrowing contracts	Yes	Within legislated period
All supply chain management contracts above a prescribed value for 2022/2023	Yes	Within legislated period
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14 (2) or (4) during 2022/2023	Yes	Within legislated period
Contracts agreed to which subsection (1) of Section 33 apply, subject to subsection (3) of that section	Yes	Within legislated period
Public-private partnership agreements referred to in Section 120	None – Not applicable	
All quarterly reports tabled in the Council in terms of Section 52(d) during 2022/2023	Yes	Within legislated period
Note: The Municipal Finance Management Act S75 sets out the information that a municipality must include in its website a/s detailed above.		

2.10.1 COMMENT: MUNICIPAL WEBSITE CONTENT AND ACCESS

Section 21(b) of the Systems Act requires municipalities to establish its own official website. The municipal website is an integral part of the municipality's communication infrastructure and strategy by making current information available. This serves as a tool for community participation, improved stakeholder involvement and stakeholder monitoring and evaluation of municipal performance.

Municipalities are required to place all information that must be published in terms of the Municipal Systems Act, Act 32 of 2000 and the Municipal Finance Management Act, 56 of 2003 (MFMA) on the Website. Section 75 of the MFMA specifies which documents must be published on municipal websites.

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

COMPONENT A: BASIC SERVICES

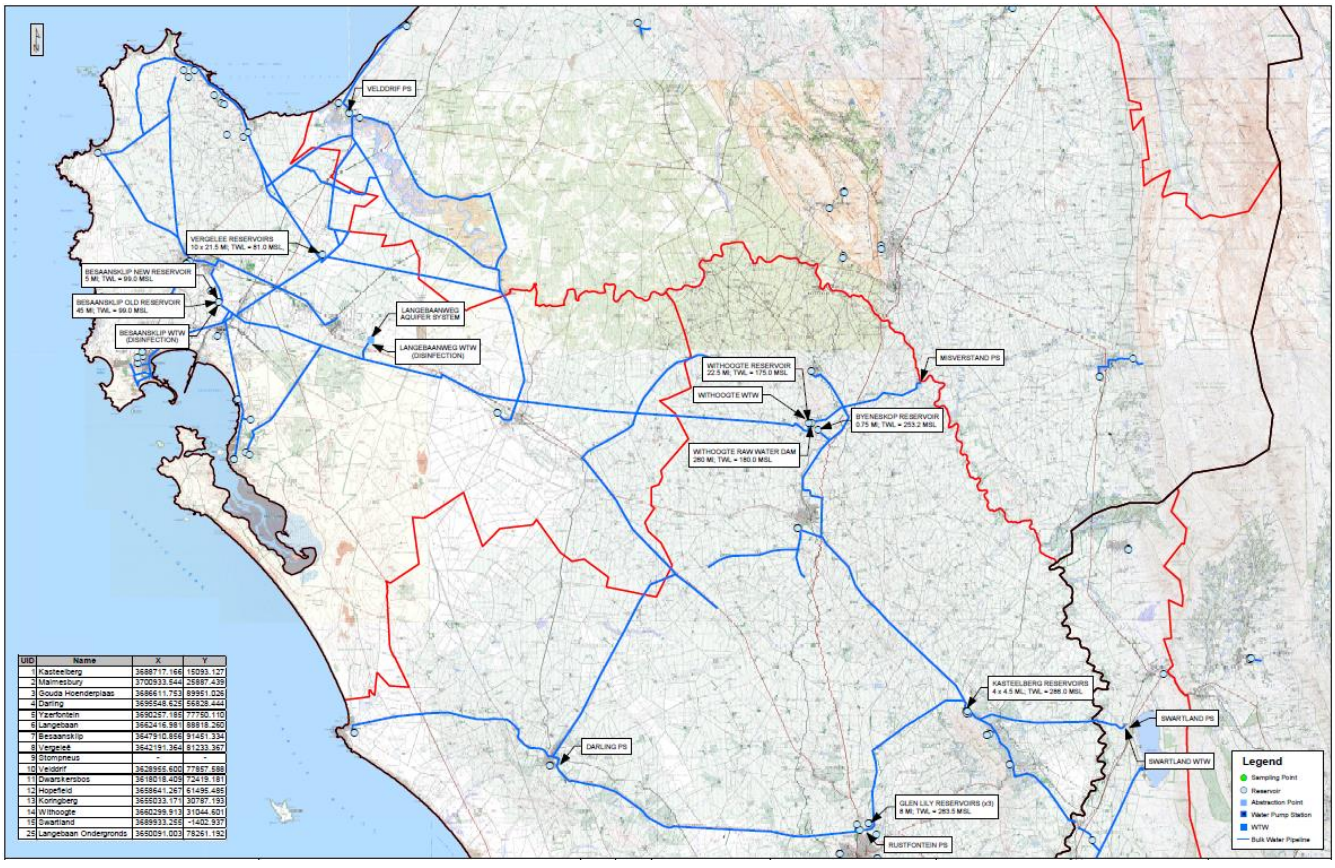
INTRODUCTION

The West Coast District Municipality is responsible for the delivery of basic services in terms of bulk water provision to local municipalities, maintenance of provincial roads on an agency basis for the Western Cape Department of Transport, Public Works, spatial planning and planning on a regional basis. No households are provided with basic services by the District Municipality.

3.1 WATER PROVISION

3.1.1 INTRODUCTION

The West Coast District Municipality is the bulk water services provider for the southern West Coast region and provides potable water to 22 towns and 995 farms in the region through an extensive bulk distribution system.



UID	Name	X	Y
1	Kasteelberg	3688717.166	15093.127
2	Malmesbury	3700933.544	25897.439
3	Gouda Hoenderplaas	3686611.783	89951.026
4	Daring	3695548.625	56828.444
5	Yzerfontein	3690257.185	77790.110
6	Langebaan	3682416.981	89818.260
7	Besaansklip	3647912.856	91451.334
8	Vergelee	3642191.364	81233.367
9	Stompneus		
10	Veldorf	3628955.600	77867.588
11	Dwarskersbos	3618018.409	72419.181
12	Hopefield	3659641.267	61495.485
13	Koringberg	3655033.171	30787.193
14	Withoogte	3660299.913	31044.601
15	Swartland	3689933.255	-1402.937
25	Langebaan Ondergronds	3680091.003	78261.192

Figure 3.1: Map of the area of jurisdiction: West Coast District Municipality

The system consists of the Swartland Scheme in the south of the region and the Management Scheme in the north. The Swartland Scheme supplies bulk water from the Voëlvlei Dam via the Voëlvlei Water Treatment Works to the towns of Hermon and Gouda in the Drakenstein Municipal area and to the towns of Riebeek West, Riebeek Kasteel, Malmesbury (including Chatsworth, Riverlands, Abbotsdale and Kalbaskraal), Darling, Yzerfontein, Moorreesburg and Koringberg in the Swartland Municipality.

The Misverstand Scheme supplies bulk water from the Misverstand Dam via the Withoogte Water Treatment Works to the towns of Velddrif and Dwarskersbos in the Berg River Municipality and to Hopefield, Langebaan, Saldanha Bay, Vredenburg, Paternoster, St Helena Bay and Stompneusbaai in the Saldanha Bay Municipality. The Misverstand Scheme is augmented with extraction from the Langebaan Road aquifer at Langebaan Road.

Blue Drop awards were received in the years 2009, 2010, 2011 and 2012 for both these systems, as well as for the Gouda system. The West Coast District Municipality also received awards for the fourth best blue drop performance nationally, as well as for the third best provincially. Blue drop evaluation has been done from 2013, every second year but is not currently used.

The two systems are interlinked and operated as an integrated system. The received additional allocation (for the next 20 years till 2037) for the system are indicated in the table below.

Table 3.1.1: Additional Water allocation, 2017–2037

Abstraction Point	Water use activity	Max volume	Water Service Authority	Property Description	Coordinate	2017/2018 abstraction
		m3/annum	WSA			m^3/annum
Voëlvlei Dam	Taking water from Berg River	7 900 000	Swartland	Portion 1 of the Farm Sandleegte 201	S 33˚20'48.2" E 19˚00'53.7"	
		300 000	Drakenstein			
Total Swartland Scheme		**8 200 000**				**4 282 906**
Misverstand Dam	Taking water from Berg River	20 427 000	Saldanha Bay	Portion 9 (a portion of portion 8) of farm Misverstand 333	S 33˚01'06.7" E 18˚47'11.4"	
		1 573 600	Swartland			
		1 439 400	Berg River			
Total Misverstand Scheme		**23 044 000**				**12 129 606**

3.1.2 GROWTH RATES

In order to prioritise upgrades to the West Coast District Municipality system, a future compounded growth rate for the Withoogte and Swartland systems were determined based on historic demands from 1995 to date for the respective systems. A compounded growth rate of 3.5% was adopted for planning for the Withoogte system and 2.8% for the Swartland system.

In order to ensure sustainable economic development in the West Coast region, where especially Malmesbury and the Saldanha Bay area have been identified as high growth potential areas, the West Coast District Municipality started with a comprehensive feasibility study in 2007 to identify a sustainable long-term alternative water source for the region. Further, the Master Plan was updated in June 2023 owing to the high growth in the region. Currently the local Municipalities in the region compile their own Master Plans.

The Master Plan June 2023 entails the updating of existing computer models for the Withoogte and Swartland water distribution systems, the establishment of computer models for the rural water distribution systems in the jurisdiction area of the West Coast District Municipality, the linking of these models to the latest water meter data and analysis of water demand based on the treasury's financial system, followed by evaluation and master planning of the water

distribution systems and the posting of all information onto an Infrastructure Management Query Station. The local municipalities manages this information.

3.1.3 DROUGHT STATUS AND RESTRICTIONS

Western Cape Water Supply System

West Coast District Municipality, City of Cape Town (CCT) and Agriculture are the major water users in the Western Cape Water Supply System (WCWSS). Department Water and Sanitation are the custodian of this system and managed it with water users though a WCWSS Task team.

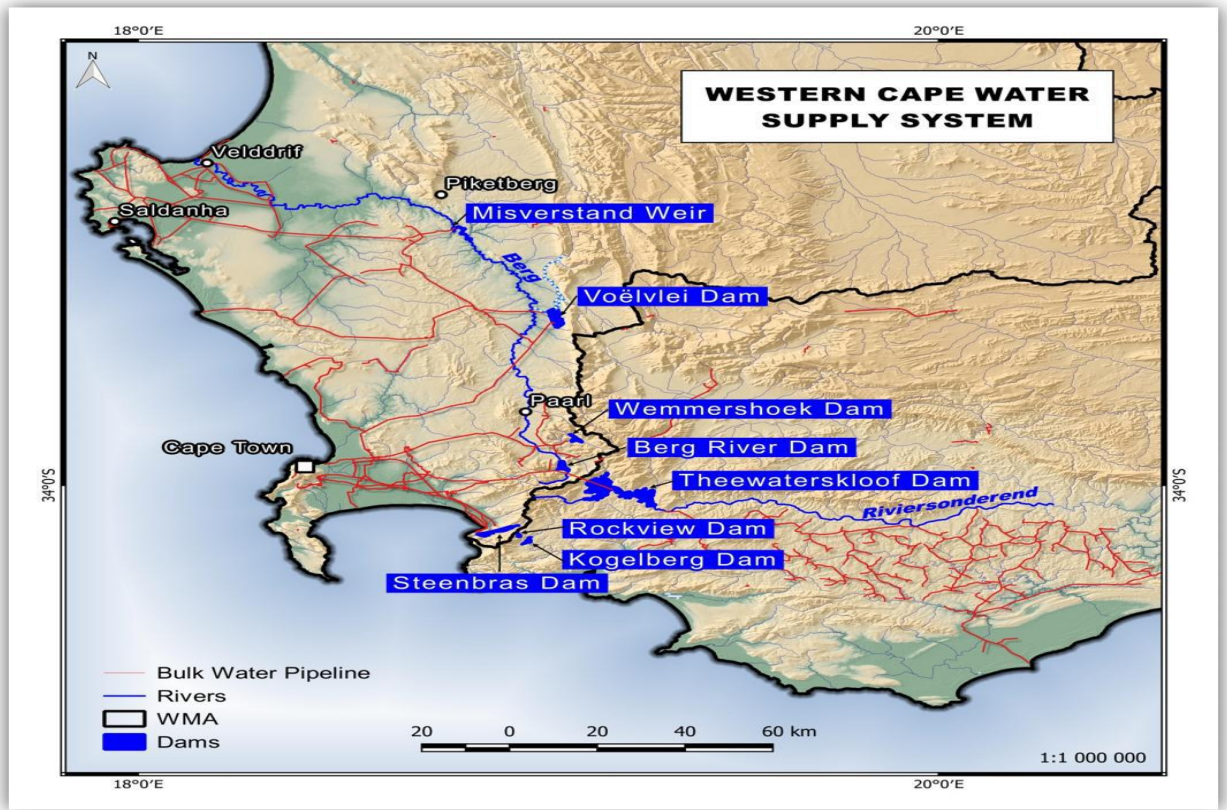
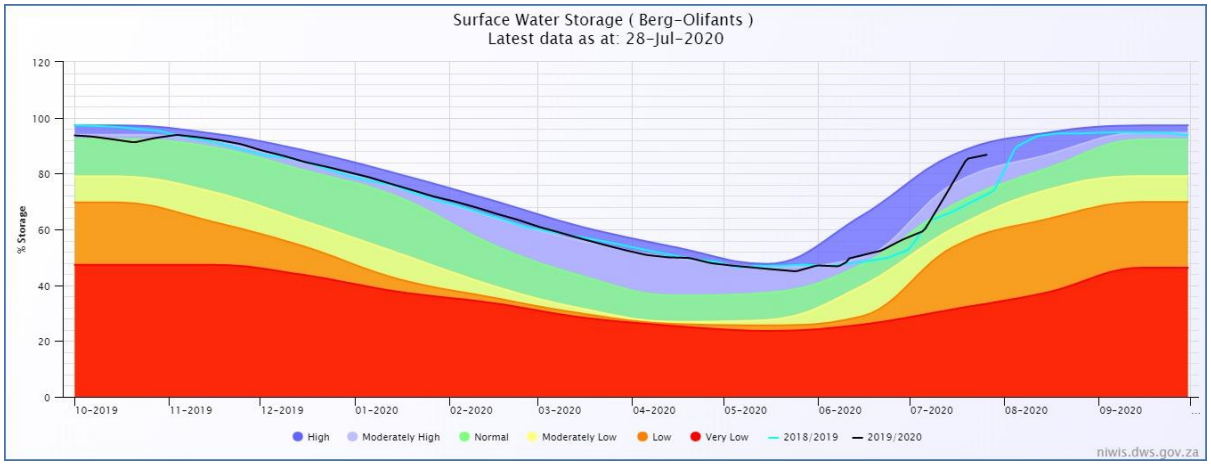


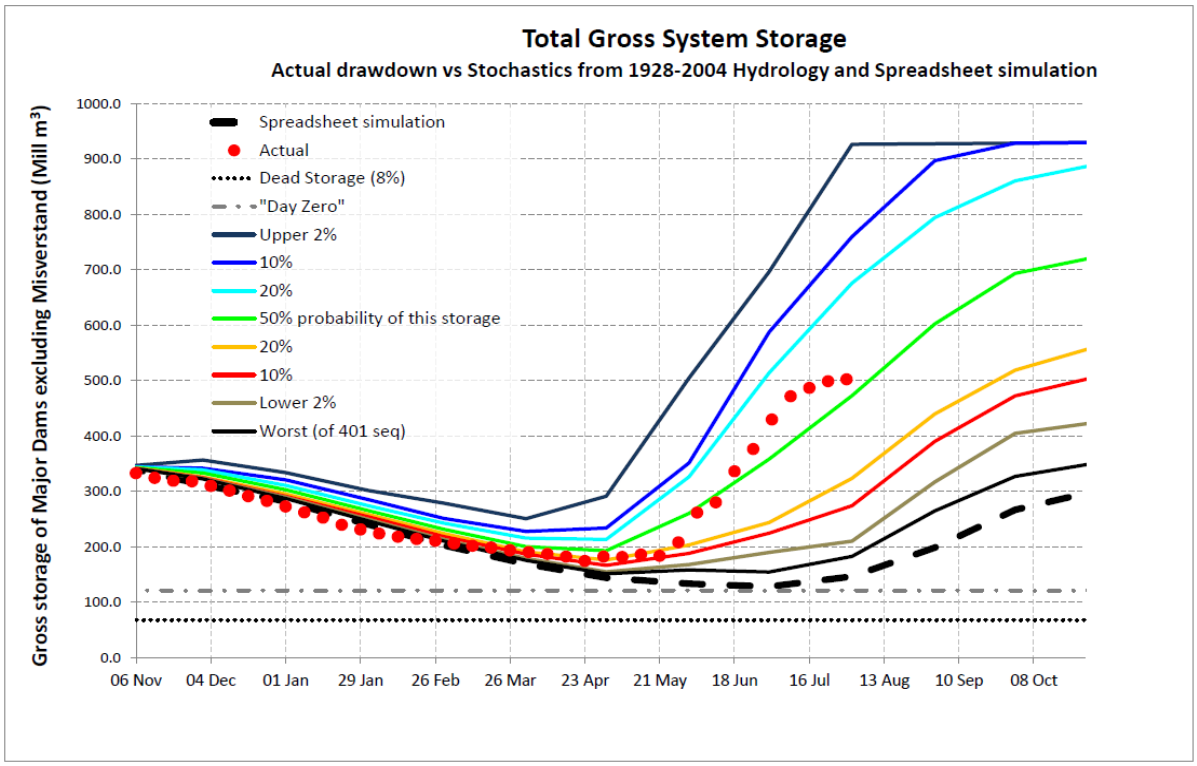
Figure 3.1.2: Map of the Western Cape Water Supply System

Over the past three years and currently the combined and individual dam storage shows that the system in under stress and the reserve storage may gradually be depleted due to the drought and under normal rainfall in the catchment area.

The water levels in the WCWSS is declining over the past few years and the different probabilities in percentile is indicated in the following graphs.



Graph 3.1.1: Graph of percentile probability Surface water storage



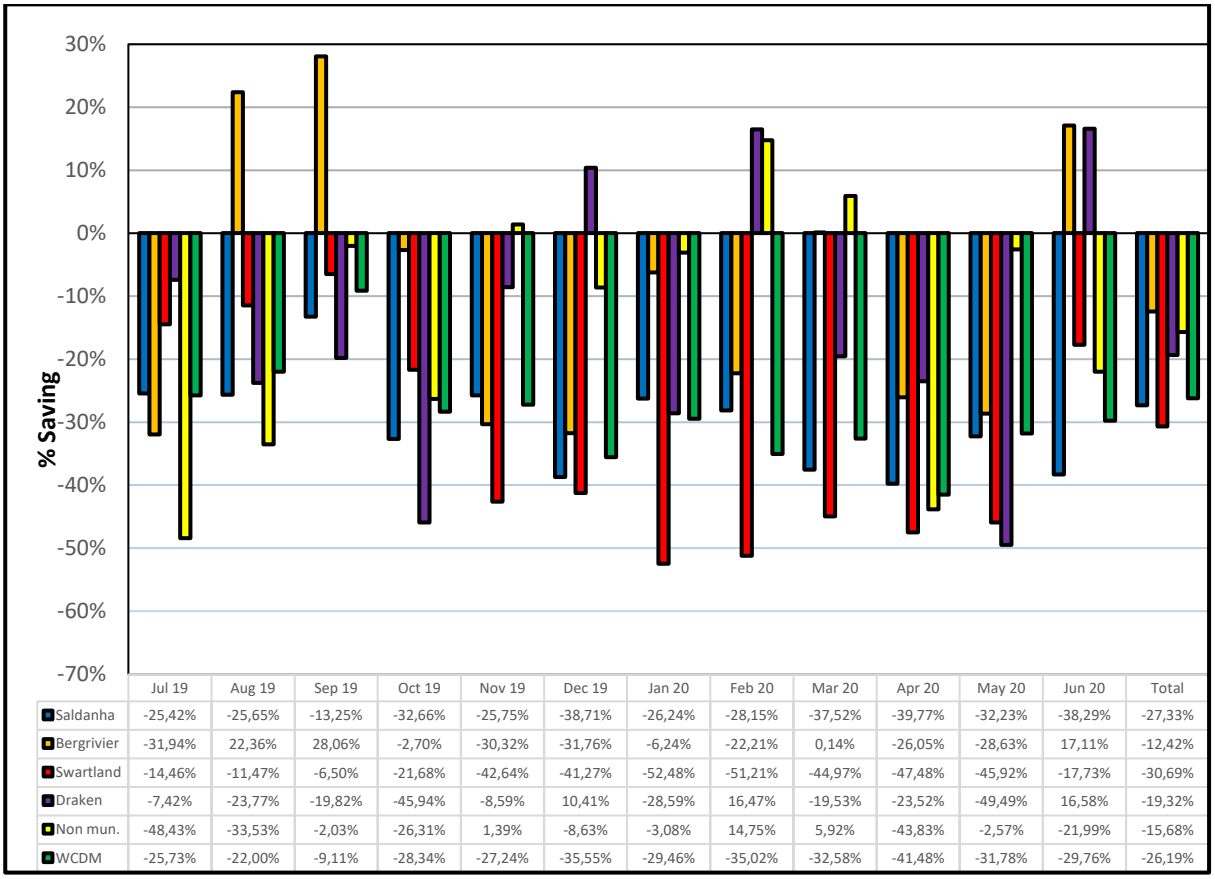
Graph 3.1.2: Graph of Gross System water storage

Department Water and Sanitation Water has approved water restrictions to be introduced in the affected areas from November 2017. In essence the level of restrictions require all water users in the supply area of the Berg River Water management Area to save 45% on water use. The imposition of restricted water consumption would enable the filling of the dams so as to have adequate stored water in our dams for sustainable use during the ensuing season including the ensuing summer season when most of the stored water is consumed.

The West Coast District Municipality (WCDM) is the bulk water services provider for the southern West Coast region and provides potable water supplied to Saldanha Bay-, Swartland-, Berg-River- and

cross border to Drakenstein municipality the WCDM monitored the supply of potable water to these municipal area.

RESTRICTIONS PER MUNICIPALITY & MUN.RURAL SCHEMES (PREVIOUS 12 MONTHS)



	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Total
Saldanha	-25,42%	-25,65%	-13,25%	-32,66%	-25,75%	-38,71%	-26,24%	-28,15%	-37,52%	-39,77%	-32,23%	-38,29%	-27,33%
Bergrivier	-31,94%	22,36%	28,06%	-2,70%	-30,32%	-31,76%	-6,24%	-22,21%	0,14%	-26,05%	-28,63%	17,11%	-12,42%
Swartland	-14,46%	-11,47%	-6,50%	-21,68%	-42,64%	-41,27%	-52,48%	-51,21%	-44,97%	-47,48%	-45,92%	-17,73%	-30,69%
Draken	-7,42%	-23,77%	-19,82%	-45,94%	-8,59%	10,41%	-28,59%	16,47%	-19,53%	-23,52%	-49,49%	16,58%	-19,32%
Non mun.	-48,43%	-33,53%	-2,03%	-26,31%	1,39%	-8,63%	-3,08%	14,75%	5,92%	-43,83%	-2,57%	-21,99%	-15,68%
WCDM	-25,73%	-22,00%	-9,11%	-28,34%	-27,24%	-35,55%	-29,46%	-35,02%	-32,58%	-41,48%	-31,78%	-29,76%	-26,19%

Graph 3.1.3: Graph of Actual saving of water used per municipal area

Since the higher restrictions the saving achieved from Jan 2018 by West Coast District Municipality with the local municipalities were more than 45% that is excellent commitment from end users.

Further to these savings the purification losses were lowered to 10 % due to the recovery systems been constructed

Table 3.1.1: SANS 241 Water quality
WATER QUALITY
BULK WATER SUPPLY SYSTEMS

WATER SUPPLY
Posbus / P O Box 242
MOORREESBURG 7310
Telefoon / Phone: (022) 433-2352/3 (24h)
Faks / Fax: (022) 4331013

Date 09 June 2023	Unit	*SANS 241:2015 Standard*	Misverstand	Withoogte Rouwater	Withoogte Finaal
pH	**pH units**	*≥ 5 to ≤ 9.7*	7.35	7.50	7.86
Colour	**(mg/l Pt)**	*≤ 15*			
Turbidity	**(NTU)**	*< 1*	116	66.4	0.64
Electrical conductivity	**(mS/m)**	*≤ 170*	31	36	40
Total dissolved solids	**(mg/l)**	*≤ 1200*	204.6	237.6	264
Total alkalinity	**(mg/l as $CaCO_3$)**	*None*	30	34	40
Chlorides	**(mg/l)**	*≤ 300*	98	96	108
Total hardness	**(mg/l as $CaCO_3$)**	*None*	132	95	112
Calcium hardness	**(mg/l as $CaCO_3$)**	*None*	46	42	63
Magnesium hardness	**(mg/l as $CaCO_3$)**	*None*	86	53	49
Langelier index	**None**	*None*			
Iron	**(µg/l)**	*≤ 300*			
Manganese	**(µg/l)**	*≤ 100*			
Aluminium	**(µg/l)**	*≤ 300*			
Sodium	**(mg/l)**	*≤ 200*			
E. coli	**Count/100ml**	*0*			
Total Coliforms	**Count/100ml**	*≤10*			
Heterotrophic plate counts	**Count/ml**	*≤1000*			

Date 09 June 2023	Unit	*SANS 241:2015 Standard*	Voelvlei Rouwater	Voelvlei Finaal
pH	**pH units**	*≥ 5 to ≤ 9.7*	7.45	8.4
Colour	**(mg/l Pt)**	*≤ 15*		
Turbidity	**(NTU)**	*< 1*	83.6	0.65
Electrical conductivity	**(mS/m)**	*≤ 170*	8	9
Total dissolved solids	**(mg/l)**	*≤ 1200*	52.8	59.4
Total alkalinity	**(mg/l as $CaCO_3$)**	*None*	16	18
Chlorides	**(mg/l)**	*≤ 300*	30	37
Total hardness	**(mg/l as $CaCO_3$)**	*None*	44	48
Calcium hardness	**(mg/l as $CaCO_3$)**	*None*	14	24
Magnesium hardness	**(mg/l as $CaCO_3$)**	*None*	30	24
Langelier index	**None**	*None*		
Iron	**(µg/l)**	*≤ 300*		
Manganese	**(µg/l)**	*≤ 100*		
Aluminium	**(µg/l)**	*≤ 300*		
Sodium	**(mg/l)**	*≤ 200*		
E. coli	**Count/100ml**	*0*		
Total Coliforms	**Count/100ml**	*≤10*		
Heterotrophic plate counts	**Count/ml**	*≤1000*		

Table 3.1.2: Water Consumption

Year	Quantity (kilolitres)			Losses	
	Raw water withdrawn	Purified water delivered	Water sales	Purification	Distribution
2008/2009	24 585 837	23 083 499	21 790 185	6,11%	5,60%
2009/2010	24 315 601	22 769 765	22 076 522	6,36%	3,04%
2010/2011	24 314 294	22 777 941	21 496 174	6,32%	5,63%
2011/2012	25 205 808	23 692 176	22 490 474	6,01%	5,07%
2012/2013	26 220 257	24 550 591	23 328 832	6,37%	4,98%
2013/2014	26 860 870	24 896 806	23 662 082	7,31%	4,96%
2014/2015	27 731 941	26 046 245	24 211 361	6.08%	7.04%
2015/2016	27 563 375	25 865 793	23 730 984	6.16%	8.25%
2016/2017	23 665 619	22 580 836	22 001 682	4.58%	2.56%
2017/2018	17 467 617	17 161 596	16 397 437	1.75%	4.45%
2018/2019	17 905 360	17 502 360	16 794 633	1.97%	4.05%
2019/2020	18 303 098	17 519 750	17 149 652	2.69%	2.11%
2020/2021	18 954 289	18 436 951	17 982 844	2.73%	2.46%
2021/2022	21 076 000	20 282 300	18 608 552	3.91%	8.25%
2022/2023	22 355 064	21 779 427	19 590 033	2.57 %	10.00 %
					T3.1.2

Table 3.1.3: Employment statistics Water provision

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	8	9	6	3	33
4–6	43	47	41	6	13
7–9	22	39	36	3	8
10–12	6	7	6	1	14
13–15	3	3	3	0	0
16–18	2	3	3	0	0
19–20	0	0	0	0	0
Total	**84**	**108**	**95**	**13**	**12**
					T3.1.3

Table 3.1.4: Financial Performance: Water Division

Financial Performance: Water Division					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	89 369 529.16	124 930 695.00	124 930 695.00	132 817 311.00	(6.31%)
Expenditure:	-	-	-	-	-
Employees	34 525 010.16	39 664 264.00	39 664 264.00	38 999 398.18	1.68%
Other	56 676 791.16	85 171 570.00	85 090 780.00	94 624 928.82	(11.20%)
Total Operating Expenditure	91 201 801.32	124 835 834.00	124 755 044.00	133 624 327.00	(7.11%)
Net Operating Expenditure		-	-	-	-

Financial Performance: Housing					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	2 872 613.21	3 336 883.00	3 336 883.00	3 130 329.27	6.19%
Expenditure:	-	-	-	-	-
Employees	824 260.10	1 385 995.00	1 385 995.00	940 024.32	32.18%
Other	216 080.95	2 045 750.00	2 126 540.00	1 383 288.58	34.95%
Total Operating Expenditure	1 040 341.05	3 431 745.00	3 512 535.00	2 323 312.90	33.86%
Net Operating Expenditure		-	-	-	-

Financial Performance: Land and Buildings					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	151 049.81	168 503 500.00	257 284 500.00	1 738 687.50	10.72%
Expenditure:	-	-	-	-	-
Employees	58 598 279.66	73 858 713.00	74 858 713.00	71 117 114.59	5.00%
Other	92 450 866.15	94 644 787.00	182 425 787.00	158 589 351.99	13.07%
Total Operating Expenditure	151 049 145.81	168 503 500.00	257 284 500.00	229 706 466.58	10.72%
Net Operating Expenditure		-	-	-	-

Financial Performance: Planning Waste and Projects					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	-	-	2 300 000.00	2 300 000.00	-
Expenditure:	-	-	-	-	-
Employees	2 519 491.89	1 944 572.00	1 944 572.00	1 467 589.45	24.53%
Other	221 207.84	289 724.00	669 724.00	204 612.33	69.45%
Total Operating Expenditure	2 740 699.73	2 234 296.00	2 614 296.00	1 672 201.78	36.04%
Net Operating Expenditure		-	-	-	-

Financial Performance: Land and Buildings					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	1 543 608.21	1 668 244.00	1 668 244.00	1 738 687.50	(4.22%)
Expenditure:	-	-	-	-	-
Employees	1 355 264.81	1 435 736.00	1 435 736.00	1 255 615.53	12.55%
Other	1 527 850.50	1 989 603.00	2 347 603.00	4 099 701.64	(74.63%)
Total Operating Expenditure	2 883 115.31	3 425 339.00	3 783 339.00	5 355 317.17	(41.55%)
Net Operating Expenditure		-	-	-	-

3.2 FREE BASIC SERVICES AND INDIGENT SUPPORT

3.2.1 INTRODUCTION

The West Coast District Municipality Indigent Policy was revised and approved on 25 May 2022, Council resolution ITEM 22/05/25/8.1.

There are only 24 households left at the Withoogte, Rooi Karoo & Swartland-Saldanha water. The Indigent Policy provides the following to these households:

Criteria:

The criterion for determining an Indigent is the determination of the total income of the entire household to be equal to or less than twice the monthly age pension determined by the state from time to time, plus 10% regardless of whether that household qualifies for age pension or not.

Financial assistance:

Indigent households receive 100% subsidy for:

(a) Water up to a maximum of 6 kilolitres
(b) Refuse removal
(c) Sewage levy (1 pan)
(d) Electricity – 100 units
(f) House rental – 67% of house rental leased

Commencement of subsidy for Indigent household

All applications for Indigent received a subsidy in a specific month will only qualify for a subsidy in the month following the month in which the application was received.

Table 3.2.1: Free basic services to low-income households

	Number of households									
	Households earning less than R….									
	Total	Total	Free basic water		Free basic sanitation		Free basic electricity		Free basic refuse	
			Access	%	Access	%	Access	%	Access	%
2020/2021	22		22	100	15	100	15	100	15	100
2021/2022	22		22	100	15	100	15	100	15	100
2022/2023	24		24	100	17	100	17	100	17	100

The Allpay Social Grant as published are R2 010.00 The West Coast DM Indigent Policy prescribes that the income of the person should not exceed the limit 2x 2 010.00 +10% = R4 422.00

COMPONENT B: AGENCY SERVICES

3.3 ROADS

3.3.1 INTRODUCTION

America's got one, Greenland also, Australia the same but Africa in particular South Africa has only Weskus. Therefore the District Municipality was renamed to Weskus District Municipality [WCDM] and as geographically described above is situated along the west coast of Southern Africa and stretches for 400 kilometres in a northerly direction- roughly spoken, parallel to the said coast and 80 kilometres inland – a piece of land 32 000 km² in size.

The Metropole borders it in the south (south border), whilst the eastern - and northern borders are formed by the Cape Winelands and Northern Cape Province respectively.



Blasting an estimate of 30 000m³ of Granite rock on Divisional Road 2160 between Vredenburg and Stompneus Bay – Upgrading from gravel to tar

The following municipalities are served by the West Coast District Municipality (WCDM) i.e.

- Bergriver-
- Cederberg-
- Matzikama-
- Saldanha Bay
- And Swartland (in no particular order of importance).

All of them are B - municipalities with main towns Piketberg, Clanwilliam, Vredendal, Malmesbury and Vredenburg.

- Other smaller towns are evenly spread over the jurisdiction.

The average annual growth rate is 1.3 per cent and the population had grown to 476 020 in 2020. Although the population density varies between the municipalities the average amounts to 15 people per square kilometre for the District Municipality (DM).

The households' amount to 124 952 given an average of 3.8 persons per household.

The economy of the WCDM was valued at R 33.872 billion (current prices) in 2020 and employed 165 623 people [136 906 formally/ 28 717 informally]. The economy is driven by different sectors with the largest being the following;

- Primary sector - Agriculture, forestry and fishing (21.1 %)
- Secondary sector- Manufacturing (19.2 %)
- Tertiary sector - Finance, insurance, real estate and business services (14.6 per cent)
- Tertiary sector - Wholesale, retail trade, catering and accommodation (13.7 %) and
- Tertiary sector - General government (10.3 % per cent).



Repairing a low water bridge structure on a minor road giving access to a farming community

Manufacturing [secondary sector] shows the largest real GDPR growth for 2022 of 8.7 % but agriculture, forestry and fishing remain – with a loss of 2 250 jobs - still the largest employer with 63870 jobs. It also represents the sector with the biggest job losses [4103 jobs were lost during 2021].

During 2021 there was a total of 121 schools of which 71.9 per cent were no-fee schools.
The learner enrolment increased in the same time frame from 65 426 to 67 012. The learner-teacher ratio increased to 31.2 in 2022 which is below the recommended range of 35:1 to 40:1- an indication of not-so-crowded classrooms.

Education remains a key avenue of state involvement in the economy and plays a critical role in determining the extent to which future economic and poverty reduction plans may be realised.
Schools situated in rural areas are served via school bus routes.
Schools are deemed very important for future engagement in the labour market and poverty reduction.

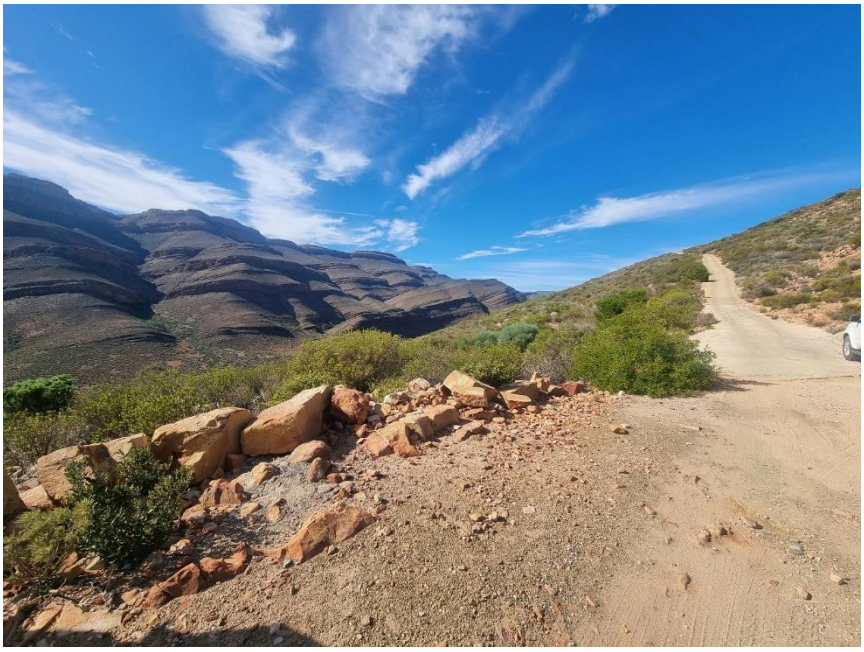
If a member of a household gets ill - according to the 2019 Inequality Trend report by Statistics South Africa (SSA) in 2017 - it appears normal that 75.1% will make use of a public health care facility.
In 2020 the WCDM area had 27 primary health care facilities, comprising of 26 fixed clinics and one community day centre. Furthermore, there were 38 mobile/satellite clinics, 45 ART –and 53 TB clinics/treatment sites. In addition to the previously mentioned, there are also 7 district hospitals.

Services rendered vary between giving antiretroviral treatment to HIV/AIDS patients which experienced an increase of 419 patients to 13 533 registered patients in 2021/2022 financial year. TB experience also an increase of 449 registered patients whilst the immunisation rate remained low, and malnourished children under the age of five years were taken care of etc.

Emergency medical service is another health factor. WCDM has 29 ambulances serving the region – which translates to 0.6 ambulances per 10,000 people in 2021/2022. Private Service providers are excluded from the above-mentioned ambulances.

The estimation is that 165 623 were employed in 2021 of which 82.7 per cent were in the formal sector and the rest informally. The formally employed consisted of 48.8 % low-skilled and semi–skilled (35.4 per cent).

An important role player in the WCDM economic makeup is tourism with their seasonal peaks like the flower season, vacation periods etc.



Example of a tourist attraction(s) – Eselbank Pass

Another role player in the economic lineup is the activities hosted at the harbours along the coast e.g. Saldanha Bay [ex-and import] , St Helena Bay, Laaiplek, Lamberts Bay[fishing industry] with the smaller ones like Yzerfontein and Doringbay[known for their sport fishing like snoek and yellow tail and last mentioned for its diamond industry].



Example of the fishing industry at St Helena Bay

Saldanha Bay harbour extinguished itself as an iron ore export harbour nationally but became also known for importing element(s) e.g. renewable energy components, crude oil, repair of oil rigs etc. The blades and generators imported for renewable energy are distributed by road to the various destinations inland. The minerals of the mining activities along the West Coast, as well as inland [adjacent province(s)], also find their way to Saldanha Bay by road for either further processing and /or export. The Industrial Development Zone in Saldanha Bay generates traffic through the need for raw materials and or the sending/shipping of products.



Iron Export Terminal at Saldanha Bay Harbour

In an attempt to indicate the absolute necessity to have access to a good, maintained infrastructure network - of which roads are an absolute must - the few example(s) above was mentioned.
The mentioned infrastructure network allows free movement of people for whatever reason be it work, sport, religious reason(s), business to and from towns, farming activities adjacent to the road infrastructure, transport of goods and materials from and to the jurisdiction.

The N7 transport corridor (a national road) links the Western Cape and WCDM to the neighbouring country Namibia and from there the rest of the African continent to the north. The national road runs through the entire length of the WCDM.

Other roads that act as feeders are trunk roads within the Western Cape Provincial Government (PGWC) as their maintenance authority.
The main-, division- and minor roads also contribute as feeders. The Western Cape Provincial Government [WCPG] is the road authority/ owner with the WCDM acting as their agent.
The abovementioned road network (national road, trunk- main-, divisional- and minor roads) allows for economic activities and growth thereof– even in remote areas [e.g. the extensive farming to the north of the region like Kliprand, Rietpoort, Wupperthal etc.]. The minor roads – all 6923 kilometres of them – form the lowest classification of public roads and are in essence public access over properties. In some cases, it is only a two-track path. It is of utmost importance to note that, at the end of the previously mentioned two -track path an economic activity(ies) take place and must reach their respective market(s). As alluded to earlier on, the movement of materials and people be it for work, education, recreation, or whatever reason is inevitable and it can and will nurture the social well-being of communities and the upliftment thereof.

During the reporting period infringement(s) on the free movement of traffic/people by unlawful and/or unauthorised closure of proclaimed public roads and/or portions thereof was received. In some cases, by disrespectful - and inconsiderate landowners but at other times for their own safety. In the alleged case(s) the Division handled the administrative process up to the point where a second

written warning was served on the alleged accused and after it is forwarded to the road authority for further action.



An example of an alleged illegal structure erected on a divisional road near Clanwilliam

In the case show above the owner had taken the issue up with the road authority and the outcome was that the entrance walls remain because of evidence provided that the divisional road is shorter as alleged. The walls therefor were erected on private ground and pose no threat.
Most of the traffic is still generated by the metropole (95 per cent) and the rest in the rural areas of the 5 District Municipalities of the Cape Winelands, Central Karoo, Overberg, Garden Route and the West Coast.

Different legislation governs the maintenance of public roads of which Ordonnance 19 of 1976 (known as the Road Ordonnance) is important. The Ordonnance rule that the principal and/or agent is not obliged to maintain minor roads and or portions thereof, except when the minor road is a school bus route. The latter was lessened by the closure of schools - in particular farm schools.

The mentioned Ordinance as well as Act 20 of 1940 can be repelled by the calendar year end and replaced by Western Cape Provincial Transport and Infrastructure Act i.e., after the promulgation of the regulations.
As previously mentioned WCDM (Department of Infrastructure; Roads division) maintains main, divisional – and minor roads. Portions of trunk roads can by agreement be maintained. During this reporting period, WCDM went the extra mile and lend assistance to its neighbouring DM [Cape Winelands] in resealing tarred roads. It was done on request of the principal- PGWC. This was necessitated by a lack of competence from the said DM and was done by accepting the greater risk(s) e.g. travelling out of our jurisdiction, traffic accommodation, accidents etc. A total of 12.70 kilometres of roads was resurfaced (2.55 km main - and 10.15 km divisional roads were resealed) in the vicinity of Tulbagh and the Bo Berg, Ceres region.



Photographic evidence of the progress of the "green fields" project near the Industrial Development Zone in Saldanha

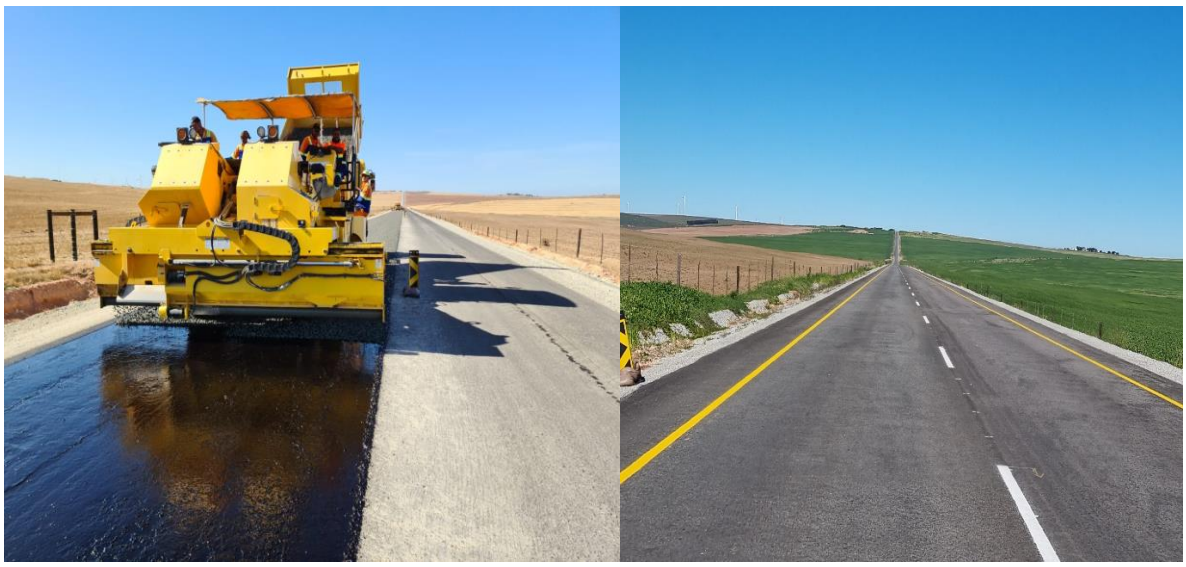
Maintenance on the proclaimed roads was done according to prescribed regulations, norms and standards in order to ensure, respect, protect- and where possible- improve environmental integrity e.g. the upgrading of Divisional Road 2160 near Vredenburg.

The mining of approved borrow pit(s)[2 off] was done according to the approved mining – and rehabilitation plans Where maintenance /upgrading activities affected NEMA (National Environmental Management Act)triggers, the work was delayed to be addressed, resolved and adhered to legislation e.g. the maintenance of the low stormwater structure on Divisional Road 2269 Wolfdrif near Engels man - se - Graf. The construction of the newly proclaimed main road 561 near Saldanha Bay harbour is another example. Another project where construction was done according to environmental legislation was upgrading the link road between Vredenburg and Stompneus Bay [divisional road (DR) 2160]



Spraying bitumen (prime) by hand on short sections on the upgrading project Divisional Road 2160 between Vredenburg and St Helena Bay – as referred to above

Council's Agreement duties were not limited to maintenance only but roads and/or portions thereof were upgraded to surfaced status and new construction and 5.8 kilometre of the road was in so doing tarred. The trust in the Department and particularly in the Road division remained high and the increase in the (total) budget is evident to that.



The southern construction team busy sealing the base course on the upgrading project between Vredenburg and Stompneus Bay

The utilisation of the roads is diverse and, in some cases, seasonal. The last mentioned refer to tourism (vacation, flower season etc.), harvesting times (e.g., grains, citrus, vineyards etc.), fishing etc.
As alluded to earlier, the WCDM's traffic volumes are lower than that of the neighbouring metropole. It also varies. The DM's volume is higher in the south than in the north partly due to the presence of bigger and more towns, intensive farming practices, and manufacturing, as opposed to the extensive farming, practices with livestock and smaller towns thinly spread in the northern part of the region.

The maintenance of the roads was executed by the following teams i.e.

- 11 Maintenance teams (7 in the area south of the Winterhoek mountain range and 4 to the north)
- 2 Regravel and/or construction teams situated respectively in Moorreesburg and Vanrhynsdorp
- 1 Concrete team
- 16 Maintenance grader teams
- 2 tractor operations of which one is a drawn grader and the other tyre dragging and
- 2 Mechanical workshops for the maintenance of the fleet and/or equipment

The objective of economic growth is promoting bulk infrastructure and developing services for the Roads division. Here we refer to the valued economy (R 31.017 billion i.e., current prices), and employment (172 910 of which 77.2 per cent in the formal sector and the rest informally) which was done by the abovementioned teams.

To give effect to economic growth the request for a good, maintained road network was essential. Furthermore, relevant equipment [and enough thereof] is an absolute need. The referred equipment [the so-called Yellow Fleet] is supplied by the Western Cape Provincial Government. The fleet - as identified by the process accepted- is regularly replaced and updated. The replacement value of the fleet remained unchanged at R 330 million. Communication between the two parties and role players is good and is governed by scheduled and ad hoc meetings – 6 scheduled meetings were held.
The maintenance [parts, tyres and tubes, blades, materials etc.] of the fleet and fuel were funded and included in the allocated budget which was twice amended. Allocated funds were mainly spent on procurement of materials, but funds were also set aside for the increase in working hours. The escalation of the crude oil and fuel prices also required more funds from the budget. With the previously mentioned in mind the workshops ran into financial shortfalls and the Division was obliged to address the referred shortfalls through virement(s).

The availability of the fleet was challenged due to.

- ✓ Availability of parts
- ✓ Maintenance and part failures
- ✓ Personnel- mechanic resigned.
- ✓ Prescribed SCM process with regard to authorisation
- ✓ Alleged limitation on import of parts via air freight and/or transport thereof

The condition of the plant can be summarised as follows.

- ❖ Good - 80% and
- ❖ the rest in different state of replacement

19 accidents were reported [including 3 cases of theft], investigated and in some cases personnel were disciplined with the different outcome(s) as decided by the preceding official.



Photo of the accident scene on MR233, road direction Moorreesburg outbound towards R45 where a truck was written-off. [Operator awaits the disciplinary hearing]

Given the fleet's daily on the roads, vehicle kilometres travelled, hours worked etc. the risk of accidents is high. In a case a truck was written off [see photo above] - the operator luckily escaped but not without injuring himself. In this case, a structure is in place to investigate the accident(s)/injuries and report their finding(s) to senior personnel which can lead to disciplinary action(s). The Yellow Fleet Investigation Committee meets monthly and 2 disciplinary actions were requested. The outcome(s) thereof are respected. The amount of money lost was R 1 685 397.25[VAT included] which must be seen against the fleet replacement value of R 330 million [= 0.51%]

The responsible workshops maintaining the fleet and/or equipment are situated in Moorreesburg and Vanrhynsdorp respectively. The total manpower in the two workshops amounted to 25 people of which seven were artisans, 7 handymen, 4 administrative and the rest were general workers. Turnover was low – one clerk resigned but was replaced by a capable temporary worker.
The personnel described above as well as those deployed to maintain the roads are employees of the West Coast District Municipality.

Maintaining the 9623 km of roads remained a challenge and sufficient funding was a must.
The budget allocated to the agent by PGWC was transferred through an advance payment - roughly sufficient for 2 months' expenditure after the monthly expenditures were claimed and paid monthly.

A Memorandum of Agreement (MOA) formed the basis of an agreement between the two parties i.e., the principal [PGWC] and agent [WCDM].

The purpose of the agreement [MOA] is to.

- Construct, maintain, repair, protect and manage the proclaimed provincial roads.
- Ensure that the proclaimed roads are in a safe and reliable condition within the legal framework.
- Maintain and construct the roads as identified according to the road number, distance, and level of service (LOS) and,
- Within the allocated budget for the normal maintenance and capital work which can include re-gravel, reseal, rehabilitation, concrete structures and /or upgrading of roads and/or portions thereof.

The original Budget (MOA) of 170.275 million was amended by R 88.55 million to R 257 284 500 which represents an increase of 52 %. The total expenditure amounts to R 252, 649 million - which meant

that WCDM became the largest DM in terms of financial spending. The under-expenditure amounts to 1.8% or R 4.636 million.

The inhabitants of the DM, taxpayers, tourists, road users, landowners but not limited to are the beneficiaries thereof. The advantage thereof was the procurement of extra material(s), more fuel, and longer working hours [overtime for the gravel – and construction, maintenance teams] of this financial year. Although the materials were initially stockpiled at the affected sites it was used and shortened the project life span.

Therefore it can be claimed that the road division is managed economically, effectively and efficiently.

The fact that no query from the Auditor-General was received, is furthermore evident thereof.
Another source of proof is the outcomes of projects that exceeded the goals - more thereof later.
Although personnel changes take place the communication with the road authority, based on meetings held, has stabilised, and shows signs of improvement.

The structure of the Regional Road Management (RRMM) meetings was changed by the road authority. The RRMM was replaced by 3- and/or 5 DM meetings. The last mentioned are planned twice a year and one thereof was held. The 3DM meeting is scheduled two monthly but when meetings coincide with that of 5DM's not held. 4 - 3DM meetings were held.
Project progress meetings were held at the respective two sites and were attended by employees of the principal- 16 meetings in total were held.
The mentioned structure and /or progress meetings doesn't replace ad-hoc meetings and were held when, where and how the need arose. Visits were paid to the DRE's office for urgent cases and communication was open, honest and to the point.

Five site visits were held with top management of the PGWC.

The purpose of the MOA is to maintain main, divisional, minor tarred and gravel roads [in some cases trunk roads] with reference to the following maintenance activities i.e.

- ✓ reseal
- ✓ re-gravel
- ✓ rehabilitation
- ✓ upgrading
- ✓ new construction
- ✓ construct and/or maintain concrete structures and
- ✓ normal maintenance

And is measured by the following key performance indicators i.e.

- Square metres resealed.
- Kilometres re-gravel
- Kilometres upgraded.
- Kilometres new construction
- Kilometres dry blading and
- Square metres of black topping
-

During this reporting period no rehabilitation was done.





Maintenance repair work on MR 552 (Holrivier), between WCG & WCDM teams



Maintenance done on storm damaged Minor road 8103 Heuningvlei

Referring to the last activity (normal maintenance) Table 3.3.1 sketches the background of the extent of the need(s) taking into consideration the condition of the gravel roads.

Table 3.3.1: Gravel infrastructure (kilometres)

Financial year	Total gravel roads	New gravel roads	Gravel roads upgraded to tar	Gravel roads graded/maintained
2020/2021	7833.29	0	4.01	2194.71
2021/2022	7825.89	0	7.4	2187.31
2022/2023	7821.29	0	4.6	2182.71
T3.3.1				

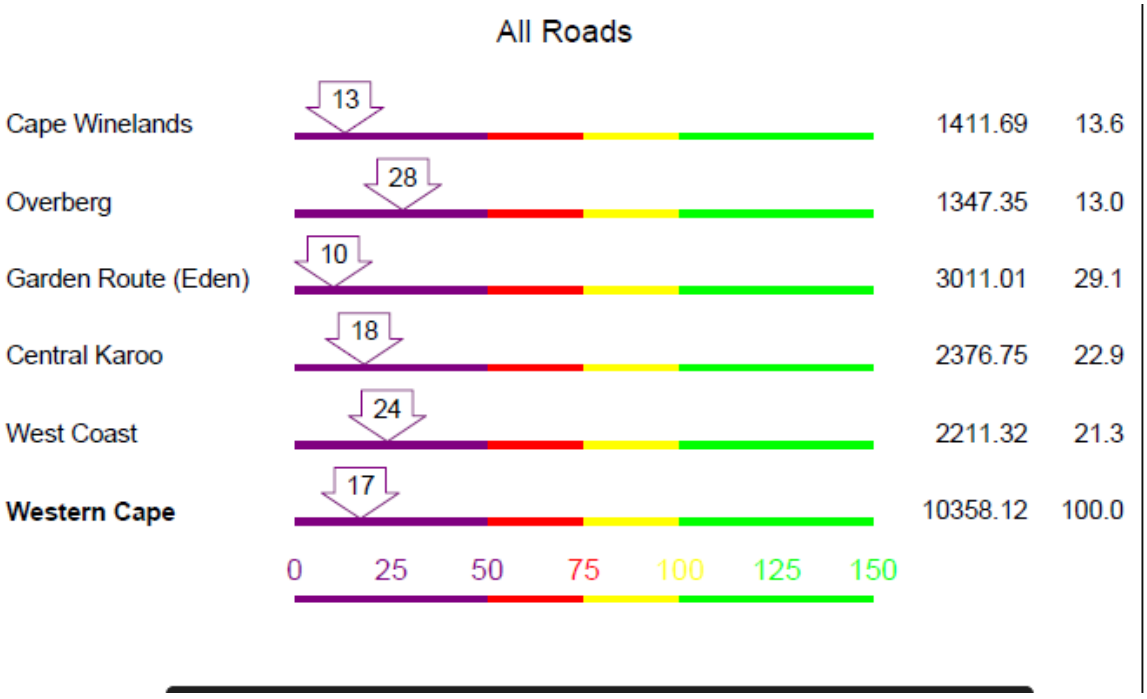
From Table 3.3.1. above a difference is found between the total of gravel roads in hand and the amount to be graded/maintained. The explanation therefore is that in terms of the Road Ordinance,

no obligation exists on the road authority and/or his agent to maintain minor roads, taking into account the exceptions, which amount to 6,000 kilometres (rounded off).

The DM is divided into 16 wards which are served by self-propelled graders [16 off], a tractor-drawn grader, and a tractor with tyres (tyre dragging). The last mentioned was written off in an accident while the other reached its life span due to mechanical failure. In addition to the above-mentioned 21 drawn graders were distributed within the farming community allowing them to maintain minor roads within their immediate vicinity. Graders became unavailable for various reasons (s). When the time span became unacceptable it was temporarily replaced by a machine hiring contract and the private sector assisted in the relevant activities and reaching the respective annual target(s).
The truck written off, as alluded to earlier on, hasn't been replaced yet.

The quantity of graded kilometre totals 22 295.8 kilometres which exceeded the indicator quantity of 16 000 kilometres by ± 6 296 kilometres. The dry blading cost/km decreased on average to R1 009/km.

The black topping (repair of surfaced roads) also exceeded the key performance area and 717.75 m² versus the planned 500 square metres were repaired.



The threshold for the average layer thickness of the gravel roads amount to 25 mm and had stabilised on 24 mm, as can be seen from the above extract from the GRMS (Gravel Road Management System).

The regravel planned 5 projects totalling 25.52 km of which 25.32 km was done – the performance was met.
Three of the said projects were situated in the Swartland Municipality and the other in Cederberg -.

Regravel cost varies between R 339 k to R 643 k /km depending on the resources, materials, and road width and / or haul distances. In all the projects- except one- the materials were commercially procured. The other was delivered to site by the local landowner(s). The haul distances differed and the construction widths also and it is reflected in the average price.
The supply and haulage were done by an approved tenderer.



Illustrating the cooperation between the private sector and the Roads Division with reference to transport of materials.

The regravel performance was reached by the Northern team (Vanrhynsdorp) whilst the Southern team [Moorreesburg] attended to the upgrading project near Vredenburg. First mentioned was also the responsible for completing the new construction project near Saldanha Industrial Development Zone.

The mentioned teams mirrored each other, and additions made in their organogram which was approved by the road authority.

The lack of approved borrow pits for regravel and/or maintenance purposes remains a thread for economic and productive maintenance activities. The subject was addressed at an appropriate meeting but still needs urgent attention. The recent flood was evident of the previous statement.
Materials for re-gravel projects and/or spot regravelling [maintenance] were commercially procured. In some cases, it was strategic stockpiled for maintenance purposes.
Normal maintenance (e.g., blacktopping, replacing and/or maintaining road signs, maintaining and or replacing stormwater structures, gravel patching, vegetation control, litter removal etc.) was done by 11 maintenance teams., The grading of gravel roads was done by the 16 grader teams, 1 tractor-drawn grader and 1 tractor/ tyre dragging unit and their performance was addressed previously. Maintenance activities include drainage, facility-related (road markings etc.), paving-related (e.g. crack sealing, edge repairs etc.), vegetation control, bridge and minor structure repairs and overhead activities (inspection and supervising and administration).

The gravel roads' s conditions have, generally spoken stabilised - compared to the 2021/2022 year's reporting statistic - 55% poor with the rest in the fair to very good categories.

Fencing subsidy of R 2.173 million [budget R 2.248 million] was paid to approve applicant(s). This performance exceeds the previously financial years expenditure by 245 %. The need for the subsidy was not satisfied because 5 applications received was rolled over to the 2023/2024 financial year.



A maintenance team repairing a fence which was damaged due to an accident - a maintenance activity versus Council's policy of replacement of fences.

The table below give an indication of the extent of the surfaced roads in the jurisdiction.

Table 3.3.2: Asphalt infrastructure (kilometres)

Financial year	Total asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2020/2021	1715.41	0	0	8.15	1074.10
2021/2022	1753.52	0	0	0	1106.81
2022/2023	1759.32	1.2	0	30.27	1110.74
T3.3.2					

The condition of the paved road network had deteriorated since the previous report as can be find from the Pavement Management System [PMS].
Maintenance of the surfaced road network was done with in - house capacity. If needed PGWC was requested to lend a hand preparing projects for resealing. As a rule, this was done by RMT's (road maintenance teams), managed by the principal until their contacts was terminated. The agent received 1176 km of tarred roads back from the road authority.

During the negotiation process it was agree that the in-house teams been amended from 7 general workers to 10 and that the maintenance teams expanded from 11 to 12 teams. The organogram was revised and approved by the road authority. Appointment will be in the 2023/2024 financial year.
The key performance indicator for reseal was met and 151 317 square metres were met [target = 151 317m²].
The projects resealed was situated in Matzikama municipality.





The self - propelled chip spreader in action while sealing a road.

The upgrading of gravel road(s) to paved was done by the southern team (Swartland team) situated in Moorreesburg. A total of 4.6 kilometres were upgraded and the performance met the key performance target.
The new "green fields" construction project in the Industrial Development Zone Saldanha was done by the northern team [Cederberg team] - was complete and 1.2 km was constructed – the KPI was met.
Both projects are situated in Saldanha Bay municipal area.

Table 3.3.3: Cost of construction/maintenance

Financial year	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
2020/2021		24 318	82 006		0	28 059
2021/2022		105 519	82 542		0	52 642
2022/2023						
T3.3.3						

The budget was amended and amounts to R 257.284 million.
The expenditure thereof can be summarised as follows.

- ✓ Maintenance = R 55, 738 million
- ✓ R 22.5 million was spend on blading [dry, wet and other] and the rest on normal maintenance activities
- ✓ Capital cost (reseal, regravel and upgrade) = R 153.883 and
- ✓ Administrative costs = R 24 264 778.07
- ✓ Last mentioned amount was calculated as follows i.e.
- ✓ 12% on the original budget of R 170,275 million and
- ✓ 6% of Addendum 1 of the MOA which amount to R 87.01 million i.e. an increase of R 5.22 million in additional income to Council

As alluded to on earlier, the abovementioned expenditure was made possible through the efforts of 270 personnel of which 25 is from the workshop component. At year end 20 % thereof were vacant (52 posts).

The distribution of the personnel (posts) can be summarised by Table 3.3.4 hereunder.

Table 3.3.4: Employees: Road services

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	131	148	130	18	12
4–6	30	46	37	9	20
7–9	50	53	35	18	34
10–12	15	20	12	8	40
13–15	4	4	4	0	0
16–18	2	2	0	2	100
19–20	0	0	0	0	0
Total	**232**	**273**	**218**	**55**	**20**
					T3.3.4

Where and when the need arose vacant posts were filled by appointment of temporary workers which amounted to 13.25 full time equivalents [target 11.48] with aim of poverty alleviation.

The reason(s) for the vacancies is diverse such as organogram expansion, resignation(s), retirement (early and/or other), horizontal placements, disciplinary action(s) etc. The outcome(s) of some of the last mentioned were disputed and ended up with the CCMA.
The outcome(s) of that were also respected.
Vacancies were regularly advertised, and duly qualified staff were appointed after the appropriate process was followed.

Personnel cost amount to 48% (R 53 million) of the budget

Table 3.3.5: Financial performance: Road construction and maintenance (R'000)

Financial Performance: Roads Construction & Maintenance					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	151 049 145.81	154 701 340.00	234 738 340.00	229 706 466.58	2.14%
Expenditure:	-	-	-	-	-
Employees	58 598 279.66	73 858 713.00	74 858 713.00	71 117 114.59	5.00%
Other	92 450 866.15	80 842 627.00	159 879 627.00	158 589 351.99	0.81%
Total Operating Expenditure	151 049 145.81	154 701 340.00	234 738 340.00	229 706 466.58	2.14%
Net Operating Expenditure		-	-	-	-

Table 3.3.6: Capital expenditure: Road Services (R'000)

Capital projects	2022/2023 Budget	2022/2023 Adjustment budget	Actual expenditure	Variance from original budget	Total project value
Divisional Road 2160(km 0.0 – 18.2) Upgrade	39 000	107 924	130 328		191 367©
Divisional Road 2232(km 0.0 – 25.37); LHS; Reseal	17 890	27 661	12 725		12 725
Main Road 547 (67.90 – 72.81) Reseal			7 147		7 147
Main Road 561 (km 0.0 – 1.20) New construction	12 000	23 093	18 617		25 220
Divisional Road 1139 (km 0.26 – 5.90) Regravel	23 400	11 366	204		1 708
Divisional Road 1150 (km 0.02 – 7.2) Regravel			2 073		2 073
Divisional Road 1157 (km 4.5 – 8.49 & km 9.04 – 15.05) Regravel			6427		6428
Main Road 535 (km 0.0 – 11.95) Reseal	0	89	89		89
Main Road 546 (km 18.46 – 24.00) Reseal	0	120	120		120
Main Road 310 (km 67.0 – 84.485) Reseal	0	1 636	1 636		1 636
Divisional Road 1460(km 1.56 – 3.95) Reseal	0	1 256	1 256		1 256
Divisional Road 1471(km 0.0 – 5.43) Reseal	0	4 443	4 443		4 443
Divisional Road 1476(km 0.0 – 2.33) Reseal	0	310	310		310
Divisional Road 2232(km 0.0 – 19.0); RHS; Reseal	0	1 094	1 094		1 094
Divisional Road 2232(km 19.00 – 25.37); RHS; Reseal	0	232	232		232

T3.3.6

The insertion, ©, symbolizes that a project is still in progress. Therefore 6 projects are still in process and completed in various stages.
Of the completed projects were underspent (8) while others (7) were the opposite.
The reasons for the last mentioned vary from long haul distances, material hardness, traffic accommodation, scope changes, standing times due to resources etc.

3.4 COMPONENT C: PLANNING AND DEVELOPMENT

3.4.1 TOWN PLANNING

Land use management applications are not handled by the West Coast District Municipality and are processed by the respective B municipalities in the District.

Table 3.4.2: Employment: Planning:

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0	0	0	0
4–6	0	0	0	0	0
7–9	0	0	0	0	0
10–12	0	0	0	0	0
13–15	0	1	0	1	100
16–18	0	0	0	0	0
19–20	0	0	0	0	0
Total	**0**	**1**	**0**	**1**	**100**
					T34.1

3.5 STRATEGIC SERVICES: LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION AND STRATEGIC OVERVIEW

Local municipalities take care of economic development in their areas, with specialist support from provincial and national government. The economic development unit of the West Coast District municipality will not duplicate that focus but will aim to address the critical gaps in development efforts and more effective public investment. The mission statement is therefore phrased as follows:

"Improving the efficacy of economic development practices, processes and systems"

The expected consequence is better overall results from the West Coast development initiatives.
The prioritised outcome goals are:

- Well informed leaders make quicker and better development choices.
- Development stakeholders team-up across institutions more easily to improve.
- Public investment and CSI steered better to maximise development outcomes and impact.

As a consequence economic development will speed-up and scale-up, including:

- Reduction of key constraints to growth.
- Strengthening economic competitive advantages.
- Attraction of more investors / investment.
- Keeping local businesses better informed about opportunities, threats and developments.
- Attracting more tourists and spend.

Increasing the scale of success of the development partners is therefore vital to WCDM success.
New processes will be established by means of the following catalytic OUTPUTS:

1. Adopt an eco-system outcomes management process, rather than just an output compliance approach.
2. Increase the use good practices: More effective public investment, Results management
3. Essential strategic information captured accurately, briefly and completely.
4. Maintain master records of all (portfolio) development initiatives. Quality verified.
5. Expert services identify gaps, overlaps and opportunities to improve
6. All development stakeholders able to monitor all development info online. Work as teams to resolve issues faster.
7. Improve the efficacy of investment promotion and facilitation.

A summary of the rationale, expected results and key indicators of success, are provided below.

Result type	Result area	Key Indicators	
Impact on Society	Inclusive economic growth / increased access to economic opportunities.	1. Number of citizens with increased household incomes.	
Impact on business	More large firms invest and grow here. Local firms benefit from the investment and procurement.	1. Number of new jobs created by green fields investors	2. Increase in number of businesses in WCDM, registered for VAT (alt. registered at LMs)
Outcomes (enabling environment)	Reduce constraints and strengthen advantages for key growth sectors.	1. Total number of: Investments facilitated into WCDM	2. Total number of: Local firms that secure facilitated transactions in WCDM
Output (catalytic change)	Increase the use of good development practices by WCDM, LMs and other development partners.	1. Number of local municipalities with system for investment facilitation established with facilitator able to engage CEOs.	2. Number of municipalities in the WCD that adhere to key principles of promoted good practice standards.

3.5.2 West Coast Regional Economic Development Strategy

Historical
The council approved strategy for regional economic development required updating and its review was commissioned during 2017/2018 financial year. The strategy presents the work carried out in consultation with the five local municipalities and the private sector in crafting a review strategy and key actions for the West Coast District Municipality.

This work was preceded by a process of strategy in action, where with the assistance of the GIZ (German International Co-operation), certain key strategies were implemented and documented, as well as the operationalisation of the Regional Economic Development strategy earlier thereto.

The draft strategy was compiled and on workshops held with the local municipalities in the region, as well as private sector role-players and the West Coast Business Development Forum amongst others. Informants further included other research and analysis, and interviews with key businesses and industry along the West Coast. The draft strategy was then circulating to a number of role-players including provincial- and national government departments, the local municipalities within the area, and other public- and private sector role-players for comment and further input.

Another informant to the drafting of the reviewed strategy was the findings of the Western Cape Provincial Government IDP Assessment, particularly with respect to the Economic Development Strategy.

Proposed
With the constitution of council in 2021, a new vision, mission and strategic objectives were formulated to drive the strategic vision and give direction to the incoming council. One of these strategic objectives is "to promote tourism and regional economic growth through good relationships with local government".

This strategic objective gives direction as to the intent of council that it wants to pursue in terms of promoting regional economic development in the West Coast district.

The strategy for regional economic development is to be reviewed annually and a framework for the current strategy to be reviewed was approved in May 2023 for alignment to the strategic objective and direction of council.

3.5.3 West Coast Economic Development Cluster

The West Coast Local Economic Development Cluster focuses on economic recovery initiatives driven by the role – players.

LED cluster engagements have been taking place on a virtual platform. This structure was originally established to foster greater co-operation for responding to Covid-19 and resultant economic recovery. The engagements have allowed for collaboration and strengthening of working relationships across all spheres of government and stakeholders. The structure has been and continues to be working towards local economic development support, the sharing of information with regard to relevant government funding assistance, to amongst others SME's and the informal sector and engaging sector experts in government. The District Municipality acts as the host and facilitator for the cluster.

- The following role-players are part of the West Coast LED Cluster.
    - District Municipality, B – Municipalities;
    - Department of Economic Development and Tourism (DEDAT);
    - Department of Agriculture
    - Department of Small Business Development
    - Small Enterprise Development Agency (SEDA);
    - Saldanha Bay Industrial Development Zone(SBIDZ)
    - West Coast Business Development Forum
    - Wesgro,

- West Coast Business Development Centre;
- Regional Tourism Managers in WCD.

3.5.4 West Coast Business Development Forum
Overview of Project

The West Coast Business Development Forum (WCBDF) is a successful collaborative working model which brings together senior level private sector CEOs from the private sector firms operating in the region, with relevant provincial, district and local government, and with national government and government programmes (such as SEZ) as needed. It meets every six weeks and is a practical collaborative group which tackles issues impeding growth and investment in the region, thus removing barriers and taking up opportunities for growth. In order to ensure that the WCBDF maintains momentum, and continues to add value in the region, it is essential that a structured programme of engagement for the members is implemented. This will include useful content, access to and information about government programmes and initiatives for business and vice versa for government, and shared working removing barriers to growth

Since its inception in 2014, the WCBDF has focussed on specific cross cutting issues relevant to the regional economy, and has set up highly focussed task teams to deal with these issues, as well as with specific opportunities. The BDF underscores the Regional Economic Development Strategy of the District Municipality in promoting economic growth and the facilitation of job opportunities.

To share but a few examples, one task team focussed on investigating making gas available in the region as a viable alternative to electricity, another focussed on removing barriers to the Matzikama Aquaculture project of farming abalone in the local municipality, and a third examined ways to upgrade local port infrastructure and operations. Currently, the WCBDF working collaboration is finalising the removal of the last barrier in a local authority area, and has initiated a Water working group, working with industry, government and a German Development Agency, to ensure no further water crisis of unmanageable proportions affects the region again. The WCBDF has also approved a full task team programme to facilitate and support all other aquaculture projects in the region; a skills task team to significantly improve available and relevant skills and experience in the region and; an energy task team to begin to remove barriers to the use of gas and renewables for industry. It is supporting the implementation of a tourism project in Porterville, and potentially, the development of housing and other social facilities for a fast growing area in agriculture and agri-process, also in a Local Municipality.

Past successes include:
i) The initiation of a waste to energy CBV was motivated by a mining company, the cement producer. This resulted in an alliance and contract with REDISA, the SOE which collects and disposes of used tyres. The mining company invested in new equipment to accommodate the burning of tyres in its kilns, and REDISA succeeded in disposing of a number of waste tyres on an annual contract basis, while at the same time stimulating SMME participation in the waste management value chain.

ii) The development of an improved Artisanal Skills delivery system for the West Coast. The main employers on the West Coast are industries with a high need for artisanal skills, including the steel, cement, mining, metals fabrication and construction industries. The need for artisans is likely to increase as a result of the planned oil and gas sector in the course of being implemented in the area. The artisanal supply system serving the West Coast was considered by business to be highly flawed. The public sector, represented by the skills unit in the provincial Department), and the private sector (all major businesses on the West Coast) worked together and developed an intake and work experience system which has now been implemented in the region, funded by both government and the private sector in various ways. The first intake of unemployed youth was 1 000 people, of which 900 passed module one and have moved forward in the modular programme. The programme is rolling out into new areas currently. While the task team has now disbanded as its job is done, the programme continued.

Other successes include a successful agriculture roundtable, with fact sheets developed for key sub-sectors, annual plenary sessions and business breakfasts.

In supporting the WCBDF, the development of practical skills will become a key enabler of local industry, as well as a key driver of investment in the IDZ and other areas of the West Coast. A key driver and cross cutting issue without which growth is not possible, championing the skills agenda has always been a main priority of the WCBDF. The WCBDF has been working with the DEDAT team for over two years to develop and roll out the implementation of value-added programmes (such as artisanal training and internships) which are essential not only for existing businesses, but also for the much anticipated growth soon to take place in the Saldanha IDZ due to the major viable gas find off the West Coast.

The skills mapping exercise demonstrated clearly that there are three key high-level skills categories needed on the West Coast. The first category is linked to technical and engineering skills, in particular as they are needed by industrial manufacturing and the construction industry. The second is linked to skills for the digital economy and has significance across all economic sectors in the District, as COVID 19 has accelerated the need for connectivity and the ability to work and connect online. Skills are needed in terms of digital infrastructure creation and maintenance, but more importantly, digital literacy is essential for school leavers to be able to find work and reduce inequality in the near future. These skills range from basic coding, to the highest level of Data Analytics and programming. Finally, customer facing skills, for health care workers, tourism and travel are needed across the board in the service industries. Currently however, heavy industry on the West Coast (with the exception of food growing, harvesting and processing) is feeling the very negative impacts of an economic recession, globally (as many have global export markets) and locally. As a result, many of the industrial firms have had no option but to close facilities, and release skilled technical workers from employment. This phenomenon has driven the first collaboration agreed in the District which was aimed at mitigating these effects.

Collaboration one- repurposing and deployment of technically skilled persons on the West Coast. Led by a steel company, the first collaboration consists of it, the BDF, and the IDZ , working together to repurpose and/or redeploy the technically skilled people who were made redundant by the steel company closure of the local plant and those to be made redundant shortly by another large local metals company. To date, a list has been supplied of the skills available, and the partners have signed a memorandum of intent to undertake the work. Initially in the pilot, at least 35 people will be impacted, and the expectation is that between a combination of placement, reskilling and upskilling interventions, entrepreneurial, business and re purposed technical skills, as well as additional Digital and ICT skills, will be provided. The projects to be implemented by the National Infrastructure Fund (already approved) have been identified and the team is reviewing needs of all industry in the area, with special reference to those that are growing now or likely to grow.

SERVICE HIGHLIGHTS

- REDS Matzikama municipal area visit and briefings to projects in Doring Bay Abalone project, pebble project and Tunnel farming project - August 2022
- AMSA WCDM Socio Economic Business Case and Impact Investment Promotion Workshop co-convened– 18 August 2022
- LED Maturity assessment 19 May 2023

Extract LED Maturity assessment :

Shared vision and focus

The Municipality demonstrated a high level of understanding of their socioeconomic environment and realities, and an in-depth understanding of global pressures and changing trends. The LED focus of the Municipality is targeted and aligned with key priorities. Evidence of reliability in achieving stated objectives and alternative options and plans informed by scenario planning was also presented.

Understanding the local economy

Overall, the Municipality scored highly in the section by demonstrating a high degree of understanding of their local economic realities – particularly with respect to the function of a District Municipality. The municipality has demonstrated a high degree of integration of its private sector partners and the ability to utilise its competitive advantages.

Strategic Decision making
The municipality scored high in demonstrating the SMART selection of interventions and Alignment to leverage support, power, and resources.

Public- & Private-sector champions implement LED Initiatives
The municipality overall scored highly in the section and demonstrated an excellent working partnership with the private sector.

Facilitate LED
The municipality demonstrated a high level of understanding and practical implementation of LED facilitation.

Governance of LED
The municipality demonstrated a high commitment to achieving a competent representative LED board through its stakeholder engagement initiatives. This was further bolstered by the demonstration of a good working partnership between the municipality and the private sector representative bodies.

M&E outcomes and impact.
The municipality demonstrative a clear commitment and high proficiency in respect of project monitoring and evaluation through the rational and consistent implementation of a measurement methodology. Performance of LED activity and impact are informed by credible monitoring and evaluation systems and the results are fully understood by most LED stakeholders. Improvement priorities are consistently defined and actioned with the resources.

Insight and Strategy / Ability to Execute
The assessment indicates that the municipality excels in the ability to formulate a shared strategic vision, ability to render services and its ability to monitor projects to ensure continued implementation successes. Further, the municipality demonstrated a clear ability to partner with larger business stakeholders and an advanced understanding of its formal business sectors and there was a clear demonstration that the municipality has incorporated them into its planning and implementation processes.

- Four Business Development Forum meetings convened over the financial year
- West Coast LED cluster meetings convened and facilitated
- Participated in the Greater Karoo Spatial Development Framework process
  The ultimate aim of the Karoo RSDF is to ensure that decisions from government and private institutions are influenced through collective action.

Table 3.5.2: Financial performance: Strategic Services (R'000)

Financial Performance: Strategic Services					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	500 000	-	700 000.00	200 000.00	71.43%
Expenditure:	-	-	-	-	-
Employees	2 055 980.61	2 410 877.00	2 410 877.00	1 946 572.26	19.26%
Other	778 530.35	442 761.00	1 086 761.00	395 949.06	63.57%
Total Operating Expenditure	2 834 510.96	2 853 638.00	3 497 638.00	2 342 521.32	33.03%
Net Operating Expenditure		-	-	-	-

3.6 TOURISM

Introduction:

The Tourism unit of the West Coast District Municipality is mandated to develop and promote tourism as drawn from the South African Constitution (Act 108 of 1996), where municipalities are made responsible for leading, managing and planning for development, as well as the Municipal Structures Act, (Act No 117 of 1998), where District Municipalities is responsible for the "Promotion of local tourism for the area of the district municipality".
This includes the development and marketing of the tourism sector. The Tourism unit, therefore, drives the WCDM's local tourism mandate and supports the national- as well as the Western Cape provincial strategic sector strategies.

Strategic Objective

Pursuing economic growth and facilitation of jobs opportunities.

Purpose

The purpose of the West Coast Tourism Division is to grow and promote a sustainable tourism economy in the West Coast District with an emphasis on innovation, and service excellence and to establish "Weskus" as a preferred brand.

Challenges

The Tourism sector proved it resilience with it rapid recovery post COVID – 19. There are a few factors which hampers tourism growth in the West Coast. The most common challenges are listed below:

1) Increased crime in certain towns
2) Lack of public transport remains a big challenge for tourism growth in the West Coast District
3) The struggling economy forces visitors to stay for shorter times and to spend less money
4) Seasonality with only the flower season and summer holidays attracting lots of visitors to the West Coast
5) Legacy of the impact of COVID 19 pandemic on the Tourism Sector
6) Petrol Price Hikes prohibits visitors as frequently as they used to
7) Energy crises and loadshedding has a massive impact on the tourism sector impacting trading hours and operation costs of establishments

Key performance highlights

The Tourism unit of West Coast District Municipality has two key focus areas namely Tourism Development and Tourism Marketing. This section will give a brief oversight of the key performance highlights of the Tourism unit related to the two focus areas.

Tourism Development

Tourism Development plays a vital role in this process of resilient growth midst the uncertainties in the tourism sector i.e., loadshedding. It consists of various components including product development, market development, institutional development, facility development, infrastructure development and human resource development with the aim to:

- Increase the economic value of tourism
- Improve the quality of life of people
- The protection and responsible utilization of natural resources

Support rendered to SMME's

During the period under review a total of 18 SMME within the tourism sector were assisted to grow their businesses. Support interventions include mentorship, assistance with registration and access to business support structures.



WOW E-Bikes was a small business who attended the Namibian expo with Weskus Tourism

Training and capacity building

Through effective partnerships between WCDM's Tourism unit and various other stakeholder whe aim to alleviate the skills gap and skills shortage within the tourism sector. Capacity building interventions include training sessions and skills development workshops. During the period under review 17 skills training workshops took place which included tourism awareness, capacity building, tourism business management and financial management.



Tourism Marketing

Tourism marketing addresses seasonality through marketing new products. Through effective tourism marketing interventions and campaigns the tourism unit assist the industry by generating interest in the region. Marketing interventions include seasonal campaigns on digital and traditional media, exhibitions and activations and promotional activities.

During the period under review 23 marketing and promotional interventions took place with the objective of marketing the region.
The tourism unit attended four tourism exhibitions and trade shows which included:

- Namibia Expo (November 2022)
- Caravan Show (Feb 2023)
- World Travel Market Africa (April 2023)
- Durban Tourism Indaba (May 2023)







Responsible Tourism
West Coast District Municipality's Tourism unit plays and important role to promote and advocate responsible tourism practices. To date the tourism unit facilitated various responsible tourism projects. This includes an Annual Responsible Tourism Conference, features and highlighting responsible tourism products in the region and renewed focus on Agri-Tourism.

Western Cape Visitor Trends and Patterns *(Source: Wesgro)*

- The domestic market accounted for the largest share (81.5%) of respondents between January and December 2022 whereas 18.5% of respondents were overseas travellers.

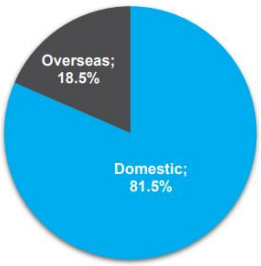
- Most of the international travellers to the Western Cape originated from Germany. This was followed by the UK, with a share of 21.3% of visitors to the region, and France which accounted for 7.9% of the visitors.
- The largest share of domestic travellers (79.0%) were from the Western Cape, which confirms that locals enjoy the diversity of tourism offerings in the province. Gauteng and KwaZulu-Natal ranked as the other leading source provinces for visitors to the Western Cape.

- Most visitors to the Western Cape were in the age groups of 36—50 and 51—70 years.

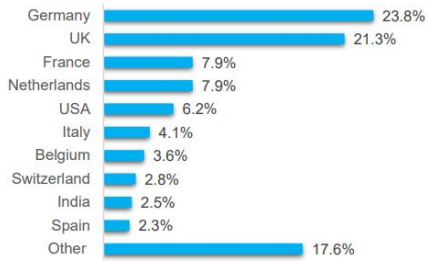
- The largest proportion of respondents (35.3%) travelled to the province in pairs, followed by 25.1% who travelled on their own.

- More than 60% of the visitors travelled to the Western Cape primarily for leisure/holiday and 6.3% visited friends and relatives. Some came for events/festivals (2.6%) and business (3.1%), whereas others visited for purposes of education, medical/health reasons, sports and religion.
- These figures showed that leisure and holiday offerings in the Western Cape were attractive to mostly adults and senior citizens who could be classified as solo travellers or visitors travelling as couples or travelling as friends.

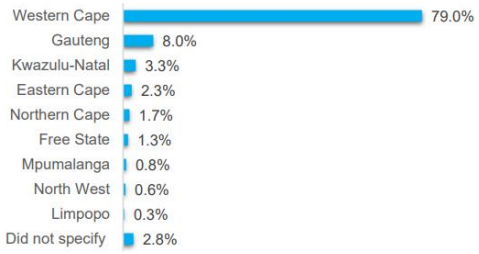
% SHARE OF OVERSEAS AND DOMESTIC VISIOTRS TO THE WESTERN CAPE, JAN-DEC 2022



TOP INTERNATIONAL MARKETS TO THE WESTERN CAPE, JAN-DEC 2022



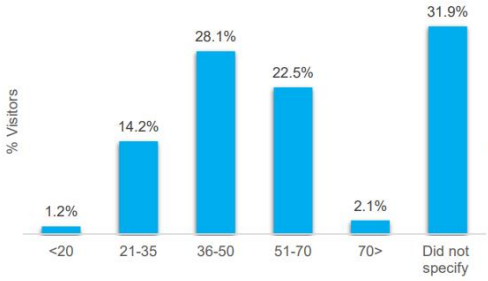
% SHARE OF DOMESTIC VISITORS TO THE WESTERN CAPE, JAN-DEC 2022



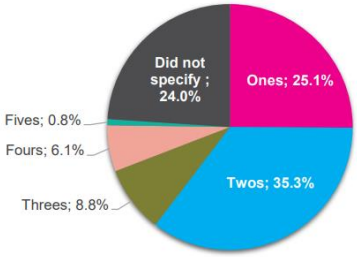
wesgro
cape town & western cape
tourism, trade, investment, film

An Inspiring Place To Do Business

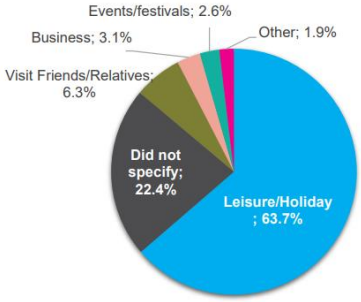
3.2 Age Profile of Visitors



3.3 Travel Group Size



3.4 Purpose of Visit



wesgro
cape town & western cape
tourism, trade, investment, film

An Inspiring Place To Do Business

Table 3.6.4: Employees: Tourism

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0	0	0	0
4–6	0	0	0	0	0
7–9	1	1	1	0	0
10–12	2	2	2	0	0
13–15	1	1	0	1	100
16–18	0	0	0	0	0
19–20	0	0	0	0	0
Total	**4**	**4**	**3**	**1**	**25**
					T3.6.2

Table 3.6.5 Financial performance: Tourism

Financial Performance: Tourism					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	2 396 698.77	2 741 841.00	2 741 841.00	2 323 812.94	15.25%
Other	238 566.56	378 446.00	338 446.00	310 932.60	17.84%
Total Operating Expenditure	2 635 265.33	3 120 287.00	3 120 287.00	2 634 745.54	15.56%
Net Operating Expenditure		-	-	-	-

MEDIA AND COMMUNICATIONS

Introduction

West Coast District Municipality prioritizes effective and accurate communication with various stakeholders. The Media and Communications unit plays a key role in distributing information to external and internal stakeholders.

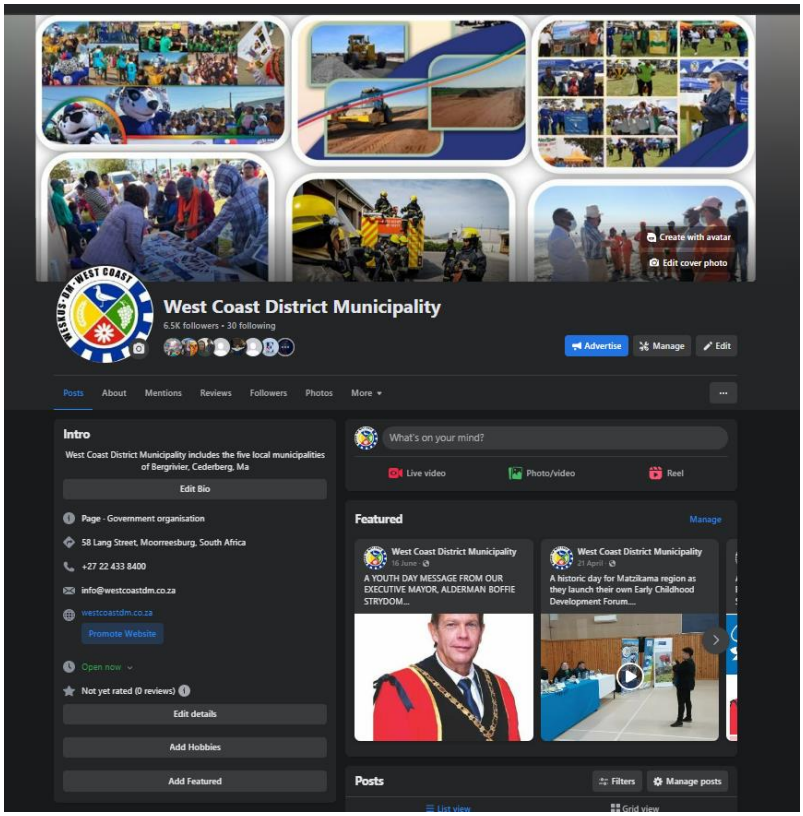
Social Media

West Coast District Municipality uses various social media platform to publish and advocate messages to the public and key stakeholders. West Coast District Municipality current use three social media platforms namely Facebook, Twitter and Soundcloud.

Facebook

The municipal Facebook page is currently being used to publish news and events. Facebook is currently the most popular social media platform. On average the municipality publish 30 Facebook posts per month.

- WCDM Facebook Page: West Coast District Municipality
- West Coast Tourism Facebook Page: Weskus Tourism



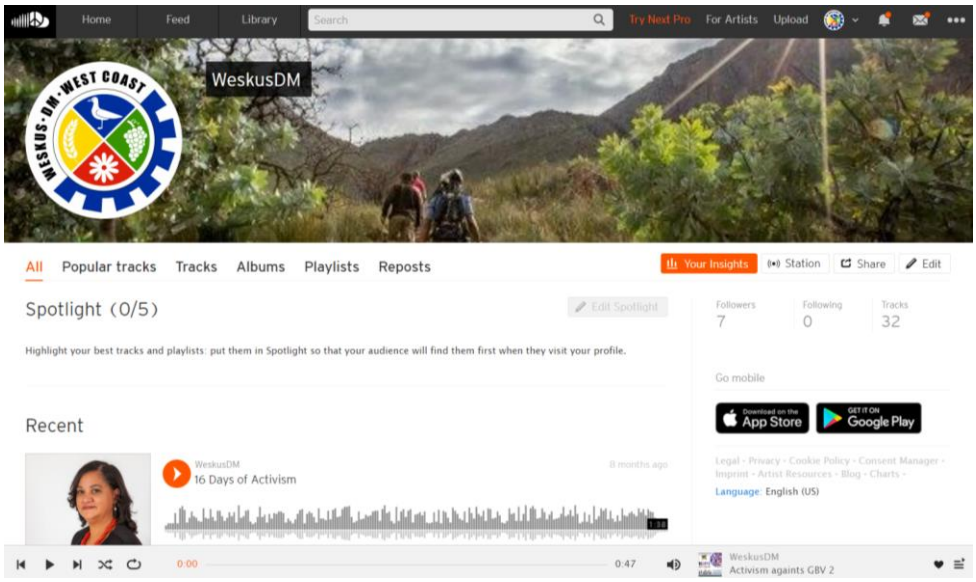
Twitter

The municipality uses Twitter as a live news feed with the objective of distributing and following news live.



Soundcloud

Soundcloud is being used to publish voice notes and soundbites on social media.



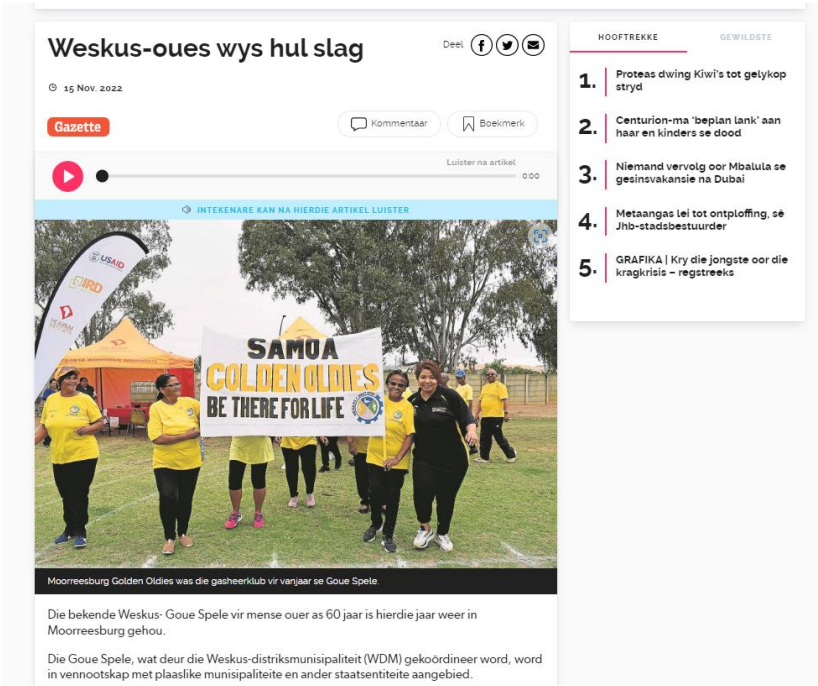
Other forms of communication include:

- Quarterly External Newsletters
- Internal staff newsletter
- News Flashes via email
- Exhibitions and Community Outreaches
- Press Releases





Community Awareness Campaigns



Press Release published by WCDM

COMPONENT D: COMMUNITY AND SOCIAL DEVELOPMENT

3.7 CHILD CARE, AGED CARE, SOCIAL PROGRAMMES

INTRODUCTION

The vision of the WCDM to be a caring center of excellence, puts social and community development central to the support and coordinating role that a District Municipality is supposed to play as set out in the legislative frameworks governing its affairs. Given the current asset-based community development approaches that are globally becoming the focus for societal transformation, a silo approach is no longer relevant.

The Western Cape Government's Whole of Society Approach, requires from the WCDM to plan, implement and monitor projects and programs that tap into the agency that is present in our citizens and strengthen the resilience of our struggling communities to bounce back against the challenges that they must face daily. Some of the challenges that can be mentioned are reflected in our Integrated Development Plan (IDP), indicating that the West Coast remains one of the most impoverished areas in the province; although the overall quality of life has improved, inequality remain worsening; more job losses as an aftermath of the drought and the COVID-19 pandemic; a growing youthful population with unemployment being the highest among them; pressure on municipalities with the increase in informal dwellings. Amidst these challenges, opportunities to mitigate them are presented through the high learner and student retention rate, lower crime levels and the positive economic outlook of the area.

Various development projects are launched by the Social & Community Development Division which focus on vulnerable groups including women, children, people with disabilities, youth, elderly people (pensioners) as well as various alcohol and drug programs. Projects include the Golden Games program (a sports and recreation program for the elderly people), a variety of alcohol and drug actions (awareness and support to support groups), Family Enrichment and Support Programs, early childhood development programs as well as various youth leadership programs.

STRATEGIC OBJECTIVE

The focus of the Development Division is captured in the first Strategic objective of the IDP namely **Care for the social well-being, safety, health and environmental integrity of all our communities**.

PURPOSE

To facilitate, coordinate and ensure the development and empowerment of the poor and most vulnerable and marginalized people, particularly women, children, youth, persons with disabilities and elderly.

CHALLENGES

- Despite the passing of legislation to combat **gender-based violence and femicide** (GBVF), crime statistics from the area prove that the war against women continues and that a 365 days-approach is needed to win this war. Awareness and interventions are needed to address toxic masculinities and programs to change the behavior of boys and men towards the girl child and women should be implemented.

- Able ism as a form of discrimination, lies at the heart of abuses against the **disabled groups**, for whom not enough is done to guarantee their health and safety. The need for greater intervention to further the plight for an inclusive and enabling environment for persons with disabilities require all hands-on deck.

- The high unemployment rate and its bigger prevalence among the **youth** can be ascribed to the higher crime levels and substance abuse. Youth programs should aim to have more youth involvement in its planning and implementation phases in hotspot areas. The latter requires multidisciplinary efforts from all concerned.

- Who we are and what we have today is a result of the investment made by the **elderly,** yet they are some of the most neglected and abused family members. They need psycho-social support and the support to elderly clubs and old age homes should remain part of our objectives.

- **Children** are still the most vulnerable and exposed groups, due to the undermining of their agency and abuse because they are minors. As a District we regard the ECD sector as good starting point to address the vulnerable state of our children through securing safe and healthy spaces. The registration of crèches and making sure it complies to relevant legislation through issuing of health, fire, and food certificates.

PERFORMANCE HIGHLIGHTS
GENDER-BASED VIOLENCE INITIATIVES

From 25 November annually, the International Day for the Elimination of Violence against Women, to 10 December, International Human Rights Day, the 16 Days of Activism against Gender Based Violence Campaign is a time to galvanize action to end violence against women and girls around the world.

Gender-based violence (GBV) is a gross human violation, with alarmingly high levels in South Africa. It carries significant personal and economic impact, the extent of which disproportionately affects women, children, and LGBTQIA+ persons. Interpersonal violence and crime remain a serious and complex challenge in the Western Cape. The extent and nature of violence against vulnerable persons, such as women and children, remains a major concern due to its continuous increase. South Africa has been dubbed the gender-based violence (GBV) capital of the world.

West Coast District Municipality adopted a 365 Day's approach to gender-based violence and femicide.

West Coast District Referral pathway for victims of abused.

WCDM in partnership with the Western Cape Department of Social Development and Government Communications and Information Systems (GCIS) launched a Gender Based Violence Referral Pathway booklet with the objective of sharing information with those affected by GBVF. This launch took place on 12 September 2022 at the Disaster Management Centre.

The need for this booklet originated after discussions at the West Coast Social Development Coordinating Structure, a forum which creates synergy between communities and government in relation to social development. Although the support structures for those affected by GBV do exist it was identified that although victims might know where to report the incidence, they are not always familiar with what to expect after reporting which leads in many a times to not reporting at all.
The launch of the booklet is part of WCDM's 365 Days campaign to stop gender-based violence.
The National Prosecuting Authority did a presentation on the services and support mechanisms of the NPA and an overview of legislation pertaining GBV.
West Coast District took the lead and became the first municipality to develop a gender-based violence referral pathway.



Understanding legislation: a partnership between WCDM, SALGA and the National Prosecuting Authority

On 29 November WCDM, in partnership with SALGA and the National Prosecuting Authority (Sexual Offences and Community Affairs (SOCA) Unit hosted an information session which took place in Moorreesburg at the Town Hall. This session was well attended by stakeholders from across the West Coast.

The representative from the NPA focused on the following topics during his presentation:

- Understanding Gender-based Violence and Femicide
- Cyberbully
- An activity on the myths and truth about sexual offences
- Amendments to the Sexual Offences Act
- Protection Order and court processes after a report



Cederberg gender-based violence summit

The Cederberg GBV/VEP forum in partnership with various stakeholders including WCDM, hosted a GBV summit. The purpose of the summit was to engage stakeholders about efforts to stem the scourge of GBV and creating a platform where survivors can be celebrated for their resilience and to give back their dignity.

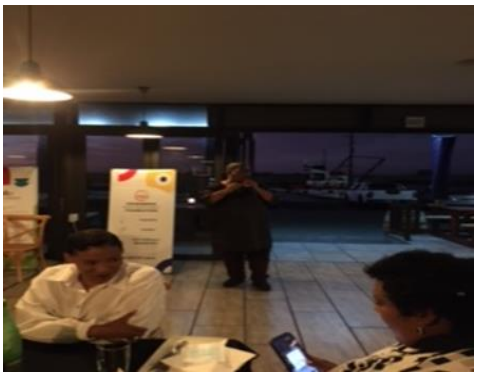
The 1st part of the program was an engagement with stakeholders to discuss the state of gender-based violence in the Cederberg area. The following topics were discussed:

- The responsibility of women to be alert for signs of gender-based violence in their families and intimate relationships.
- How the referral pathway assists them to take precautionary steps to limit and stop gender-based violence.
- The educational role of institutions involved in the fight against gender-based violence.
- Role of the religious sector to conscientize women and become involved in activities.
- How boys and men are going to be challenged about their role.

The stakeholders conclude that these topics will remain part of the fight against gender-based violence.

The second part of the program for the day was the pampering of gender-based violence victims/survivors, styling of their hair, manicure, and pedicure.
The highlight was the life story of a rape survivor that has become an activist for the domestic violence and gender-based violence legislation. She pictured her life as a story of a girl that was gang raped at the age of 16 and how she became promiscuous and a drug addict but through the love, support and spiritual guidance of her parents were able to overcome these hurdles. She encouraged women to do the same.





Re-launch of the Redelinghuys victim friendly room

On 12 November 2022 WCDM supported the re-launch of the victim friendly room at SAPS station in Redelinghuys. A victim-friendly room (VFR) must provide an opportunity for victims of intimate violence (gender-based violence, child abuse, sexual offences, and domestic violence) to make their statements in private, in a non-threatening environment.

Launch of Matzikama gender-based violence forum

The Department of Social Development in the West Coast embarked on a process of establishing Gender-based violence forums in all B-Municipal areas. The objective of the GBV forums is to coordinate all initiatives in addressing the scourge of GBV.

The launch of the Matzikama took place on 25 November in Rietpoort and was a partnership between DSD, WCDM and Matzikama Municipality.

Awareness during roadblock

On 25 November 2022 SAPS Porterville and Bergrivier Law Enforcement held a roadblock on the R44 between Porterville and Voorberg Correctional Services. The roadblock was done to determine whether motorists are adhering to the road safety rules and to inspect vehicles for any illegal substances or goods.
WCDM, officials from Daisy Safehouse in Aurora and volunteers from the Victim Empowerment Women's Network in Porterville did awareness on gender-based violence and femicide and distributed the West Coast Referral Pathway.



Gender-based violence awareness at Department Correctional Services

WCDM supported a GBV awareness and men's health program which was initiated by Department Correctional Services to heed the call that men need more time and space to develop positive masculinities.

A candle was lighted for colleagues that were lost in the year and in memory of the GBV victims.
The second part of the program focussed on masculinity and how men should appreciate common humanity with woman and take co-responsibility to protect and take care of women and other vulnerable groups in the community. Male employees were also challenged about their behaviour and actions in their personal relationships with the women in their lives and what they do to protect and take care of them. Men were also encouraged to look after their health, especially with the danger that prostate cancer holds for men.

Men's training against gender-based violence

WCDM together Rural Impact (NGO), DSD and the religious sector had a four-week training program in Citrusdal with men from the community that attended the soup kitchen during the year. During the program gender-based violence awareness, positive masculinity, and gender sensitivity training were provided to men.

Men were given an opportunity to share some of the lessons learned during the training and participants expressed their gratefulness for the opportunity to be confronted with their own pasts of gender-based violence and abuse; the renewed appreciation of the women in their lives, how their views of themselves and their family members have changed and their commitment to be more involved in programs of this nature.

Trauma frontline training supervision

The Trauma Centre conducted training of volunteers for the Victim Empowerment program of the Cederberg area in March 2022. This purpose of this session was to evaluate the extent to which the training supported their work. Another part of the supervision was the importance of self-care and the ways in which trauma frontline volunteers gave attention to it.
Some of the issues highlighted by participants were on how they as carers are impacted by vicarious trauma and compassionate fatigue. Other challenges are the refusal of victims to stay in the shelters; state of victim friendly rooms, that is not always so friendly and follow up of victims. Facilitators inform the group about the National Shelter Movement helpline (0800b001 005/ 082 057 8600) that is created to support such cases.





Elderly awareness day

On 15 June the world acknowledges World Elder Abuse Awareness Day to highlight the fact that, to abuse older persons in any way is completely unacceptable. All Golden Games Older Persons Clubs in the Saldanha Municipal area attended.

This year 2023, the World Elder Abuse Awareness Day theme is "Addressing Gender-Based Violence (GBV) in Older Age - Policy, Law and Evidence-based Response.

This initiative forms part of the West Coast District Municipality's "365-Day Against Gender Based Violence" campaign which aims to create awareness about Gender Based Violence. One of the tools developed by the municipality is a Gender Based Violence referral pathway booklet. This booklet is currently being distributed at various outreach and awareness interventions and explains which steps to follow if you suffer from abuse.

The day started with an awareness march and ended with a dialogue in the Saldanha Bay Multipurpose Centre where Jakkalsfontein Ministries performed a drama about elderly abuse.





MADIBA DAY 2022

Mandela Day, also known as Nelson Mandela International Day, is annually celebrated on 18 July. It is a celebration of the 67-year long fight of the South African leader against the racial discrimination and human rights abuses. The purpose of the day is to inspire everyone to make a difference in their communities by following the ideology and vision of Mandela. On Mandela Day itself, citizens are encouraged to spend 67 minutes of their time in service to others in need. These 67 minutes are in appreciation of the 67 years that Nelson Mandela spent fighting for justice, equality, and human rights for all.

The theme for Nelson Mandela International Day 2022 is "**do what you can with what you have and where you are**''.

In celebrating and honouring the legacy of Nelson Mandela, the Division Social & Community Development ran a **"Jars of Hope Campaign"** with the objective of helping families in need. By giving a jar of soup ingredients you can provide a warm meal for four people and bring a smile to the faces of others.

WCDM staff were encouraged to donate the following ingredients that is needed for the Jars of Hope: Rice, Soup, mix Lentils, Beans, Dried peas, Samp, Pasta, Unwrapped stock cube, Packet soup powder, Empty jars.

Donation boxes was placed at all WCDM municipal buildings and collected on 12 July to prepare the Jars of Hope. On the 18th of July, the Jars of Hope was donated to Sinethemba, an NGO in Moorreesburg.

Soup was also distributed to children in Moorreesburg whilst Fluffy, the Municipality's safety mascot, entertained them with his dance moves. This opportunity was also utilized to share information on the negative effects of bullying.





WOMEN'S MONTH: CELEBRATING WOMEN AT WORK

Every year, in August, our country marks Women's Month during which we pay tribute to the more than 20 000 women who marched to the Union Buildings on 9 August 1956 in protest the extension of Pass Laws to women, a system meant to control women even further and reduce women to passive beings, at the mercy of men.

Women's month 2022 was celebrated under the theme: **"Women's Socio-Economic Rights and Empowerment: Building Back Better for Women's Improved Resilience".** The concept of Generation Equality is a global campaign and links South Africa to global efforts to achieve gender equality by 2030.

On 05 August the Development Division launched its Women Month activities in the Council Chambers. During the launch Councilor Miranda Schrader encouraged the women to create a legacy for future generations. The used the theme "Gender Equality Today for a Sustainable Tomorrow" to encourage staff to be the change in society in order create a better future for all.

The Women's Month activities included a décor and themed exhibition of all municipal buildings, seed planting and nurturing competition, "Doek Friday" where ladies had the chance to wear innovative and colorful headwraps and a "No Handbag Day".



PROVINCIAL THUSONG OUTREACHES

Thusong Mobile outreaches are one-stop centres providing integrated services and information from government and other civil society groups to communities close to where they live as part of a comprehensive strategy to better their lives.

The Department of Local Government roll out Thusong mobiles in communities across the Western Cape throughout the year. The Thusong Mobiles bring national and provincial government services to people who would usually have to travel long distances to access them.

WCDM utilized the mobile outreaches as a vehicle to conduct gender-based violence and femicide awareness and distributing the referral pathway.



WEST COAST GOLDEN GAMES 2022

The Golden Games is a Sport and Recreation Program to promote active ageing for persons 60 years and older and for persons with disabilities. Activities include 100m, 200m, 400m, 800m run, goal shooting, ball relay, ring-the-stick, passing the ball and various other activities designed to promote participation of people with disabilities.

The Games encourage older persons to live a healthy lifestyle by participating in sport and other social initiatives. The World Health Organization's (WHO) definition of active ageing provides a holistic context within which the Golden Games as a program could be presented. The WHO's definition of active ageing is: "The process of optimizing opportunities for health, participation and security in order to enhance quality of life as people age. It applies to both individuals and population groups" (WHO, 2002 Actice Ageing as a Policy Framework).

More than 500 elderly and persons with disabilities partook in the West Coast Golden Games event on 03 November 2022 at the Rosenhof Sport Ground, Moorreesburg. This was the 1st event following the Covid19 pandemic.



EARLY CHILDHOOD DEVELOPMENT (ECD)

Early childhood development (ECD) is a comprehensive approach to programmes and policies for children from birth to seven years of age. Its purpose is to protect the rights of children to develop their full cognitive, emotional, social, and physical potential.
ECD prepares children for school and helps them complete more years of education. Research on early childhood development shows that early childhood education programs have positive impacts on a child's readiness to learn once he or she enters school. Plus, these children will also complete more years of schooling.

Relaunch of the Cederberg ECD Forum

The Cederberg Early Childhood Development (ECD) Forum was formed a few years ago and was not effective in carrying out its mandate. After the COVID-19 pandemic many ECD stakeholders indicated that they have persistent challenges that they must deal with individually and expressed the need for a forum where they can voice their concerns and express their needs and look together for sustainable solutions. During this time the transition from DSD to WCED also took place that affected ECD centres and playgroups immensely.
On the 2nd of May, the stakeholders responsible for the re-launch of the Cederberg ECD Forum visited ECD centres and a playgroup in the towns of Citrusdal, Clanwilliam, Graafwater and Lambertsbay. The purpose of the site visits was to establish the viability of such a process and to seek the support, commitment and buy-in from them.

Challenges identified by the ECD centers and playgroups are as follows:

- Covid 19 had an immense impact on the functioning of the centers and playgroups, and some are still struggling to recover.
- The transition of ECD from the Department of Social Development to the Department of Basic Education.
- The unemployment rate that affected parent's ability to pay for their children's tuition.
- The struggle to get their funding from the WCED after the transition.
- Non-compliance (structural and certificate challenges).

There was overall agreement amongst the visited principals, teachers and support staff that such an ECD engagement is needed, and the establishment of a forum will bring a group support to addressing their individual challenges. The date of Thursday, 18 May 2023 for the re-launch of the ECD forum in Clanwilliam, at the Katie Johnson Hall were widely accepted.

The Cederberg Early Childhood Development (ECD) Forum was re-launched on 18 May 2023 and was attended by more than 50 participants representing principals, teachers, staff, board members from the centres and government officials. Following messages of support from the District, Local

municipality and Grassroots, participants were divided into smaller groups to do a needs assessment of the area.

The needs identified by participants included the following:

- Training for registration (compliance)
- Basic First Aid training
- Nutrition
- Funding
- Food gardens
- Aftercare
- Lack of educational toys
- Learning materials
- Municipal accounts

On 26 May, the Cederberg Early Childhood Development (ECD) Forum first board meeting was held in the council chambers of the Cederberg Municipality. During the re-launched of the ECD Forum on 18 May 2023 the decision was made that the board will workshop the challenges identified by participants and prioritize in order of what can be addressed immediately and those that can be addressed on a longer term. A constitution will be circulated to Forum members.
Some of the needs identified was training and amongst others, registration requirements, first aid and fire training. A date for 23 June was identified, depending on the availability of EMS and Fire Department staff.

The need for an aftercare program for children was also expressed. However, Grassroots advised the board that such services require another type of registration. Grassroots committed to share the information with the Forum members.
The Vitros Foundation will be contacted to inform the Forum about nutritional issues, especially affordable nutritious food.

To address the identified challenges an asset-based approach will be followed and a register for certain resources will be kept assisting ECD centers and playgroups. A toy library system will also be instituted to assist with the lack of educational toys.
Mushrooming of playgroups in especially the informal settlements will be monitored and assistance provided to ensure compliance to legislation.





Launch of the Matzikama ECD Forum
On 20 April, WCDM, in partnership with the Western Cape Education Department, Department of Agriculture, Grassroots, Matzikama Municipality, Tronox and MSR Minerals launched its first ever ECD forum in the Matzikama area. The objectives of the ECD forum are to:

- Identify challenges and opportunities in the ECD sector.
- Develop a plan to address the identified challenges and opportunities.
- Disseminate Information and Knowledge
- Developing Capacity within the ECD sector.
- Sharing best practices
- Networking

- Build Partnerships
- Enhance collective action.

Training was provided to the newly elected board of the Matzikama ECD Forum. The purpose of training was to build the capacity of the elected board members to be effective and efficient within the scope of work. Proposal Writing Skills was identified as a need, hence the provision of mentioned training.

The training was provided by Early Years Services. The expected outcomes of the training were:

- Fundraising
- Ability to understand and define the definition of a proposal
- The difference between a proposal and a donation letter
- Content of a proposal
- How to write and present a proposal





Emergency First Aid (EFAR) training

Emergency First Aid Response (EFAR) Training was provided to Early Childhood Development (ECD) practitioners in Matzikama. The training was identified as a need by Grassroots Edu care. This training form part of the Divisions' drive to assist and strengthen the ECD facilities to become compliant to register as a partial care facility at the Department of Education. This training was a partnership initiative between WCDM, Emergency Services (EMS), Landelike Gemeenskaps Ontwikkeling (LGO) and Community Works Program (CWP).



Fire awareness session

Fire awareness for playgroups in Middelpos (an informal settlement) and Vredenburg was done. The playgroups are attended by children between the ages 3–5 years whose families do not have access to- or cannot afford to send their children to a formal ECD Centre. The playgroup programme contributes to employment creation, training previously unemployed or partially employed mothers and caregivers as facilitators who operate the Playgroups from their homes.

Fire safety awareness session was held to reduce the possible risks of fire in their vicinity and taking preventive measures to ensure minimum damage and safe exit of all the person exposed to fire. Department Working on Fire facilitated the fire awareness sessions.

KLIPRAND COMMUNITY OUTREACH

The Department Local Government has initiated a program which is called "Citizen Interphase" whose main purpose is to respond to deep rural nodes to stimulate development. This program was implemented in the Matzikama Municipal area, ward 8, since 2019.

During a Citizen Interphase meeting in September 2022 a small project in Kliprand was identified whereby two houses of elderly citizen's will be painted.

On 08 November 2022 Government Departments, WCDM and Matzikama Municipalities gathered in Kliprand and painted the houses of two elderly citizens. Paint and other related equipment were sponsored by local businesses.

WCDM distributed clothes, blankets and food that were donated by colleagues.

TRAINING FOR BOARDMEMBERS OF BERGRIVIER OLDER PERSONS FORUM

Older person's clubs have been operating for several years in the Bergrivier area. However, these clubs experience challenges with registration at the Department of Social Development minly due to non-compliance. This impacted on their subsidies received by the Department Social Development. Hence training to the board members of clubs in the Bergrivier area was provided on 27 March 2023.

This initiative was a partnership between WCDM, DSD Vredenburg, DSD Vredendal and Bergrivier Older Persons Forum (BOPFOR)

DSD Vredenburg presented the NPO registration process. The board members participated actively during this session and raised questions and share their experiences with regards to their club's registration processes.
DSD Vredendal office presented NPO Reporting and Compliance.

Table 3.7.1: Employees: Social Development

Job level					
	Employees (N)	Posts (N)	Number of employees	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0	0	0	0
4–6	0	0	0	0	0
7–9	0	0	0	0	0
10–12	5	5	5	0	0
13–15	1	1	1	0	0
16–18	0	0	0	0	0
19–20	0	0	0	0	0
Total	**6**	**6**	**6**	**0**	**0**
					T3.7.1

Table 3.7.2: Financial performance development

Financial Performance: Development					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	31 600	75 000.00	305 437.00	140 661.95	53.95%
Expenditure:	-	-	-	-	-
Employees	3 276 082.39	3 814 479.00	3 799 879.00	3 579 400.40	5.80%
Other	159 403.30	472 555.00	717 592.00	455 338.81	36.557%
Total Operating Expenditure	3 435 485.69	4 287 034.00	4 517 471.00	4 034 739.21	10.69%
Net Operating Expenditure		-	-	-	-

COMPONENT E: ENVIRONMENTAL INTEGRITY

3.8. BIODIVERSITY

INTRODUCTION

STRATEGIC OBJECTIVE

Managing the Biodiversity/Environmental Integrity Section within the West Coast District Municipality to ensure holistic, strategic and effective Environmental Management services are sustainably implemented within the West Coast District.

PURPOSE

To Ensure that the requirements of the Constitution and the National Environmental Management Act (NEMA) and its SEMA's are met and that the right to a healthy and safe environment, are adhered to at all times in order to ensure an effective, sustainable and efficient Environmental Management service within the District Municipality.

PERFORMANCE HIGHLIGHTS & COMMENTS

CLIMATE CHANGE RESPONSE AND ACTION PLAN FOR THE WCDM

The West Coast District Municipality reviewed and update the five year Climate Change Mitigation and Adaptiation Plan during 2019/20 into a response and action plan based on the "Lets Respond Toolkit" which provides stakeholders with an introduction and overview on how to integrate climate change into municipal planning processes. Each department within the municipality, exspacially the Disaster Management Section are required to plan and implement climate change in terms of the risk response and action plan.

INTEGRATED COASTAL MANAGEMENT PLAN (ICM ACT No 24 of 2009)

The West Coast District Municipal Coastal Management Plan (CMP) second generation CMP as well as a CMP plan for each local municipality was co-funded and reviewed during 2019/20 by all local municiplaities as well as the district municipality in order to complete the 2nd generation CMP for the WCDM and local CMP's for the local Municiplaities – a strategy that needs to be reviewed every 5 years in terms of the Integrated Coastal Management Act (ICMA). The Municipal Coastal Committee (MCC) meets quarterly and are represented by all the local municipalities within the district, which asssited with the review of the 1st generation CMP documents with the support of an appointed service provider. The second generation CMP for the district was compiled and adopted on the 4th of December 2019, the next review is due for 2024. The local CMP's for the local municipalities was also completed and approved by all the various local municipal Councils for implimentation. The implementation of the CMP will also be monitored by the WCDM Muncipal Coastal Committee (MCC) which consist of all local municipalities, Provincial and National Departments of Environmental Affairs, Water Affairs, Public Works and reports to the Provincial Coastal Committee (PCC) at DEA&DP. Various Coastal and Environmental Management actions and functions performed within the West Coast are reported and illegal activities and transgressions escalated to the various Environmental Dept's for their attention.

EPWP integrated grant funding to the value of R325 000.00 was used during the 2022/23 financial year to assist with job creation and Coastal Management functions within the coastal environment from a total EPWP budget of R1 194 000.00

The West Coast DM was recently recognized by the Western Cape Government for its contribution to Coastal Management within the province. The municipality's EPWP Coastal Management project, which started as an EPWP clean-up intervention, has expanded to include various Coastal Management and Biodiversity aspects in terms of the Integrated Coastal Management Act. The WDM received a Silver Award in the category for Best Municipal Project.



The project which includes the coastal areas of the Berg River, Elands Bay and Papendorp covers approximately 120 km of coastal area. Apart from its positive impact on the environment, this project reduces unemployment and contributes to skills development within the area. Workers are trained and equipped with skills to ensure that they can become entrepreneurs or find work with alternative employers. Projects included cleaning beaches and estuaries, assisting and supporting local municiplaiites with the removal dead whales and seals, supporting the Department Forestry Fisheries and the Environmental (DFFE) during red tides, assistance during bird flu outbreaks and reporting illegal activities within the coastal areas to the relevant departments.

In addition to this award, West Coast DM received a Bronze Award in the category for the Best Municipality which looks holistically at municipal performance.

ALIEN CLEARING AND ALIEN INVASIVE CLEARING PLANS (NEMBA ACT No 10 of 2004)

During 2022/2023 the West Coast District Municipality went out on tender in order to compile a monitoring, control and eradication plan for all properties where the West Coast DM is the landowner, as required by section 76 of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004) (NEMBA) for species listed as invasive in terms of Section 70 of this Act. This plan is still in process with a possibility of a roll-over into the new financial year.

EPWP integrated grant funding to the value of R325 000.00 was used during the 2022/23 financial year to assist with job creation and alien invasive clearing functions within the West Coast District Municipality from a total EPWP budget of R1 194 000.00 In total 85 hectares of alien invasives species (aquatic weeds and terrestrial vegetation) was removed during the 2022/23 financial year.

Table 3.8.1: Financial performance: EPWP GRANT FUNDING

Financial Performance: EPWP					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	1 184 000.00	1 194 000.00	1 194 000.00	1 194 000.00	
Expenditure:	-	-	-	-	-
Employees	1 028 987.90	609 240.00	609 240.00	824 406.30	(35.32%)
Other	155 012.10	584 760.00	584 760.00	400 669.22	31.48%
Total Operating Expenditure	1 184 000.00	1 194 000.00	1 194 000.00	1 225 075.52	2.60%
Net Operating Expenditure		-	-	-	-

Table 3.8.2: Financial Performance: Working for water

Financial Performance: Working For Water					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	481 676.78	901 000.00	901 000.00	624 413.95	30.70%
Expenditure:	-	-	-	-	-
Employees	298 238.58	582 778.00	582 778.00	318 491.52	45.35%
Other	183 438.20	372 282.00	317 222.00	282 097.41	11.07%
Total Operating Expenditure	481 676.78	955 060.00	901 000.00	600 588.93	33.34%
Net Operating Expenditure		-	-	-	-

COMPONENT E: ENVIRONMENTAL PROTECTION

3.9 POLLUTION CONTROL: AIR QUALITY

INTRODUCTION

The National Environmental Management Air Quality Act, 2004 (Act 39 of 2004) (NEM: AQA) came into full effect on 1 April 2010.

As per Chapter 5 of NEM: AQA the main objective for District Municipalities is to regulate listed activities and controlled emitters.

The National Framework was reviewed and published on 26 October 2018. This framework details the mechanisms, procedures, roles and responsibilities of each sphere of government to achieve the objectives of the Air Quality Act, in order to improve and maintain the quality of ambient air.

STRATEGIC OBJECTIVE

An Air Quality Management Plan (AQMP) was approved by Council in December 2019 and included in the IDP. The AQMP is reviewed evert five years. An Air Quality Management By – law for the WCDM has also been gazetted on 06 September 2013.

The following implementation strategies were identified in the current AQMP that require attention. These objectives may change in the reviewed AQMP:

Goal and Objective	strategy	indicator	Responsibility	Time frame
Goal 1: Improve compliance enforcement and management of air quality within West Coast Municipal Area **Objective**1:Ensure compliance enforcement and monitoring of air quality within WCDM and local municipalities	Identify and investigate section 21 illegal operations that impact on air quality.	Records of section 21 illegal activities and fines or directives issued	WCDM	Continuous
	Investigate and resolve complaints as soon as they are received. Assist local municipalities when required to investigate and resolve complaints.	Records of complaints to be kept and managed with proof of measures used to address complaints	WCDM	Continuous
	Identify and regulate activities listed in terms of section 23 of NEM:AQA	Maintain an inventory list of section 23 controlled emitters	WCDM	Continuous
	Promote and maintain a more user-friendly platform for public to lodge air quality complaints.	Established user friendly platforms for public to lodge their complains	WCDM	Continuous
	Review of By-law to amend	Notices of WCDM By-law review.	WCDM	Continuous
	Implement fine system for addressing air quality related offenses.	Fine system to be in place and working.	WCDM	Medium term
Goal 2: Improve awareness with	Engage with public to have create awareness on AQ.	Public engagements on AQ	WCDM	Continuous

Goal and Objective	strategy	indicator	Responsibility	Time frame
respect to air quality management **Objective 1**: Ensure awareness on AQ matters within WCDM	Make use of Environment day as awareness day on environmental matters including AQ Usually with Environment day there is a specific theme attached which is not always air quality related. Suggest to rather remove this item as public awareness is mentioned in the point above. Also no campaigns have been done in the past due to no resources.	Awareness activities on environment day	WCDM	Continuous
	Make use of media and websites to give notices on new AQ legislation	Awareness uploads and post on both media platforms and WCDM websites	WCDM	Long term - Continuous
Goal 3: Expand human and financial resources capacity for effective implementation and management of air quality **Objective 1**: Sufficient human resource, skills capacity and financial resources to undertake the responsibilities of air quality management.	Make provisions to employ more AQOs to carry out responsibilities of AQM	Timely appointment of AQO in line with area expansion and work load increase	WCDM	Short term – Continuous
	Invest in training needs for AQOs as part of growth development	Attended trainings by AQOs	WCDM	Continuous
	Engage with service providers to provide training to both district and local municipalities on technical skills relating to air quality management and climate change response	Air quality officers and EMIs undertaking formal training for skills development.	WCDM	Continuous
	Engage with DEA&DP/DEA to provide training to air quality officers in WCDM and local municipality	Air quality management training provided for by DEA/DP/DEA to WCDM and local municipalities.	WCDM &DEA&DP	Continuous

Goal and Objective	strategy	indicator	Responsibility	Time frame
	Provision of finances to carry out the responsibilities of air quality management within West Coast District Municipal area.	Funding to be allocated for AQ in WCDM	WCDM	Medium term-continuous
Goal 3: Integrate Climate Change and Air Quality Management.	Add implementation of emissions reduction strategies as a condition on AELs.	Reduction in emissions from the industries	WCDM	Continuous
Objective 1: Ensure reduction of greenhouse gases emission within WCDM	Promote green economy within the West Coast District Municipal area	Support best practices to promote better air quality	WCDM	Continuous
Objective 2: Promote compliance and implementation of pollution preventative plan of and reporting on GHGs	Add implementation of pollution preventative plan and reporting on GHG as a conditions on AEL	Addition of pollution preventative plan and reporting on GHGs as requirements in the AEL conditions	WCDM	Continuous

A Memorandum of Understanding (MoU) has been entered into between District and Local Municipalities and a Joint Municipal Air Quality Working Group (JMAQWG) has been established during February 2015. The division of functions between District and Local Municipalities has been finalised and included in the MoU which also serves as terms of reference for the working group. The JMAQWG meets on quarterly intervals.

With regards to the implementation of the AQMP it is important to note that a Manager: Air Quality and Senior Air Quality Officer has been appointed and that awareness raising is being done through the establishment of working groups and environmental stakeholders forums.

The main function of the West Coast District Municipality is the licensing of listed activities assigned to it in terms of the National Environmental Management: Air Quality Act. Emission standards established in terms of the Air Quality Act are enforced through licence conditions.

PURPOSE

To protect the environment by implementing reasonable measures and to ensure that the objectives as per the Air Quality Act are met.

CHALLENGES

Fishmeal production gives rise to offensive odours that result in public complaints. These industries are regulated through licence conditions and are required to apply best practices to control odorous emissions. These industries have installed abatement equipment to address the odours but the odour remains problematic. The best measure is to ensure that the raw fish is of good quality when processing.

The storage and handling of iron ore by Transnet Port terminals result in staining of private and public property. The staining issue has resulted in the establishment of an action group by certain public members.

The lack of budget and staff is a huge challenge. With the industrial sector quickly growing and expanding the work load is challenging for only two staff members within the air quality section. The lack of budget restricts proactive ambient air monitoring to gain a base line which will assist in

informative decision making when issuing atmospheric emission licences and factual comments on land use permit applications.

The following gaps were identified through the review of the AQMP during 2019:

Gaps Identified	WCDM	Local Municipalities
Human Resources	**Description of the Gap Identified and Recommendations**	
Limited Expertise and Resources	With an increase in industries within the WCDM, the designated AQO and Manager AQ will not be able to carry out their responsibilities, therefore there is a need for additional AQOs within the WCDM.	• There is a need to appoint AQOs qualified in the area of air quality. • Appointed additional AQOs within the local municipalities should be provided ion ongoing training in the field of air quality. • Provisions for training are required. • The roles and responsibilities of AQOs are often taken in conjunction with other roles within the municipalities. • Air quality management is not a primary role of the designated AQO. An air quality function should be recognized as core function within the local municipalities. • There is a lack of educational resources for AQ
Funding constraints	There is a need for funding for the following: • Environmental and health related studies. • Materials for awareness campaigns. • Maintenance of existing ambient air monitoring station located in Velddrif. • Passive sampling, dust fallout monitoring and dispersion modelling within the West Coast District Municipal area. • Additional human capacity.	There is a need for funding for the following: • Environmental and health related studies, at relevant local authorities. • Materials for awareness campaigns. • Additional human capacity building. • Establishment of atmospheric monitoring network. • Maintenance of existing ambient air monitoring station, at relevant local authorities.
Air Quality Management Tools	**Description of the Gap Identified and Recommendations**	
Monitoring		• Due to continuous increase of industries in SBM, Saldanha Municipality needs to expand the monitoring network. • Establish ambient air monitoring network. • Establish dust monitoring network.
Emissions Inventory	• WCDM: To maintain an Inventory list of section 21 Listed Activities and section 23 controlled emitters.	• Establish and maintain an inventory list of non-listed activities.

Gaps Identified	WCDM	Local Municipalities
Compliance and Enforcements	**Description of the Gap Identified and Recommendations**	
Compliance	• Review of WCDM and Local Municipality By-laws. • Implement a fine system for all non-compliant entities.	
Complaints Management	• Establish and maintain complaints database.	
Stakeholder engagement	**Description of the Gap Identified and Recommendations**	
Communication and Governance	• Awareness raising. • Communication amongst all spheres. • Cooperative governance with all spheres of government.	

PERFORMANCE HIGHLIGHTS

The WCDM has twenty two ~~one~~ (22) licenced activities operating within the WCDM area and 10 pending facilities who are in possession of an atmospheric emission licence, with the intention to establish within the WCDM municipal area. During 2022/2023 a total of 15 AELs were issued of which the following licences were:

- 1 AEL renewals
- 2 AEL Variations
- 1 AEL Review

COMMENTS

It is strongly requested that the organogram be amended for additional staff and a budget for resources such as air quality monitoring equipment be provided and managed by a reputable external service provider.

COMPONENT F: ENVIRONMENTAL HEALTH, FOOD INSPECTIONS AN FOOD QUALITY

3.10. ENVIRONMENTAL HEALTH

INTRODUCTION

Managing Health and Environmental Services efficiently and effectively.

PURPOSE

Responsible for, and coordinate Municipal Health Services, to ensure a healthy environment for the whole West Coast area.

CHALLENGES

To ensure an environment that is conducive to promoting performance and motivational levels of staff, while maintaining discipline, and managing and monitoring performance, thus enabling the division to contribute positively to other departments and the municipality's key strategic performance objectives/indicators.

Environmental Health

To be aware of the constitutional right of every person to an environment that is not harmful to his or her health or wellbeing, and the principles that underlie the National Health Act, 2003 (Act 61 of 2003) as well as the National Environmental Management Act, 1998 (Act 107 of 1998), the WCDM, through an environmental health thrust, aims to protect and promote the health and wellbeing of all our residents in the West Coast District by providing, in conjunction with applicable laws, "a sustainable, effective and responsible environmental health service."

The Constitution notes the issue of MHS under Schedule 4B, and Section 156(1), as a local government function. Municipal Health Service is a term that evolved in SA to define the package of **'health services'** to be rendered by local government. Therefore, MHS is subsequently defined in the National Health Act, 2003 (Act 61 of 2003) as a component of **'health services'**, whilst it covers most aspects of environmental health services

Section 24 of the Constitution of South Africa, 1996 (Act 108 of 1996) states that everyone has the right:

(*a*) to an environment that is not harmful to their health or well-being; and
(*b*) to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that—
(i) prevent pollution and ecological degradation;
(ii) promote conservation; and
(iii) secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

The health continuum covers the entire spectrum of health care services, from health promotion till the curative care components, such as socio-medical care.
Environmental health services in particular covers the preventative component which covers both health promotion and disease prevention. Although health policies such as the Re-engineering of Primary Health Care and the National Health Insurance mainly recognise the role of the Environmental Health Practitioner (EHP) as part of 'Clinic Outreach Teams', it nullifies the role and impact of the EHPs in preventing ill health at the source of the origin of pollution, epidemiological outbreaks and so forth, where their interventions are focused, amongst others, at basic municipal services, such as ensuring safe and sufficient water, sanitation and food provision and so forth. One cannot continue educating communities and treat them, whilst no or very little effort is put into addressing the risks in the communities. Sending them back or allowing communities to live in filthy conditions.

Environmental health means a condition of optimal wholesomeness of the environment in which man exists and interacts with through the lowest possible presence therein or total absence of any stimuli detrimental to human health". The environmental health responsibility is, therefore, the identification, evaluation, control and prevention of those factors that can be detrimental to people's health and wellbeing.
In terms of Section 1 of the National Health Act, 2003, Act 61 of 2003, Municipal Health Services (Environmental Health services) were declared to be:

1. WATER QUALITY MONITORING

Definition:
Monitoring and surveillance of water quality and availability that is intended for human consumption, recreational and industrial use

2. FOOD CONTROL

Definition:
Food Control is described by the World Health Organization (WHO) as a mandatory regulatory activity of enforcement by National or Local Authorities to provide consumer protection and ensure that all foods during production, handling, storage, processing and distribution are safe, wholesome and fit for human consumption; conform to quality and safety requirements and are honestly and accurately labelled as prescribed by law

3. WASTE MANAGEMENT

Definition:
Monitoring of waste management systems, refuse, health care waste, hazardous waste and sewage

4. HEALTH SURVEILLANCE OF PREMISES

Definition:

The identification, monitoring and evaluation of health risks, nuisances and hazards and instituting remedial and preventative measures

5. SURVEILLANCE & PREVENTION OF CONTAGIOUS DISEASES, EXCLUDING IMMUNISATION

Definition:

The identification, monitoring and prevention of any disease, which can be communicated directly or indirectly from any animal or through any agent to any person or from any person suffering there from or who is a carrier to any other person

6. VECTOR CONTROL

A vector is any organism (insects or rodents) that can transmit a disease from one to another

Definition:
Monitoring, identification, evaluation and prevention of vectors

7. ENVIRONMENTAL POLLUTION CONTROL

Definition:
The identification, evaluation, monitoring and prevention of land, soil, noise, water and air pollution

The National Health Act, 2003 (Act 61 of 2003) refers to pollution as per definition in section 1 of the National Environmental Management Act, 1998 (Act No. 107 of 1998) which defines pollution as;

any change in the environment caused by –

(i) substances;
(ii) radioactive or other waves; or
(iii) noise, odours , dust or heat

emitted from any activity, including the storage or treatment of waste or substances, construction and the provision of services, whether engaged in by any person or an organ of state, where the change has an adverse effect on human health or well-being or on the composition, resilience and productivity of natural or managed ecosystems, or on materials useful to people, or will have such an effect in the future;

8. SAFE HANDLING OF CHEMICAL SUBSTANCES

Definition:
The monitoring, identification, evaluation and prevention of risks relating to chemicals hazardous to humans (e.g. storing and using agricultural substances)

9. DISPOSAL OF THE DEAD:

- Ensure the proper and humane burial of pauper and unclaimed corpses
- Ensure the proper disposal of the dead during diseases
- Monitor the process during exhumations and reburial of corpses to ensure proper and hygiene procedures and disinfection of the environment and equipment

Although these are pursued very effectively, there are a few pertinent issues that need to be addressed.

Additional Posts

The newly promulgated National Norms and Standards for Environmental Health (24/12/2015) stipulates that Municipalities must provide operational staffing in line with the National norm of 1:10 000 Environmental Health Practitioners per population. With a population of 467 175 people, to adhere to this stipulation, another 17 Environmental Health Practitioners post must be provided for on the Councils organogram.

Legislation

To ensure the optimal use of environmental health practitioners to reach our goal of an environment that is not harmful to the health and wellbeing of all the people in the West Coast, the following legislation/documents must still be implemented/promulgated:

- Approval of admission-of-guilt fines by the Magistrates Courts in the West Coast area of jurisdiction
- Revise Councils by-laws and regulations

The above will definitely contribute to a more efficient service and quality service delivery.

Table 3.10.1: Employees: Environmental Health –Health Inspection, Environmental Integrity, Air Quality

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	3	3	3	0	0
4–6	0	0	0	0	0
7–9	1	1	1	0	0
10–12	24	24	23	1	4
13–15	7	7	7	0	0
16–18	1	1	1	0	0
19–20	0	0	0	0	0
Total	**36**	**36**	**35**	**1**	**3**

Table 3.10.2: Financial Performance: Environmental Health –Health Inspection, Environmental Integrity, Air Quality

Financial Performance: Environmental Health					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	11 794 529.99	11 727 000.00	11 727 000.00	11 964 664.45	(2.03%)
Expenditure:	-	-	-	-	-
Employees	21 880 053.69	25 257 818.00	25 262 818.00	24 202 810.32	4.20%
Other	3 045 241.04	4 424 270.00	4 419 270.00	3 489 997.95	21.03%
Total Operating Expenditure	24 925 294.73	29 682 088.00	29 682 088.00	27 692 808.27	6.70%
Net Operating Expenditure		-	-	-	-

Table 3.10.3: Financial performance: Landfill site

Financial Performance: Landfill Site					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	-	-	-	-	-
Other	-	4 168.00	24 168.00	18 579.00	23.13%
Total Operating Expenditure	-	4 168.00	24 168.00	18 579.00	23.13%
Net Operating Expenditure		-	-	-	-

COMPONENT G: SECURITY AND SAFETY

3.11 Fire Services

3.11.1 INTRODUCTION

The West Coast District Municipality Fire and Rescue Services are situated within the boundaries of the West Coast District Municipality, which includes five Local Municipalities. The five Local Municipalities are Swartland, Bergrivier, Saldanha Bay, Cederberg and Matzikama Municipalities. These Municipalities collectively spans 31 119km². WCDM Fire and Rescue Services has six Fire Stations. There are a Fire Station within each of the Local Municipalities, apart from Swartland Municipality where two Fire Stations are situated. WCDM Fire and Rescue Services have a total staff compliment of 75 personnel. The Fire Stations of the West Coast District Municipality are operational 24 hours a day, every day of the year.

STRATEGIC OBJECTIVE

VISION STATEMENT: (WCDM FIRE AND RESCUE SERVICE)

"A professional and recognised Fire and Rescue Service for the citizens of the West Coast District Municipality and beyond its borders".

MISSION STATEMENT: (WCDM FIRE AND RESCUE SERVICE)

"To prevent and minimize the loss of life, property and damage to the environment through the delivery of an effective and efficient fire service to the residents of the West Coast District Municipality in order to protect them from any dangerous situations".
The strategic objectives listed in the Strategic Master Fire Plan and reported on in the previous years is still relevant. The plan will be updated and revised during the 2023/24 financial year to ensure that the plan is up to date with the current situation facing the Fire Service. As stated, the key objectives listed in the plan is to ensure that the Fire and Rescue Service of the West Coast District Municipality fulfil its roles and responsibilities as assigned to it through the Constitution (Act 108 of 1996), The Municipal Structures Act (Act 117 of 1998), the Fire Brigade Services Act (Act 99 of 1987), the National Veld and Forest Fire Act (Act 101 of 1998) and SANS 10090:2003 Community Protection against Fire.

PURPOSE

The purpose of the West Coast District Municipality Fire and Rescue Services Strategic Master Fire Plan is to establish a Fire Brigade Services in terms of the firefighting functions as allocated by Section 84 (1) (j) of the Municipal Structures Act and in accordance with SANS 10090:2003; excluding the functions assigned to the Local Municipalities.
Despite the numerous challenges faced by the West Coast District Municipality Fire and Rescue Services, due to environmental factors, e.g climate change and increased industrial developments taking place, this Department will always be committed and keep striving to do more than just getting the basics right. This will and can only be achieved by adapting successfully to the challenges. It is imperative that this Department pursue better and up to date technology in aiding the operational efforts of our personnel, training methods, and further engaging with outside institutions in research into fire behaviour and the biomes encountered as well as the ongoing upgrading and maintenance of our fleet and equipment. These programs will ensure that our well-trained firefighters can deliver the best possible outcomes in firefighting, rescue and community safety for the citizens of the West Coast District Municipality.
To emphasize yet again, the strategic master plan seeks to inform the West Coast District Municipality Fire and Rescue Service Officers and firefighters, as well as council, of our roles and responsibilities, resources, and capabilities as well as our shortcomings.

CHALLENGES

Staff: Shortage of staff still remains one of the biggest challenges for this Department and is also one of the factors contributing to the added stresses faced by the current staff compliment on a daily

basis. This shortage is amplified yet further with no new posts granted on the organogram to boost the number of staff on each Fire Station. Currently only posts that become vacant are filled with no new additional posts on the organogram. The critical shortage of staff impacts on the manning levels of our vehicles as well as handling of incidents in an effective, efficient and safe manner. This shortage of manning levels has an impact on how the major and medium pumpers can be used operationally and can lead to accidents due to these vehicles not being staffed correctly. The shortage of staff also impacts very negatively on the overtime expenditure of this Department.

Budget: Budget allocation to this Department remains to be a huge negative factor. Impacting on the Service delivery expected from this Department as well as mainting the current fleet and equipment in a good working condition. During the 2022/23 financial year this Department's budget was reduced in total by R 6 MILLION. A comprehensive budget, indicating the true cost of maintaining the current Fire Service, was submitted for the 2023/24 financial year. Although it was indicated what funds will be needed to deliver the service, the budget for the Fire service was further reduced with 27%. This will have a negative impact on service delivery as well as the maintenance of the fleet and equipment. Shrinking of the operational budget and the rising costs also makes it difficult to properly maintain and service our current fleet, equipment, buildings and replacing aging fleet and equipment. Another crucial impact of insufficient funding is the inability to implement projects, identified through strategic planning, to minimize the risk of damage to property and the environment during wildfires as well as preventing injury and death, not only to the citizens within the communities affected, but to our firefighters as well.

PERFORMANCE HIGHLIGHTS

WCDM Fire and Rescue partnered with the City of Cape Town Fire and Rescue in presenting IFSAC accredited training to the firefighters in our region. Our Instructors have already presented numerous courses with huge success in collaboration with our Provincial Department and the City of Cape Town. Some of the firefighters trained were from the Local Municipalities within our boundary.

3.11.2 OPERATIONAL MATTERS

During the 2022/2023 year this service attended to 538 incidences throughout the whole of the District and a total of 4 308 man-hours were spend attending to these incidences. This is seventy - one (71) incidences less than what was attended to in 2021/2022 year.
Summarizing the operational activities, it can be noted that most of the incidences attended to by this Department were for B – Municipality responsibilities (78%). 422 Incidences were B- Municipal incidences and 117 were C – Municipal incidences. For the functions as assigned to the District Municipality, some major wildfires were experienced during the summer season of which the area burned was 6 645 hectares. As per normal standard operating procedures, aerial resources were used as a source of initial attack to bring fires under control within the first hour after a fire has started. Initial attack was activated nine (9) times during the season of which three (3) activations was successful. During the 2022/2023 season West Coast District Municipality had spent R 200 000,00 on aerial firefighting. Porterville are still the base for the aircraft within the West Coast District Municipality. In addition to this airfield there are also another seven (7) air strips throughout the District. This allows for the turnaround time of the bombers to be kept between seven (7) and ten (10) minutes to be effective and efficient.
The Fire and Rescue Services of the West Coast District Municipality again implemented the prohibition on fires within the boundaries of the District from the 1st of December 2022 until the 31st of March 2023 in order to curb the ignition and start of unwanted fires within the area. It was again very effective and had the desired impact as unwanted fires was kept at an absolute minimum.

Fire Prevention

The West Coast District Municipality also attended to 530 fire safety inspections throughout the whole of the District, some of these inspections includes the inspections done on behalf of Bergrivier, Cederberg and Matzikama Municipalities. A total of 519 man – hours was spent conducting these various inspections. These activities include the inspections of buildings for fire safety compliance, issuing of burning permits, issuing of flammable liquid certificates, issuing of transport of dangerous goods permits, the approval of building plans, event safety management plans and the inspection

of fire hydrants. This is not a function of the District Municipality, but due to the lack of capacity within the Local Municipalities the District Municipality currently performs these functions for Local Municipalities on a contract basis.

Training

Apart from the training received at external training colleges and service providers as indicated in the table below, internal refresher training was also done at all the Fire Stations with the personnel. A total of 621 theoretical sessions and 109 practical sessions were conducted at the Fire Stations amounting to 1 953 man-hours.

Table 3.11.1: Training of fire fighters

Training	
Training / Course	**Number of staff of West Coast District Municipality**
Legal Liability	5
Hazmat Operational Training	11
Building Plans Examination Course	2
Road Incident Management System Training	11
Fire Line Safety Course	9
Fire Fighter 1 Course	11
Fire Service Instructor Course	9
High Voltage Vehicle Battery Fire Training	3

Public Training

Public training initiatives throughout the whole of the West Coast District Municipal area were conducted. These training initiatives were conducted at Schools, Youth days, Holiday programmes, Old Age Homes and Business premises. The training involved 28 sessions and a total of 600 adults and 2 695 children were reached. A total of 201 man-hours were spend conducting public awareness training.

Partnerships
Greater Cederberg Fire Protection Association

The West Coast District Municipality maintains it's membership with the Greater Cederberg Fire Protection Association as are required by legislation. This is the only registered FPA within the boundaries of the District. The Chief Fire Officer of West Coast District Municipality is still the Chairperson as well as the Fire Protection Officer of this FPA.
The GCFPA for the 2022/23 year has 795 members (23 members were terminated and 24 new members were added) and the area covered by the FPA is 1 006 484 Ha (an increase of 31 952 Ha). The GCFPA still only have the two bases in the area. One base in Vredenburg and one base in Porterville.

The GCFPA and West Coast District Municipality Fire and Rescue Services continued with various risk reduction activities. These activities included 399 Ha of prescribed burns, 2,0 Ha of stack burning, and 19 Ha of fire breaks being made.
The West Coast District Municipality still continue to issue burning permits for free to paid up FPA members as well as exempting paid up members from receiving accounts for services rendered on their properties, who have successfully implemented their business plan.

Cape Nature

The West Coast District Municipality still have a signed MOU with Cape Nature, where the parties agree to assist one another during major bush and mountain fires.

Table 3.11.2 : Fire Services Data

	Details	2020/2021 Actual number	2021/2022 Actual number	2022/2023 Actual number
1	Total of fires attended to in the year	365	424	340
2	Total of other incidents attended to	205	185	198
3	Average turnout time	02 min 16 sec	02 min 21 sec	02 min 20 sec
5	Fire fighters in post at year-end	70	74	75
6	Total fire appliances at year-end	39	39	
7	Average number of fire appliances off-run during the year	4	3	3

Table3.11.3: Employees Fire Services

Job level	2021/2022 Employees (N)	2022/2023 Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0	0	0	0
4–6	22	25	23	2	8
7–9	39	44	41	3	7
10–12	12	12	12	0	0
13–15	0	0	0	0	0
16–18	1	1	1	0	0
19–20	0	0	0	0	0
Total	**74**	**82**	**77**	**8**	**10**

Table 3.11.4: Financial Performance: Fire Services

Financial Performance: Fire Services					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	12 680 905.02	12 475 000.00	12 475 000.00	13 658 929.03	(9.49%)
Expenditure:	-	-	-	-	-
Employees	33 241 462.39	27 381 984.00	27 381 984.00	24 507 746.39	10.50%
Other	9 582 096.73	9 555 041.99	9 805 041.99	10 524 054.62	(7.33%)
Total Operating Expenditure	42 823 559.12	36 937 025.99	37 187 025.99	35 031 801.01	5.80%
Net Operating Expenditure		-	-	-	-

Table 3.11.5: Financial Performance: Fire Services Cederberg and Matzikama

Financial Performance: Fire Services Cederberg and Matzikama					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	5 726 101.00	5 953 492.00	5 953 492.00		100.00%
Expenditure:	-	-	-	-	-
Employees	-	9 422 168.00	9 422 168.00	12 718 278.42	(34.98%)
Other	-	3 547 238.01	3 547 238.01	251 127.58	92.92%
Total Operating Expenditure	-	12 969 406.01	12 969 406.01	12 969 406.00	-
Net Operating Expenditure		-	-	-	-

3.12 DISASTER MANAGEMENT

3.12.1 INTRODUCTION

The West Coast District Disaster Management Centre (WCDDMC) herewith presents the annual report for the 2022/23 financial year in compliance with section 50 of the Disaster Management Act 57 of 2002. The report provides an overview of the activities undertaken by the West Coast District Municipality Disaster Management Centre locally and across the District during the period under review.

It also reflects on the progress made by the WCDDMC in promoting an integrated and coordinated system of disaster management with special emphasis on prevention and mitigation, by municipal organs of state, statutory functionaries, other role players involved in disaster management and communities.

The Disaster Management function are informed under the following Disaster Management Framework structures.

- **KPA 1:** Integrated Institutional Capacity for Disaster Risk Management
- **KPA 2:** Disaster Risk Assessment
- **KPA 3:** Disaster Risk Reduction
- **KPA 4:** Response and Recovery
- **Enabler 1:** Information Management and Communication
- **Enabler 2**: Education, Training, Public Awareness and Research
- **Enabler 3:** Funding Arrangements for Disaster Risk Management

- This period under review has been both exciting and challenging for the West Coast District Disaster Management Centre. The "Weskus" faced challenging conditions and were compounded with a variety of hazards such as drought, floods, fires, energy or electricity issues. Regardless of the crises, the West Coast District Municipality Disaster Centre continues to support and collaborate with the respective Local Municipalities. There is a constant evolving in its attention to caring for communities, but most importantly constant drive towards innovation in its implementation of the Disaster Management mandate.
- It is to this end, Disaster Management as a coordinating function relies on the commitment of all stakeholders, government departments, NGO's and Local Municipalities to build back better innovatively and with informed excellence. The Disaster Management Centre plan to take the experiences, and lessons learnt to prioritise purposeful partnerships and highlight the need to advocate for a risk reduction culture which will direct its energies to a Safe, informed and Resilient District

3.12.2 Purpose

The **purpose** of the West Coast Disaster Management Centre is to promote an integrated, coordinated, and multi-disciplinary disaster management service.

3.12.3 West Coast Disaster Management Framework (2013)

Is a legal instrument specified by the Act to address such needs for consistency across multiple interest groups, by providing a coherent transparent and inclusive policy on disaster management appropriate for the West Coast District.

3.12.4 Strategic Overview

3.12.4.1 Departmental Vision

The vision, which is consistent with that of the West Coast District Municipality, is to promote and establish a District where communities inclusive of vulnerable people are informed and resilient to disasters and its impact.

3.12.4.2 Mission Statement

To build disaster resilient communities and a safe and protected environment through promoting awareness of the significance of disaster risk reduction in order to reduce or prevent disasters or their

impact on humans and the environment, respond effectively to disasters and implement effective post-disaster recovery and rehabilitation.

3.12.4.3 Strategic objective

- Establish Integrated institutional capacity to enable the effective implementation of disaster risk management policy.
- Risk assessment and monitoring.
- Risk Reduction.
- Preparedness, Response, and recovery.

3.12.6 Facility Infrastructure

The Disaster Management Centre is located in Moorreesburg, which works in consultation with its 5 local municipalities. The local municipalities are Swartland, Bergrivier, Saldanha Bay, Matzikama and Cederberg.

Our capacity is highlighted with the following Disaster Centre capabilities-



Figure 1: *Emergency Medical Services Call Centre facilities in the West Coast Disaster Management Centre*

Call centre which is administered by 14 Senior Call centre agents, Manager of Communication, call despatchers as well as health-net (per shift). This service is done according to a Memorandum of Understanding which the West Coast District have with the Department of Health. The Call Centre is operational 24 hours a day.



Figure 2: *The WCDM ERPOC in the Disaster Management Centre is used for exercises and JOCs*



Figure 3: *Management Area in the Disaster Management Centre are used for meetings and JOCs*

The Organisation management area is used for a Joint Operation Centre during major or large incidents. When it is not used for incidents, then it substitutes for training or large municipal meetings.

3.12.7 Performance Highlights

- Our capacity is highlighted with the following Disaster Centre and Community Safety capabilities:
  - The West Coast District Municipality Disaster Management Centre in partnership with Community Safety promotes an integrated and coordinated system of Disaster Management with special emphasis on prevention and mitigation, by municipal organs of state, statutory functionaries, other role players involved in Disaster Management and communities.

On the **20th of July 2022** WCDM Conducted a Roles & Responsibility Meeting with the 5 Local Municipalities, Department of Community Safety and SAPS Officials

On the **03rd–04th October 2022:** The Western Cape Department hosted a Rural Safety Summit in Saldanha Bay.

As part of the WCDM's Community Safety and Disaster Management Awareness interventions officials from WCDM had an exhibition at the event while Fluffy, the West Coast District Municipality safety mascot, was introduced to the attendees.

On the **29th of November 2022**, the West Coast Disaster Management Team supported Swartland Municipality K9 Reaction Unit to a Roadblock.

The West Coast Executive Mayor Adl. Boffie Strydom other organs of state who attended the event.








- During the Festive period on the West Coast Disaster Management Centre in partnership with all 5 Local Municipalities, K9 Unit, Drone Pilots, WCDM Fire Services and Disaster Management Nodes contributed to coordinate the communication, challenges and successes.
- The WCDM Disaster Operation Centre (DOC) plays a multi-disciplinary role by solicit pockets of information to Generate Situation reports on the UNITI (Online Web Base platform), whether its Incidents on Weather Impacts, Drowning, Motor Vehicle Accidents, Rescue Operations, Veldfires, Narcotic prevention - drone operations.

1. **Objectives** of the WCDM Launch were to acknowledge and address the good work and commitment of each Organs of State during the year 2022. One of the main topics were to address Rural Safety and crimes on farming communities. Part of the event was to address the essential and emergency departments such as SAPS, Provincial Traffic, Traffic and Law Enforcement, Private Security Companies, Farm Wach, NHW, Fire Services, EMS, NRSI and other stakeholders to be actively alert on crimes and careless behaviour of road users/ tourist/camp goers, during the Festive period.

2. **Outcomes:** Part of the event was to award Certificates to the District Commissioner Major, General Diyanti on the good work of SAPS, NHW`s, K9 Unit. The West Coast Disaster Centre staff were awarded with Certificates on completion of Emergency First Aid Response (EFAR) training and the newly West Coast Disaster Management Community Safety mascot "Hopsy Copsy" was introduced on the 14th of December 2022. the District SAPS done drilling while Maj, Genl. Diyanti address the attendees.

On the **14h of December 2022:** The West Coast District Municipality - Disaster Management year end Festive Launched were conducted at the DMC.



From the **15th of December 2023,** The Disaster Management activated the Disaster Operational Centre (DOC) to solicit pockets of information from the Local Disaster Nodes on incidents, Weather impacts, Motor vehicles Accidents etc.



On the **21 February 2023** Disaster Management received their first Community Safety Vehicle
The Official Handover of the Community Safety Vehicle were in **April 2023**

On the **23rd of February 2023,** DMC staff supported Minister Reagan Allen & Minister Anton Bredell to a visited in Swartland Municipality in Chatsworths and Kalbaskraal



EFF National Shutdown UNITI Situation Reporting:

1. (17th March 2023)
2. (18th March 2023)
3. (19th March 2023)
4. (20th March 2023)

From the **17th till the 20th of March 2023,** Disaster Management together with General Dyantyi and other SAPS Officials reported to the West Coast Disaster Management Centre (JOC Activation) updates through MST Meetings with regards to the National Shutdown Operations





The West Coast Disaster Management Centre created a Dashboard to show case the July 2023 Flooding impacts, deployments during that period



EFF National Shutdown Deployment and Deployment Operation Dashboard

On the 28th & 30th March 2023: A Provincial Cross Border Operation was conducted for two (2) days in Klawer and Citrusdal Weight Bridges.

The Objectives was: VCP`s, Stop & Search, Search Illegal Substances, Drone Operations, Coordination with West Coast Disaster Management.

On the 06th of April 2023, DMC Staff supported Swartland Municipality to their Easter Preparedness Launch.

- A Roadblock was opened at Weighbridge on the N7, and SAPS, Traffic L/Enforcement, Provincial Traffic, Correctional Services, Fire Services and Swartland Political Officials attended with Swartland Mayor: Adl. Harold Cleophas

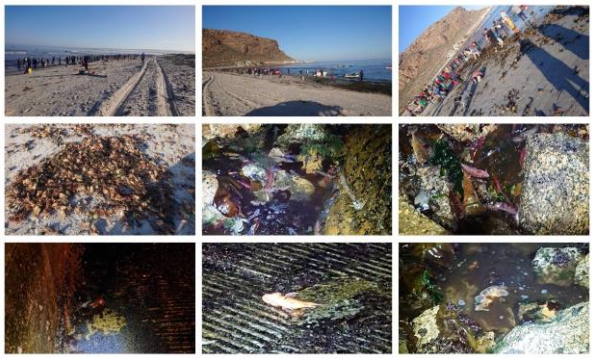
From the 07th -09 April 2023 the West Coast Disaster Management Centre activated their Easter JOC Operation:

- Part of the Activation were to visit the Ganzekraal Holiday Resort to do and test Communication and do Awareness of Safety tips, Emergency numbers and handing out Easter eggs with WCDM **"Mascots**

On the **12th of April 2023,** Disaster Management Manager (Mr. Franquin Petersen) was invited the residence of Premier Allen Winde to an **Appreciation Day** to all essential services (Provincial DMC, West Coast DMC, Central Karroo DMC, Garden route DMC, District EMS Departments, District Fire Departments, Provincial Security Departments etc.) attended, who worked 24/7 throughout the National Disasters that occurred during the time of Covid 19

Red Tide Situation

On the **08th of February 2023**, (3 -4 tons) was rinsed/walked out, half of the lobsters was poached and only the bodies lying around.



On the **09th February 2023**, patrols continued to monitor strandings around low tide and keep public of the
beaches

Humanitarian Assistance

On the **12th of August 2022** Disaster Management Centre provided 315 L Bottled waters to the Cederberg Municipality



WCDM Disseminating water to Cederberg Municipality

On the **14th of November 2022** the WCDM assisted the Matzikama Municipality with 1000L Bottled



water

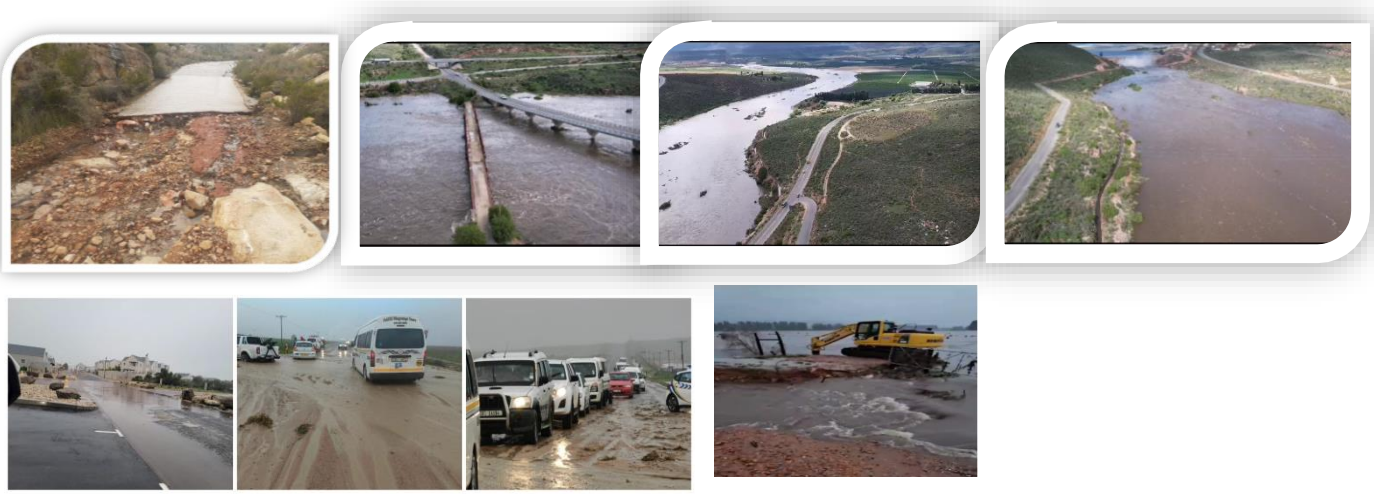
On the 17th of December 2022 WCDM Drone Pilots Supported SAPS to a Drone Operation in Porterville

- Operation Captured where: Porterville.
- Drone team/ HOC (Mr. Petersen was alert/ activated - Time: 10h00am
- SAPS arrived at Moorreesburg Disaster Management Centre - Time: 14h00pm
- EMS Call Centre got activated and dispatched rescue technicians - Time: 14h00pm
- All emergency services on scene - Time: 14h40
- Search and Rescue activated - Time: 15h00
- Patient was found - stabilized and got extracted.

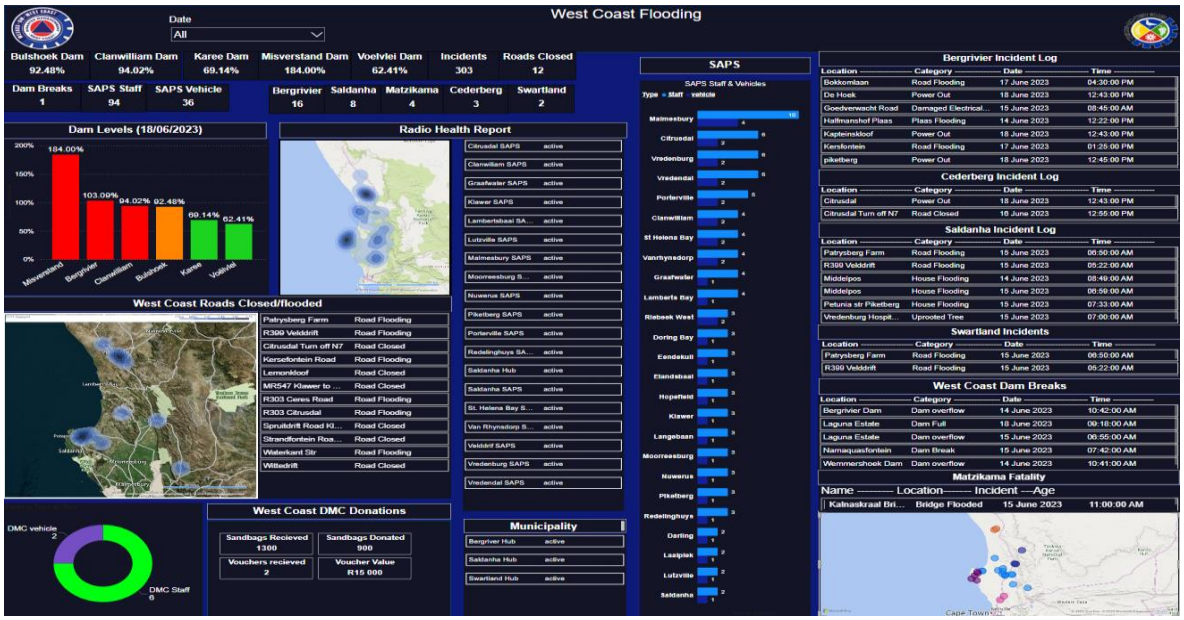
December 2022: West Coast Severe Weather Impacts

Saldanha Bay – Diazville Flooded in Hoetjies bay & damage winds uprooted trees and storm water in main road impacted traffic.

June 2023: West Coast Floods: West Coast Severe Weather Impacts Dashboard



Images illustrates the weather impacts and the affected areas and infrastructure damaged and flooded in June 2023



West Coast Disaster Management generated a Flooding dashboard to show case the impacts, deployments, and damages.

On the 19th June 2023, A press release interview with Minister Ivan Meyer conducted at the West Coast Disaster Management Centre



Due to the June 2023 flooding – ENCA & SABC news reported live from the West Coast Disaster Management Centre

WCDM established a joint Nodal Point/ Operational Room/Emergency Centre for the West Coast Municipal District area of responsibility which will focus on Community Safety, Disaster Management and Fire 2022 – 2023

WCDM Emergency Response and Prevention Operational Centre (ERPOC)

WCDM established a joint nodal point/ Operational Room/Emergency Centre for the West Coast Municipal District area of responsibility which will focus on Community Safety, Disaster Management and Fire Services.



Various entities is now activated and Operational in the ERPOC on a 24/7 basis

3.12.7.1 General activities during 2022/2023

- Established an operational room whereby incidences, reporting and coordination are managed from a technological perspective, using drones, information system and disaster volunteers, but also investigating the efficient integrating with the other Local Municipalities.
- Disaster Management **procured** a 3-year license for a Disaster Management Information System (DMIS)- or UNITI system. The System will be an online, web based, operational management, reporting and communication tool. It will be for Disaster Management (with the capability to collect/report on fire related incidents as well. It will be used for disaster related, fire, social unrest, public events, and all variety of incidents. Currently in discussion for the UNITI to capture the following under the HOTSPOT area management in region:
  - Each hotspot can be managed as a project in UNITI of Hotspot type.
  - Each hotspot can have linked objectives, tasks, and activities.
  - Each task can have a linked responsible person and time period (date range).
  - Each hotspot can have linked personnel (key stakeholders) who automatically get SMS and Email based updates for the hotspots they are linked to.
  - Each linked personnel have an optional role (i.e., Lead HOD, Provincial Minister, National Minister).
  - Each task can have linked operational activities (i.e., public awareness operations, food parcel delivery, decontamination, or sanitisation activities).
  - All of the above serves as a means to produce a portfolio of evidence per hotspot via linked operational activities and associated images, documents and media.

3.12.7.2 Monitoring, prevention, and mitigation initiatives

<u>WCDM Festive JOC Operation 2022</u>

- With reference to the reporting year 2022/2023 the Disaster Management Centre was involved in responding and coordinating to various incidents/ Festive Operations/ Easter Operations/ Simulation Exercise/ Red Tide Incidents

Objectives:

1. To coordinate and manage information received from various Emergency departments
2. Conducting an multi-disciplinary function in Operation Centre with SAPS and Provincial Traffic as a collective.
3. We captured and compiled information on the UNITI (Online Web base Information and Communicational Reporting Tool) System

Outcomes:

1. To compile a consolidated report of all possible incidents, impacts and challenges during the festive season.
2. Submitting Situation report to respective role-players
3. Testing of communications between external and internal Emergency departments
4. To keep track and updated of all challenges/ impacts experienced in the West Coast District Municipality.

West Coast District Municipality held their second Festive Season Launched at the DMC on the 14th December 2022

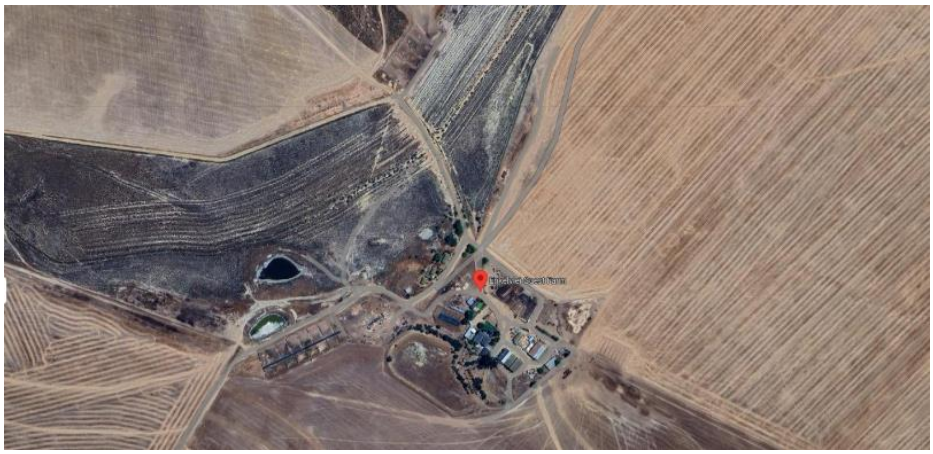


3.12.7.3 Emergency Exercises:

On the 05th of June 2023, The West Coast District conducted an Integrated Rural Safety (Farm Attack Simulation Exercise in Hopefield Enkelvlei Farm

The purpose for the exercise is to:

- Test the level of integration of stakeholder planning for the management of incidents and incident resources, utilizing disaster coordination.
- Test the effectiveness of the SAPS contingent in region in terms of Rural Safety activation.
- Develop and improve flexible plans enabling emergency services in the West Coast and their counterparts to ensure integrated response efforts for effective and efficient all-hazard incident management.
- Improve relationships between personnel from emergency services and other agencies that may be required to work together in close liaison during a multidisciplinary incident
- Encourage coordination and cooperation between each organisation at a tactical, operational, and strategic level to enhance preparedness.
- Confirm the roles and responsibilities, including the chain of command.
- Understand the operational response of corporations and non-governmental partners.
- Active WCDM Disaster ERPOC (nodal dissemination)
- All emergency services were requested to attend a planning meeting on the 23 May 2023 @ 10h00 to discuss the simulation exercise.



1. The West Coast Disaster Management Centre in collaboration with Saldanha Bay Local Municipality and the South African Police Services Coordinate **Rural Safety Simulation Exercise on 05 June 2023**.
2. The exercise was held to establish integrated coordination between the District Municipality Disaster Management, Community safety, Rural Safety, Local Municipalities, and other role players.

3.12.7.3.1 The West Coast District Municipality Easter Weekend JOC: 07th – 09 April 2023

- From the **07th - 09 April 2023** the West Coast Disaster Management Centre activated their Easter JOC Operation.
- Part of the Activation were to visit the Ganzekraal Holiday Resort to do and test Communication and do Awareness of Safety tips, Emergency numbers and handing out Easter eggs with WCDM "Mascots.
- At the R27, Tourists was pulled over for illegal substance and drivers license.
- Safety awareness tips was handed over to motorists to drive safer during the Easter Weekend.
- The West Coast Disaster Management Centre was responsible for reporting incidnets on the UNITI platform.
- The West Coast Fire Incident Command bus were utilised to Monitored and captured Drone Footages from inside the vehicle.
- EMS made their Vaxi-Taxi available for patience to take blood pressures and Vaccination boosters.
- The Situation Reports were done on the UNITI platform by the Disaster Management Officials with the support of **Swartland SAPS, Traffic & L/Enforcement and all 5 Local Municipalities.**

3.12.7.4 Progress – Contingency plans/strategies
The Disaster Management Centre updated the following plan:

- Risk Assessment 2020/2021 on the 22 September 2021
- Community Safety Revised Safety Plan on the 27 January 2022
- **Seasonal Plans:**

1. Winter Preparedness Plans
2. Summer Preparedness Plans

3.12.7.5 District Advisory Forum Meetings:
3.12.7.5.1 West Coast District Disaster Management Advisory Forums
3.12.7.5.2 West Coast District Disaster Management Strategic Forums

11 August 2022
Rural Safety Priority meeting
- In attendance were representatives of various police stations, local municipalities, Farm Watches, Agri Western Cape, the Local Farmer's Union and Municipal Councilors responsible for Community

18 August 2022:

Disaster Management Head of Centre Meeting

- The West Coast District Municipality Disaster Management hosted the Western Cape Disaster Management meeting at Ganzekraal.
- Heads of Disaster Management Centres across the Western Cape meet to share best practices and discuss opportunities for collaboration to improve disaster management strategies for the province.
-

26th of August 2022

The Department of Forestry, Fisheries, and the Environment Contingency Plan Update

- DFFE has activated the West Coast updated Rock Lobster Contingency Plan and issued a Situation Red Alert, placing all government role-players, in the sector, on standby

31 August 2022

WCDM's Disaster Management and Community Safety Advisory Forum

Disaster Management Centre with Various stakeholders with vested interest in Disaster Management and Community Safety gather on a quarterly basis to share best practices related to safety in the District.
Rural safety plans, health-related programmes, improved communication between stakeholders, the use of technology to improve safety and Disaster mitigation, social development and capacity building for communities and fire risk mitigation were some of the points discussed.

09 September 2022

LPR Workshop with SAPS

- Addressed the LPR cameras installations within the West Coast District Municipality

03rd–04th October 2022

The Western Cape Department Rural Safety Summit in Saldanha Bay.

- As part of the WCDM's Community Safety and Disaster Management Awareness interventions officials from WCDM had an exhibition at the event while Fluffy, the municipality's safety mascot, was introduced to the attendees.

19 October 2022

SAPS and Western Cape Department supported WCDM to a Rural Safety Meeting at DMC

31 October 2022 – 11 November 2022

Emergency First Air Response (EFAR) training

EMS in collaboration with West Coast District Disaster Management Centre hosted an Emergency First Air Response (EFAR) training to 80 SAPS Officials including the West Coast Disaster Officials**.**

14 November 2022

SAPS, EMS, Traffic and Law Enforcement, Farm Watch and NHW with the Disaster Management team conducting a Simulation planning meeting at the West Coast Disaster Management Centre

17 November 2022

The Disaster Management Staff **conducted a Strategic session for the year 2023** at Ganzekraal Holiday Resort

14 December 2022:

The West Coast District Municipality - Disaster Management year end Festive Launched were conducted at the DMC.

25 January 2023

The West Coast District Municipality - Disaster Management conducted a
Festive debrief workshop at the West Coast Disaster Management Centre.

06 February 2023

District Joints meeting

West Coast District Commissioner: Major General Dyiantyi conducted **a District Joints meeting** at the West Coast Disaster Management Centre.

17th - 20th of March 2023
Disaster Management together with General Dyantyi and other SAPS Officials **reported to the West Coast Disaster Management Centre (JOC Activation) updates** through MST Meetings with regards to **the EFF National Shutdown Operations**

23 March 2023
The West Coast Disaster Management Staff contribute to support and attended the SAPS **Private Security Forum (E2) Meeting and Rural Safety Priority Meeting** conducted at the West Coast Disaster Management Centre

31 March 2023
Disaster Management and Community Safety Advisory Forum Meeting
To advise Organs of State on the plans forward with respect to Rural Safety in Communities and their challenges.

04th – 05th April 2023
SAPS hosted 2-day Training Meeting at the West Coast
Disaster Management Centre.
- SAPS Events Operation Meeting.
- SAPS Election & OPAM Training conducted.

16 May 2023
Disaster Management supported the **Cederberg Municipality to the Establishment of their Community Safety Forum** in Clanwilliam Civic Hall

23 May 2023
Disaster Management conducted a **Simulation Exercise Planning Meeting** in Hopefield

26 May 2023
A **Private Security Rural Safety Eyes and Ears (E2) Meeting** conducted at the West Coast Disaster Management Centre

26 May 2023
District SAPS Officials conducted a **Provincial Rural Safety Priority Meeting** at the West Coast Disaster Management Centre

19 June 2023
Assessments conducted in West Coast District with Minister Ivan Meyer with regards to the West Coast Floods that occurred

30th June 2023
West Coast Disaster Management/ Community Safety second (2) **Advisory forum** conducted for the year.

3.12.7.6 Enabler 1: Information Management and Communication
Disaster Management **procured** a 3-year license for a Disaster Management Information System (DMIS)- or UNITI system. The System will be an online, web based, operational management, reporting and communication tool. It will be for Disaster Management (with the capability to collect/report on fire related incidents as well. It will be used for disaster related, fire, social unrest, public events, and all variety of incidents. Currently in discussion for the UNITI to capture the following under the HOTSPOT area management in region:

3.12.7.7 Enabler 2: Education, Training, Public and Awareness and Research
Objective: To continuously execute public awareness campaigns to promote a culture of risk avoidance amongst stakeholders.
The National's Disaster Management Framework states that – All disaster risk reduction planning, developmental projects and programmes and the allocation of responsibilities must be founded on the needs and priorities of communities. Disaster risk reduction is a community – driven process.

Municipalities must involve local communities in the development of a risk profile, facilitate understanding of the concepts and value added through disaster risk reduction in communities, prioritise projects aimed at risk reduction indicated in the West Coast District IDP and facilitate participation in training, preparedness planning and awareness programmes. (NDMF, KPA 1, section 1.3.2.2)

Dissemination and Awareness Interventions – 1 July 2023 – 30 June 2024

- WCDM dissemination to Local Municipality Neighborhood Watches
- Integrated Partnership of West Coast District, Community Safety, Disaster Management and DoCS to support accredited NHW's in: Bergrivier (Laaiplek), Saldanha Bay (Hopefield), Swartland (Malmesbury, Darling and Yzerfontein), Cederberg (Elands Bay),

a) 13th of July 2022 Moorreesburg Final Street Soccer event – Zinia Street
b) On the 26th of July 2022 Saldanha Bay Municipality Conducted a Rural Safety Initiative (SBSI) Safety Summit 2022
c) 18 July 2022 - 67 Minutes for Mandela Day (Soup & Sweets) provided.
d) 10th of August 2022 ACVV Old Age Home Moorreesburg celebrate Woman`s Month.
e) On Friday, 2 September, West Coast District Municipality's Disaster Management unit and Fire and Rescue Services partnered with Cederberg Local Municipality to facilitate an awareness campaign in Graafwater
f) On Saturday, 8 October 2022, DMC staff attended the first Motor Show in Moorreesburg, the Disaster Management officials contribute several safety tips to the community. Fluffy, WCDM's Community Safety Mascot also shared his safety messages and interest in the communities.
g) Wednesday, 19 October 2022, DMC staff supported Matzikama Municipality on a Community Safety Intervention. Awareness material and information were distributed to everyone. Fluffy, the Community Safety Mascot entertained the children while learning emergency numbers.
h) On the 03rd of November 2022 WCDM Disaster Management officials supported with a Golden Game Intervention for the senior citizens all over the West Coast District Municipality where they playing games and winning prices
i) On 04th November 2022, DMC staff supported the Swartland Municipality on Community Safety Intervention in Yzerfontein
j) On the 22nd of November 2022, the WCDM Disaster Management staff supported the Swartland Municipality with a Roadblock intervention at the N7 Weight bridge
k) On the 29th of November 2022, the West Coast Disaster Management Team supported Swartland Municipality K9 Reaction Unit to a Roadblock. The West Coast Executive Mayor Ald. Boffie Strydom other organs of state who attended the event
l) The West Coast District Festive Launch on the 14th of December 2022
m) On the 15th of December 2022 the West Coast Disaster Management staff conducted an integrated safety intervention in Hopefield with Fluffy, Drone pilots' operations and various Primary school students.
n) On the 27th of January 2023, the West Coast Disaster Management Team assisted WCDM HR Department to a intervention. "Fluffy" the Disaster Management Community Safety Mascot helped shared his message to the officials at the intervention.
o) On the 28th of January 2023 the West Coast Disaster Management supported Astron Petrol station to a "Family Active Day intervention" near Malmesbury."Fluffy and Hopsy Copsy" Disaster Management and Community Safety Mascots represented the West Coast District Municipality disseminating Awareness materials whiles they entertain the crowed clients and cycles
p) On the 10th of February 2023, The West Coast Disaster Management staff left in the early morning to partnered with SAPS to a Rural Safer School project in Vredendal, where they visited 3 different schools in Matzikama (Vredendal Noord Primary school, Naasdrift Primary school & Vergenoeg Primary school)
q) On the 24 – 26 March 2023 – The West Coast Disaster Management Staff for the first time, visited the KYKNET BUITE Expo, where different activities such as 4X4/Rally drifting, Caravan sales, foodstalls, Wrestle Matches, Celebrities Performing, Clothes stalls, and Children play activities and much more conducted. West Coast Disaster Staff supported the event to address Safety Awareness with their 2 x Mascot (Fluffy and Hopsy Copsy)

r) From the 07th -09 April 2023 The West Coast Disaster Management Centre activated their Easter JOC Operation. Part of the Activation were to visit the Ganzekraal Holiday Resort to do and test Communication and do Awareness of Safety tips, Emergency numbers and handing out Easter eggs with WCDM "Mascots
s) On the 10th of April 2023 – The West Coast Disaster Management in collaboration with Saldanha Bay Municipality visited the Vredenburg Provincial Hospital to an Appreciation Day to all staff and mothers. DMC Mascots with Mascot "Daantjie Kat" and members with Councillors visited the Louwville community to hand out party packets and Easter Eggs to children.
t) On the 19th of May 2023, The West Coast Disaster Management staff, contributed to a Global Safety week at the West Coast Vredenburg College

3.12.8 West Coast District Disaster Centre- Challenges

The area of the West Coast District being so vast, and total area about 31 119km² and the only Municipal Disaster Centre located in Moorreesburg- it has become integral to partner with collaborative partners to facilitate and expedite the delivery of humanitarian relief. Our support is from donor such The South African Red Cross Society, Old Mutual and others.

As such engagements has been ongoing by using the West Coast District Advisory on the best and optimal solutions in having the resource capacity –so that communities do not endure undignified situations when they experience emergencies/disasters. Furthermore, with respect to social unrest and illegal land occupation and farm murders- it jeopardize efficient and effective service delivery and many times lead to disaster management coordination as incidence becomes humanitarian exercises.

Disaster Management Centers are also now reporting on those incidences and the challenge of their own institutional capacity cannot do so effectively. Thus, it is of critical importance that effective communication mechanism be put in place to coordinate efficiently: from District perspective – Local Municipalities need to do the necessary reporting to the Districts in order to report detailed information.

Social Media – it has become such an integral part of using social media in early warning, in dissemination of information as many of the Local Municipalities inclusive of the Disaster Centre – do not have effective communication mediums.

However, with using this medium are of great concern for emergency responders, as much of the information is sometimes used to create panic and in turn block emergency lines of sometimes serious incidences.

3.12.9 Recommendation's from Disaster Centre

- **Government / NDMC needs to relook support** or funding model to District Municipal Disaster Centres – with respect to access to Municipal Infrastructure Grants or funding for the upgrade and functioning status (IT infrastructure, Communication etc.) whereby Local municipalities can benefit from the Disaster Management Centre. The discussion to ringfence funds to District Disaster Centres needs to be included Nationally, Provincially and locally.
- **Government needs to look at legislation governing social media** and spread of incorrect information which stifle response to emergencies/ disasters.
- **The local/district municipalities do have challenges with respect to human resources** and as such the Western Cape Disaster Management Centre should investigate opportunities to deploy interns to the West Coast District who can be deployed to Local Municipalities;
- **Compliance from local municipalities** in terms of reporting and request for information as to feed into various systems and submissions is a challenge and it should be addressed at highest level to ensure compliance.
- Due to **budgetary constraints** the Local Municipalities do not have the necessary budgets to do consistent public education and awareness as such the Western Cape Disaster Management Centre should consider increasing their programs and partner with West Coast District to make it more prevalent. Assistance to District Disaster Centres should also be prioritized to ensure proper customized Public Education material be available to them in region.
- **In order for Disaster Management to be more effective** and efficient on a District level - more priority should be given from Provincial Disaster management Centres, and National Disaster Management – as to support District Disaster Management Centres with resources and funding.

- **The challenge of not having one emergency number** for the West Coast District is also placing stress on services to respond timeously to incidents as well as activating necessary relief. As part of joint district approach, local Municipalities should allow through shared service approach **one emergency number for disasters and emergencies.** Current disposition is each local municipality has various emergency numbers. District Municipalities should take the lead.
- **The human resource component** on district level is needed to enhance the Centre capabilities but also in terms of its statutory requirements to the Western Cape Disaster management Centre and National Disaster management Centre. In order to optimally operate within our jurisdiction but also taking cognisance of preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters and post disaster discovery and rehabilitation, we have to prioritise Disaster Management in our IDP and budgets.
- **Whilst some progress has been made** in building resilience and reducing losses and damages, substantial support, commitment, and involvement is required from all tiered leadership which will ensure the necessary, conducive, and enabling environment.

Table 3.12.1: Employees: Disaster Management

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	1	1	1	0	0
4–6	0	0	0	0	0
7–9	0	0	0	0	0
10–12	0	0	0	0	0
13–15	0	0	0	0	0
16–18	1	1	1	0	0
19–20	0	0	0	0	0
Total	**2**	**2**	**2**	**0**	**0**
					T3.12.1

Table 3.12.2: Financial Performance: Disaster Management

Financial Performance: Disaster Management					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	45 425.01	-	40 984.00	54 612.45	(33.25%)
Expenditure:	-	-	-	-	-
Employees	1 331 663.62	2 004 519.00	2 004 519.00	1 738 308.09	13.28%
Other	1 201 773.18	1 593 400.00	1 634 384.00	1 987 302.26	(21.59%)
Total Operating Expenditure	2 533 436.80	3 597 919.00	3 638 903.00	3 725 610.35	(2.38%)
Net Operating Expenditure		-	-	-	-

COMPONENT H: RECREATION

3.13 GANZEKRAAL HOLIDAY RESORT

INTRODUCTION

Ganzekraal Holiday Resort is a picturesque resort by a world of water in mesmerising shades of blue, hugging the Atlantic Ocean, approximately 60 km from Cape Town on the R 27 West Coast Road.




Ganzekraal beachfront resort offers 28 self-catering chalets, 55 campsites, Lapa and conference facilities, perfect getaway for families and friends, an idyllic location to rejuvenate oneself, away from the stresses and distraction of the modern living.

Vision - Is to provide a memorable moment to all clients in every aspect of their stay.

Mission- The goal to attract more visitors, and commitment to the clients, stakeholders and employers, It is when all role players work seamlessly together, where significant magic is visible.
In line with the objectives on Operational and Service Excellence, management remained focus on employee engagement with continuous emphasis on employee development and employee welfare, assurance that the staff is committed to impeccable service, always with a warm smile.





Ganzekraal Resort celebrated its 30th anniversaries, and gratitude towards the Mayor, Councillors, Mr J Jonker and Senior management for this memorable moment.



Resort Report

Highlights

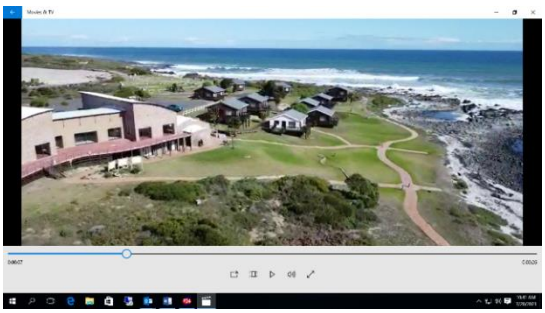
1. Replacement of roofs, cupboards, and ceilings at the chalets.
2. Replacement of wooden decks and walkways.
3. Chalets were strengthening with cladding.
4. Vanishing and painting of the chalets, replacement of tiles.
5. Installation of a new playpark at the Protea chalets.
6. Installation of a new electric cable.
7. Purchased new furniture and projector with sound equipment.
8. Replacement of braai areas at the campsites.

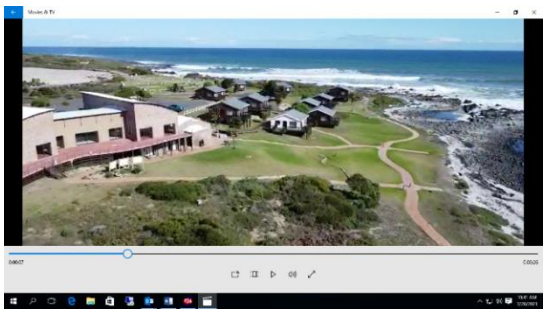




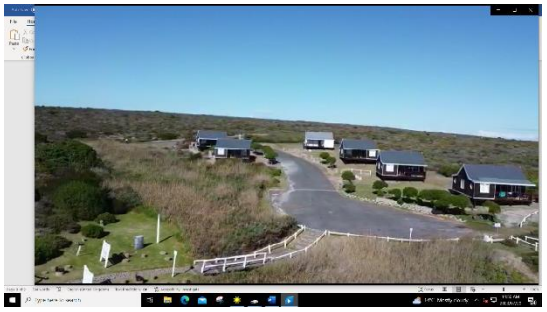












Challenges

However, with tremendous planning and with all the resources on board, challenges are dealt with daily. Among all the challenges the most evident one affecting us all, was load-shedding. This

crippled our economy, loadshedding leads to unemployment, making it more challenging for businesses to grow and thrive.
One of the primary reasons the resort has been struggling has to do with the economic conditions, when people can't afford vacation destinations, we are witnessing a decrease in business.
Low budget has a huge impact to achieve our goals, Ganzekraal are equipped with tremendous potential, we must get our marketing strategy right, boosting and managing our revenue successfully.

General

The clients are the most valuable resource and the success of the resort depends upon establishing and maintaining a capable team of delivering top-notch service to our guests. The resort are constantly striving to leverage on our unique portfolio of renovated properties to drive growth and profitability.

Table 3.12.1 Occupation Statistics

Occupation Statistics		
Class	**2021/2022**	**2022/2023**
Ananzi	56,91	54,98
Proteas	54,60	32,59
Mooimaak	45,94	54,16
Facilities	8,57	12,21
Camping site	24,90	21,57
Resort Avenue	32,69	32,59

Table 3.12.2: Employees: Ganzekraal Holiday Resort

	2021/2022	2022/2023			
Job level	**Employees (N)**	**Posts (N)**	**Employees (N)**	**Vacancies: full-time equivalent (N)**	**Vacancies (% of total posts)**
0–3	4	5	3	2	40
4–6	4	5	4	1	20
7–9	3	3	3	0	0
10–12	1	1	1	0	0
13–15	0	0	0	0	0
16–18	0	0	0	0	0
19–20	0	0	0	0	0
Total	**12**	**14**	**11**	**3**	**21**

Table 13.3: Financial Performance: Ganzekraal

Financial Performance: Ganzekraal Resort (Public Amenity)					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	2 889 876.41	4 186 767.00	4 186 767.00	4 745 549.28	(13.35%)
Expenditure:	-	-	-	-	-
Employees	3 665 724.29	4 392 054.00	4 392 054.00	3 879 183.24	11.68%
Other	1 847 069.42	3 124 803.00	4 569 803.00	3 784 992.87	17.17%
Total Operating Expenditure	5 512 793.71	7 516 857.00	8 961 857.00	7 664 176.11	14.48%
Net Operating Expenditure		-	-	-	-

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.14 EXECUTIVE AND COUNCIL

This component includes the Executive Office and Council.

The primary role of the municipal council is that of political oversight of the municipality's functions, programmes and the management of the administration. All of the powers of local government are vested in the municipal council. It has the power to make by-laws (legislative authority) and the powers to put those laws into effect (executive authority). The municipal council has executive and legislative authority over the matters set out in Part B of schedule 4 and Schedule 5 of the Constitution. The municipality may also administer any other matter assigned to it by national or provincial legislation. In administering the matters assigned to local government, the municipal council must strive within its capacity to achieve the Constitutional objects of local government.

Table 3.14.1: Employees: Executive and Council

[Council and Executives does not have job levels – support staff included]

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0	0	0	0
4–6	0	0	0	0	0
7–9	0	0	0	0	0
10–12	2	2	1	1	50
13–15	0	0	0	0	0
16–18	0	0	0	0	0
19–20	0	0	0	0	0
Total	**2**	**2**	**1**	**1**	**50**

T3.14.1

Table 3.14.2: Financial performance: Executive and Council

Financial Performance: Executive and Council					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	2 306 457.14	1 500 000.00	3 377 120.00	3 030 439.55	10.27%
Expenditure:	-	-	-	-	-
Employees	7 661 896.72	7 228 970.00	7 228 970.00	7 593 786.63	(5.05)%
Other	1 435 255.46	5 340 541.00	5 340 541.00	3 370 365.58	36.89%
Total Operating Expenditure	9 097 152.18	12 569 511.00	12 569 511.00	10 964 152.21	12.77%
Net Operating Expenditure					

3.15 ADMINISTRATION

3.15.1 INTRODUCTION

The Administration Division manages the key performance areas of the West Coast District Municipality by providing an effective administrative service to core service delivery functions by designing, developing and aligning policies, implementing procedures, reviewing policies and procedures, and aligning document management systems to facilitate effective circulation, response, storage and retrieval. The division also manages and controls strict adherence to Council policy and relevant legislation.

Records Management

West Coast District Municipality control and manage records according to the legislation Provincial Archives and Records Service of the Western Cape Act, 2005 (Act no 3 of 2005) promulgated by government to enable government and the public to have timely access to accurate and reliable information.

Good recordkeeping is essential to West Coast District Municipality to promote good corporate governance. The legislative provisions in section 9 of the Provincial Archives and Records Service of the Western Cape Act (Act No 3 of 2005) are aimed towards promoting sound records management and thereby promoting transparency, accountability and better service delivery by West Coast District Municipality. To support continuing service delivery and provide the necessary accountability, West Coast District Municipality create and maintain authentic, reliable and usable records.

West Coast District Municipality ensures that the integrity of its records is protected for as long as they are required as evidence of business operations. Only by complying with the Provincial Archives and Records Service of the Western Cape Act, 2005 (Act no 3 of 2005) will the West Coast District Municipality be able to create a working culture where Records Management, information sharing and service delivery flourishes.

MORE INFORMATION

More information regarding the activities of the Division Administration is available in:

- Chapter 2.9: Governance under By-laws
- Appendix A – Councillors, Committee Allocation and Council Attendance
- Appendix B – Committees and Committee Purposes
- Appendix D – Functions of Municipality/Entity
- Appendix J – Disclosure of Financial Interests: Councillors

3.15.2 COMPILATION OF THE ANNUAL REPORT AND OVERSIGHT REPORT

The Administration Division is responsible for the compilation of the Annual Report by drawing up timeframes for all tasks relating to the completion of the annual report, liaising with departmental heads, tabling the Annual Report to Council, distributing the Annual Report to the relevant government departments and carrying out the final phase of translating, editing and printing the final version. The division also manages both the process and drafting of the Oversight Report, in collaboration with the MPAC, and tables the oversight report to Council.

3.15.3 SECRETARIAT

As the administrative arm of the Municipality, the Secretariat Division renders an administrative support service to Council and its political structures and ensures quality administrative service delivery by managing all standing committee and ad hoc committee meetings and ensuring effective coordination and prompt secretariat support.

The Secretariat Division is responsible for the following meetings:

1. Council meetings and Special Council meetings,
2. Executive Mayoral Committee Meetings
3. District Coordinating Forum (DCF)Technical Committee meetings,
4. Water Monitoring meetings,
5. Water Monitoring Technical Committee meetings, MPAC meetings,
6. Fraud and Risk Management meetings,
7. Portfolio Committees: Administration and Community Service, Finance and Technical Services meetings, Strategic Support and Economic Development and
8. Bid Committee meetings: Specification and Evaluation, Bid Adjudication Committee and
9. Audit Committee and Performance Audit Committee meetings.

PROMOTION OF ACCESS TO INFORMATION: SECTION 32 REPORTING TO THE INFORMATION REGULATOR

The Promotion of Access to Information Act No. 2 of 2000 (PAIA) was passed by parliament in 2000 to give effect to the right of access to information enshrined in section 32 of the Constitution of the Republic of South Africa. PAIA came into force in 2001. The South African Human Rights Commission (SAHRC) has a promotional and monitoring mandate on PAIA.

One of the rights that fall within the mandate of the SAHRC is the right of access to information which is enshrined in the Constitution by section 32 which states: *(1) Everyone has the right of access to – (a) any information held by the state, and; (b) any information that is held by another person and that is required for the exercise or protection of any rights;*

Annually the Section 32 Reporting to the previously SAHRC and submission now to the Information Regulator are submitted with the summary of all requests made from April the previous year to end of March the current year. West Coast District Municipality comply with the reporting obligations in terms of Section 32 of PAIA.

PROTECTION OF PERSONAL INFORMATION

The West Coast District Municipality regard the protection of personal information as very important and wish to ensure that all personal information kept by the municipality is effectively safeguarded. This Policy outlines how the Municipality manages Personal Information which it processed for various business needs.

The POPIA Policy was adopted by the Executive Mayoral Committee on 23 June 2021, Resolution ITEM BM/21/06/23/7.1.

COUNCILLOR SUPPORT

Committee Services rendered an administrative support service to Council and its political structures and ensures quality administrative service delivery by managing all standing committee and ad hoc committee meetings and ensuring effective coordination and prompt secretariat support.

The circulation of agendas for standing committee meetings is ensured five days prior to meetings. This resulted in Councillors having sufficient time to prepare for meetings. All agendas are distributed electronically. The distribution of electronic agendas and relevant documents was an opportunity to reduce cost in preparing and delivering of agendas to Councillors considering the jurisdiction of 311 000 km². The West Coast DM reduced its carbon footprint by reducing paper usage as well as vehicle fuel consumption.

Attendance of Meetings by Councillors

Attendance register for 2022/2023 financial year for the Standing Committee meetings of West Coast DM at Annexure A.

Legal Implication:

The Code of Conduct for Councillors contained in Schedule 7 of the Local Government: Municipal Structures Amendment Act, Act 3 of 2021

Item 4 of the Code: Attendance at meetings
4. A Councillor must attend each meeting of the municipal Council and of a committee of which that Councillor is a member, except when –

(a) leave of absence is granted in terms of an applicable law or as determined by the rules and orders of the Council; or
(b)
(c) that councillor is required in terms of this Code to withdraw from the meeting.

Item 5 of the Code: Sanctions for non-attendance of meetings

5. (1) A municipal council may impose a fine as determined by the standing rules and orders of the municipal council on a councillor for—

(a) not attending a meeting which that councillor is required to attend in terms of item 4; or
(b) failing to remain in attendance at such a meeting.

(2) A councillor who is absent from three or more consecutive meetings of a municipal council, or from three or more consecutive meetings of a committee, which that councillor is required to attend in terms of item 4, must be removed from office as a councillor.

(3) *(a)* Proceedings for the imposition of a fine or the removal of a councillor must be conducted in accordance with a uniform standing procedure which each municipal council must adopt for the purposes of this item.

(b) The uniform standing procedure must comply with the rules of natural justice.

Standing Operating Procedures:

- Application for leave of absence

Rules of Order By-law of the West Coast District Municipality

- Item 7: Attendance of Councillors;
- Item 8: Procedure for leave of absence
- Item 9: Sanctions for non-attendance

3.15.4 OFFICE SUPPORT SERVICES

3.15.4.1 RECORDS AND ARCHIVES

The Administration Division manages the implementation of procedures and systems associated with document flow, such as the archiving and keeping of records systems (in accordance with statutory prescriptions) and the establishment, evaluation and maintenance of registry procedures for the operating of the main registry office and suboffices and for regulating record keeping. The division also oversees compliance with statutory requirements regarding control over the maintenance and application of the filing system and records control schedule.

3.15.4.2 SWITCHBOARD AND RECEPTION

The switchboard and reception play an important public relations role at the head office of the West Coast District Municipality and are an integral part of the organisation. These activities entail liaison with the public and the promotion of the Batho Pele principles, as well as the delivery and promotion of service delivery to the public.

3.15.4.3 CARETAKING AND CLEANING SERVICE

The Caretaking and Cleaning Service Section is responsible for controlled access to the buildings of West Coast District Municipality I and West Coast District Municipality II. All entrances of the buildings are secured by a controlled access mechanism during and after office hours. An effective cleaning and caretaking service is rendered to the administration buildings of the Municipality.

Table 3.15.3: Employees Administration

	2021/2022	2022/2023			
Job level	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	1	2	1	1	50
4–6	1	1	1	0	0
7–9	5	5	5	0	0
10–12	1	1	1	0	0
13–15	1	1	2	0	0
16–18	0	0	0	0	0
19–20	0	0	0	0	0
Total	**9**	**10**	**10**	**1**	**10**

Table 3.15.4: Financial Performance Administration

Financial Performance: Administration					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	20 437.89	108 000.00	108 000.00	10 288.60	90.47%
Expenditure:	-	-	-	-	-
Employees	9 416 267.01	5 375 816.00	5 375 816.00	5 468 178.00	(1.72%)
Other	2 322 463.06	2 636 628.00	2 636 628.00	2 599 382.11	1.41%
Total Operating Expenditure	11 738 730.07	8 082 382.00	8 012 444.00	8 067 560.11	(0.69%)
Net Operating Expenditure		-	-	-	-

Table 3.15.3 Committees of the Council: 2022/2023 Financial Year

Nr	Committees	Meetings held 2022/2023
1.	General Council	5
2.	Special Council	5
4.	In-Committee Council	4
5.	Executive Mayoral Committee	11
6.	Portfolio Committee Administration & Community Services	10
7.	Portfolio Committee Finance	10
8.	Portfolio Committee Infrastructure Services	10
9.	Portfolio Committee Strategic Support & Economic Development	10
10.	MPAC (Municipal Public Accounts Committee)	7
11.	Audit- & Performance Audit Committee	5
12.	Fraud- & Risk Committee	4
13.	Bid Specification Committee	10
14.	Bid Evaluation Committee	16
15.	Bid Adjudication Committee	12
16.	ICT Steering Committee	3
17.	DCFTECH (District Coordinating Forum Technical Committee)	4
18.	DCF (District Coordinating Forum	4
19.	Water Monitoring Committee	5
20.	Extended Management Meetings	3
	Total:	**138**

Table 3.15.4: Council meetings 2022/2023

Meeting date	Type of meeting	Resolutions by Council	Matters by way of information	Total items submitted for consideration
24 Aug 22	General (117th)	23	2	25
24 Aug 22	In-Committee	1	0	1
18 Oct 22	Special	6	0	6
14 Dec 22	General (118th)	9	1	10
25 Jan 23	General (119th)	6	3	9
22 Feb 23	Special	16	0	16
22 Feb 23	In-Committee	1	0	1
29 Mar 23	General (120th)	4	0	4
29 Mar 23	Special	2	0	2
02 May 23	Special	2	0	2
02 May 23	In-Committee	1	0	1
17 May 23	In-Committee	1	0	1
24 May 23	General (121st)	17	1	18
24 May 23	Special	3	0	3
Total		**92**	**7**	**99**

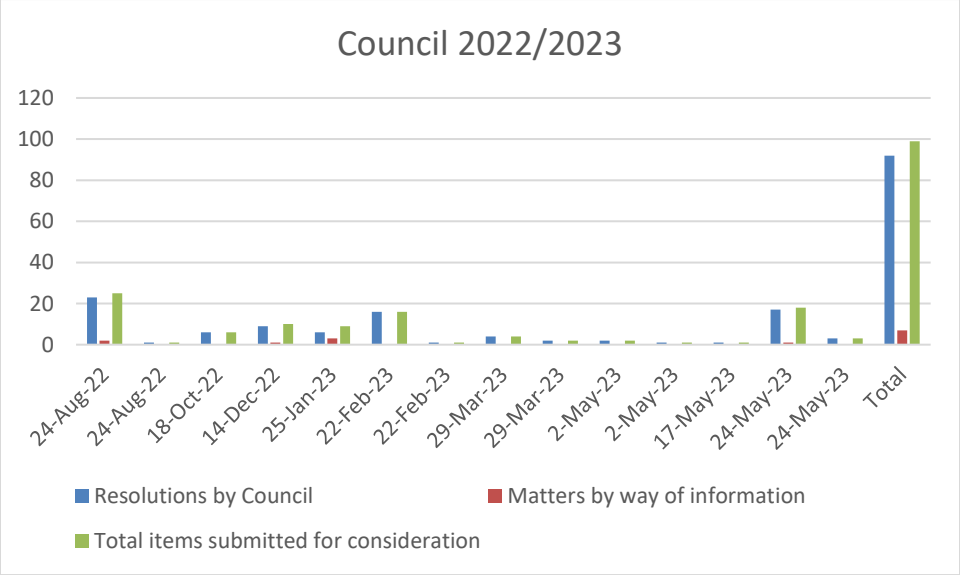


Table 3.15.5: Executive Mayoral Committee meetings – 2022/2023

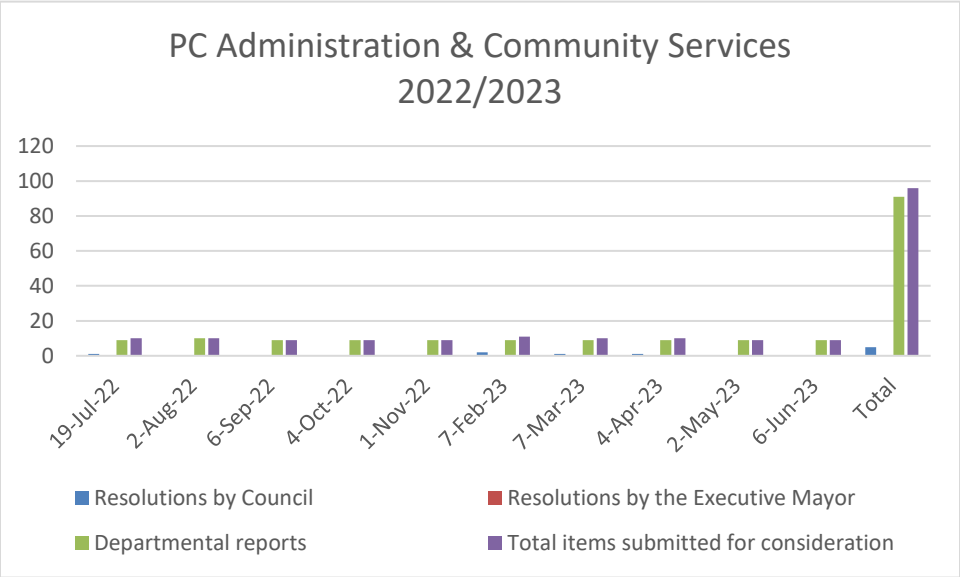
Meeting date	Type of meeting	Resolutions by Council	Resolutions by the Executive Mayor	Matters by way of information	Total items submitted for consideration
27-Jul-22	General	6	0	24	30
17-Aug-22	General	11	0	22	33
28-Sep-22	General	1	0	21	22
31-Oct-22	General	2	0	22	24
29-Nov-22	General	4	0	23	27
18-Jan-23	General	2	0	0	2
10-Feb-23	General	7	0	24	31
15-Mar-23	General	5	0	21	26
26-Apr-23	General	9	0	22	31
17-May-23	General	10	0	22	32
21-Jun-23	General	4	0	22	26
Total		**61**	**0**	**223**	**284**



Table 3.15.6: Section 80 Portfolio Committees 2022/2023:

PC Administration & Community Services

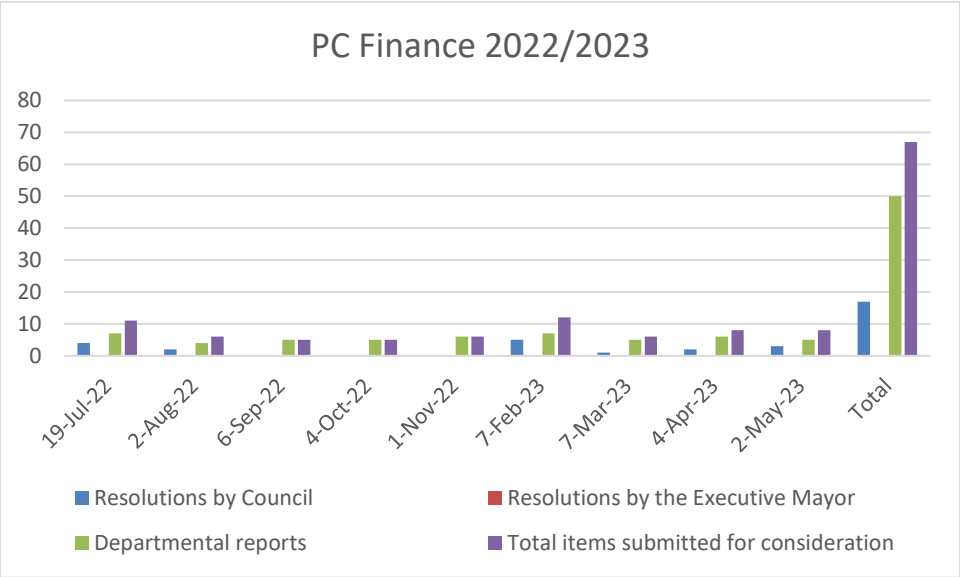
Meeting date	Resolutions by Council	Resolutions by the Executive Mayor	Departmental reports	Total items submitted for consideration
19-Jul-22	1	0	9	10
02-Aug-22	0	0	10	10
06-Sep-22	0	0	9	9
04-Oct-22	0	0	9	9
01-Nov-22	0	0	9	9
07-Feb-23	2	0	9	11
07-Mar-23	1	0	9	10
04-Apr-23	1	0	9	10
02-May-23	0	0	9	9
06-Jun-23	0	0	9	9
Total	**5**	**0**	**91**	**96**



Section 80 Portfolio Committees 2022/2023:

PC Finance

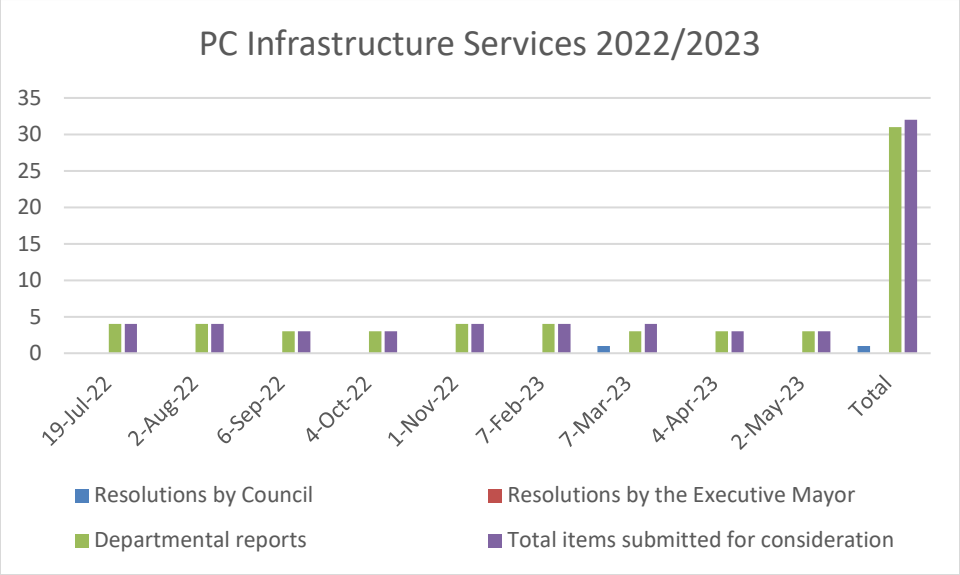
Meeting date	Resolutions by Council	Resolutions by the Executive Mayor	Departmental reports	Total items submitted for consideration
19-Jul-22	4	0	7	11
02-Aug-22	2	0	4	6
06-Sep-22	0	0	5	5
04-Oct-22	0	0	5	5
01-Nov-22	0	0	6	6
07-Feb-23	5	0	7	12
07-Mar-23	1	0	5	6
04-Apr-23	2	0	6	8
02-May-23	3	0	5	8
Total	**17**	**0**	**50**	**67**



Section 80 Portfolio Committees 2022/2023:

PC Infrastructure Services

Meeting date	Resolutions by Council	Resolutions by the Executive Mayor	Departmental reports	Total items submitted for consideration
19-Jul-22	0	0	4	4
02-Aug-22	0	0	4	4
06-Sep-22	0	0	3	3
04-Oct-22	0	0	3	3
01-Nov-22	0	0	4	4
07-Feb-23	0	0	4	4
07-Mar-23	1	0	3	4
04-Apr-23	0	0	3	3
02-May-23	0	0	3	3
Total	**1**	**0**	**31**	**32**



Section 80 Portfolio Committees 2022/2023:

PC Strategic Support & Economic Development

Meeting date	Resolutions by Council	Resolutions by the Executive Mayor	Departmental reports	Total items submitted for consideration
19-Jul-22	0	0	4	4
02-Aug-22	4	0	4	8
06-Sep-22	1	0	4	5
04-Oct-22	0	0	4	4
01-Nov-22	0	0	4	4
07-Feb-23	0	0	4	4
07-Mar-23	1	0	4	5
04-Apr-23	1	0	4	5
02-May-23	2	0	5	7
Total	**9**	**0**	**37**	**46**

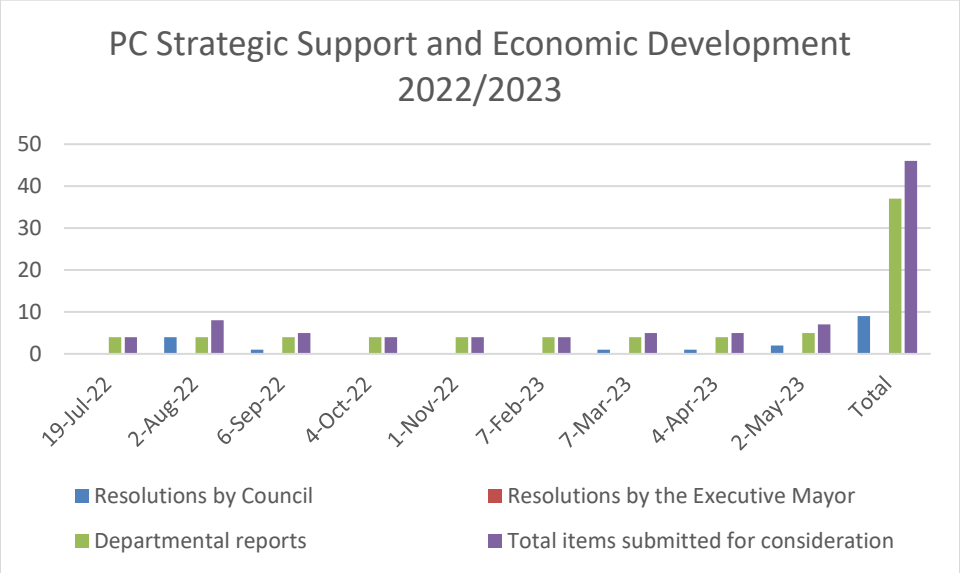


Table 3.15.6: Summary: Section 80 Portfolio Committees 2022/2023:

Portfolio Committees	Resolutions by Council	Resolutions by the Executive Mayor	Departmental reports	Total items submitted for consideration
Administration & Community Services	5	0	91	96
Finance	17	0	50	67
Infrastructure Services	1	0	31	32
Strategic Support & Economic Development	9	0	37	46
Total	**32**	**0**	**209**	**241**

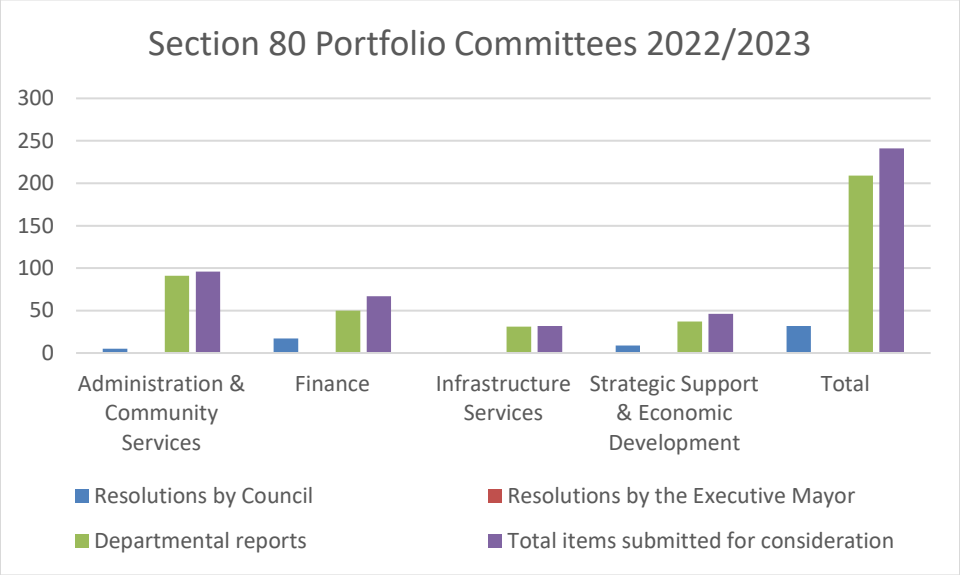
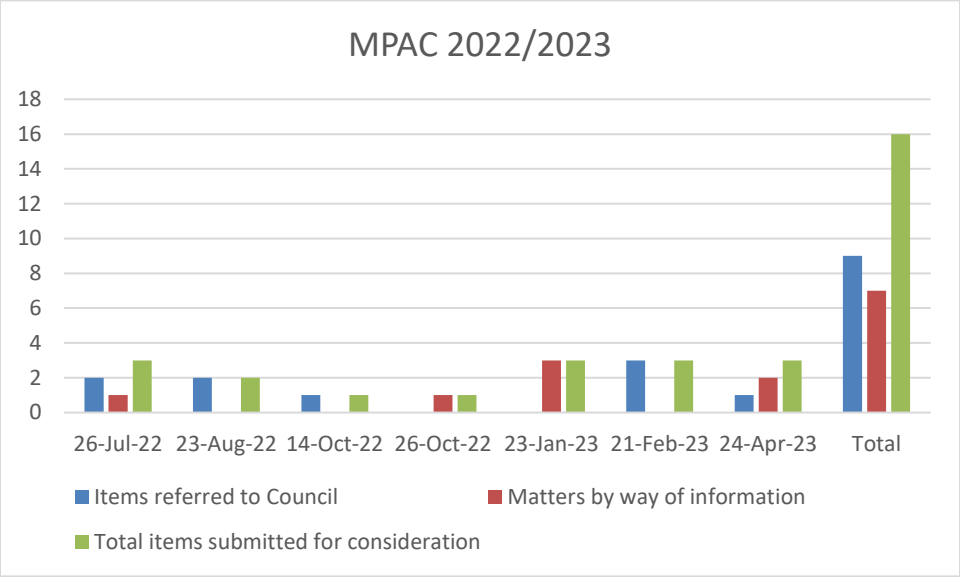


Table 3.15.7: MPAC meetings 2022/2023:

Meeting date	Items referred to Council	Matters by way of information	Total items submitted for consideration
26-Jul-22	2	1	3
23-Aug-22	2	0	2
14-Oct-22	1	0	1
26-Oct-22	0	1	1
23-Jan-23	0	3	3
21-Feb-23	3	0	3
24-Apr-23	1	2	3
Total	**9**	**7**	**16**



3.16 FINANCIAL SERVICES

3.16.1 INTRODUCTION

Our main priority with reference to service delivery is water. Two of our main consumers are Saldanha Bay Municipality and Swartland Municipality. All the necessary measures are in place with regard to our Credit Policy.

Details of the types of account raised and recovered	2022/2023		
	Billed in year	Actual for accounts billed in year	Estimated proportion of accounts value billed that was collected in the year
Property rates	N/A		
Electricity – C	1 242 068		
Water – C	135 804 604		
Sanitation	108 445		
Refuse	76 704		
Other			
C = consumption. See Chapter 6 for the Auditor-General's rating of the quality of the financial accounts and the systems behind them.			

Table 3.16.1: Employees: Financial Services

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0	0	0	0
4–6	1	1	1	0	0
7–9	9	9	8	1	11
10–12	2	3	3	0	0
13–15	0	1	1	0	0
16–18	2	2	2	0	0
19–20	0	0	0	0	0
Total	**14**	**16**	**15**	**1**	**6**

Table 3.16.4: Financial performance: Finance

Financial Performance: Finance					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	2 668 998.97	8 173 873.00	8 173 873.00	379 696.76	95.35%
Expenditure:	-	-	-	-	-
Employees	11 410 049.00	15 112 970.00	12 492 238.00	13 128 272.74	(5.09%)
Other	10 198 351.67	3 500 090.00	8 665 822.00	(10 058 619.65)	216.07%
Total Operating Expenditure	21 608 400.67	18 613 060.00	21 158 060.00	3 069 653.09	85.49%
Net Operating Expenditure		-	-	-	-

Table 3.16.5: Financial performance: Financial Services – Grants / Other Income

Financial Performance: Grants / Other Income					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	111 401 367.63	116 508 180.00	121 140 232.00	140 727 272.40	(16.17%)
Expenditure:	-	-	-	-	-
Employees	3 192 882.95	2 226 734.00	2 226 734.00	7 401 188.33	(232.38%)
Other	1 360 588.16	1 102 354.00	1 102 354.00	(194 638.41)	117.66%
Total Operating Expenditure	4 553 471.11	3 329 088.00	3 329 088.00	7 206 549.92	(116.47%)
Net Operating Expenditure		-	-	-	-

Table 3.16.5: Financial performance: Financial Services – Contributions / Grants

Financial Performance: Grants / Other Income					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue					
Expenditure:					
Employees					
Other	16 800.00	200 000.00	200 000.00	(78 769.57)	139.38%
Total Operating Expenditure	16 800.00	200 000.00	200 000.00	(78 769.57)	139.38%
Net Operating Expenditure					

Table 3.16.6: Financial performance: Financial Management (Interns)

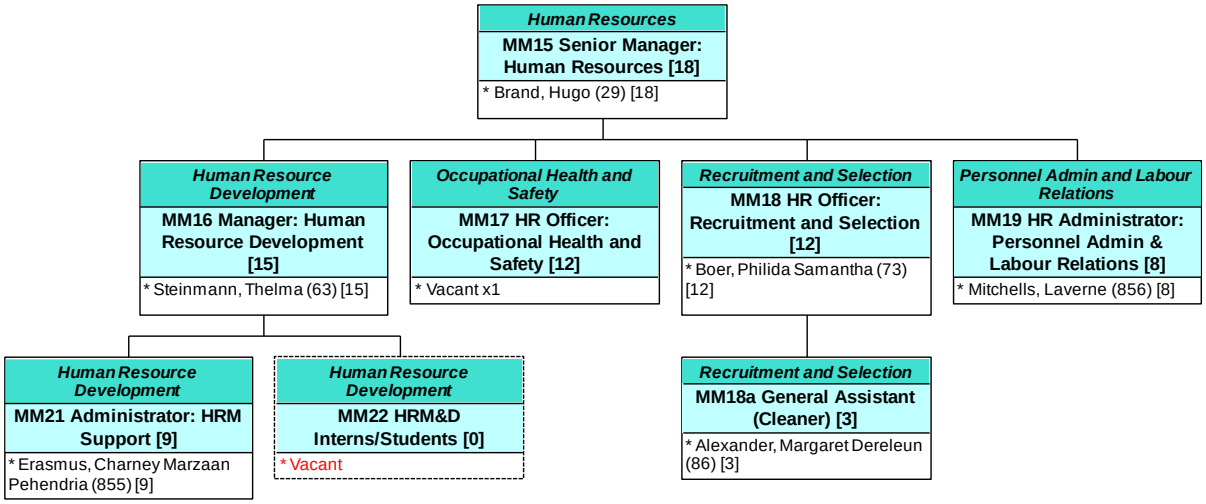
Financial Performance: Finance Management (INTERNS)					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	1 000 000.00	1 000 000.00	1 000 000.00	1 000 000.00	-
Expenditure:	-	-	-	-	-
Employees	588 847.99	618 066.00	618 066.00	364 882.23	40.96%
Other	411 152.01	381 934.00	381 934.00	635 117.77	(66.29%)
Total Operating Expenditure	1 000 000.00	1 000 000.00	1 000 000.00	1 000 000.00	-
Net Operating Expenditure		-	-	-	-

Table 3.16.7: Financial performance: Local Bodies Section

Financial Performance: Local Bodies Section					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	2 370 521.14	2 707 000.00	2 707 000.00	2 706 650.01	0.01%
Expenditure:	-	-	-	-	-
Employees	-	-	-	-	-
Other	2 370 521.14	2 707 000.00	2 707 000.00	2 706 650.01	0.01%
Total Operating Expenditure	2 370 521.14	2 707 000.00	2 707 000.00	2 706 650.01	0.01%
Net Operating Expenditure		-	-	-	-

3.17 HUMAN RESOURCE SERVICES

The Human Resource division provides comprehensive strategies, programs, services and consultation to meet the needs of the Municipality's people resources. This is done through a focus on attracting, developing and retaining a diverse, engaged, innovative and skilled workforce to deliver effective and efficient service for the community. The current approved organisational structure is demonstrated as follows:



The Human Resource division is guided by the Integrated Development Plan of the Municipality as the major driver in furthering various initiatives to modernise HR practices within the Municipality.

Other critical role-players concerned with HR are the departmental heads, divisional heads, section heads and supervisory positions in the other departments (Office of the Municipal Manager, Administration and Community Services, Financial Services and Technical Services).

FOCUS AREAS

The Minister for Cooperative Governance and Traditional Affairs, under section 72, read with section 120 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) published Municipal Staff Regulations on 20 September 2021 in Government Gazette No. 45181 which impacted on the current Human Resources Policies of the Council that needs to be revised to adhere to the mentioned regulations.

The focus areas are to prepare, implement and review the organisation's human resource policies in line with the Municipal Staff Regulations and CoGTA guidelines.

STRATEGIC OBJECTIVES

All the outcomes with regards to the human resource management function are aligned to the municipality's strategic objectives.

HRM OBJECTIVES AND PURPOSE

Objectives detail the activities that must be completed to bring about the achievement of the goal. The attainment of each goal may require a number of objectives to be reached.

There is often much confusion between goals and objectives. Whereas a goal is a description of a desired end result or destination, an objective is a measure of the progress that is needed to get to the destination. It is a specific result that a person or system aims to achieve within a time frame and with available resources. In general, objectives are more specific and easier to measure than goals. If goals are about the big picture, then objectives are all about tactics. Tactics get you from where you are to where you want to be. A goal defines the direction and destination, but the road to get there is accomplished by a series of objectives.

Strategic Human Resource Management

- To ensure the HR strategy is derived from and aligned to the organisation's objectives in consultation with key stakeholders;
- To analyse the internal and external socio-economic, political and technological environment and provide proactive people-related business solutions;
- To provide strategic direction and measurements for strategic innovation and sustainable people practices;
- To provide a foundation for the employment value proposition of the organisation;
- To establish a framework for the HR element of the organisation's governance, risk and compliance policies, practices and procedures which balance the needs of all stakeholders;
- To determine an appropriate HR structure, allocate tasks and monitor the development of HR competence to deliver HR strategic objectives.

Talent Management

- To build a talent culture which defines the organisation's philosophy, principles and integrated approach to talent, which leverages diversity and is communicated in a clear employment value proposition;
- To identify strategically critical positions and leadership roles and capabilities in the organisation into the future from the Workforce Plan that will determine the sustainability and growth of the organisation;
- To set up processes and systems which will:
  - Attract a sustainable pool of talent for current objectives and future organisation needs
  - Achieve employment equity progress in the spirit of the legislation to achieve transformation;
  - Manage the retention and reward of talent;
  - Develop the required leadership skills;
  - Plan for succession to key roles;
  - Identify high potential employees and link them with key future roles in the organisation through monitored development plans;
  - Identify where there is under-performance in a key role or in a person identified as high potential and raise the level of performance through a Performance Improvement Plan;
  - Identify through assessment the optimal development opportunities for talent;
    - To agree appropriate roles for relevant stakeholders in the development and management of talent;
- To monitor and report on talent management key results areas and indicator.

HR Risk Management

- To increase the probability and impact of positive events and decrease the probability and impact of negative events caused by people factors on the achievement of organisational objectives;
- To align HR and people management practices within the governance, risk and compliance framework and integrated reporting model of the organisation;
- To ensure appropriate risk assessment practices and procedures relating to people factors are embedded within the organisation;

- To ensure appropriate risk controls are designed and applied to HR activities and that interventions are based on evidence to ensure best use of time and resources (efficient and cost-effective);
- To contribute in creating and sustaining a risk management culture in an organisation which also encourages innovation, creativity, management by fact and continuous learning.

Workforce Planning

- To design a strategic workforce plan which meets the needs of the organisation in consultation with line management, and adjust strategy accordingly, taking into account workforce and labour market trends in relation to the relevant industry sector, within the spirit of the employment equity legislation;
- To align the workforce planning cycle with the strategic planning and budgeting cycle of the organisation, as well as talent management where relevant;
- To ensure appropriate budgeting or cost modelling to prepare the budget for the workforce plan;
- To ensure an adequate supply and pipeline of appropriately qualified staff through sourcing staff and building the future supply of the right skills to meet the needs of the organisation.

Learning and Development

- To create an occupationally competent and engaged workforce which builds organisational capability, providing employees with opportunities to develop new knowledge and skills;
- To focus learning and development plans on improving people's ability to perform to achieve organisational objectives and provide the means for measuring the impact of learning and development interventions;
- To support and accelerate skills development and achievement of employment equity and organisational transformation and limit the impact of skills shortages;
- To create a learning culture and environment that enables optimal individual, team and organisation learning and growth in both competencies and behaviour;
- To capture and replicate and enhance critical knowledge within the organisation;
- To ensure learning and development is a catalyst for continuous improvement, change and innovation;
- To introduce and implement online/e-learning to accommodate the "new normal".

Performance Management

- To translate and cascade broad organisational performance drivers into team and individual performance targets;
- To establish and appropriate performance management system, process and methodology relevant to the needs, size, scope and complexity of the organisation which will support the development of a performance culture;
- To link performance management to other HR processes to align appropriate performance consequences (reward, recognition and development opportunities) that attract, retain and motivate employees and to address poor performance;
- To ensure fair, ethical and organisational cultural practices focusing on the achievement of performance targets (that is, a high performance culture) in a sustainable way;
- To measure progress against agreed individual and team objectives that enable attainment of organisational objectives.

Reward and Recognition

- To design and implement an appropriate reward strategy aligned with business strategy, organisation operating conditions, culture, objectives and employment value proposition which drives the achievement of organisation objectives, and achieves a fair balance between the needs of all shareholders;
- To deliver a fair and equitable reward system and process that is ethical, cost effective and sustainable;
- To ensure the reward strategy is in line with current national and international industry and sector norms;
- To ensure compliance with organisational governance principles and practices aligned to national and relevant international governance codes of practice and relevant legislation;
- To design and implement an appropriate recognition strategy which meets employees' need for recognition of particular efforts or achievements which are valuable to the organisation.

Employee Wellness

- To promote opportunities and guidance that enable employees to engage in effective management of their own physical, mental, spiritual, financial and social well-being;
- To enable the employer to manage all aspects of employee wellness that can have a negative impact on employees' ability to deliver on organisational objectives and to demonstrate the impact of wellness activities on the achievement of organisational objectives;
- To promote a safe and healthy working environment in pursuit of optimum productivity and preservation of human life and health;
- To reduce employee risk emanating from health and wellness issues;
- To contain health and wellness costs;
- To enhance the employment value proposition by means of promoting a culture of individual health and overall organisational wellness.

Employee Relations Management

- To create a climate of trust, cooperation and stability within an organisation and a harmonious and productive working environment which enables the organisation to compete effectively in its market place and contributes to a respected reputation;
- To provide a framework for conflict resolution;
- To provide a framework for collective bargaining where relevant;
- To ensure capacity building and compliance to relevant labour legislation, codes of good practice (ILO and Department of Labour) and international standards.

Organisational Development

- To establish links with organisational purpose across all levels and functions of an organisation;
- To ensure organisation design facilitates the purpose of the organisation;
- To improve the ability of individuals, teams, departments and functions to work co-operatively to meet organisation objectives and optimise engagement at work;
- To facilitate stakeholder involvement in all OD processes to ensure optimum engagement;
- To build the relevant OD capability to meet organisational needs;
- To ensure compliance with relevant continuous improvement principles and good practices.

HRM Service Delivery

- To ensure timeousness, consistency, credibility and quality in the delivery of HR services, using resources productively and measuring and improving on delivery;
- To ensure sustainability of HR practices within the organisation;
- To support the effective management of the human element in an organisation by means of an effective HR service delivery model and system;
- To provide effective professional advice and guidance to managers and employees regarding the correct implementation of labour laws and other legislative requirements, HR policies, practices and procedures;
- To establish functional standards for accurate HR record-keeping and administration, developing and implementing an end-user friendly administrative process and system enabling proper data management;
- To measure employee engagement on the one hand, and satisfaction with the delivery of HR services on the other hand.

HRM Technology

- To leverage technology to allow easy access to relevant data (real-time, self-service) in compliance with relevant data security and other information technology compliance requirements, laws, codes and standards (privacy); and to support efficiency and effectiveness in HR functions (for example, learner management systems and e-learning in Learning and Development); and to create more capacity within existing HR structures to deliver value-adding services and interventions;
- To consolidate and rapidly extract HR information in real time to deliver effective presentation of HR information to the board or governing body, line management and executive committee meetings to support planning, decision-making and management of the workforce with full knowledge of potential people risks;
- To streamline the HR Management System and its associated processes for effective and efficient use;
- To ensure that appropriate information security principles, policies and practices are developed and implemented;
- To enable the effective implementation of change and improvements to the technology solutions to ensure they remain continually aligned with the organisation's objectives;
- To provide for technology equipment to introduce and implement online/e-learning.

HRM Measurement

- Determine measurement approaches, methodologies and metrics to assess the effectiveness and efficiency of HR practices;
- Identify relevant measurement areas for the purpose of integrated reporting;
- Implement appropriate tools and methods to measure timely the efficiency, effectiveness and consistency of HR practices across the organisation;
- Provide a clear framework for measuring HR impact on the bottom-line of the organisation;
- Develop performance indicators for HR service delivery and business impact and present to the organisation in an appropriate HR Scorecard.

RISK ASSESSMENT

A human resources SWOT analysis considers internal and external factors that can either increase or obstruct the human resources functions within the organisation. The acronym SWOT stands for Strengths, Weaknesses, Opportunities and Threats. This analysis can help speed the human resources transition from reactive to proactive mode to enhance the HR strategy and function.

Strengths	**Weaknesses**
• Thorough understanding of strategies and objectives • Functionality – flat hierarchy resulting in quicker decision-making • Building an outstanding workforce • Being an employer of choice • Quick to respond to changes • Skills to give effect to the Plan • Job descriptions implemented • Policies and procedures implemented • Introduced online/e-learning as the "new normal" • Implementation of the Municipal Staff Regulations	• Budget constraints • Employee morale • High turnover • mSCOA-compliant HR system • Modest advertising budget • Area of jurisdiction – higher cost due to distances / limited reachability • Outdated HR System software in place • Recruit process (background screening, pre-employment assessments) • Existing workload of HR personnel and line managers to high • HR personnel has no project planning experience • Cost of technology investment too high • Budget allocation to implement online/e-learning - equipment • No budget for short-term incentives
Opportunities	**Threats**
• Workforce growth • Inclusion of stakeholders / role-players in process • Employee satisfaction • Conflict resolution • Handling of absenteeism / tardiness • Change of learning platform from classroom-based to online/e-learning • Balance of delivering core Human Resource programs and services for employees • Advancing the strategic initiatives outlined in the Integrated Development Plan of the Municipality	• Uncertain economic environment • Rising cost of recruitment • Little loyalty and buy-in from stakeholders / role-players • Uncertainty regarding agency service delivery functions

PERFORMANCE HIGHLIGHTS

Employment Equity

- Enhanced the capabilities of the historically disadvantaged through the development and introduction of practical measures (i.e. skills development), which supports their advancement within the Municipality.
- Inculcated a culture in the Municipality that values diversity and supports affirmation of those who have previously been unfairly disadvantaged.
- Speed up the achievement of progressive numeric targets set for 1 October 2022 to 30 September 2023.

Skills Development

Education, Training and Development

On 21 April 2022 the Municipality submitted the 2023 / 2024 Workplace Skills Plan, as well as the Annual Training Report for the 2022/2023 financial year. Based on adherence to the Skills Development Act, 1997 (Act No 97 of 1998) and the Skills Development Levies Act and Regulations, 1999 (Act No 9 of 1999) the Municipality received a total amount of R731 360 from the LGSETA for mandatory grant and discretionary grant. During the 2022/2023 financial year, a total of 521 employed beneficiaries and 112 unemployed beneficiaries participated in various training and skills development programmes, including but not limited to learnerships, apprenticeships, structured skills programmes, internal and external bursaries and short courses at a total cost of R2 065 100.

Labour Relations

The WCDM promotes sound labour relations by facilitating an atmosphere of collective bargaining at the workplace. The Local Labour Forum has been established to facilitate and organise employee participation. Furthermore, relevant stakeholders and trade unions have been involved in the adoption of Human Resource Management policies and procedures as well as the implementation of the Municipal Staff Regulations. These processes have helped to create a stable environment within the Municipality, which is conducive to accelerating service delivery and developmental objectives of the Municipality.

COMMENTS

The work of HR advances corporate culture and builds the workforce capacity needed for the organisation to deliver effective and efficient services to the community. The work of the HR division and the organisation already has been recognised externally, resulting in the Municipality being a lead employer in the Region, the Western Cape Province and Nationally.

Table 3.17.1: Employees: Human Resource Services

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	1	1	1	0	0
4–6	0	0	0	0	0
7–9	2	2	2	0	0
10–12	2	2	1	1	50
13–15	1	1	1	0	0
16–18	1	1	1	0	0
19–20	0	0	0	0	0
Total	**7**	**7**	**6**	**1**	**14**

Table 3.17.2: Financial performance: Human Resource Services

Financial Performance: Human Resource Management					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	2 939 778.22	3 533 914.00	3 671 914.00	3 484 837.63	5.09%
Other	318 007.60	439 844.00	495 844.00	399 939.81	19.34%
Total Operating Expenditure	3 257 785.82	3 973 758.00	4 167 758.00	3 884 777.44	6.79 %
Net Operating Expenditure		-	-	-	-

Table 3.17.3: Financial performance: Training

Financial Performance: Training					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	715 601.95	208 706.00	658 706.00	866 047.19	(31.48%)
Expenditure:	-	-	-	-	-
Employees	989 623.65	1 193 410.00	1 191 114.00	1 121 755.49	5.82%
Other	910 470.92	963 319.00	2 915 615.00	893 795.91	69.34%
Total Operating Expenditure	1 900 094.57	2 156 729.00	4 106 729.00	2 015 551.40	50.92%
Net Operating Expenditure		-	-	-	-

3.18 INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES

INTRODUCTION

- To provide an efficient, secure, stable and reliable network infrastructure that supports data and/or voice requirements for the West Coast District Municipal service delivery initiatives.
- To provide timely and effective technical assistance to all departments within the Municipality
- To provide hardware, software application and technical support to end users and service providers;
- To provide effective management of the West Coast District Municipal technical resources through resource tracking, project management, training, clerical assistance, desktop and managerial support;
- Consolidate of all ICT and audiovisual related needs assessments from departments into a workable format for prioritization during the budgetary process;
- Report on the status and performance of the ICT infrastructure and security to management and council.

PURPOSE

The purpose of the Information Technology section is to provide efficient, effective and secure services to the West Coast District Municipality. ICT incorporates electronic technologies and techniques used to manage information and knowledge, including information-handling tools used to produce, process, distribute and exchange of information. It also incorporates the building of communication networks, safeguarding data and information, and troubleshooting computer problems. To ensure that ICT tasks will be prioritized and executed according the ICT Strategic Plan. ICT should be used as a Strategic Tool to achieve objectives and business initiatives and to assist in strategic decision making.

CHALLENGES

One of the biggest challenges of IT/ICT is the Strategic Mandate it does not yet have. ICT can play an integral role in the Strategic goals of the municipality. ICT must be an important driver in accomplishing the Organizations Strategic goals. The ICT environment underwent and is still experiencing extensive changes and the lack of expertise and staff result in an over reliance of service providers.

PERFORMANCE HIGHLIGHTS

The ICT section has been on the forefront of developing new talent. We have embarked on a Internship journey in where the young minds of tomorrow can get exposure to Public\Corporate ICT environments.

Table 3.18.1: Employees: ICT

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0	0	0	0
4–6	0	0	0	0	0
7–9	0	0	0	0	0
10–12	1	1	1	0	0
13–15	1	1	1	0	0
16–18	0	0	0	0	0
19–20	0	0	0	0	0
Total	**2**	**2**	**2**	**0**	**0**

Table 3.18.2: Financial performance: ICT (R'000)

Financial Performance: Information Technology					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	1 576 486.89	1 667 093.00	1 667 093.00	1 707 812.48	(2.44%)
Other	5 689 657.66	4 942 544.00	4 942 544.00	4 459 653.56	9.77%
Total Operating Expenditure	7 266 144.55	6 609 637.00	6 609 637.00	6 167 466.04	6.69%
Net Operating Expenditure		-	-	-	-

3.19 OFFICE OF THE MUNICIPAL MANAGER

The District Municipality's macro-organisational structure reflects the Council's policy according to which the micro-organisational structure had been developed. The District Municipality consists of three departments with their respective divisions as well as the Office of the Municipal Manager.

The three departments report to the Municipal Manager

1. Administration and Community Services
2. Finance
3. Technical services

The following divisions report to the Office of the Municipal Manager:

1. Human Resources
2. Internal Auditing
3. Integrated development planning
4. Intergovernmental relations
5. Economic Development Development
6. Tourism

Table 3.19.1: Employees: Office of the Municipal Manager

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	1	1	1	0	0
4–6	0	0	0	0	0
7–9	0	0	0	0	0
10–12	2	3	2	1	33
13–15	0	0	0	0	0
16–18	1	1	1	0	0
19–20	0	0	0	0	0
Total	**4**	**5**	**4**	**1**	**20**

Table 3.19.1

Tourism, Human Resources and Internal Audit separate

Table 3.19.2: Financial performance: Office of the Municipal Manager

Financial Performance: Office of the Municipal Manager					
Details	**2021/2022**	**2022/2023**			
	Actual	**Original budget**	**Adjustments budget**	**Actual**	**Variance from budget**
Total Operating Revenue	-	-	2 920 000.00	1 820 000.00	37.67 %
Expenditure:	-	-	-	-	-
Employees	2 693 491.74	2 739 403.00	2 637 474.00	2 695 717.49	(2.21%)
Other	203 742.57	259 111.00	3 281 040.00	2 058 074.17	37.27%
Total Operating Expenditure	2 897 234.31	2 998 514.00	5 918 514.00	4 753 791.66	19.68 %
Net Operating Expenditure		-	-	-	-

3.20 INTERNAL AUDIT

INTRODUCTION

The internal audit function plays a crucial role in ensuring the effectiveness of the Municipality's internal controls, risk management, and governance processes.
The West Coast District Municipality adheres to the requirements of Section 165 of the Local Government: Municipal Finance Management Act, No. 56 of 2003, by maintaining an efficient internal audit function.
The internal audit function is accountable to the Audit-and Performance Audit Committee for its functional oversight, while also reporting administratively to the Accounting Officer.

STRATEGIC OBJECTIVE

The internal audit function ensures that its activities are in line with the strategic objectives of the Municipality. This encompasses evaluating the Municipality's internal controls, risk management, and governance processes, as well as identifying any areas for improvement or gaps that may hinder the achievement of strategic objectives.

PURPOSE

Internal auditing enhances the Municipality's success by providing the Council, Audit-and Performance Audit Committee and Management with objective assurance and advice.
Internal auditing strengthens the Municipality's:

- Value creation, protection, and sustainability.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.

Internal auditing is most effective when:

- It is performed by qualified internal auditors in conformance with the international standards for the professional practice of internal auditing.
- The internal audit function is independently positioned with direct accountability to the Audit-and Performance Audit Committee.
- Internal auditors are free form bias and undue influence and committed to making objective assessments.

CHALLENGES

During the 2022/2023 financial year, the internal audit department experienced a vacancy rate of 33% within its staff complement. However, it is important to note that the Municipality is currently reviewing its organogram, and measures are being taken to address and alleviate the vacancy rate within the internal audit function.

PERFORMANCE HIGHLIGHTS

Despite facing resource constraints, the internal audit function demonstrated commendable performance by successfully completing 84% of its risk-based internal audit plan for the 2022/2023 reporting period. This achievement highlights the efficiency and effectiveness of the internal audit team in delivering their responsibilities within the given limitations.

COMMENTS
The internal audit function maintains its unwavering dedication to delivering maximum value and benefits to all its stakeholders.

Table 3.20.1: Employees: Internal Audit

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0	0	0	0
4–6	0	0	0	0	0
7–9	0	0	0	0	0
10–12	3	3	1	2	67
13–15	1	2	1	1	50
16–18	0	0	0	0	0
19–20	0	0	0	0	0
Total	**4**	**5**	**2**	**3**	**60**

Table 3.20.2: Financial Performance: Internal Audit

Financial Performance: Internal Audit					
Details	2021/2022	2022/2023			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total Operating Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	1 895 320.85	2 176 939.00	2 176 939.00	1 289 062.07	40.79%
Other	244 636.75	109 073.00	109 073.00	38 456.08	64.74%
Total Operating Expenditure	2 139 957.60	2 286 012.00	2 286 012.00	1 327 518.15	41.93 %
Net Operating Expenditure		-	-	-	-

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

INTRODUCTION

NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

KPA& Indicators	2021/2022	2022/2023
The percentage of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	56%	45%
The percentage of a municipality's personnel budget actually spent on implementing its workplace skills plan	1.4%	1%

INTRODUCTION TO THE MUNICIPAL WORKFORCE

The budgeted posts on the staff establishment as at 30 June 2023 was 585 and total number of employees was 523 (including non-permanent positions). The primary objective of Human Resource Management is to render an innovative HR service that addresses the management of the human capital of the Municipality, including and not limited to skills development and an administrative function.

EMPLOYMENT EQUITY

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitably qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan".

Employee Distribution by Job Grade / Race / Gender

Total Number of Employees per Job Grade / Race / Gender Note: A=African, C=Coloured, I=Indian, W=Whites									
Job Grade	**Male**				**Female**				**Totals**
	A	**C**	**I**	**W**	**A**	**C**	**I**	**W**	
Section 54A/57 (HoD's)	0	2	0	2	0	0	0	0	**4**
Office of Executive Mayor	3	8	0	5	1	3	0	3	**23**
Interns	0	0	0	1	1	1	0	0	**3**
Grade 18	0	2	0	4	0	0	0	0	**6**
Grade 17	0	1	0	1	0	0	0	0	**2**
Grade 16	0	1	0	2	0	0	0	0	**3**
Grade 15	0	3	0	0	0	0	0	2	**5**
Grade 14	0	5	0	3	0	3	0	0	**11**
Grade 13	0	0	0	4	0	1	0	0	**5**
Grade 12	0	8	0	7	0	5	0	2	**22**
Grade 11	0	11	0	7	5	10	0	2	**35**
Grade 10	0	8	0	6	0	4	0	0	**18**
Grade 9	1	26	0	0	0	8	0	1	**36**
Grade 8	8	49	0	2	0	7	0	0	**66**
Grade 7	0	17	0	1	0	11	0	1	**30**
Grade 6	5	45	0	1	0	5	0	0	**56**
Grade 5	1	14	0	2	0	0	0	0	**17**
Grade 4	2	28	0	0	0	2	0	0	**32**
Grade 3	13	117	0	0	1	18	0	0	**149**
Totals	**33**	**345**	**0**	**48**	**8**	**78**	**0**	**11**	**523**

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

4.1.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 4.1: Employees

Description	2022/2023			
	Approved posts (N)	Employees (N)	Vacancies (N)	Vacancies (%)
Water	108	95	13	12%
Municipal Environmental Health	36	35	1	3%
Security and Safety	3	1	2	67%
Roads	269	217	52	19%
Planning	1	0	1	100%
Planning (strategic and regulatory)	3	2	1	33%
Community and social services	87	82	5	6%
Environmental protection	1	1	0	0%
Corporate policy offices and other	70	62	8	11%
				T4.1.1

Table 4.2: Vacancy rate for 2022/2023

Designations	Approved posts	Employees (N)	Vacancies (N)	Vacancies (%)
Municipal manager	1	1	0	0%
CFO	1	1	0	0%
Other S57 managers (excluding finance posts)	1	1	0	0%
Other S57 managers (finance managers)	0	0	0	0%
Fire fighters	81	76	5	6%
Senior managers: levels 14–18 (excluding finance posts)	27	23	4	15%
Senior managers: levels 14–18 (finance posts)	5	5	0	0%
Highly skilled supervisors: levels 9–13 (excluding finance posts)	139	130	9	6%
Highly skilled supervisors: levels 9–13 (finance posts)	11	11	0	0%
				T4. 2

Table 4.3: Turnover rate

Financial year	Total no appointments at the end of each Financial Year	New appointments	No Terminations during the year	Turn-over Rate
2022/2023	523	23	33	6%
** Types of terminations: Resignations; Dismissed; Retirement; Health; End of Contract; Deceased.*				

4.2 HUMAN RESOURCE POLICIES

The Human Resource Management policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff. The Minister for Cooperative Governance and Traditional Affairs, under section 72, read with section 120 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) published Municipal Staff Regulations on 20 September 2021 in Government Gazette No. 45181 which impacted on the current Human Resources Policies of the Council that needs to be revised to adhere to the mentioned regulations.

Relevant and updated Human Resource Policies are important for the following reasons:

- To drive the corporate governance and ensure compliance with legislation.
- To align with strategic organisational objectives.
- To ensure equitable, fair and standard practices.
- To adapt to market trends and best practice; and
- To achieve overall service excellence and optimisation.

The policies, once consulted and discussed at the Local Labour Forum and recommended by the relevant Council Committees, and approved by Council, shall supersede all previous policies from the date of Council approval. Any dispute arising from this policy due to ambiguous wording or phrasing shall be referred to the Local Labour Forum for further consultation and to Council for adjudication.

The revised Human Resource Policies were developed by using the following principles:

- Alignment with organisational objectives and values.
- The policies will contribute to efficiency and effectiveness in the Municipality.
- The policy addresses the following:
    - Adaptation to environmental circumstances influencing the Municipality;
    - Enhancement of the Municipality's organisational environment; and
    - Acknowledgement of current practises and processes.

The Municipality shall review and update Human Resources Policies as per the events below:

Occurrence	Description
New/ updated legislation	New legislation may impact the conditions of services, which require updates to policies. As legislation is passed, the impact on policies should immediately be assessed.
Periodic review	Regular review of policies should take place to ensure alignment and compliance. This should happen annually, at the start of the new financial year.
Operational issues	Operational process issues can highlight inadequacies in existing policies. This can happen on *ad hoc* basis.
Risk assessment	Risk assessment or policy implementation audits can identify policy issues.
Collective agreements	Collective agreements impact internal conditions of services, which require updates to policies. Impact on policies should be assessed once an agreement is signed.

For the purposes of this report, the current HRM policies are listed. The Policies as discussed above will be implemented from 1 July 2023 and reflect in the next annual report.

Table 4.4: Human resource policies and plans

	Name of policy	Completed (%)	Reviewed (%)	Year adopted by council or comment on the failure to adopt
1.	Acting Policy	100%	100%	Refer to Council
2.	Attendance and Punctuality Policy	100%	100%	Refer to Council
3.	Chronic Illness Policy	100%	100%	Refer to Council
4.	Code of Conduct	100%	N/A	MSA 32 of 2000
5.	Confidentiality Policy	100%	100%	2014
6.	COVID-19: Preventing and Managing Coronavirus Infection in the Workplace	100%	N/A	2020
7.	COVID-19: Workplace Plan	100%	N/A	2020
8.	Disability Policy	100%	100%	Refer to Council
9.	Disciplinary and Grievance Procedure	100%	100%	SALGBC
10.	Dress Code Policy	100%	100%	2008
11.	Education, Training and Development Policy	100%	100%	Refer to Council
12.	Employee Assistance Programme Policy	100%	100%	2014
13.	Employee Study Aid and Leave Policy	100%	100%	2008
14.	Employment of Persons with Criminal Record Policy	100%	100%	Refer to Council
15.	Extra Service Allowance	100%	100%	Refer to Council
16.	Experiential Learning Policy	100%	100%	Refer to Council
17.	Hepatitis B Policy	100%	100%	2016
18.	HIV/ AIDS Policy	100%	100%	2008
19.	HR Strategic Plan	90%	100%	Refer to Council
20.	Induction Policy	100%	100%	Refer to Council
21.	Internet and Email policy	100%	100%	2008
22.	Manage Poor Work Performance Policy	100%	100%	Refer to Council
23.	Maternity Benefit Policy	100%	100%	2014
24.	Municipal External Bursary Fund Policy	100%	100%	2017
25.	Nepotism	100%	100%	Refer to Council
26.	Occupational Health and Safety Policy	100%	100%	Refer to Council
27.	Overtime Policy	100%	100%	Refer to Council
28.	Private Work and Declaration of Interest Policy	100%	100%	2016
29.	Recognition of Long Service	100%	100%	Refer to Council
30.	Recruitment and Selection Policy	100%	100%	Refer to Council
31.	Remuneration Policy	90%	100%	Refer to Council
32.	Sexual Harassment Policy	100%	100%	Refer to Council
33.	Smoking Policy	100%	100%	Refer to Council
34.	Staff Statement to the Media Policy	100%	100%	2014
35.	Student Assistance Policy	100%	100%	Refer to Council
36.	Study Bursary Policy	100%	100%	Refer to Council
37.	Substances Abuse Policy	100%	100%	2016
38.	Succession Planning Career Pathing Policy	100%	100%	Refer to Council
39.	T.A.S.K. Job Evaluation Policy	100%	100%	Refer to Council
40.	Transport Allowance Scheme Policy	100%	100%	Refer to Council
41.	Travel and Removal Expenses Policy	100%	100%	Refer to Council
42.	Travel- and subsistence Policy	100%	100%	Refer to Council
43.	Uniform and Protective Clothing Policy	100%	100%	2014
44.	Unpaid Leave Policy	100%	100%	Refer to Council
45.	Use of Official Vehicle Policy	100%	100%	2008
46.	Whistleblowing Policy	100%	100%	2014
47.	Work from Home Policy	100%	N/A	Draft

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE
4.3 INJURIES, SICKNESS AND SUSPENSIONS – 2022/2023

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. The occupational injury will influence the loss of man hours and therefore financial and productivity performance.

Table 4.5: Number and cost of injuries on duty

Type of injury	Total of injuries	Injury leave taken (Days)	Employees using injury leave (N)	Proportion of employees using sick leave (%)	Average injury leave per employee (Days)	Total estimated cost (R'000)
Required basic medical attention only	33	21	33	100	2	**R10196.94**
Temporary total disablement	11	210	11	100	19	**R 129897.23**
Permanent disablement	0	0	0	0	0	0
Fatal	0	0	0	0	0	0
Total	**44**	**231**	**44**	**100**	**21**	**R140094.17**
						T4.5

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

Table 4.6: Number of days and cost of sick leave (excluding injuries on duty)

Designations	Total sick leave (Days)	Proportion of sick leave without medical certification (%)	Employees using sick leave (N)	Total employees in post* (N)	Average sick leave per employee** (Days)	Estimated cost (R'000)
Lower skilled (levels 1–2)						
Skilled (levels 3–5)						
Highly skilled (levels 6–8)						
Highly skilled supervision (levels 9–12)						
Senior management (levels 13–18)						
MM and S57						
Total						

T4.6

**Number of employees in post at the beginning of the year.*
***Average calculated by taking sick leave in column 2 divided by total employees in column 5.*

Table 4.7: Number and period of suspensions

Position	Nature of alleged misconduct	Date of suspension	Details of disciplinary action taken or status of case and reasons why not finalised	Date finalised
Senior Manager: Income and Expenditure	Rude, insulting, arrogant, provocative, intimidating or aggressive behaviour towards a co-worker	11/01/2023	10 Days suspension without pay.	21/01/2023

Table 4.8: Disciplinary action taken against cases of financial misconduct

Position	Nature of alleged misconduct and rand value of loss to the Municipality	Disciplinary action taken	Date finalised
None			

4.4 PERFORMANCE REWARDS

No performance reward system for permanent employees.
Performance contracts are entered into with the Section 57 employees.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE
4.5 SKILLS DEVELOPMENT AND TRAINING

4.5.1 INTRODUCTION: WORKFORCE CAPACITY DEVELOPMENT

Training initiatives are rolled out in the Municipality, including apprenticeships as mechanic, painter, carpenter and bricklayer trades, as well as learnerships in water process control and the construction of roads. Training for fire personnel and health and safety management are priorities in the Municipal District. Short courses to upskill skilled employees are rolled out annually according to the Workplace Skills Plan, which is linked to the strategic objectives of the West Coast District Municipality.

Table 4.9: Skill matrix

Management level	Gender	Employees in post as at 30 June 2023 (N)	Number of skilled employees required and actual as at 30 June 2023			
			Received training		Percentage	
			Original	Actual	Original	Actual
Legislators	Female	7	3	3	36%	36%
	Male	18	6	6		
Managers	Female	4	4	2	90%	95%
	Male	16	14	17		
Professionals	Female	23	17	19	81%	81%
	Male	20	18	16		
Technicians and associate professionals	Female	19	5	5	49%	59%
	Male	51	29	36		
Total		**158**	**96**	**104**	**61%**	**66%**
						T4.9

Table 4.10: Financial competency development: Progress report*

Description	A. Total: Officials employed	B. Total: Officials employed by	Consolidated: total: A + B	Competency assessments completed:	Total: Officials with performanc	Total: Officials meeting prescribed
Financial officials						
Accounting officer	1	0	1	1	1	1
Chief financial officer	1	0	1	1	1	1
Senior managers	2	0	2	2	2	2
Any other financial official	2	0	2	0	0	2
SCM officials						
Heads of SCM units	1	0	1	0	0	1
SCM senior manager	0	0	0	0	0	0
Total	**7**	**0**	**7**	**4**	**4**	**7**
**This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulation (June 2007).*						
						Table 4.10

Table 4.11: Skills development and expenditure (R'000)

Management level	Gender	Employees in post as at 30 June 2023 (N)	Total number of employees who received training and percentage			
			Received training		%	
			Original	Actual	Original	Actual
Legislators	Female	7	3	3	36%	36%
	Male	18	6	6		
Managers	Female	4	4	2	90%	95%
	Male	16	14	17		
Professionals	Female	23	17	19	81%	81%
	Male	20	18	16		
Technicians and associate professionals	Female	19	5	5	49%	59%
	Male	51	29	36		
Clerical support workers	Female	18	13	10	64%	48%
	Male	7	3	2		
Services and Sales workers	Female	5	5	5	91%	81%
	Male	69	62	55		
Skilled Agricultural, Forestry, Fishery, Craft and Related	Female	0	0	0	94%	100%
	Male	16	15	16		
Plant and Machine operators and Assemblers	Female	1	0	0	55%	81%
	Male	46	26	38		
Elementary occupations	Female	19	6	6	57%	53%
	Male	189	112	104		
Total		**528**	**338**	**340**	**64%**	**64%**
						Table 4.11

Total actual training spent for the year: r

CHAPTER 5

FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

CHAPTER 5: FINANCIAL PERFORMANCE

INTRODUCTION
Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- **Component A:** Statement of Financial Performance
- **Component B:** Spending Against Capital Budget
- **Component C:** Other Financial Matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K.**

DC1 West Coast - Reconciliation of Table A1 Budget Summary

Description	2022/23								2021/22			
R thousands	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
Financial Performance												
Property rates	–	–	–	–		–	-	-				–
Service concession	126 633	–	126 633	139 358		12 725	110,0%	110,0%				112 835
Investment revenue	14 942	–	14 942	24 602		9 660	164,6%	164,6%				14 185
Transfers recognised - operational	30 193	3 520	33 713	37 236		3 523	110,4%	123,3%				28 334
Other own revenue	293 232	93 759	386 991	351 621		(35 370)	90,9%	119,9%				327 293
Total Revenue (excluding capital transfers and contributions)	**464 999**	**97 279**	**562 278**	**552 816**		**(9 462)**	**98,3%**	**118,9%**				**482 646**
Employee costs	231 551	(1 596)	229 956	226 480	–	(3 475)	98,5%	97,8%	–	–	–	213 762
Remuneration of councillors	7 229	–	7 229	7 594	–	365	105,0%	105,0%	–	–	–	7 568
Debt impairment	1 970	–	1 970	999	–	(971)	50,7%	50,7%	–	–	–	2 255
Depreciation & asset impairment	11 238	–	11 238	10 121	–	(1 117)	90,1%	90,1%	–	–	–	8 574
Finance charges	1 090	184	1 274	65	–	(1 210)	5,1%	5,9%	–	–	–	323
Materials and bulk purchases	78 861	44 616	123 477	86 189	–	(37 287)	69,8%	109,3%	–	–	–	95 422
Transfers and grants	1 458	1 698	3 155	2 094	–	(1 061)	66,4%	143,7%	–	–	–	913
Other expenditure	136 957	54 803	191 759	177 638	–	(14 121)	92,6%	129,7%	–	–	–	145 694
Total Expenditure	**470 354**	**99 704**	**570 059**	**511 181**	**–**	**(58 878)**	**89,7%**	**108,7%**	**–**	**–**	**–**	**474 512**
Surplus/(Deficit)	**(5 355)**	**(2 425)**	**(7 780)**	**41 635**		**49 416**	**-535,1%**	**-777,5%**				**8 135**
Transfers recognised - capital	213	4 598	4 811	–		(4 811)	-	-				–
Contributions recognised - capital & contributed assets	–	–	–	–		–	-	-				–
Surplus/(Deficit) after capital transfers & contributions	**(5 143)**	**2 173**	**(2 970)**	**41 635**		**44 605**	**-1402,0%**	**-809,6%**				**8 135**
Share of surplus/ (deficit) of associate	–	–	–	–		–	-	-				–
Surplus/(Deficit) for the year	**(5 143)**	**2 173**	**(2 970)**	**41 635**		**44 605**	**-1402,0%**	**-809,6%**				**8 135**
Capital expenditure & funds sources												
Capital expenditure												
Transfers recognised - capital	213	4 598	4 811	–		(4 811)	-	0,0%				–
Public contributions & donations	–	–	–	–		–	-	-				–
Borrowing	–	–	–	–		–	-	-				–
Internally generated funds	14 010	8 826	22 836	19 473		(3 362)	85,3%	139,0%				16 541
Total sources of capital funds	**14 223**	**13 424**	**27 646**	**19 473**		**(8 173)**	**70,4%**	**136,9%**				**16 541**
Cash flows												
Net cash from (used) operating	19 719	33 063	52 782	35 052		(17 730)	66,4%	177,8%				19 643
Net cash from (used) investing	(12 723)	(13 424)	(26 146)	(17 968)		8 179	68,7%	141,2%				(13 171)
Net cash from (used) financing	(1 500)	–	(1 500)	(1 500)		–	0,0%	0,0%				(3 000)
Cash/cash equivalents at the year end	**326 786**	**19 639**	**321 290**	**344 329**		**23 039**	**107,2%**	**105,4%**				**328 744**

DC1 West Coast - Reconciliation of Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2022/23								2021/22			
R thousand	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
Revenue By Source												
Property rates	–	–	–	–		–	-	-				–
Property rates - penalties & collection charges	–	–	–	–		–	-	-				–
Service concession - electricity revenue	1 419	–	1 419	1 254		(166)	88,3%	88,3%				1 223
Service concession - water revenue	125 019	–	125 019	137 919		12 899	110,3%	110,3%				111 430
Service concession - sanitation revenue	113	–	113	108		(4)	96,1%	96,1%				106
Service concession - refuse revenue	81	–	81	78		(4)	95,1%	95,1%				76
Service concession - other	–	–	–	–		–	-	-				–
Rental of facilities and equipment	3 528	–	3 528	4 746		1 217	134,5%	134,5%				4 639
Interest earned - external investments	14 942	–	14 942	24 602		9 660	164,6%	164,6%				14 185
Interest earned - outstanding debtors	152	–	152	80		(72)	52,9%	52,9%				73
Dividends received	–	–	–	–		–	-	-				–
Fines	–	–	–	–		–	-	-				–
Licences and permits	247	–	247	342		95	138,3%	138,3%				264
Agency services	169 423	88 727	258 150	249 518		(8 631)	96,7%	147,3%				230 060
Transfers recognised - operational	30 193	3 520	33 713	37 236		3 523	110,4%	123,3%				28 334
Other revenue	119 882	5 032	124 914	96 935		(27 980)	77,6%	80,9%				92 257
Gains on disposal of PPE	–	–	–	–		–	-	-				–
Total Revenue (excluding capital transfers and contributions)	**464 999**	**97 279**	**562 278**	**552 816**		**(9 462)**	**98,3%**	**118,9%**				**482 646**
Expenditure By Type			–				-	-				
Employee related costs	231 551	(1 596)	229 956	226 480	–	(3 475)	98,5%	97,8%	–	–	–	213 762
Remuneration of councillors	7 229	–	7 229	7 594	–	365	105,0%	105,0%	–	–	–	7 568
Debt impairment	1 970	–	1 970	999	–	(971)	50,7%	50,7%	–	–	–	2 255
Depreciation & asset impairment	11 238	–	11 238	10 121	–	(1 117)	90,1%	90,1%	–	–	–	8 574
Finance charges	1 090	184	1 274	65	–	(1 210)	5,1%	5,9%	–	–	–	323
Bulk purchases	–	–	–	–	–	–	-	-	–	–	–	12 414
Other materials	78 861	44 616	123 477	86 189	–	(37 287)	69,8%	109,3%	–	–	–	83 008
Contracted services	38 721	45 131	83 852	72 631	–	(11 221)	86,6%	187,6%	–	–	–	49 653
Transfers and grants	1 458	1 698	3 155	2 094	–	(1 061)	66,4%	143,7%	–	–	–	913
Other expenditure	96 518	9 672	106 190	104 942	–	(1 248)	98,8%	108,7%	–	–	–	96 041
Loss on disposal of PPE	1 717	–	1 717	65	–	(1 652)	3,8%	3,8%	–	–	–	–
Total Expenditure	**470 354**	**99 704**	**570 059**	**511 181**	**–**	**(58 878)**	**89,7%**	**108,7%**	**–**	**–**	**–**	**474 512**
Surplus/(Deficit)	**(5 355)**	**(2 425)**	**(7 780)**	**41 635**		**49 416**	**-535,1%**	**-777,5%**				**8 135**
Transfers recognised - capital	213	4 598	4 811	–		(4 811)	-	-				–
Contributions recognised - capital	–	–	–	–		–	-	-				–
Contributed assets	–	–	–	–		–	-	-				–
Surplus/(Deficit) after capital transfers & contributions	**(5 143)**	**2 173**	**(2 970)**	**41 635**		**44 605**	**-1402,0%**	**-809,6%**				**8 135**
Taxation	–	–	–	–		–	-	-				–
Surplus/(Deficit) after taxation	**(5 143)**	**2 173**	**(2 970)**	**41 635**		**44 605**	**-1402,0%**	**-809,6%**				**8 135**
Attributable to minorities	–	–	–	–		–	-	-				–
Surplus/(Deficit) attributable to municipality	**(5 143)**	**2 173**	**(2 970)**	**41 635**		**44 605**	**-1402,0%**	**-809,6%**				**8 135**
Share of surplus/ (deficit) of associate	–	–	–	–		–	-	-				–
Surplus/(Deficit) for the year	**(5 143)**	**2 173**	**(2 970)**	**41 635**		**44 605**	**-1402,0%**	**-809,6%**				**8 135**

5.2 GRANTS

	30 June 2023	30 June 2022
Western Cape Financial Management Grant (Risk & MSCOA)	-	-
Local Government Graduate Internship Grant	40 984	172 072
Western Cape Financial Management Grant (IDP & Internship)	-	-
Community Development Grant	89 843	101 813
RSC Levy Replacement Grant (Equitable Share)	80 366 000	78 469 661
Equitable Share	23 008 000	21 002 000
Fire Services Grant	821 000	-
Financial Management Grant	1 000 000	1 000 000
EPWP	1 194 000	1 401 000
Road Infrastructure Grant	1 900 000	-
Provincial Government - Regional co-ordination and Mentoring Grant	50 819	-
Rural Roads Management	2 706 650	2 586 000
Provincial Government - Joint District Initiative	1 820 000	-
Provincial Government - Public Employment Grant	200 000	-
Provincial Government - Community Safety : WOSA	3 030 440	1 251 574
Working for Water	624 414	474 981
Other Government Grants and Subsidies	749 447	344 290
Total	**117 601 597**	**106 803 391**

5.3 ASSET MANAGEMENT

INTRODUCTION

Property, plant, and equipment are tangible assets that:

- Are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- Are expected to be used during more than one period.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant, and equipment. Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced more than the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance and is expensed.

The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which should be capitalised.

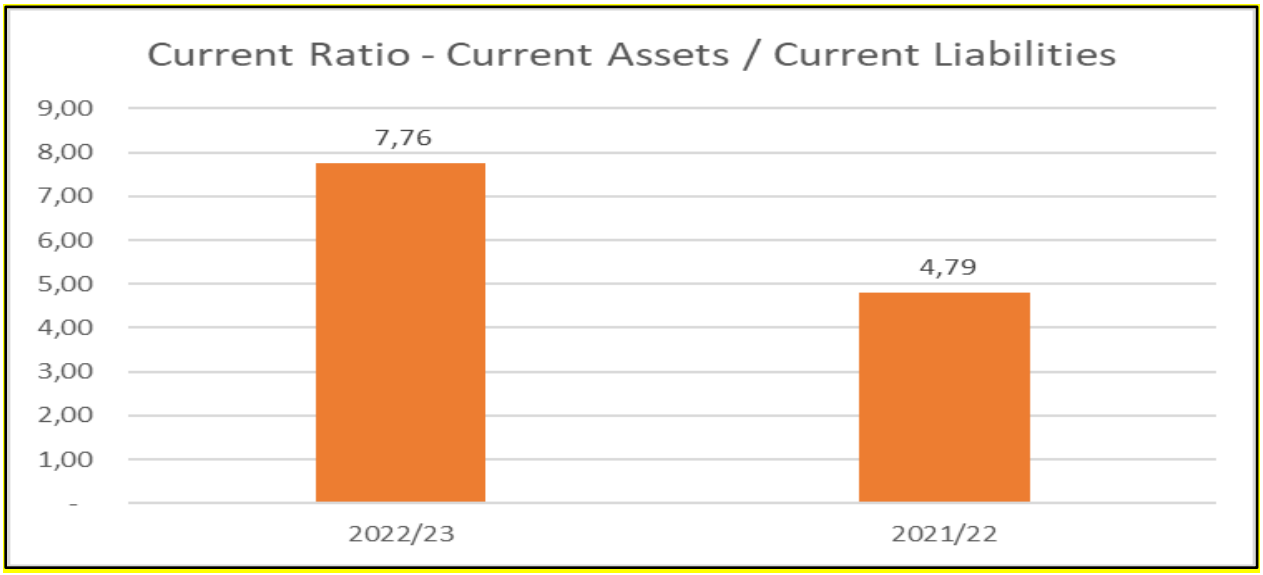
The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset

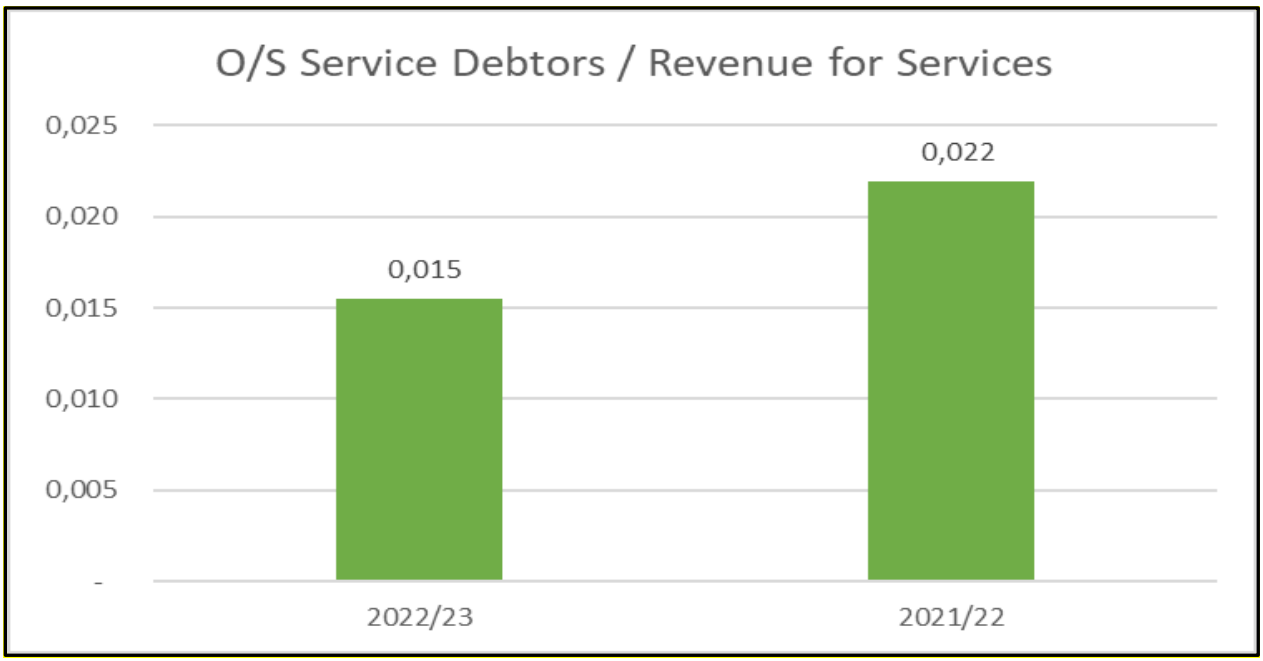
TREATMENT OF THE TWO LARGEST ASSETS ACQUIRED YEAR 1				
Asset 1				
Name	Transport Assets			
Description				
Asset Type	Other Assets			
Key Staff Involved	D Joubert	J C P Tesselaar	C Koch	
Staff Responsibilities	Municipal Manager	Chief Financial Officer	Director: Technical Services	
	Year -2	Year -1	Year 0	Year 1
Asset Value				2 799
Capital Implications	None			
Future Purpose of Asset	Water Services			
Describe Key Issues	None			
Policies in Place to Manage Asset	Asset Management Policy	Supply Chain Policy		Credit Control Policy

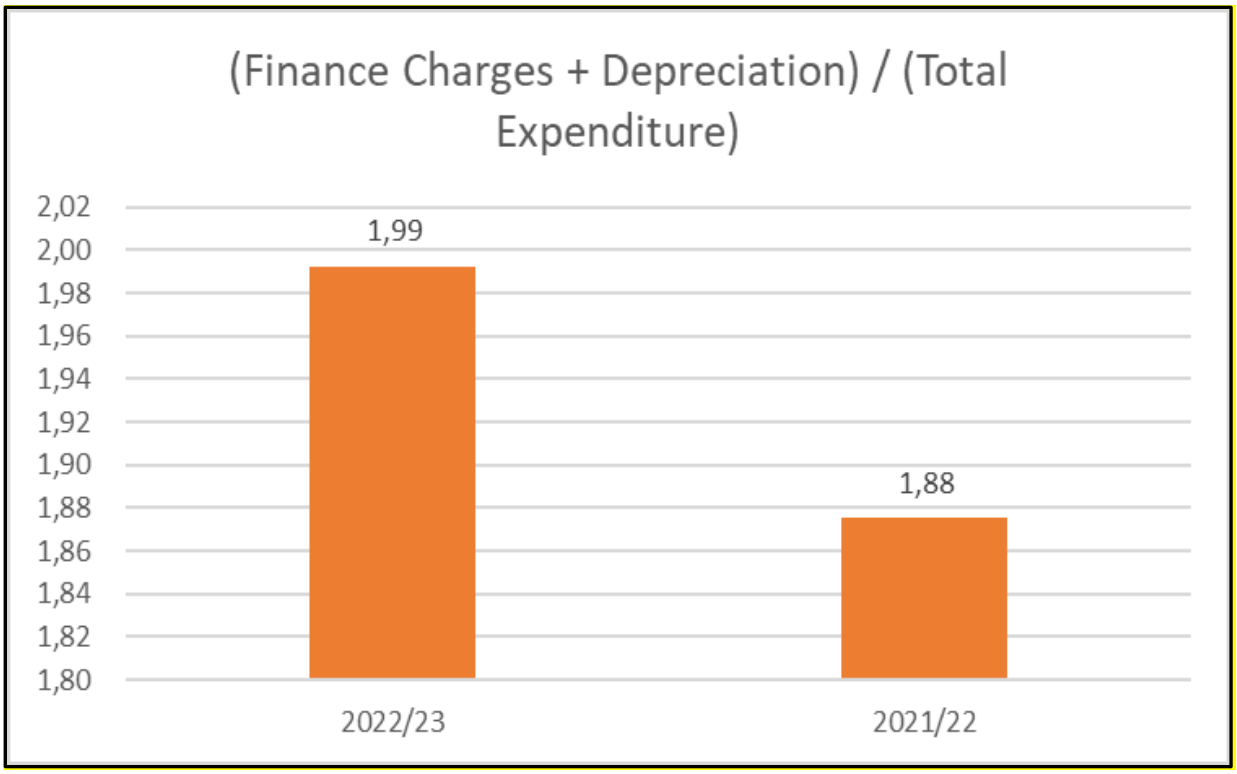
Asset 2				
Name	Technical Services			
Description				
Asset Type	Other Assets			
Key Staff Involved	D Joubert	J C P Tesselaar	C Koch	
Staff Responsibilities	Municipal Manager	Chief Financial Officer	Director: Technical Services	
	Year -2	Year -1	Year 0	Year 1
Asset Value				3 513
Capital Implications	None			
Future Purpose of Asset	Water Services			
Describe Key Issues	None			
Policies in Place to Manage Asset	Asset Management Policy	Supply Chain Policy	Credit Control Policy	
				T5.3.2

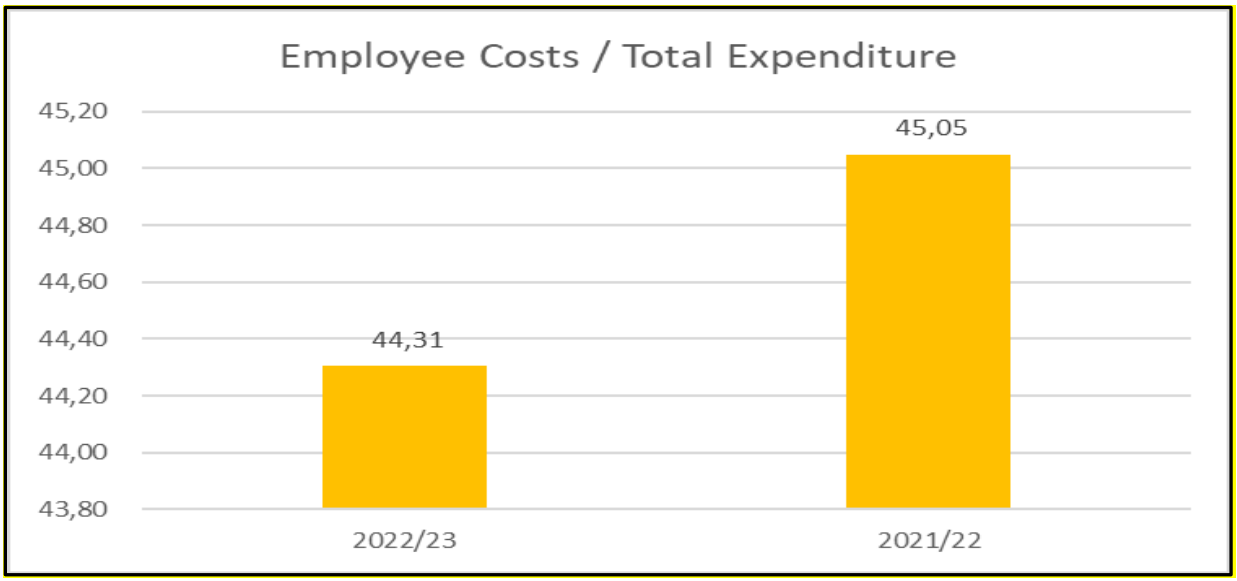
Other Materials: Year 1				
	Original Budget	**Adjustment Budget**	**Actual**	**Budget spent**
Other Materials	78 861	123 477	96 388	78.06%
				T5.3.4

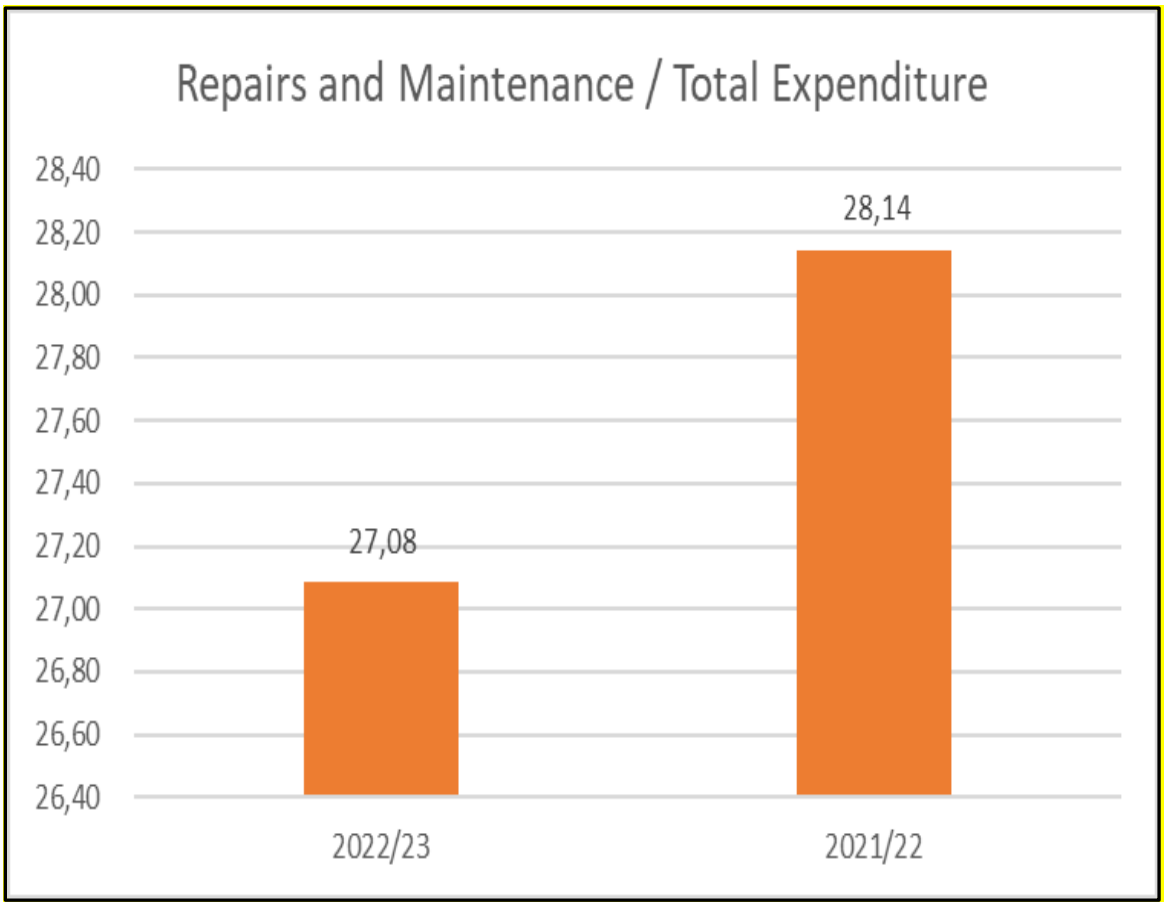
5.4 FINANCIAL RATIO'S






(Finance Charges + Depreciation) / (Total Expenditure)
2,02
2,00
1,98
1,96
1,94
1,92
1,90
1,88
1,86
1,84
1,82
1,80
1,99
1,88
2022/23
2021/22


Employee Costs / Total Expenditure
45,20
45,00
44,80
44,60
44,40
44,20
44,00
43,80
44,31
45,05
2022/23
2021/22

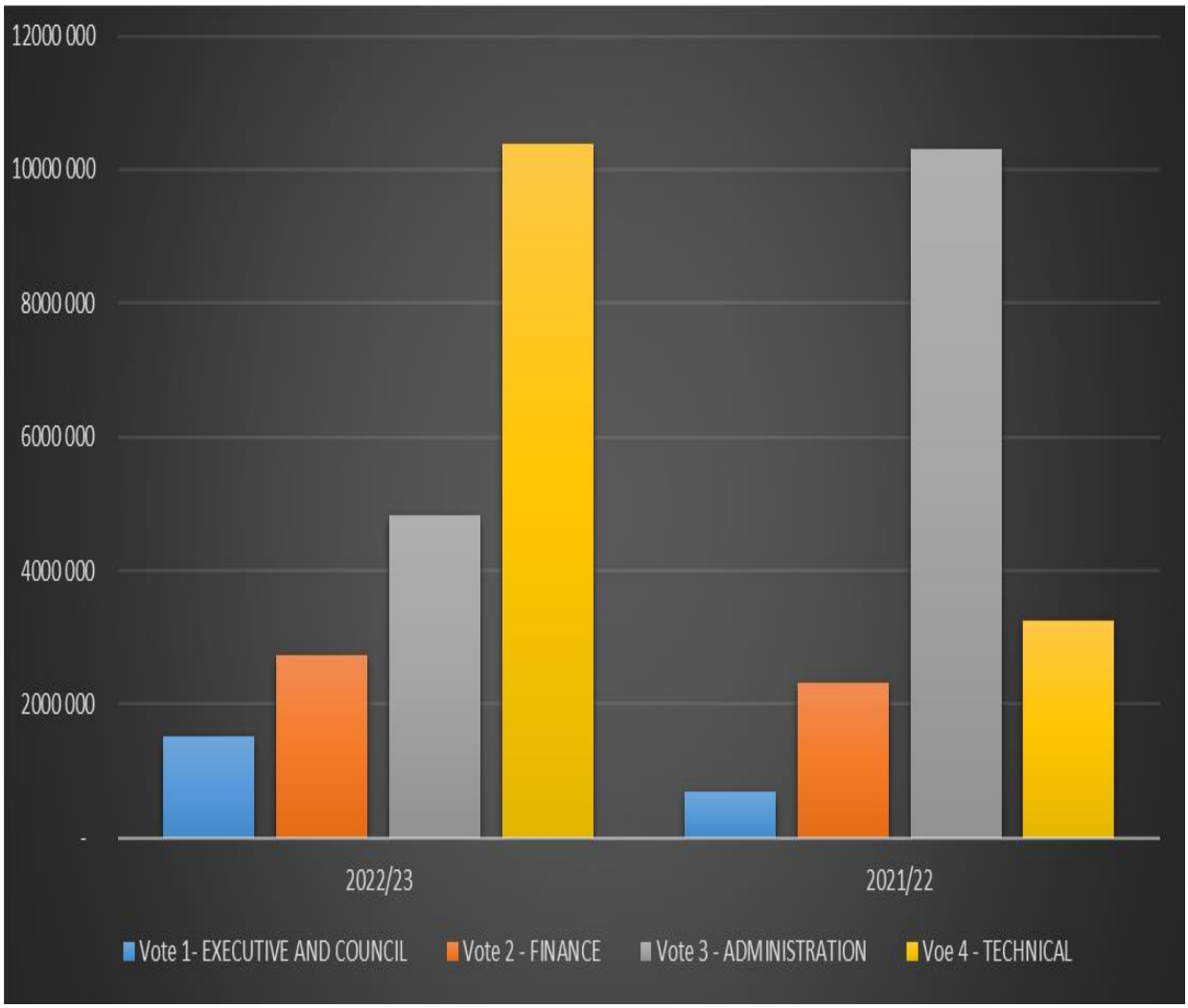

Repairs and Maintenance / Total Expenditure
28,40
28,20
28,00
27,80
27,60
27,40
27,20
27,00
26,80
26,60
26,40
27,08
28,14
2022/23
2021/22

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE BY STANDARD CLASSIFICATION

DC1 West Coast - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

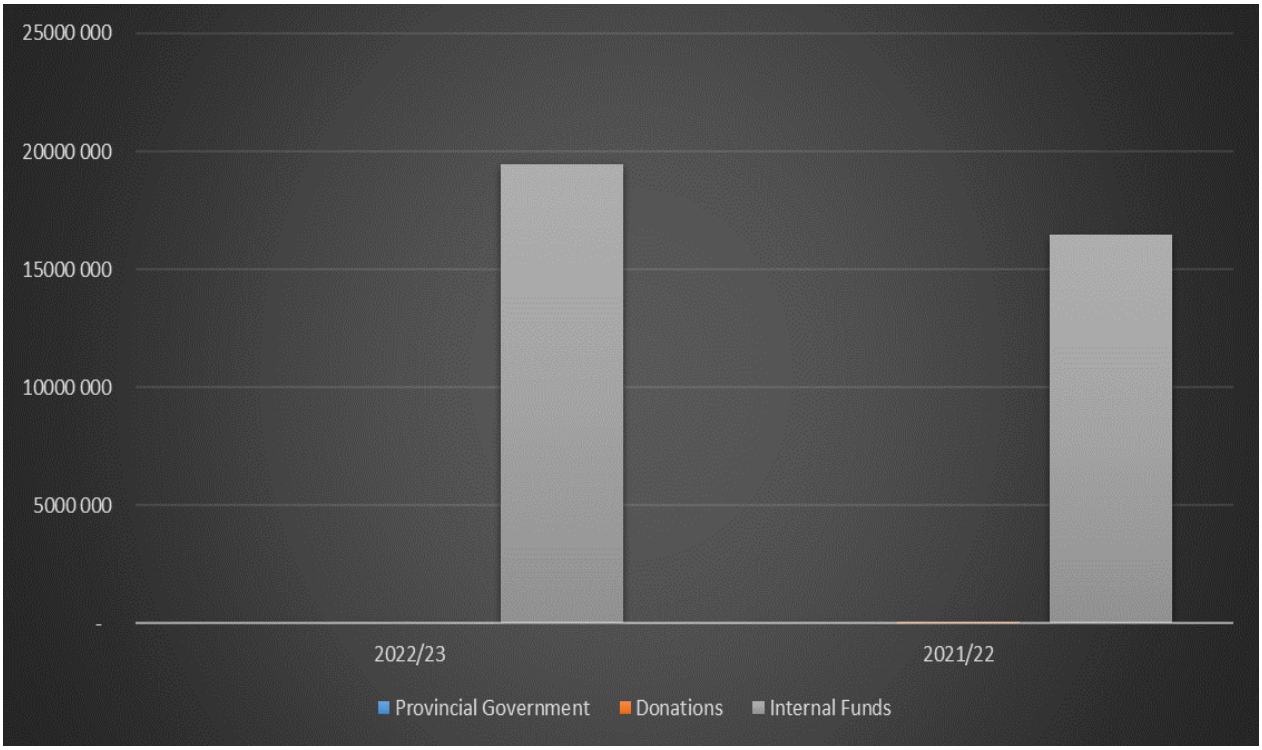
Vote Description	2022/23								2021/22			
R thousand	Original Budget	Total Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
Capital expenditure - Vote												
Multi-year expenditure												
Vote 1- EXECUTIVE AND COUNCIL	100	1 905	2 005	1 272	–	(733)	63%	1272%	–	–	–	554
Vote 2 - FINANCE	2 450	991	3 441	1 583	–	(1 859)	46%	65%	–	–	–	1 991
Vote 3 - ADMINISTRATION	4 685	(33)	4 652	4 274	–	(378)	92%	91%	–	–	–	9 199
Voe 4 - TECHNICAL	5 040	7 119	12 159	10 037	–	(2 122)	83%	199%	–	–	–	2 887
Vote 5 - AGENCIES	–	–	–	–	–	–	-	-	–	–	–	–
Example 6 - Vote6	–	–	–	–	–	–	-	-	–	–	–	–
Example 7 - Vote7	–	–	–	–	–	–	-	-	–	–	–	–
Example 8 - Vote8	–	–	–	–	–	–	-	-	–	–	–	–
Example 9 - Vote9	–	–	–	–	–	–	-	-	–	–	–	–
Example 10 - Vote10	–	–	–	–	–	–	-	-	–	–	–	–
Example 11 - Vote11	–	–	–	–	–	–	-	-	–	–	–	–
Example 12 - Vote12	–	–	–	–	–	–	-	-	–	–	–	–
Example 13 - Vote13	–	–	–	–	–	–	-	-	–	–	–	–
Example 14 - Vote14	–	–	–	–	–	–	-	-	–	–	–	–
Example 15 - Vote15	–	–	–	–	–	–	-	-	–	–	–	–
Capital multi-year expenditure	**12 275**	**9 982**	**22 257**	**17 166**	**–**	**(5 091)**	**77%**	**140%**	**–**	**–**	**–**	**14 631**
Single-year expenditure												
Vote 1- EXECUTIVE AND COUNCIL	388	272	660	244	–	(416)	37%	63%	–	–	–	204
Vote 2 - FINANCE	575	1 909	2 484	1 161	–	(1 323)	47%	202%	–	–	–	316
Vote 3 - ADMINISTRATION	490	1 267	1 757	560	–	(1 198)	32%	114%	–	–	–	1 031
Voe 4 - TECHNICAL	495	(7)	488	343	–	(146)	70%	69%	–	–	–	361
Vote 5 - AGENCIES	–	–	–	–	–	–	-	-	–	–	–	–
Example 6 - Vote6	–	–	–	–	–	–	-	-	–	–	–	–
Example 7 - Vote7	–	–	–	–	–	–	-	-	–	–	–	–
Example 8 - Vote8	–	–	–	–	–	–	-	-	–	–	–	–
Example 9 - Vote9	–	–	–	–	–	–	-	-	–	–	–	–
Example 10 - Vote10	–	–	–	–	–	–	-	-	–	–	–	–
Example 11 - Vote11	–	–	–	–	–	–	-	-	–	–	–	–
Example 12 - Vote12	–	–	–	–	–	–	-	-	–	–	–	–
Example 13 - Vote13	–	–	–	–	–	–	-	-	–	–	–	–
Example 14 - Vote14	–	–	–	–	–	–	-	-	–	–	–	–
Example 15 - Vote15	–	–	–	–	–	–	-	-	–	–	–	–
Capital single-year expenditure	**1 948**	**3 442**	**5 389**	**2 307**	**–**	**(3 082)**	**43%**	**118%**	**–**	**–**	**–**	**1 911**
Total Capital Expenditure - Vote	**14 223**	**13 424**	**27 646**	**19 473**	**–**	**(8 173)**	**70%**	**137%**	**–**	**–**	**–**	**16 541**
Capital Expenditure - Standard												
Governance and administration	**3 358**	**2 816**	**6 174**	**3 367**	**–**	**(2 807)**	**55%**	**100%**	**–**	**–**	**–**	**8 737**
Executive and council	488	1 877	2 365	1 719	–	(646)	73%	353%	–	–	–	681
Budget and treasury office	2 870	939	3 809	1 648	–	(2 161)	43%	57%	–	–	–	8 057
Corporate services	–	–	–	–	–	–	-	-	–	–	–	–
Community and public safety	**5 330**	**3 495**	**8 825**	**5 726**	**–**	**(3 099)**	**65%**	**107%**	**–**	**–**	**–**	**4 480**
Community and social services	494	–	494	546	–	52	110%	110%	–	–	–	487
Sport and recreation	1 100	1 891	2 991	1 245	–	(1 746)	42%	113%	–	–	–	367
Public safety	2 996	1 444	4 440	3 760	–	(680)	85%	125%	–	–	–	3 418
Housing	–	–	–	–	–	–	-	-	–	–	–	–
Health	740	160	900	176	–	(724)	20%	24%	–	–	–	208
Economic and environmental services	**275**	**4 856**	**5 131**	**3 619**	**–**	**(1 512)**	**71%**	**0%**	**–**	**–**	**–**	**241**
Planning and development	275	4 856	5 131	3 619	–	(1 512)	71%	-	–	–	–	241
Road transport	–	–	–	–	–	–	-	-	–	–	–	–
Environmental protection	–	–	–	–	–	–	-	-	–	–	–	–
Trading services	**5 260**	**2 257**	**7 517**	**6 761**	**–**	**(756)**	**90%**	**0%**	**–**	**–**	**–**	**3 073**
Electricity	–	–	–	–	–	–	-	-	–	–	–	–
Water	5 260	1 503	6 763	6 292	–	(471)	93%	120%	–	–	–	2 763
Waste water management	–	–	–	–	–	–	-	-	–	–	–	–
Waste management	–	753	753	469	–	(284)	62%	-	–	–	–	310
Other	**–**	**–**	**–**	**–**	**–**	**–**	**-**	**-**	**–**	**–**	**–**	**10**
Total Capital Expenditure - Standard	**14 223**	**13 424**	**27 646**	**19 473**	**–**	**(8 173)**	**70%**	**137%**	**–**	**–**	**–**	**16 541**
Funded by:												
National Government	–	–	–	–		–	-	-				–
Provincial Government	213	4 598	4 811	–		(4 811)	-	-				–
District Municipality	–	–	–	–		–	-	-				–
Other transfers and grants	–	–	–	–		–	-	-				–
Transfers recognised - capital	**213**	**4 598**	**4 811**	**–**		**(4 811)**	**-**	**0%**				**–**
Public contributions & donations	**–**	**–**	**–**	**–**		**–**	**-**	**-**				**–**
Borrowing	**–**	**–**	**–**	**–**		**–**	**-**	**-**				**–**
Internally generated funds	**14 010**	**8 826**	**22 836**	**19 473**		**(3 362)**	**85%**	**139%**				**16 541**
Total Capital Funding	**14 223**	**13 424**	**27 646**	**19 473**		**(8 173)**	**70%**	**137%**				**16 541**


12000 000
10000 000
8000 000
6000 000
4000 000
2000 000
-
2022/23
2021/22
Vote 1- EXECUTIVE AND COUNCIL
Vote 2 - FINANCE
Vote 3 - ADMINISTRATION
Voe 4 - TECHNICAL

5.6 SOURCES OF FINANCE

DC1 West Coast - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2022/23								2021/22			
R thousand	Original Budget	Total Budget Adjustments (t.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
Funded by:												
National Government	-	-	-	-		-						-
Provincial Government	213	4 598	4 811	-		(4 811)						-
District Municipality	-	-	-	-		-						-
Other transfers and grants	-	-	-	-		-						-
Transfers recognised - capital	213	4 598	4 811	-		(4 811)	-	0%				-
Public contributions & donations	-	-	-	-		-	-	-				-
Borrowing	-	-	-	-		-	-	-				-
Internally generated funds	14 010	8 826	22 836	19 473		(3 362)	85%	139%				16 541
Total Capital Funding	14 223	13 424	27 646	19 473		(8 173)	70%	137%				16 541



5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

The municipality had no challenges implementing the capital project set out below.

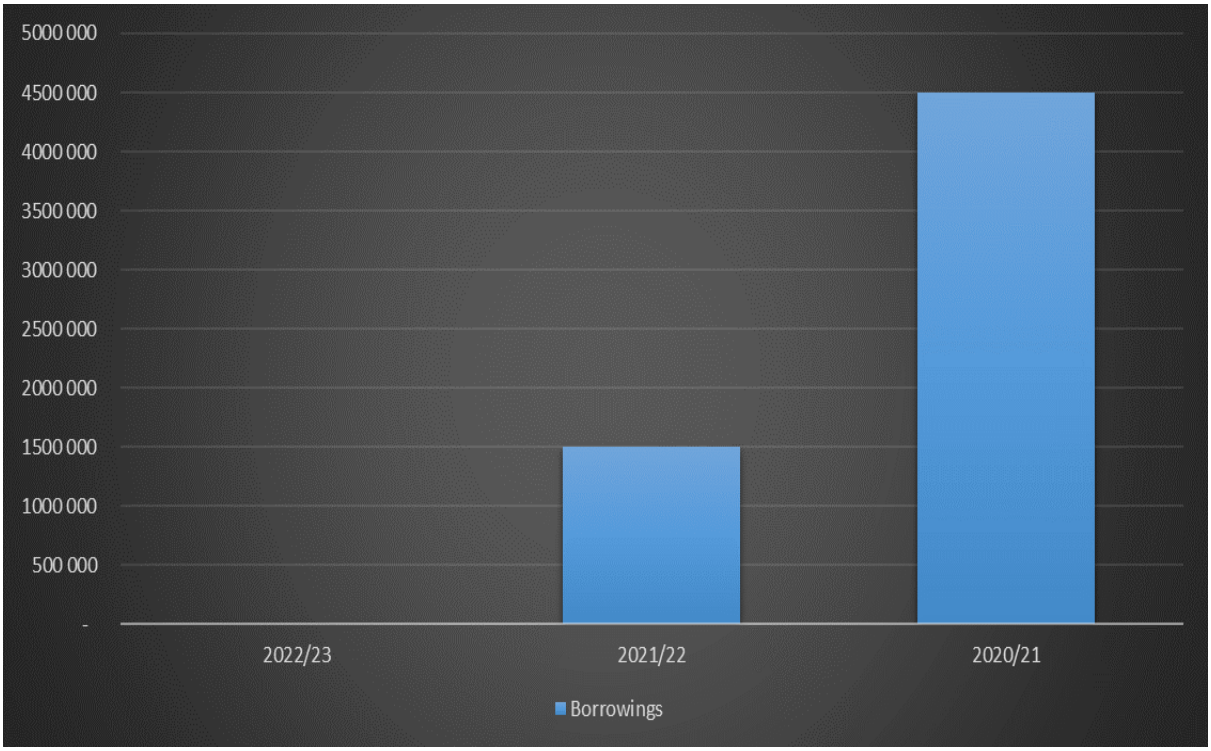
Purchase Cost Code	Item Desc	Department	Budget	Actuals	% Spent Actuals
71032003022001	MACHINARY & EQUIPMENT	FIRE SERVICES	1 369 126,00	1 129 878,72	82,53
71040003103001	MACHINARY & EQUIPMENT	WATER SERVICES	1 200 000,00	1 193 335,00	99,44
71040005003001	TRANSPORT ASSETS	WATER SERVICES	2 800 000,00	2 799 481,73	99,98
71041003103001	MACHINARY & EQUIPMENT	PLANNING AND PROJECTS	1 985 000,00	1 984 500,00	99,97
71041003104001	MACHINARY & EQUIPMENT	PLANNING AND PROJECTS	2 870 784,00	1 529 021,20	53,26
			10 224 910,00	**8 636 216,65**	**84,46**

5.8 CASH FLOW

DC1 West Coast - Reconciliation of Table A7 Budgeted Cash Flows								
Description	2022/23							2021/22
R thousand	Original Budget	Budget Adjustments (i.t.o. s28)	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
	1	2	3	4	5	6	7	8
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates, penalties and collection charges	–	–	–	–	–	-	-	–
Service concession revenue	128 133	–	128 133	139 358	11 225	108,8%	108,8%	112 835
Other revenue	293 080	93 759	386 839	357 331	(29 508)	92,4%	121,9%	318 681
Government - operating	30 406	–	30 406	37 236	6 830	122,5%	122,5%	28 684
Government - capital	–	–	–	–	–	-	-	–
Interest	15 094	–	15 094	24 602	9 508	163,0%	163,0%	14 185
Dividends	–	–	–	–	–	-	-	–
Payments								
Suppliers and employees	(444 445)	(58 555)	(503 000)	(521 315)	(18 315)	103,6%	117,3%	(453 504)
Finance charges	(1 090)	(150)	(1 240)	(65)	1 176	5,2%	5,9%	(323)
Transfers and Grants	(1 458)	(1 991)	(3 449)	(2 094)	1 354	60,7%	143,7%	(913)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**19 719**	**33 063**	**52 782**	**35 052**	**(17 730)**	**66,4%**	**177,8%**	**19 643**
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	–	–	–	–	–	-	-	–
Decrease (Increase) in non-current debtors	–	–	–	–	–	-	-	–
Decrease (increase) other non-current receivables	1 500	–	1 500	1 500	–	100,0%	100,0%	3 000
Decrease (increase) in non-current investments	–	–	–	–	–	-	-	–
Payments								
Capital assets	(14 223)	(13 424)	(27 646)	(19 468)	8 179	70,4%	136,9%	(16 171)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(12 723)**	**(13 424)**	**(26 146)**	**(17 968)**	**8 179**	**68,7%**	**141,2%**	**(13 171)**
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	-	-	–
Borrowing long term/refinancing	–	–	–	–	–	-	-	–
Increase (decrease) in consumer deposits	–	–	–	–	–	-	-	–
Payments								
Repayment of borrowing	(1 500)	–	(1 500)	(1 500)	–	0,0%	0,0%	(3 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(1 500)**	**–**	**(1 500)**	**(1 500)**	**–**	**0,0%**	**0,0%**	**(3 000)**
NET INCREASE/ (DECREASE) IN CASH HELD	5 496	19 639	25 136	15 585				3 472
Cash/cash equivalents at the year begin:	321 290	–	325 272	328 744				325 272
Cash/cash equivalents at the year end:	326 786	19 639	321 290	344 329	23 039	107,2%	105,4%	328 744

5.9 BORROWING AND INVESTMENT

Actual Borrowings			
Instrument	**2020 / 2021**	**2021 / 2022**	**2022 / 2023**
Municipality			
Long-Term Loans (annuity/reducing balance)	4 500	1 500	
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	4 500	1 500	
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total			
			T5.10.2



Municipal and Entity Investments			
Investment* type	**2020 / 2021**	**2021 / 2022**	**2022 / 2023**
	Actual	**Actual**	**Actual**
Municipality			
Deposits - Bank			
FNB	-	-	-
NEDBANK	-	-	-
ABSA	-	-	-
NEDBANK	-	-	-
INVESTEC	-	-	-
NEDBANK	-	-	-
Municipality Total	-	-	-
			T5.10.4

***The municipality transferred its short-term investments to the primary bank account at Standard Bank for the year ended 30 June 2020 to 2023.**

5.10 SUPPLY CHAIN MANAGEMENT

INTRODUCTION

The West Coast District Municipality has established a fully operational Supply Chain Unit in line with the approved SCM Policy.

More information is contained in Appendix F – Long-term Contracts and Appendix G – Service Provider Performance Schedule.

Table 5.10.1: Employees: Financial Services – Supply Chain Management

Job level	2021/2022	2022/2023			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0–3	0	0		0	0
4–6	0	0		0	0
7–9	5	6	6	0	0
10–12	1	1	1	0	0
13–15	1	1	1	0	0
16–18	1	1	1	0	0
19–20	0	0	0	0	0
Total	**8**	**9**	**9**	**0**	**0**

Table 5.10.2: Capital Expenditure– Supply Chain Management

Capital projects	2021/2022	2022/2023			
	Budget	Adjustment budget	Actual expenditure	Variance from the original budget	Total project value
Total all	13 423 813	27 646 313	19 473 318	45.07%	27 646 313

CHAPTER 6

AUDITOR-GENERAL FINDINGS

CHAPTER 6 – AUDITOR-GENERAL AUDIT FINDINGS

INTRODUCTION

The Constitution Section 188(1)(b) states that the functions of the Auditor-General include the auditing of and reporting on the accounts, financial statements and financial management of all municipalities. The Local Government: Municipal Systems Act, Act 32 of 2000, Section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

The West Coast District Municipality received clean audit reports for the financial years from 2010/2011 to 2022/2023, 13 consecutive years in a row.

COMPONENT B: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS

6.1 AUDITOR-GENERAL REPORT 2022/2023

Report of the auditor-general to Western Cape Provincial Parliament and the council on the West Coast District Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the West Coast District Municipality set out on pages 3 to 104, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts 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 West Coast District Municipality as at 30 June 2023 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 Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

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 municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2023.

Other matter

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

Unaudited disclosure notes

9. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

11. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

12. 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.

13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

14. 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 objective presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

15. I selected the following objective presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected an objective that measures the municipality's

performance on its primary mandated functions and/or that is of significant national, community or public interest.

Objective	Page numbers	Purpose
Coordinate and promote the development of bulk and essential services and transport infrastructure	10 – 14	The strategic objective relates to the core function of the municipality, which is co-ordinating and promoting the development of bulk services and transport infrastructure

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

17. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- 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
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

19. I did not identify any material findings on the reported performance information for the selected objective.

Report on compliance with legislation

20. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

21. 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.

22. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

23. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

24. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected objective presented in the annual performance report that have been specifically reported on in this auditor's report.

25. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

26. 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 objective presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

27. 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

28. 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.

29. I did not identify any significant deficiencies in internal control.

Auditor General

Cape Town

30 November 2023

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected objective and on the municipality'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 municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 municipality 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 officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 – paragraph (a), (b) & (d) of the definition: irregular expenditure Section 1 – definition: service delivery and budget implementation plan Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1) Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b) Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i) Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b) Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e) Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1) Sections 126(1)(a), 127(2), 127(5)(a)(i), 127(5)(a)(ii) Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170 Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2005	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a) Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b), 22(2), 27(2)(a) Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b) Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c) Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43 Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 27(1), 29(1)(b)(ii), 29(2)(a), 29(2)(c), 34(a), 34(b)

Legislation	Sections or regulations
	Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a) Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(5)(a), 7(1), 8, 9(1)(a) Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Division of Revenue Act 5 of 2022	Section 12(5), 16(1)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8) Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2) Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

WEST COAST DISTRICT MUNICIPALITY: OPERATION CLEAN AUDIT (OPCAR)

Remedial action taken and preventative measures address the issues raised during the previous Audit/s.

WEST COAST DISTRICT MUNICIPALITY

OPCAR

(Operation Clean Audit Report)

17 February 2023

RFI's 2017/2018 = 27
RFI's 2018/2019 = 75
RFI`s 2019/2020 = 64
RFI's 2020/2021 = 56
RFI's 2021/2022 = 58

Other Requests 2017/2018 = 16
Other Requests 2018/2019 = 268
Other Requests 2019/2020 = 185
Other Requests 2020/2021 = 116
Other Requests 2021/2022 = 51

COMAF's 2017/2018 = 14(17)
COMAF's 2018/2019 = 21(22)
COMAF`s 2019/2020 = 24(24)
COMAF's 2020/2021 = 7(10)
COMAF'S 2021/2022 = 11 (12)

COMAF	MANAGEMENT REPORT REFERENCE	DESCRIPTION	Type of COMAF	NOTES & ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
1v	Management Report Annexure B Page 50	Irregular expenditure – 30-day payments incorrectly recognised as irregular expenditure	• Non-compliance	**Audit Finding:** Payments not made within 30 days to be treated as non-compliance and not irregular expenditure. **Management Response:** Management is not in agreement – non-compliance relates to no payment, whilst irregular expenditure relates payment after 30 days. **Auditor's Conclusion:** Not in agreement with Management – transferred too incorrected. Misstatements. **Management further response:**			

				Note 31 of Annual Financial Statements to be rectified.	• Chief Financial Officer & Senior Manager Financial Statements, Reporting & Assets	• Final AFS Submission	•100%
2v	Management Report Annexure B Page 56	Non-compliance with the Municipal Supply Chain Management Regulations 45 and award to close family member of persons in service of state not disclosed in Note 39 of the AFs	• Non-compliance	**Audit Finding:** Certification by Indecon Instrumentation of person in service of the state not recorded as part of note 39 of the Annual Financial Statements. **Management Response:** Management in agreement.	• Chief Financial Officer and Senior Manager Financial Statements, Reporting & Assets	• Final AFS Submission	• 100%
3v	Withdrawn	Revenue from exchange transactions – Fire Service	• Misstatement	**Audit Finding:** Fire Incident occurred in 2019/2020 Annual Financial Year, but			

				revenue was raised in 2020/2021 Annual Financial Year. **Management Response:** Management not in agreement with the finding. Projection incorrect as entire population was utilised – remaining amounting within trivial level. Fire Brigade Service Act mandates the Chief Fire Officer to approve raising of revenue. Amount was written off. **Auditor's conclusion:** Finding withdrawn.	• Not applicable	• Not applicable	• Not applicable
4v	Management Report Annexure B page 59	Supply Chain Management (SCM): Incorrect calculation of points	• Non-compliance	**Audit Finding:** Points with regards to 4(four) service			

				providers incorrectly calculated. **Management Response:** Management in agreement.	• Chief Financial Officer and Senior Manager Supply Chain Management	• 7 November 2022	• 100%
5v	Management Report Annexure B Page 62	Supply Chain Management (SCM): Deviations – Reasons not justifiable	• Non-compliance	**Audit Finding:** Municipality deviated from prescribed SCM process after un-constitutionality of relevant Regulations. **Management Response:** Management not in agreement. Circular was applied retrospectively and must be prospectively. **Auditor's Conclusion:**			

				AGSA in agreement with un-constitutionality however not in agreement with deviation. **Management further response:** In the absence of constitutional certainty, the prescribed tender process was not available – Annual Financial Statements to be updated.	• Chief Financial Officer and Senior Manager Financial Statements, Reporting & Assets	• Final AFS Submission	• 100%
6v	Management Report Annexure B Page 33	Supply Chain Management (SCM): Local production and content threshold not met	• Non-compliance	**Audit Finding:** Local content prescripts not met in 2 (two) instances. **Management Response:** Management not in agreement. In both instances the advertisement and the quotation were			

				correct regarding local content. **Auditor's Conclusion:** Not in agreement with Management. **Management Further Response (Inclusive of COMAF 9):** • Incident 1 – MM to condone minor technical issue (swopping of columns). • Incident 2 – request withdrawal within unconstitutionality period. • Incident 3 – MM to condone minor technical issue (local buying = local content). Legal- and Materiality opinions were submitted 24 November 2022.			

				Final Auditor's Conclusion: Incident 1 was withdrawn. **Management Final Response (Inclusive of COMAF 9):** Management in agreement with incident 2 (COMAF 6) & COMAF 9.	• Chief Financial Officer and Senior Manager Financial Statements, Reporting & Assets	• Final AFS Submission	• 100%
7v	Management Report Annexure B Page 88	Inadequate user access reviews on SAMRAS	• Internal Control Deficiency	**Audit Finding:** ICT User Access Management Policy refers to quarterly reviews on user rights whilst management performs annual reviews. **Management Response:** Management in agreement with the	• Senior Manager Income,	• 31 May 2023	• 100%

				finding – work procedure to be aligned with policy.	Expenditure & ICT and Manager ICT		
	Management Report Annexure B Page 90	Administrator activities not reviewed on Active Directory and SAMRAS	• Internal Control Deficiency	**Audit Finding:** ICT User Access Management Policy refers to monthly reviews of administrator activity logs whilst not performed. **Management Response:** Management in agreement with the finding – work procedure to be aligned with policy.	• Senior Manager Income, Expenditure & ICT and Manager ICT	• 31 May 2023	• 100%
	Management Report Annexure C Page 92	Inadequately designed Information Security Policy	• Internal Control Deficiency	**Audit Finding:** 4 (Four) key elements identified that is not addressed in the Security Policy. **Management Response:** Management in agreement with best practice	• Senior Manager Income, Expenditure &	• 31 January 2023	• 100%

				recommendation – policy to be reviewed.	ICT and Manager ICT		
	Management Report Annexure C Page 94	Formal Incident Management procedures were not in place	• Internal Control Deficiency	**Audit Finding:** No formal documented policy or procedure in place regarding Incident Management. **Management Response:** Management in agreement with the finding – Standard Operating Procedure to be compiled.	• Senior Manager Income, Expenditure & ICT and Manager ICT	• 31 January 2023	• 100%
8v	Management Report Annexure B Page 79	Statement of Comparison of Budget and Actual Information – Inadequate disclosure in terms of GRAP 24	• Non-compliance	**Audit Finding:** Incomplete disclosure in the Annual Financial Statement as required by GRAP 24. **Management Response:** Management not in agreement – Annual Financial Statements meet the			

				requirements of GRAP 24 ("professional judgement'). **Auditor's Conclusion:** Remain with insufficient explanation. **Management further response:** Annual Financial Statements to be updated.	• Chief Financial Officer and Senior Manager Financial Statements, Reporting & Assets	• Final AFS Submission	• 100%
9v	Management Report Annexure B Page 46	Supply Chain Management (SCM): Local production and content threshold not met	• Non-compliance	**Refer to COMAF 6**			
10v	Management Report Annexure B Page 84	Revenue from exchange transaction – sale of water incomplete	• Misstatement	**Audit Finding:** VAT of Administrative Fee of Water Concession misstated.			

				Management Response: Not in agreement as the accounting treatment originates from a previous AGSA finding – transferred to uncorrected misstatements.	• Not applicable	• Not applicable	• Not applicable
11v	Management Report Annexure B Page 69	Supply Chain Management (SCM): Awards not reported to DTI	• Internal Control Deficiency	**Audit Finding:** SCM awards not reported to DTI. **Management Response:** Management in agreement – additional reporting controls to be implemented.	• Senior Manager SCM	• 31 January 2023	• 100%
12v	Management Report Annexure B Page 72	Supply Chain Management (SCM): Invitations to tender did not specify the minimum threshold for local production and content and awards not sent to DTI and limitation of scope on a procurement that could not be audited as information was not submitted	• Non-compliance	**Audit Finding:** Minimum threshold not specified. **Management Response:** Management not in agreement – transferred to uncorrected misstatements.	• Not applicable	• Not applicable	• 100%

6.2 AUDITOR-GENERAL REPORT 2021/2022

Report of the auditor-general to Western Cape Provincial Parliament and the council on the West Coast District Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the West Coast District Municipality set out on pages 3 to 102, which comprise the statement of financial position as at 30 June 2022, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amount for the year then ended, as well as the 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 West Coast District Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora).

Context for the 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 auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Other matters

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

Unaudited disclosure notes

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 103 to 112 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

12. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

13. 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.

14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objective presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the municipality's annual performance report for the year ended 30 June 2022:

Objective	Pages in the annual performance report
Objective 3 - Promoting bulk infrastructure development services	367 - 371

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

19. I did not identify any material findings on the usefulness and reliability of the reported performance information for this objective:

    - Objective 3 - Promoting bulk infrastructure development services

Report on the audit of compliance with legislation

Introduction and scope

20. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters

in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

21. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

22. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report and the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected objective presented in the annual performance report that have been specifically reported in this auditor's report.

23. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

24. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

25. 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

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

Auditor-General

Cape Town

17 February 2023

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. 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 objective and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. 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 municipality's internal control
   - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
   - conclude on the appropriateness of the accounting officer's 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 West Coast District Municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 municipality 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

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

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to 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.

6.3 AUDITOR-GENERAL REPORT 2020/2021

Report of the auditor-general to the Western Cape Provincial Parliament on the West Coast District Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the West Coast District Municipality set out on pages 3 to 101, which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and 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 West Coast District Municipality as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 04 of 2020 (Dora).

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 auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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.

Restatement of corresponding figures

7. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2020 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2021.

Other matters

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

Unaudited disclosure notes

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 102 to 111 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

12. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

13. 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.

14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objective presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the municipality's annual performance report for the year ended 30 June 2021:

Objective	Pages in the annual performance report
Objective 3 – promoting bulk infrastructure development services	10 – 13

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

Objective 3 – promoting bulk infrastructure development services

19. I did not identify any material findings on the usefulness and reliability of the reported performance information for this objective.

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

21. Refer to the annual performance report on pages 10 to 13 for information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

23. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

24. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected objective presented in the annual performance report that have been specifically reported in this auditor's report.

25. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

26. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

27. 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

28. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

29. I did not identify any significant deficiencies in internal control.

Auditor General

Cape Town
15 December 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. 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 objective and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. 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 municipality's internal control
   - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
   - conclude on the appropriateness of the accounting officer's 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 West Coast District Municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 municipality 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

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

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate 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.

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give "full and regular" reports on the matters under their control to Parliament and provincial legislatures, as prescribed by the Constitution. These documents include plans, budgets, in-year reports and annual reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe 'what we do'.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the MFMA. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved budget	The annual financial statements of a municipality as audited by the Auditor-General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life for citizens within that particular area. If not provided, it may endanger public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.

Financial statements	These include at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General key performance indicators (KPIs)	After consultation with MECs for local government, the minister may prescribe general KPIs that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are 'what we use to do the work'. They include finances, personnel, equipment and buildings.
Integrated development plan (IDP)	Sets out municipal goals and development plans.
National key performance areas	• Service delivery and infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are 'what we wish to achieve'.
Outputs	The final products or goods and services produced for delivery. Outputs may be defined as 'what we produce or deliver'. An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunisation or a service such as processing an application) that contributes to the achievement of a key result area.
Performance indicator	31 October
Performance information	Generic term for nonfinancial information about municipal services and activities. Can also be used interchangeably with 'performance measure'.

Performance standards	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service level agreements. Performance standards are mutually agreed-upon criteria to describe how well work must be done in terms of quantity and/or quality and how promptly, in order to clarify the outputs and related activities of a job by describing what the required result should be. In this employee performance management and development system, performance standards are divided into indicators and the time factor.
Performance targets	The level of performance that municipalities and their employees strive to achieve. Performance targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services, including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a 'vote' as *a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.*

APPENDICES

APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE 2022/2023

Table 1: Councillor attendance

Councillors, committees allocated and Council attendance						
Council members	**Full-time / Part-time**	**Committees allocated**	**Ward and/or party represented**	**Council meetings attendance**	**Apologies for non-attendance**	**Absent without leave**
E Plaatjies	Proportional	Portfolio Committee Finance	ANC	7	5	0
SA Gxabalashe	Proportional	Portfolio Committee Finance	ANC	6	5	1
JA Engelbrecht	Proportional	Chairperson: Administration and Community Services Community Safety Forum Local Labour Forum SALGA: Community Development and Security SALGA: Emergency Services and Disaster Management Secundus: SALGA: Human Settlements and Urban Agenda Appeal Authority	DA	12	0	0
NS Louw	Proportional	Speaker Ex officio: Executive Mayoral Committee Ex Officio: All Portfolio Committees Secundus: SALGA: Municipal Digital Solutions Secundus: SALGA: Governance and Intergovernmental Relations Appeal Authority	DA	12	0	0

OM Stemele	Proportional	Portfolio Committee Administration & Community Services Portfolio Committee Strategic Support & Economic Development Municipal Public Accounts Committee SALGA: Human Settlements and Urban Agenda Secundus: SALGA: Municipal Capability and Institutional Resilience Secundus: SALGA: Community Development and Security Secundus: SALGA: Economic Development and Job Creation Secundus: SALGA: Development Planning and Rural Development	DA	12	0	0
RW Strydom	Proportional	Executive Mayor Ex Officio: All Committees IDP Coordinating Committee SALGA: Governance and Intergovernmental Relations	DA	12	0	0
SM Crafford	Proportional	Deputy Executive Mayor Chairperson: Portfolio Committee Finance Ex Officio: All Committees Local Labour Forum IDP Coordinating Committee West Coast Coastal Management Committee Appeal Authority SALGA: Municipal Finance and Fiscal Policy SALGA: Environmental Management and Climate Change	DA	12	0	0
J Alexander	Proportional	Portfolio Committee Administration and Community Services Portfolio Committee Finance	GOOD	12	0	0

		Municipal Public Accounts Committee				
TC Andrews (Resigned 29 Nov 22)	Proportional	Portfolio Committee Administration and Community Services Portfolio Committee Finance Portfolio Committee Infrastructure Services Portfolio Committee Strategic Support & Economic Development	PA	1	1	0
TF Waldeck (Appointed 09 Dec 22)	Proportional	Portfolio Committee Administration and Community Services Portfolio Committee Finance Portfolio Committee Infrastructure Services Portfolio Committee Strategic Support & Economic Development	PA	6	4	0
G Stephan	Proportional	Portfolio Committee Administration and Community Services Portfolio Committee Finance Portfolio Committee Infrastructure Services Portfolio Committee Strategic Support & Economic Development	FF+	10	2	0
TJ Muller (Resigned 02 Dec 22)	Appointed Matzikama Municipality	Portfolio Committee Infrastructure Services	ANC	1	1	0
SJ Tshabalala (Appointed 25 Jan 23)	Appointed Matzikama Municipality	Portfolio Committee Infrastructure Services	ANC	6	2	0
AJ Pool	Appointed Matzikama Municipality	Portfolio Committee Finance Portfolio Committee Infrastructure Services IDP: Local Municipalities (Matzikama Municipality)	DA	8	4	0
F Kamfer	Appointed	Portfolio Committee Infrastructure Services	ANC	9	2	1

	Cederberg Municipality					
F Berry (Appointed 17 Aug 22 & resigned 29 Sept 22)	Appointed Cederberg Municipality	IDP: Local Municipalities (Cederberg Municipality) Greater Cederberg Biodiversity Corridor Secundus: SALGA: Health Secundus: SALGA: Environmental Management and Climate Resilience	DA	1	0	0
L Venter (Appointed 17 Oct 22)	Appointed Cederberg Municipality	Portfolio Committee Strategic Support & Economic Development IDP: Local Municipalities (Cederberg Municipality) Greater Cederberg Biodiversity Corridor SALGA: Health Secundus: SALGA: Environmental Management and Climate Resilience	DA	10	1	0
IS Adams	Appointed Bergrivier Municipality	Portfolio Committee Strategic Support & Economic Development Portfolio Committee Administration and Community Services	ANC	10	2	0
A Small	Appointed Bergrivier Municipality	Portfolio Committee Administration & Community Services Secundus: SALGA: Health Secundus: SALGA: Emergency Services and Disaster Management IDP: Local Municipalities (Bergrivier Municipality)	DA	6	5	1
ZS Komani-Nkohla	Appointed Saldanha Bay Municipality	Portfolio Committee Strategic Support & Economic Development	ANC	9	3	0

L Mitchell	Appointed Saldanha Bay Municipality	Portfolio Committee Finance Municipal Public Accounts Committee SALGA: Municipal Digital Solutions	DA	10	2	0
M Schrader	Appointed Saldanha Bay Municipality	Executive Mayoral Committee Member Chairperson: Portfolio Committee Infrastructure Services Local Labour Forum West Coast Biosphere Reserve SALGA: Water and Sanitation SALGA: Public Transport and Roads SALGA: Electricity and Energy and Public Works	DA	10	2	0
M Koen	Appointed Saldanha Bay Municipality	Portfolio Committee Strategic Support and Economic Development Chairperson: Municipal Public Accounts Committee IDP: Local Municipalities (Saldanha Bay Municipality) West Coast Regional Organisation SALGA: Economic Development and Job Creation Secundus: SALGA: Municipal Finance and Fiscal Policy	DA	12	0	0
BL Witbooi	Appointed Saldanha Bay Municipality	Portfolio Committee Infrastructure Services Portfolio Committee Strategic Support and Economic Development	GOOD	12	0	0
BJ Penxa	Appointed Swartland Municipality	Portfolio Committee Administration & Economic Development	ANC	11	1	0
IS Le Minnie	Appointed	Portfolio Committee Infrastructure Services Portfolio Committee Finance	DA	11	0	1

	Swartland Municipality	IDP: Local Municipalities (Swartland Municipality) Expanded Public Works Programme (EPWP)				
C Daniels	Appointed Swartland Municipality	Executive Mayoral Committee Member Chairperson: Portfolio Committee Strategic Support & Economic Development Local Labour Forum West Coast Regional Tourism Organisation SALGA: Municipal Capability and Institutional Resilience SALGA: Development Planning and Rural Development	DA	12	0	0
DC Pypers	Appointed Swartland Municipality	Portfolio Committee Administration and Community Services Portfolio Committee Infrastructure Services Secundus: SALGA: Electricity and Energy and Public Works Secundus: SALGA: Water and Sanitation Secundus: SALGA: Public Transport and Roads	DA	11	0	1

WEST COAST DISTRICT MUNICIPALITY

ATTENDANCE REGISTER
2022/2023 FINANCIAL YEAR)

Reference nr: 3/3/1

Attendance registers for July 2022 – June 2023 for the 2022/2023 financial year for the standing committee meetings of West Coast DM.

Legal Implication:

- Item 4 (Attendance at meetings) and Item 5 (Sanctions for non-attendance of meetings) of the Code of Conduct for Councillors, Schedule 7 of the Local Government : Municipal Structures Amendment Act 3 of 2021
- Standing Operating Procedures: Application for leave of absence
- Items 7, 8, and 9 of the Rules of Order Bylaw of the West Coast District Municipality

Council Meetings:

Council members	Full-time / Part-time	Party represented	24 Aug 22 (117th Gen	24 Aug 22 In-Committee)	18 Oct 22 (Special-Council)	14 Dec 22 (118th Gen)	25 Jan 2023 (119th Gen)	22 Feb 2023 (Special-	22 Feb 2023 (In-Committee)	29 Mar 2023 (120th Gen)	29 Mar 2023 (Special-	02 May 2023 (Special)	02 May 2023 (In-Committee)	17 May 2023 (In-Committee)	24 Mar 2023 (121st Gen)	24 May 2023 (Special-Council)	Council meetings attendance	Apologies for non-attendance	Absent without leave
E Plaatjies	Proportional	ANC	x	x	x	√	√	√	√	√	√	√	√	x	x	x	8	6	0
SA Gxabalashe	Proportional	ANC	x	x	**x**	x	√	x	x	√	√	x	x	√	√	√	6	8	1
JA Engelbrecht	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
NS Louw	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
OM Stemele	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
RW Strydom	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
SM Crafford	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
J Alexander	Proportional	GOOD	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
TC Andrews (Resigned 29 Nov 22)	Proportional	PA	√	√	x												2	1	0
TF Waldeck (Appointed 9 Dec 22)	Proportional	PA				√	√	x	x	√	√	x	x	x	√	√	6	5	0
G Stephan	Proportional	FF PLUS	√	√	√	x	√	√	√	√	√	x	x	√	√	√	12	2	0
TJ Muller (Resigned 2 Dec 22)	Appointed Matzikama Mun	ANC	√	√	x												2	1	0
SJ Tshabalala (Appointed 25 Jan 23)	Appointed Matzikama Mun	ANC						√	√	x	x	√	√	√	√	√	7	2	0
AJ Pool	Appointed Matzikama Mun	DA	√	√	√	x	√	√	√	x	x	√	√	x	√	√	10	4	0

Council members	Full-time / Part-time	Party represented	24 Aug 22 (117th Gen	24 Aug 22 In-Committee)	18 Oct 22 (Special-Council)	14 Dec 22	25 Jan 2023 (119th Gen)	22 Feb 2023	22 Feb 2023	29 Mar 2023 (120th Gen)	29 Mar 2023	02 May 2023 (Special)	02 May 2023 (In-Committee)	17 May 2023 (In-Committee)	24 Mar 2023 (121st Gen)	24 May 2023 (Special-Council)	Council meetings attendance	Apologies for non-attendance	Absent without leave
F Kamfer	Appointed Cederberg Mun	ANC	**x**	**x**	x	x	√	√	√	√	√	√	√	√	√	√	10	2	2
F Berry (Appointed 17 Aug 22 & resigned 29 Sept 22)	Appointed Cederberg Mun	DA	√	√													2	0	0
L Venter (Appointed 17 Oct 22)	Appointed Cederberg Mun	DA			x	√	√	√	√	√	√	√	√	√	√	√	12	1	0
IS Adams	Appointed Bergrivier Mun	ANC	√	√	x	x	√	√	√	√	√	√	√	√	√	√	12	2	0
A Small	Appointed Bergrivier Mun	DA	√	√	√	x	√	x	x	x	x	√	√	**x**	√	√	8	5	1
ZS Komani-Nkohla	Appointed Saldanha Bay Mun	ANC	x	x	x	√	√	√	√	√	√	√	√	x	√	√	10	4	0
L Mitchell	Appointed	ANC	√	√	√	√	√	x	x	√	√	√	√	√	√	√	12	2	0

	Saldanha Bay Mun																		
M Schrader	Appointed Saldanha Bay Mun	DA	√	√	√	√	√	x	x	√	√	√	√	√	√	√	12	2	0
M Koen	Appointed Saldanha Bay Mun	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
BL Witbooi	Appointed Saldanha Bay Mun	GOOD	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
BJ Penxa	Appointed Swartland Mun	ANC	√	√	√	x	√	√	√	√	√	√	√	√	√	√	13	1	0
IS Le Minnie	Appointed Swartland Mun	DA	√	√	√	√	√	√	√	√	√	√	√	**x**	√	√	13	0	1
C Daniels	Appointed Swartland Mun	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
DC Pypers	Appointed Swartland Mun	DA	√	√	√	√	√	√	√	√	√	√	√	**x**	√	√	13	0	1

SUMMARY:

Absent with leave:	Ald E Plaatjies	24 August 2022, 18 October 2022, 17 May 2023, 24 May 2023
	Cllr SA Gxabalashe	24 August 2022, 14 December 2022, 22 February 2023, 02 May 2023
	Cllr ZS Komani-Nkohla	24 August 2022, 18 October 2022, 17 May 2023
	Cllr TJ Muller	18 October 2022
	Cllr F Kamfer	18 October 2022, 14 December 2022
	Cllr A Adams	18 October 2022, 14 December 2022
	Cllr A Small	14 December 2022, 22 February 2023, 29 March 2023
	Cllr BJ Penxa	14 December 2022
	Cllr TF Waldeck	22 February 2023, 02 May 2023, 18 May 2023
	Cllr L Mitchell	22 February 2023
	Cllr M Schrader	22 February 2023
	Cllr AJ Pool	29 March 2023, 17 May 2023
	Cllr SJ Tshabalala	29 March 2023
	Cllr G Stephan	02 May 2023
Absent without Leave:	Cllr F Kamfer	24 August 2022
	Cllr SA Gxabalashe	18 October 2022
	Cllr A Small	17 May 2023
	Cllr Le Minnie	17 May 2023
	Cllr D Pypers	17 May 2023
Termination of DA Membership:	Cllr R Witbooi	27 July 2022
Resignations:	Cllr F Berry	29 September 2022
	Cllr TC Andrews	29 November 2022
	Cllr TJ Muller	02 December 2022
Newly appointed:	Cllr F Berry	17 August 2022
	Cllr L Venter	17 October 2022
	Cllr TF Waldeck	9 December 2022
	Cllr SJ Tshabalala	25 January 2023

Council Meetings:

Council members	Full-time / Part-time	Party represented	24 Aug 22 (117th Gen	24 Aug 22 In-Committee)	18 Oct 22 (Special-Council)	14 Dec 22 (118th Gen)	25 Jan 2023 (119th Gen)	22 Feb 2023 (Special-	22 Feb 2023 (In-Committee)	29 Mar 2023 (120th Gen)	29 Mar 2023 (Special-	02 May 2023 (Special)	02 May 2023 (In-Committee)	17 May 2023 (In-Committee)	24 Mar 2023 (121st Gen)	24 May 2023 (Special-Council)	Council meetings attendance	Apologies for non-attendance	Absent without leave
E Plaatjies	Proportional	ANC	x	x	x	√	√	√	√	√	√	√	√	x	x	x	8	6	0
SA Gxabalashe	Proportional	ANC	x	x	**x**	x	√	x	x	√	√	x	x	√	√	√	6	8	1
JA Engelbrecht	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
NS Louw	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
OM Stemele	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
RW Strydom	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
SM Crafford	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
J Alexander	Proportional	GOOD	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
TC Andrews (Resigned 29 Nov 22)	Proportional	PA	√	√	x												2	1	0
TF Waldeck (Appointed 9 Dec 22)	Proportional	PA				√	√	x	x	√	√	x	x	x	√	√	6	5	0

G Stephan	Proportional	FF PLUS	√	√	√	x	√	√	√	√	√	x	x	√	√	√	12	2	0
TJ Muller (Resigned 2 Dec 22)	Appointed Matzikama Mun	ANC	√	√	x												2	1	0
SJ Tshabalala (Appointed 25 Jan 23)	Appointed Matzikama Mun	ANC						√	√	x	x	√	√	√	√	√	7	2	0
AJ Pool	Appointed Matzikama Mun	DA	√	√	√	x	√	√	√	x	x	√	√	x	√	√	10	4	0

Council members	Full-time / Part-time	Party represented	24 Aug 22	24 Aug 22	18 Oct 22	14 Dec 22	25 Jan 2023	22 Feb 2023	22 Feb 2023	29 Mar 2023	29 Mar 2023	02 May 2023	02 May 2023	17 May 2023	24 Mar 2023	24 May 2023	Council meetings attendance	Apologies for non-attendance	Absent without leave
F Kamfer	Appointed Cederberg Mun	ANC	**x**	**x**	x	x	√	√	√	√	√	√	√	√	√	√	10	2	2
F Berry (Appointed 17 Aug 22 & resigned 29 Sept 22)	Appointed Cederberg Mun	DA	√	√													2	0	0
L Venter (Appointed 17 Oct 22)	Appointed Cederberg Mun	DA			x	√	√	√	√	√	√	√	√	√	√	√	12	1	0
IS Adams	Appointed Bergrivier Mun	ANC	√	√	x	x	√	√	√	√	√	√	√	√	√	√	12	2	0
A Small	Appointed Bergrivier Mun	DA	√	√	√	x	√	x	x	x	x	√	√	**x**	√	√	8	5	1
ZS Komani-Nkohla	Appointed Saldanha Bay Mun	ANC	x	x	x	√	√	√	√	√	√	√	√	x	√	√	10	4	0
L Mitchell	Appointed Saldanha Bay Mun	ANC	√	√	√	√	√	x	x	√	√	√	√	√	√	√	12	2	0
M Schrader	Appointed	DA	√	√	√	√	√	x	x	√	√	√	√	√	√	√	12	2	0

	Saldanha Bay Mun																		
M Koen	Appointed Saldanha Bay Mun	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
BL Witbooi	Appointed Saldanha Bay Mun	GOOD	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
BJ Penxa	Appointed Swartland Mun	ANC	√	√	√	x	√	√	√	√	√	√	√	√	√	√	13	1	0
IS Le Minnie	Appointed Swartland Mun	DA	√	√	√	√	√	√	√	√	√	√	√	**x**	√	√	13	0	1
C Daniels	Appointed Swartland Mun	DA	√	√	√	√	√	√	√	√	√	√	√	√	√	√	14	0	0
DC Pypers	Appointed Swartland Mun	DA	√	√	√	√	√	√	√	√	√	√	√	**x**	√	√	13	0	1

SUMMARY:

Absent with leave:	Ald E Plaatjies	24 August 2022, 18 October 2022, 17 May 2023, 24 May 2023
	Cllr SA Gxabalashe	24 August 2022, 14 December 2022, 22 February 2023, 02 May 2023
	Cllr ZS Komani-Nkohla	24 August 2022, 18 October 2022, 17 May 2023
	Cllr TJ Muller	18 October 2022
	Cllr F Kamfer	18 October 2022, 14 December 2022
	Cllr A Adams	18 October 2022, 14 December 2022
	Cllr A Small	14 December 2022, 22 February 2023, 29 March 2023
	Cllr BJ Penxa	14 December 2022
	Cllr TF Waldeck	22 February 2023, 02 May 2023, 18 May 2023
	Cllr L Mitchell	22 February 2023
	Cllr M Schrader	22 February 2023
	Cllr AJ Pool	29 March 2023, 17 May 2023
	Cllr SJ Tshabalala	29 March 2023
	Cllr G Stephan	02 May 2023
Absent without Leave:	Cllr F Kamfer	24 August 2022
	Cllr SA Gxabalashe	18 October 2022
	Cllr A Small	17 May 2023
	Cllr Le Minnie	17 May 2023
	Cllr D Pypers	17 May 2023
Termination of DA Membership:	Cllr R Witbooi	27 July 2022
Resignations:	Cllr F Berry	29 September 2022
	Cllr TC Andrews	29 November 2022

	Cllr TJ Muller	02 December 2022
Newly appointed:	Cllr F Berry	17 August 2022
	Cllr L Venter	17 October 2022
	Cllr TF Waldeck	9 December 2022
	Cllr SJ Tshabalala	25 January 2023

Executive Mayoral Committee:

Alderman / Councillor	Full-time / Part-time	Party represented	27 Jul 22	17 Aug 22	28 Sept 22	31 Oct 22	29 Nov 22	18 Jan 23	10 Feb 23	15 Mar 23	26 Apr 23	17 May 23	21 Jun 23	EMC meetings attendance	Apologies for non-attendance	Absent without leave
RW Strydom	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	11	0	0
JA Engelbrecht	Proportional	DA	√	√	√	√	√	√	√	√	√	√	√	11	0	0
SM Crafford	Proportional	DA	√	x	√	√	√	√	√	√	√	√	√	10	1	0
M Schrader	Saldanha Bay	DA	√	√	√	√	x	√	√	x	√	√	√	9	2	0
C Daniels	Swartland	DA	√	√	√	√	√	√	√	√	x	√	√	10	1	0
NS Louw	Proportional	DA	x	x	√	√	√	x	x	√	√	√	x	6	5	0

Absent with leave:

Ald M Crafford	17 August 2022
Cllr NS Louw	27 July 2022, 17 August 2022, 28 January 2023, 10 February 2023, 21 June 2023
Cllr M Schrader	29 November 2022, 15 March 2023
Cllr C Daniels	26 April 2023

Termination of DA Membership:

Cllr R Witbooi	27 July 2022

SECTION 80 PORTFOLIO COMMITTEES:

PC Administration and Community Services

Alderman / Councillor	Full-time / Part-time	Party represented	19 Jul 22	02 Aug 22	06 Sept 22	04 Oct 22	01 Nov 22	07 Feb 23	07 Mar 23	01 Apr 23	02 May 23	06 Jun 23	PC meetings attendance	Apologies for non-attendance	Absent without leave
R Witbooi (Chairperson) (Termination of DA Membership 27 Jul 22)	Cederberg	DA	√										1	0	0
JA Engelbrecht (Chairperson)	Proportional	DA		√	√	x	√	√	√	√	√	√	8	1	0
DC Pypers	Swartland	DA	√	√	√	√	√	**x**	√	√	√	√	9	0	1
A Small	Bergrivier	DA	√	√	√	√	x	√	√	√	√	√	9	1	0
OM Stemele	Proportional	DA	√	√	√	√	√	√	√	**x**	√	√	9	0	1
BJ Penxa	Swartland	ANC	x	√	√	√	√	x	√	√	√	x	6	3	0
IS Adams	Bergrivier	ANC	√	√	√	√	√	√	√	√	√	√	10	0	0
G Stephan	Proportional	FF PLUS	√	√	√	√	√	√	√	√	x	√	9	1	0
TC Andrews (Resigned 29 Nov 22)	Proportional	PA	√	√	√	x	x						3	2	0
TF Waldeck	Proportional	PA						√	√	√	x	x	3	2	0

(Appointed 9 Dec 22)															
J Alexander	Proportional	GOOD	√	√	√	√	x	√	x	√	√	√	8	2	0
RW Strydom (Ex Officio)	Proportional	DA	√	√	√	x	√	x	√	√	√	√	8	2	0
SM Crafford (Ex Officio)	Proportional	DA	x	√	√	√	√	√	√	√	√	√	9	1	0
NS Louw (Ex Officio)	Proportional	DA	√	√	√	x	√	x	x	x	**x**	x	4	5	1

Absent with leave:

Cllr BJ Penxa	19 July 2022, 07 February 2023, 06 June 2023
Ald SM Crafford	19 July 2022
Cllr JA Engelbrecht	04 October 2022
Cllr TC Andrews	04 October 2022, 1 November 2022 (was late and arrived during Infrastructure)
Cllr RW Strydom	04 October 2022, 7 February 2023
Cllr NS Louw	04 October 2022, 7 February 2023, 07 March 2023, 04 April 2023, 06 June 2023
Cllr J Alexander	01 November 2022, 07 March 2023
Cllr A Small	01 November 2022
Cllr G Stephan	02 May 2023
Cllr TF Waldeck	02 May 2023, 06 June 2023 (Arrived late and did not attend PC Admin & CS)

Absent without leave:

Cllr DC Pypers	07 February 2023
Ald OM Stemele	04 April 2023
Cllr NS Louw	02 May 2023

Termination of DA Membership:

Cllr R Witbooi -	27 July 2022

Resignations:

Cllr TC Andrews -	29 November 2022

Newly Appointed:

Cllr TF Waldeck **-** **0**9 December 2022

PC Finance

Alderman / Councillor	Full-time / Part-time	Party represented	19 Jul 22	02 Aug 22	06 Sept 22	04 Oct 22	01 Nov 22	07 Feb 23	07 Mar 23	04 Apr 23	02 May 23	06 Jun 23	PC meetings attendance	Apologies for non-attendance	Absent without leave
SM Crafford (Chairperson)	Saldanha Bay	DA	x	√	√	√	√	√	√	√	√	√	9	1	0
L Mitchell	Saldanha Bay	DA	√	√	√	√	√	√	x	√	√	√	9	1	0
M Koen	Saldanha Bay	DA	√	√	√	x	x						3	2	0
IS Le Minnie (Replaced Ald M Koen on 14 Dec 22)	Swartland	DA						x	√	√	x	√	3	2	0
AJ Pool	Matzikama	DA	√	√	√	√	x	√	x	√	√	x	7	3	0
E Plaatjies	Proportional	ANC	√	√	√	√	**x**	√	√	x	√	√	8	1	1
SA Gxabalashe	Proportional	ANC	x	√	√	√	x	x	√	√	x	√	6	4	0
G Stephan	Proportional	FF PLUS	√	√	√	√	√	√	√	√	x	√	9	1	0
TC Andrews (Resigned 29 Nov 22)	Proportional	PA	√	√	√	x	x						3	2	0
TF Waldeck (Appointed 9 Dec 22)	Proportional	PA						√	√	√	x	√	4	1	0
J Alexander	Proportional	GOOD	√	√	√	√	x	√	√	√	√	√	9	1	0
RW Strydom (Ex Officio)	Proportional	DA	√	√	√	x	√	x	√	√	√	√	8	2	0
NS Louw (Ex Officio)	Proportional	DA	√	√	√	x	√	x	x	x	**x**	x	4	5	1

Absent with leave:

Ald SM Crafford	19 July 2022
Cllr SA Gxabalashe	19 July 2022, 01 November 2022, 07 February 2023, 02 May 2023
Ald M Koen	04 October 2022, 01 November 2022 (was late and arrived during Strategic Support & Economic Development)
Cllr TC Andrews	04 October 2022, 01 November 2022 (was late and arrived during Infrastructure)
Ald RW Strydom	04 October 2022, 07 February 2022
Cllr NS Louw	04 October 2022, 07 February 2022, 07 March 2023, 04 April 2023, 06 June 2023
Cllr J Alexander	01 November 2022
Cllr IS Le Minnie	07 February 2022, 02 May 2023 (was late and arrived during Infrastructure)
Cllr AJ Pool	07 March 2023, 06 June 2023
Cllr L Mitchell	07 March 2023
Ald Plaatjies	04 April 2023
Cllr G Stephan	02 May 2023
Cllr TF Waldeck	02 May 2023

Absent without leave:

Ald E Plaatjies	01 November 2022
Cllr NS Louw	02 May 2023

Resignations:

Cllr TC Andrews	29 November 2022

Replacement on committee:

Cllr IS Le Minnie replaced Ald M Koen on 14 December 2022 (Council Resolution ITEM 22/12/14/9.7).

Newly Appointed:

PC Infrastructure Services

Alderman / Councillor	Full-time / Part-time	Party represented	19 Jul 22	02 Aug 22	06 Sept 22	04 Oct 22	01 Nov 22	07 Feb 23	07 Mar 23	04 Apr 23	02 May 23	06 Jun 23	PC meetings attendance	Apologies for non-attendance	Absent without leave
M Schrader (Chairperson)	Saldanha Bay	DA	√	√	√	√	√	x	√	√	√	√	9	1	0
IS Le Minnie	Swartland	DA	√	√	√	√	x	x	√	√	√	√	8	2	0
DC Pypers	Swartland	DA	√	√	√	√	√	**x**	√	√	√	√	9	0	1
AJ Pool	Matzikama	DA	√	√	√	√	x	√	x	√	√	x	7	3	0
TJ Muller (Resigned 2 Dec 22)	Matzikama	ANC	√	**x**	√	x							2	1	1
SJ Tshabalala (Appointed 25 Jan 23)	Matzikama	ANC							x	√	√	x	2	2	0
F Kamfer	Cederberg	DA	√	√	√	x	√	√	√	√	√	√	9	1	0
G Stephan	Proportional	FF PLUS	√	√	√	√	√	√	√	√	x	√	9	1	0
TC Andrews (Resigned 29 Nov 22)	Proportional	PA	√	√	√	x	√						4	1	0
TF Waldeck (Appointed 9 Dec 22)	Proportional	PA						√	√	√	x	√	4	1	0
BL Witbooi	Saldanha Bay	GOOD	√	√	√	√	x	√	√	x	√	x	7	3	0

RW Strydom (Ex Officio)	Proportional	DA	√	√	√	x	√	x	√	√	√	√	8	2	0
SM Crafford (Ex Officio)	Proportional	DA	x	√	√	√	√	√	√	√	√	√	9	1	0
NS Louw (Ex Officio)	Proportional	DA	√	√	√	x	√	x	x	x	**x**	x	4	5	1

Absent with leave:

Ald SM Crafford	19 July 2022
Cllr TJ Muller	04 October 2022
Cllr F Kamfer	04 October 2022
Cllr TC Andrews	04 October 2022
Ald RW Strydom	04 October 2022, 07 February 2023
Cllr NS Louw	04 October 2022, 07 February 2023, 07 March 2023, 04 April 2023, 06 June 2023
Cllr AJ Pool	01 November 2022, 07 March 2023, 06 June 2023
Cllr BL Witbooi	01 November 2022, 04 April 2023, 06 June 2023
Cllr IS Le Minnie	01 November 2022, 07 February 2023
Cllr M Schrader	07 February 2023
Cllr SJ Tshabalala	07 March 2023, 06 June 2023
Cllr G Stephan	02 May 2023
Cllr TF Waldeck	02 May 2023

Absent without leave:

Cllr TJ Muller 02 August 2022 (Cllr TJ Muller was virtually in attendance during the previous Portfolio Committee but absent at the commencement and roll-call of the Portfolio Committee Infrastructure Service.)

Cllr DC Pypers 07 February 2023

Cllr NS Louw 02 May 2023

Resignations:

Cllr TC Andrews 29 November 2022

Newly Appointed:

Cllr TF Waldeck **-** 9 December 2022

Cllr SJ Tshabalala - 25 January 2023 (Inaugurated on 22 Feb 23)

PC Strategic Support & Economic Development

Alderman / Councillor	Full-time / Part-time	Party represented	19 Jul 22	02 Aug 22	06 Sept 22	04 Oct 22	01 Nov 22	07 Feb 23	07 Mar 23	04 Apr 23	02 May 23	06 Jun 23	PC meetings attendance	Apologies for non-attendance	Absent without leave
C Daniels (Chairperson)	Swartland	DA	√	√	√	√	√	√	√	√	√	√	10	0	0
OM Stemele	Proportional	DA	√	√	√	√	√	√	√	x	√	√	9	0	1
JA Engelbrecht	Proportional	DA	√	√	√								3	0	0
L Venter (Appointed 17 Oct 22) (Replaced Cllr Engelbrecht on 14 Dec 22)	Cederberg	DA						√	√	√	√	√	5	0	0
M Koen	Saldanha Bay	DA	√	√	√	x	√	√	√	√	√	√	9	1	0
IS Adams	Bergrivier	ANC	√	√	√	√	√	√	√	√	√	√	10	0	0
ZS Komani-Nkohla	Saldanha Bay	ANC	x	√	√	x	√	√	√	√	√	√	8	2	0
G Stephan	Proportional	FF PLUS	√	√	√	√	√	√	√	√	x	√	9	1	0
TC Andrews (Resigned 29 Nov 22)	Proportional	PA	√	√	√	x	√						4	1	0
TF Waldeck (Appointed 9 Dec 22)	Proportional	PA						√	√	√	x	√	4	1	0

BL Witbooi	Saldanha Bay	GOOD	√	√	√	√	x	√	√	x	√	x	7	3	0
RW Strydom (Ex Officio)	Proportional	DA	√	√	√	x	√	x	√	√	√	√	8	2	0
SM Crafford (Ex Officio)	Proportional	DA	x	√	√	√	√	√	√	√	√	√	9	1	0
NS Louw (Ex Officio)	Proportional	DA	√	√	√	x	√	x	x	x	**x**	x	4	5	1

Absent with leave:

Ald SM Crafford	19 July 2022
Cllr ZS Komani-Nkohla	19 July 2022, 04 October 2022
Cllr TC Andrews	04 October 2022
Ald RW Strydom	04 October 2022, 07 February 2023
Cllr NS Louw	04 October 2022, 07 February 2023, 07 March 2023, 04 April, 06 June 2023
Ald M Koen	04 October 2022
Cllr JA Engelbrecht	04 October 2022, 01 November 2022
Cllr BL Witbooi	01 November 2022, 04 April 2023, 06 June 2023
Cllr G Stephan	02 May 2023
Cllr TF Waldeck	02 May 2023

Absent without leave:

Ald OM Stemele	04 April 2023
Cllr NS Louw	02 May 2023

Resignations:

Cllr TC Andrews	29 November 2022

Replacements:

Cllr L Venter replaced Cllr Engelbrecht on 14 December 2022 (Council Resolution ITEM 22/12/14/9.7).

Newly Appointed:

Cllr L Venter – 17 October 2022

Cllr TF Waldeck **-** 9 December 2022

MPAC (Municipal Public Accounts Committee)

Alderman / Councillor	Full-time / Part-time	Party represented	26 Jul 22	23 Aug 22	14 Oct 22	26 Oct 22	23 Jan 23	21 Feb 23	24 Apr 23	Meeting attendance	Apologies for non-attendance	Absent without leave
M Koen (Chairperson)	Proportional	DA	√	√	√	√	√	√	√	6	0	0
OM Stemele	Swartland	DA	√	√	√	√	√	√	√	6	0	0
L Mitchell	Saldanha Bay	ANC	√	√	√	√	√	√	√	6	0	0
J Alexander	Proportional	GOOD	√	√	√	x	√	√	√	5	0	1

Absent without leave:

Cllr J Alexander 26 October 2022

APPENDIX B: COMMITTEES AND COMMITTEE PURPOSES:

REPRESENTATION OF COUNCILLORS ON COMMITTEES

1. EXECUTIVE MAYORAL COMMITTEE

a) ***Executive Mayor***
Ald RW Strydom

b) ***Executive Deputy Mayor***
Ald SM Crafford

c) ***EMC Members***
Cllr JA Engelbrecht
Cllr C Daniels
Cllr M Schrader

d) **Ex Officio**
Cllr NS Louw

2. SECTION 80: PORTFOLIO COMMITTEES

Portfolio Committee: Administration & Community Services	***Portfolio Committee: Financial Services***	***Portfolio Committee: Infrastructure Services***	***Portfolio Committee : Strategic Support & Economic Development***
Functions: *Administration* *Municipal Environmental Health: Air Quality and Environmental Integrity* *Disaster Management* *Fire Services* *Social Development* *Community Safety* *Rural Safety*	**Functions:** *Financial Management and Control* *Income and Expenditure* *Information Technology* *Supply Chain Management* *Ganzekraal Holiday Resort*	**Functions:** *Spatial Planning and Development* *Roads* *Civil Engineering Projects* *Water Supply*	**Functions:** *Human Resources* *IDP* *LED* *Tourism*
PC Chair JA Engelbrecht	***PC Chair*** S Crafford	***PC Chair*** M Schrader	***PC Chair*** C Daniels
PC Members DC Papers A Small OM Stemele BJ Penxa I Adams G Stephan TC Andrews J Alexander	**PC Members** L Mitchell I Le Minnie AJ Pool E Plaatjies SA Gxabalashe G Stephan TC Andrews J Alexander	**PC Members** I Le Minnie AJ Pool DC Pypers SJ Tshabalala F Kamfer G Stephan TC Andrews BL Witbooi	**PC Members** OM Stemele L Venter M Koen I Adams ZS Komani-Nkohla G Stephan TC Andrews BL Witbooi
Ex Officio Executive Mayor Deputy Executive Mayor/ Speaker	**Ex Officio** Executive Mayor Deputy Executive Mayor/ Speaker	**Ex Officio** Executive Mayor Deputy Executive Mayor/ Speaker	**Ex Officio** Executive Mayor Deputy Executive Mayor/ Speaker

3. <u>STATUTORY COMMITTEES</u> **Local Labour Forum Employer component**	SM Crafford C Daniels M Schrader JA Engelbrecht

4.	**SALGA WORKING GROUP**	
a)	Municipal Capability and Institutional Resilience	Member: C Daniels Secundi: OM Stemele
b)	Community Development and Security	Member: JA Engelbrecht Secundi: OM Stemele
c)	Governance and Intergovernmental Relations	Member: RW Strydom Secundi: NS Louw
d)	Economic Development and Job Creation	Member: M Koen Secundi: OM Stemele
e)	Electricity and Energy, and Public Works	Member: M Schrader Secundi: DC Pypers
f)	Water and Sanitation	Member: M Schrader Secundi: DC Pypers
g)	Human Settlements and Urban Agenda	Member: OM Stemele Secundi: JA Engelbrecht
h)	Health	Member: L Venter Secundi: A Small
i)	Emergency Services and Disaster Management	Member: JA Engelbrecht Secundi: A Small
j)	Municipal Finance and Fiscal Policy	Member: SM Crafford Secundi: M Koen
k)	Municipal Digital Solutions	Member: L Mitchell Secundi: NS Louw
l)	Public Transport and Roads	Member: M Schrader Secundi: DC Pypers
m)	Environmental Management and Climate Resilience	Member: SM Crafford Secundi: L Venter
n)	Development Planning and Rural Development	Member: C Daniels Secundi: OM Stemele

5. OTHER COMMITTEES	
A) IDP Coordinating Committee	RW Strydom SM Crafford
B) IDP - Local Municipalities	
Bergrivier Municipality	A Small
Cederberg Municipality	L Venter
Matzikama Municipality	AJ Pool
Saldanha Bay Municipality	M Koen
Swartland Municipality	I Le Minnie
C) West Coast Biosphere Reserve	M Schrader
D) West Coast Regional – Tourism Organisation (RTO)	M Koen C Daniels
E) Greater Cederberg Biodiversity Corridor	L Venter
F) West Coast Coastal Management Committee	SM Crafford
6. Appeal Authority	NS Louw SM Crafford JA Engelbrecht
7. MPAC (Municipal Public Accounts Committee)	M Koen (Chairperson) OM Stemele L Mitchell J Alexander
8. Expanded Public Works Programme (EPWP)	I Le Minnie

Executive Mayor, Executive Deputy Mayor and Speaker serve as ex officio members on all committees, where they have not been nominated as active members

APPENDIX C – THIRD TIER ADMINISTRATIVE STRUCTURE

THIRD TIER STRUCTURE		
Directorate	**Designation**	**Official**
Office of the Municipal Manager	**Municipal Manager**	**Mr DC Joubert**
	Senior Manager: IDP, PMS, IGR and ED	Mr FE Williams
	Senior Manager: Human Resources	Dr H Brand
	Manager: Human Resource Development	Mrs T Steinmann
	Manager: Internal Audit	Mr KJ Frans
	Manager: Tourism	Vacant
Administration and Community Services	**Director Administration and Community Services**	**Mr W Markus**
	Senior Manager: Municipal Environmental Health	Mr N de Jongh
	Regional Manager: Municipal Environmental Health	Mr H Swart (Matzikama) Mr H De Wee (Cederberg) Mr A Scott (Swartland) Mrs ZR Fysch (Saldanha) Mr C Kotze (Bergrivier)
	Manager: Air Quality Control	Mrs C Ganten-Bein
	Head: Administration	Mrs P (Z)E Jacobs
	Head: Social and Community Development	Mrs MD Blanckenberg
	Manager: Disaster Management	Mr FW Petersen
	Chief Fire Officer	Mr B Senekal
Financial Services	**Director: Financial Services (CFO)**	**Dr JCP Tesselaar**
	Senior Manager: Financial Statements, Reporting and Asset Control	Mr PR April
	Senior Manager: Income and Expenditure	Mr JJ Jonker
	Manager: Information Technology	Mr H Matthews
	Manager: Expenditure and Payroll	Mr CN Mentoor
	Senior Manager: Supply Chain Management	Mr MR Markus
Infrastructure (Technical) Services	**Director: Infrastructure Services**	**Vacant**
	Senior Manager: Roads	Vacant
	Manager: Maintenance and Construction	Vacant
	Area Manager: Roads	Mr R Boks Mr M van Rooyen
	Area Manager: Roads Construction and Concrete	Mr G Wentzel
	Senior Manager: Water Supply	Mr MAJ Visser
	Manager: Water Purification and Plant Support	Mr BB van der Merwe
	Manager: Mechanical, Electrical and Instrumentation Services	Mr JJ van der Merwe

APPENDIX D – FUNCTIONS OF MUNICIPALITY/ENTITY

This will provide information on the functional and strategic performance of the municipality and will indicate how well the municipality is meeting its objectives and which policies and processes are working.

MUNICIPAL FUNCTIONS	FUNCTION APPLICABLE TO MUNICIPALITY (YES/NO)	FUNCTION APPLICABLE TO ENTITY (YES/NO)
Constitution Schedule 4, Part B functions		Not applicable
Air pollution	Yes	
Building regulations	Yes	
Childcare facilities		
Electricity and gas reticulation		
Firefighting services	Yes	
Local tourism	Yes	
Municipal airports		
Municipal planning	Yes	
Municipal health services	Yes	
Municipal public transport		
Municipal public works – only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under the Constitution and any other function such as the maintenance of pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related		
Storm water management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	Yes	
Beaches and amusement facilities	Yes	
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances	Yes	
Control of undertakings that sell food to the public	Yes	
Facilities for the accommodation, care and burial of animals		

Fencing and fences		
Licensing of dogs		
Control of undertakings that sell food to the public	Yes	
Local amenities – Ganzekraal Holiday Resort	Yes	
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution	Yes	
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading		
Street lighting		
Traffic and parking		

APPENDIX E – RECOMMENDATIONS OF THE AUDIT COMMITTEE 2022/2023

Date of Committee Meeting	Committee recommendations during 2022/2023	Recommendation adopted (Yes); not adopted (provide explanation)
16 August 2022	Pre-Audited Annual Financial Statements 2021/2022	Yes
16 August 2022	Draft Annual Performance Report 2021/2022	Yes
16 August 2022	Unaudited Draft Annual Report 2021/2022	Yes
18 October 2022	Internal Audit Methodology: Performing Engagements	Yes
29 November 2022	Draft Management Report 2021/2022	Yes
29 November 2022	Revised Audit-and Performance Committee Charter 2022/2023	Yes
21 February 2023	Regulatory Audit Report 2021/2022	Yes
21 February 2023	Oversight Report 2021/2022	Yes
21 February 2023	Final Annual Report 2021/2022	Yes
21 February 2023	Revised Risk Based Internal Audit Plan 2022/2023	Yes
21 February 2023	Mid-year Performance Report 2022/2023	Yes
21 February 2023	Internal Audit Guideline: Audit Universe	Yes
20 April 2023	Audit-and Performance Audit Committee Charter 2023/2024	Yes
20 April 2023	Internal Audit Charter 2023/2024	Yes
12 May 2023	Revised Risk Based Internal Audit Plan 2022/2023	Yes
13 June 2023	Operational Risk Based Internal Audit Plan 2023/2024	Yes
13 June 2023	Strategic Risk Based Internal Audit Plan 2023/2026	Yes
13 June 2023	Annual Internal Audit and Audit Committee Evaluations 2022/2023	Yes

APPENDIX F – LONG-TERM CONTRACTS AND PUBLIC-PRIVATE PARTNERSHIPS

Long Contracts (Largest Contracts Entered into 2022/2023)					
Name of Service Provider (Entity of Municipal Department)	**Description of Services Rendered by the Service Provider**	**Start Date of Contract**	**Expiry Date of Contract**	**Project Manager**	**Contract Value R' 000**
WP Tipper Truck & Plant	Supply and delivery of grader blades	01/07/2020	30/06/2023	Roads Department	R 987 138.38 (3rd year)
Catt Parts & Services	Supply and delivery of grader blades	01/07/2020	30/06/2023	Roads Department	R 1 064 118.00 (3rd year)
Namaqua Engineering	Supply and delivery of concrete pipes for the West Coast District Municipality	01/07/2020	30/06/2023	Roads Department	R 0.00 (3rd year)
Investa Trading t/a Supa Quick Vredendal	Supply and delivery of new tyres, retreading of tyres and subsidiary services, Cederberg and Matzikama area	01/07/2020	30/06/2023	Various Departments	R 791 055.32 (3rd year)
CEA Bande	Supply and delivery of new tyres, retreading of tyres and subsidiary services, Swartland and Saldanha area	01/07/2020	30/06/2023	Various Departments	R 3 279 417.38 (3rd year)

Nu-Way Enterprises CC	Supply and delivery of traffic control signs	01/07/2020	30/06/2023	Roads Departments	R 871 087.15 (3rd year)
Tip Trans Logistix	Supply and delivery of ironstone (laterite or ferricrete)	01/07/2020	30/06/2023	Roads Department	R 10 665 153.35 (3rd year)
Piston Power Chemicals CC	Supply and bulk delivery of oils and lubricants	01/07/2020	30/06/2023	Various Departments	R 499 116.59 (3rd year)
Improchem	Supply and delivery of sudfloc to Withoogte and Swartland WTW	01/01/2023	31/12/2025	Water Department	R 3 608 713.93 (1st year)
2AC's Services	Supply and delivery of chlorine gas to Withoogte WTW	01/01/2023	31/12/2025	Water Department	R 1 485 411.30 (1st year)
Chemtoll	Supply and delivery of hydrated lime to Withoogte and Swartland WTW	01/01/2023	31/12/2025	Water Department	R 363 367.12 (1st year)
Afrimat Aggregates (Pty) Ltd	Supply and delivery of roadbuilding material for DR 2160	01/08/2020	30/06/2023	Roads Department	R 6 956 274.53 (3rd year)
WEC-Consult (Pty) Ltd	Provision of Professional Civil and Electrical	01/12/2020	30/06/2023	Various Departments	R 589 041.01 (3rd year)

	Engineering services				
Digital Industries	Provision of Professional Civil and Electrical Engineering services	01/12/2020	30/06/2023	Various Departments	R 2 821 964.53 (3rd year)
Enderstein van der Merwe Inc	A panel of legal services	01/07/2021	30/06/2024	Various Departments	R 953 411.59 (2nd year)
M-Bond Engineering	Maintenance and repair of overhead sectional machine bay doors	01/11/2021	30/06/2024	Fire & Rescue Services	R 94 749.19 (2nd year)
Colas South Africa (Pty) Ltd	Supply, delivery and spray of bitumen products	01/01/2022	31/12/2024	Roads Department	R 17 978 239.14 (2nd year)
Roadlab Laboratories (Pty) Ltd	Commercial laboratory testing services	01/01/2022	31/12/2024	Roads Department	R 1 532 180.61 (2nd year)
Working on Fire (Pty) Ltd	Supply of aerial firefighting services	01/02/2022	30/06/2025	Fire & Rescue Services	R 136 550.15 (2nd year)

No public-private partnerships at the West Coast District Municipality

APPENDIX G – SERVICE PROVIDER PERFORMANCE SCHEDULE: 2022/2023

Tender	Tender Description	Service Provider	Duration of project	Performance in terms of the contract	Additional comments
WDM 03/2020	Supply and delivery of traffic signs for the period 01 July 2020 to 30 June 2023	Nu-Way Enterprises CC	3 years	Good	
WDM 38/2020	Supply and delivery of steel and related products for the period 01 December 2020 to 30 June 2023	Namaqua Service Centre	2 years and 7 months	Good	
WDM 04/2020	Supply and delivery of fencing material and erection of fencing from 01 July 2020 to 30 June 2023	Dinah Traders	3 years	Good	
WDM 09/2020	Supply and delivery of concrete pipes and culverts for the West Coast District Municipality for the period 01 July 2020 to 30 June 2023	Namaqua Engineering	3 years	Excellent	
WDM 11/2020	Supply and delivery of security services for the West Coast District Municipality for the period 01 July 2018 to 30 June 2022	Bamogale Security Solutions	3 years	Good	
WDM 02/2020	Supply and delivery of Ironstone (Laterite or Ferricrete) for the period 01 July 2020 to 30 June 2023	Tip Trans Logistix (Pty) Ltd	3 years	Good	
WDM 05/2020	Supply and bulk delivery of oil and lubricants for the period 01 July 2020 to 30 June 2023	Piston Power Chemicals (Pty) Ltd	3 years	Good	
WDM 06/2020	Supply and delivery of grader blades, plough bolts and nuts to the West Coast for the period 01 July 2020 to 30 June 2023	WP Tipper Truck & Plant	3 years	Good	

WDM 08/2020	Supply and delivery of new tyres, tubes, retreading of tyres and subsidiary services in the Cederberg and Matzikama Area for the period 01 July 2020 to 30 June 2023	Investa Trading t/a Supa Quick Vredendal	3 years	Excellent	
WDM 07/2020	Supply and delivery of new tyres, tubes, retreading of tyres and subsidiary services in the Swartland and Saldanha areas for the period 01 August 2020 to 30 June 2023	CEA Bande (Pty) Ltd	2 years and 11 months	Excellent	
WDM 12/2022	Supply and delivery of line painting services within the West Coast Region from 01 January 2023 till 30 June 2025	Rainbow Civils CC	2 years and 6 months	Excellent	
WDM 28/2022	Supply and delivery of traffic accommodation services till 30 June 2025	AR Projects and Developments (Pty) Ltd	2 years and 8 months	Excellent	
WDM 19/2022	Bacteriological analysis of samples for the West Coast District Municipality from 01 January 2023 till 30 June 2025	Swift Silliker (Pty) Ltd	2 years and 6 months	Excellent	
WDM 14/2022	Hire of construction plant for the West Coast Area from 01 March 2023 till 30 June 2025	T & F Construction (Pty) Ltd	2 years and 3 months	Good	
WDM 14/2022	Hire of construction plant for the West Coast Area from 01 March 2023 till 30 June 2025	AJ Van Huffel Plant Hire CC	2 years and 3 months	Good	
WDM 14/2022	Hire of construction plant for the West Coast Area from 01 March till 30 June 2025	Midmar Plant Hire CC	2 years and 3 months	Good	
WDM 14/2022	Hire of construction plant for the West Coast Area from 01 March 2023 till 30 June 2025	Sobuza Investments	2 years and 3 months	Excellent	
WDM 14/2022	Hire of construction plant for the West Coast Area from 01 March 2023 till 30 June 2025	Ekene Investments	2 years and 3 months	Good	
WDM 14/2022	Hire of construction plant for the West Coast Area from 01 March 2023 till 30 June 2025	Kukhula Plant Hire (Pty) Ltd	2 years and 3 months	Good	

WDM 14/2022	Hire of construction plant for the West Coast Area from 01 March 2023 till 30 June 2025	Atantic Plant and Transport	2 years and 3 months	Good	
WDM 16/2022	Supply and delivery of crushed stone and associated products from 01 January 2023 till 30 June 2025	Tip Trans Logistix (Pty) Ltd	2 years and 6 months	Excellent	
WDM 16/2022	Supply and delivery of crushed stone and associated products from 01 January 2023 till 30 June 2025	RDB Building and Construction (Pty) Ltd	2 years and 6 months	Good	
WDM 16/2022	Supply and delivery of crushed stone and associated products from 01 January 2023 till 30 June 2025	Virtigo Resources (Pty) Ltd	2 years and 6 months	Fair	
WDM 16/2022	Supply and delivery of crushed stone and associated products from 01 January 2023 till 30 June 2025	Afrimat Aggregates (Pty) Ltd	2 years and 6 months	Good	
WDM 05/2022	Supply and delivery of sudfloc to Withoogte and Swartland WTW from 01 January 2023 to 31 December 2025	Improchem (Pty) Ltd	3 years	Good	
WDM 04/2022	Supply and delivery of chlorine gas to Withoogte WTW from 01 January 2023 to 31 December 2025	Metsi Chem Ikapa (Pty) Ltd	3 years	Good	
WDM 03/2022	Supply and delivery of hydrated lime to Withoogte and Swartland WTW from 01 January 2023 till 31 December 2025	Chemtoll (Pty) Ltd	3 years	Good	
WDM 13/2022	Supply and delivery of mobile chemical flush toilet units within the West Coast Region from 01 January 2023 till 30 June 2025	Bidvest Services (Pty) Ltd	2 years and 6 months	Good	

WDM 22/2022	Provision of Professional Civil and Electrical Engineering services for the period ending, 30 June 2023	WEC-Consult (Pty) Ltd	2 years and 7 months	Good	
WDM 22/2020	Provision of Professional Civil and Electrical Engineering services for the period ending, 30 June 2023	Digital Industries	2 years and 7 months	Excellent	
WDM 36/2022	Supply and delivery of personal protective equipment for the Fire and Rescue Services till 30 June 2025	Invuyani Safety	2 years and 3 months	Good	
WDM 36/2022	Supply and delivery of personal protective equipment for the Fire and Rescue Services till 30 June 2025	Vanguard Fire and Safety	2 years and 3 months	Excellent	
WDM 06/2021	A panel of legal services for the period ending, 30 June 2024	Enderstein van der Merwe Inc	3 years	Good	
WDM 10/2021	Maintenance and repair of overhead sectional machine bay doors for the period ending, 30 June 2024	M-Bond Engineering	2 years and 7 months	Excellent	
WDM 15/2021	Supply, delivery and spray of bitumen products for the period ending, 31 December 2024	Colas South Africa (Pty) Ltd	3 years	Good	
WDM 16/2021	Commercial laboratory testing services for the period ending, 31 December 2024	Road Lab Laboratories (Pty) Ltd	3 years	Fair	
WDM 29/2021	Supply of aerial firefighting services for the period ending, 30 June 2024	Working on Fire (Pty) Ltd	2 years and 5 months	Good	

APPENDIX H – DISCLOSURE OF FINANCIAL INTERESTS: COUNCILLORS

In terms of Section 8 of the Code of Conduct for Councillors as set out in Schedule 7 of the Local Government: Municipal Structures Amendment Act, 2021, Act 3 of 2021, a Councillor is legally obliged to declare his/her financial interest within 60 days of being elected or appointed or when there is any change in the nature or detail of the financial interest of a Councillor.

Disclosure of Financial Interest		
Period 01 July 2022– 30 June 2023		
Position	**Name**	**Description of Financial interest**
Executive Mayor	RW Strydom	None
Member of Executive Mayoral Committee	SM Crafford	**Interest in any trust:** Velddrif High School Trust, St Helena Bay Water Quality Trust
	JA Engelbrecht	**Partnership and Interest in property:** Suurfontein, Lamberts Bay (50% ownership)
	M Schrader	**Shares and securities in any company:** Terrason Shares **Interest in property:** Koperfontein 346/12 - Gifberg
	C Daniels	None
Speaker	NS Louw	**Other financial interest in any business undertaking:** Louw Farming
Councillor	E Plaatjies	**Directorship:** Vital Connection
	SA Gxabalashe	**Employment and remuneration:** National Union of Mine Workers
	OM Stemele	None
	J Alexander	**Membership - Close Corporation & Directorship:** ILSANI Holdings CC
	TF Waldeck	None
	G Stephan	**Interest in any trust:** Dadelbos Trust
Matzikama Municipality	SJ Tshabalala	**Shares and securities in any company:** 30% Shares in Manyano Developers **Directorships:** Manyano Developers
	AJ Pool	**Other financial interest in any business undertaking:** Kameelsebrand Farming - Bitterfontein
Cederberg Municipality	F Kamfer	**Directorship:** FA Verpakkers; FK Projects; Sharon Service

	L Venter	None
Bergrivier Municipality	IS Adams	None
	A Small	None
Saldanha Bay Municipality	ZS Komani-Nkohla	None
	L Mitchell	None
	M Koen	**Membership – close corporation:** Netmar Beleggings, Boetmar Beleggings (Pty) Ltd **Interests in any trust:** Boetmar Beleggings (Pty) Ltd
	BL Witbooi	None
Swartland Municipality	BJ Penxa	None
	IS Le Minnie	**Shares and securities in any company:** Le Minnie Attorneys Inc, Le Minnie Attorneys Projects (PTY) Ltd, Le Minnie Foundation NPC **Directorships:** Le Minnie Attorneys Inc, Le Minnie Attorneys Projects (PTY) Ltd, Le Minnie Foundation NPC **Employment and remuneration:** Le Minnie Attorneys Inc
	DC Pypers	**Directorships:** New Haven Social Concerns – Chief Executive Officer, Senior Pastor of New Haven Social Concerns

APPENDIX I – DISCLOSURE OF FINANCIAL INTERESTS: SECTION 57 OFFICIALS

Disclosure of financial interest		
Period 1 July 2022 to 30 June 2023		
Position	**Name**	**Description of financial interest**
Municipal manager	DC Joubert	Dwelling approximately valued at R2 500 000. Small Holding approximately valued at R3 200 000.
Chief Financial Officer	JCP Tesselaar	Shares approximately valued at R1 000 000. Dwelling approximately valued at R2 000 000.
Director: Administration and Community Services	W Markus	Dwelling approximately valued at R500 000. Flat approximately valued at R500 000.
Director: Technical Service	AC Koch	Dwelling approximately valued at R3 400 000.

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APPENDIX J REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE
(I)REVENUE COLLECTION PERFORMANCE BY VOTE FINANCIAL DISCLOSURE

DC1 West Coast - Reconciliation of Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2022/23								2021/22			
R thousand	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
Revenue by Vote												
Vote 1 - EXECUTIVE AND COUNCIL	1 784	6 178	7 961	6 057		(1 904)	76,1%	339,6%				2 003
Vote 2 - FINANCE	129 869	4 632	134 501	146 853		12 352	109,2%	113,1%				126 555
Vote 3 - ADMINISTRATION	32 413	(13)	32 399	33 460		1 061	103,3%	103,2%				30 817
Voe 4 - TECHNICAL	132 643	2 300	134 943	142 693		7 750	105,7%	107,6%				113 679
Vote 5 - AGENCIES	168 504	88 781	257 285	229 706		(27 578)	89,3%	136,3%				209 592
Example 6 - Vote6	-	-	-	-		-	-	-				-
Example 7 - Vote7	-	-	-	-		-	-	-				-
Example 8 - Vote8	-	-	-	-		-	-	-				-
Example 9 - Vote9	-	-	-	-		-	-	-				-
Example 10 - Vote10	-	-	-	-		-	-	-				-
Example 11 - Vote11	-	-	-	-		-	-	-				-
Example 12 - Vote12	-	-	-	-		-	-	-				-
Example 13 - Vote13	-	-	-	-		-	-	-				-
Example 14 - Vote14	-	-	-	-		-	-	-				-
Example 15 - Vote15	-	-	-	-		-	-	-				-
Total Revenue by Vote	465 211	101 878	567 089	558 770		(8 319)	98,5%	120,1%				482 646
Expenditure by Vote *to be appropriated*												
Vote 1 - EXECUTIVE AND COUNCIL	34 596	5 938	40 534	32 143	-	(8 392)	79,3%	92,9%	-	-	-	31 043
Vote 2 - FINANCE	37 269	3 990	41 259	35 913	-	(5 346)	87,0%	96,4%	-	-	-	29 288
Vote 3 - ADMINISTRATION	93 348	237	93 585	89 313	-	(4 272)	95,4%	95,7%	-	-	-	83 485
Voe 4 - TECHNICAL	136 638	758	137 396	134 990	-	(2 407)	98,2%	98,8%	-	-	-	110 906
Vote 5 - AGENCIES	168 504	88 781	257 285	229 706	-	(27 578)	89,3%	136,3%	-	-	-	209 592
Example 6 - Vote6	-	-	-	-	-	-	-	-	-	-	-	-
Example 7 - Vote7	-	-	-	-	-	-	-	-	-	-	-	-
Example 8 - Vote8	-	-	-	-	-	-	-	-	-	-	-	-
Example 9 - Vote9	-	-	-	-	-	-	-	-	-	-	-	-
Example 10 - Vote10	-	-	-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11	-	-	-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12	-	-	-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13	-	-	-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14	-	-	-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	470 354	99 704	570 059	522 065	-	(47 994)	91,6%	111,0%	-	-	-	464 313
Surplus/(Deficit) for the year	(5 143)	2 173	(2 970)	36 705		39 674	-1236,0%	-713,7%				

APPENDIX K – REVENUE COLLECTION PERFORMANCE BY SOURCE

DC1 West Coast - Reconciliation of Table A1 Budget Summary

Description	2022/23								2021/22			
R thousands	Original Budget	Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
Financial Performance												
Property rates	-	-	-	-		-	-	-				-
Service concession	126 633	-	126 633	139 368		12 725	110,0%	110,0%				112 835
Investment revenue	14 942	-	14 942	24 602		9 660	164,6%	164,6%				14 185
Transfers recognised - operational	30 193	3 520	33 713	37 236		3 523	110,4%	123,3%				28 334
Other own revenue	293 232	93 759	386 991	357 574		(29 417)	92,4%	121,9%				327 293
Total Revenue (excluding capital transfers and contributions)	**464 999**	**97 279**	**562 278**	**558 770**		**(3 509)**	**99,4%**	**120,2%**				**482 646**
Employee costs	231 551	(1 596)	229 956	226 496	-	(3 459)	98,5%	97,8%	-	-	-	213 762
Remuneration of councillors	7 229	-	7 229	7 594	-	365	105,0%	105,0%	-	-	-	7 568
Debt impairment	1 970	-	1 970	999	-	(971)	50,7%	50,7%	-	-	-	2 255
Depreciation & asset impairment	11 238	-	11 238	10 790	-	(448)	96,0%	96,0%	-	-	-	8 574
Finance charges	1 090	184	1 274	65	-	(1 210)	5,1%	5,9%	-	-	-	323
Materials and bulk purchases	78 861	44 616	123 477	96 388	-	(27 089)	78,1%	122,2%	-	-	-	85 224
Transfers and grants	1 458	1 698	3 155	2 094	-	(1 061)	66,4%	143,7%	-	-	-	913
Other expenditure	136 957	54 803	191 759	177 638	-	(14 121)	92,6%	129,7%	-	-	-	145 694
Total Expenditure	**470 354**	**99 704**	**570 059**	**522 065**	**-**	**(47 994)**	**91,6%**	**111,0%**	**-**	**-**	**-**	**464 313**
Surplus/(Deficit)	**(5 355)**	**(2 425)**	**(7 780)**	**36 705**		**44 485**	**-471,8%**	**-685,4%**				**18 333**
Transfers recognised - capital	213	4 598	4 811	-		(4 811)	-	-				-
Contributions recognised - capital & contributed assets	-	-	-	-		-	-	-				-
Surplus/(Deficit) after capital transfers & contributions	**(5 143)**	**2 173**	**(2 970)**	**36 705**		**39 674**	**-1236,0%**	**-713,7%**				**18 333**
Share of surplus/ (deficit) of associate	-	-	-	-		-	-	-				-
Surplus/(Deficit) for the year	**(5 143)**	**2 173**	**(2 970)**	**36 705**		**39 674**	**-1236,0%**	**-713,7%**				**18 333**
Capital expenditure & funds sources												
Capital expenditure												
Transfers recognised - capital	213	4 598	4 811	-		(4 811)	-	0,0%				-
Public contributions & donations	-	-	-	-		-	-	-				-
Borrowing	-	-	-	-		-	-	-				-
Internally generated funds	14 010	8 826	22 836	19 473		(3 362)	85,3%	139,0%				16 541
Total sources of capital funds	**14 223**	**13 424**	**27 646**	**19 473**		**(8 173)**	**70,4%**	**136,9%**				**16 541**
Cash flows												
Net cash from (used) operating	19 719	33 063	52 782	35 069		(17 713)	66,4%	177,8%				19 963
Net cash from (used) investing	(12 723)	(13 424)	(26 146)	(17 968)		8 179	68,7%	141,2%				(13 171)
Net cash from (used) financing	(1 500)	-	(1 500)	(1 500)		-	0,0%	0,0%				(3 000)
Cash/cash equivalents at the year end	**326 786**	**19 639**	**321 290**	**344 665**		**23 376**	**107,3%**	**105,5%**				**329 064**

APPENDIX L: CONDITIONAL GRANTS RECEIVED

	30 June 2023	30 June 2022
Western Cape Financial Management Grant (Risk & MSCOA)	-	-
Local Government Graduate Internship Grant	40 984	172 072
Western Cape Financial Management Grant (IDP & Internship)	-	-
Community Development Grant	89 843	101 813
RSC Levy Replacement Grant (Equitable Share)	80 366 000	78 469 661
Equitable Share	23 008 000	21 002 000
Fire Services Grant	821 000	-
Financial Management Grant	1 000 000	1 000 000
EPWP	1 194 000	1 401 000
Road Infrastructure Grant	1 900 000	-
Provincial Government - Regional co-ordination and Mentoring Grant	50 819	-
Rural Roads Management	2 706 650	2 586 000
Provincial Government - Joint District Initiative	1 820 000	-
Provincial Government - Public Employment Grant	200 000	-
Provincial Government - Community Safety : WOSA	3 030 440	1 251 574
Working for Water	624 414	474 981
Other Government Grants and Subsidies	749 447	344 290
Total	**117 601 597**	**106 803 391**

APPENDIX M (I): CAPITAL EXPENDITURE – NEW UPRGRADE EN RENEWAL PROGRAM
CAPITAL EXPENDITURE: ASSETS PROGRAMME

DC1 West Coast - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2022/23								2021/22			
R thousand	Original Budget	Total Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
Capital expenditure - Vote												
Multi-year expenditure												
Vote 1- EXECUTIVE AND COUNCIL	100	1 905	2 005	1 272	–	(733)	63%	1272%	–	–	–	554
Vote 2 - FINANCE	2 450	991	3 441	1 583	–	(1 859)	46%	65%	–	–	–	1 991
Vote 3 - ADMINISTRATION	4 685	(33)	4 652	4 274	–	(378)	92%	91%	–	–	–	9 199
Voe 4 - TECHNICAL	5 040	7 119	12 159	10 037	–	(2 122)	83%	199%	–	–	–	2 887
Vote 5 - AGENCIES	–	–	–	–	–	–	-	-	–	–	–	–
Example 6 - Vote6	–	–	–	–	–	–	-	-	–	–	–	–
Example 7 - Vote7	–	–	–	–	–	–	-	-	–	–	–	–
Example 8 - Vote8	–	–	–	–	–	–	-	-	–	–	–	–
Example 9 - Vote9	–	–	–	–	–	–	-	-	–	–	–	–
Example 10 - Vote10	–	–	–	–	–	–	-	-	–	–	–	–
Example 11 - Vote11	–	–	–	–	–	–	-	-	–	–	–	–
Example 12 - Vote12	–	–	–	–	–	–	-	-	–	–	–	–
Example 13 - Vote13	–	–	–	–	–	–	-	-	–	–	–	–
Example 14 - Vote14	–	–	–	–	–	–	-	-	–	–	–	–
Example 15 - Vote15	–	–	–	–	–	–	-	-	–	–	–	–
Capital multi-year expenditure	**12 275**	**9 982**	**22 257**	**17 166**	**–**	**(5 091)**	**77%**	**140%**	**–**	**–**	**–**	**14 631**
Single-year expenditure												
Vote 1- EXECUTIVE AND COUNCIL	388	272	660	244	–	(416)	37%	63%	–	–	–	204
Vote 2 - FINANCE	575	1 909	2 484	1 161	–	(1 323)	47%	202%	–	–	–	316
Vote 3 - ADMINISTRATION	490	1 267	1 757	560	–	(1 198)	32%	114%	–	–	–	1 031
Voe 4 - TECHNICAL	495	(7)	488	343	–	(146)	70%	69%	–	–	–	361
Vote 5 - AGENCIES	–	–	–	–	–	–	-	-	–	–	–	–
Example 6 - Vote6	–	–	–	–	–	–	-	-	–	–	–	–
Example 7 - Vote7	–	–	–	–	–	–	-	-	–	–	–	–
Example 8 - Vote8	–	–	–	–	–	–	-	-	–	–	–	–
Example 9 - Vote9	–	–	–	–	–	–	-	-	–	–	–	–
Example 10 - Vote10	–	–	–	–	–	–	-	-	–	–	–	–
Example 11 - Vote11	–	–	–	–	–	–	-	-	–	–	–	–
Example 12 - Vote12	–	–	–	–	–	–	-	-	–	–	–	–
Example 13 - Vote13	–	–	–	–	–	–	-	-	–	–	–	–
Example 14 - Vote14	–	–	–	–	–	–	-	-	–	–	–	–
Example 15 - Vote15	–	–	–	–	–	–	-	-	–	–	–	–
Capital single-year expenditure	**1 948**	**3 442**	**5 389**	**2 307**	**–**	**(3 082)**	**43%**	**118%**	**–**	**–**	**–**	**1 911**
Total Capital Expenditure - Vote	**14 223**	**13 424**	**27 646**	**19 473**	**–**	**(8 173)**	**70%**	**137%**	**–**	**–**	**–**	**16 541**
Capital Expenditure - Standard												
Governance and administration	**3 358**	**2 816**	**6 174**	**3 367**	**–**	**(2 807)**	**55%**	**100%**	**–**	**–**	**–**	**8 737**
Executive and council	488	1 877	2 365	1 719	–	(646)	73%	353%	–	–	–	681
Budget and treasury office	2 870	939	3 809	1 648	–	(2 161)	43%	57%	–	–	–	8 057
Corporate services	–	–	–	–	–	–	-	-	–	–	–	–
Community and public safety	**5 330**	**3 495**	**8 825**	**5 726**	**–**	**(3 099)**	**65%**	**107%**	**–**	**–**	**–**	**4 480**
Community and social services	494	–	494	546	–	52	110%	110%	–	–	–	487
Sport and recreation	1 100	1 891	2 991	1 245	–	(1 746)	42%	113%	–	–	–	367
Public safety	2 996	1 444	4 440	3 760	–	(680)	85%	125%	–	–	–	3 418
Housing	–	–	–	–	–	–	-	-	–	–	–	–
Health	740	160	900	176	–	(724)	20%	24%	–	–	–	208
Economic and environmental services	**275**	**4 856**	**5 131**	**3 619**	**–**	**(1 512)**	**71%**	**0%**	**–**	**–**	**–**	**241**
Planning and development	275	4 856	5 131	3 619	–	(1 512)	71%	-	–	–	–	241
Road transport	–	–	–	–	–	–	-	-	–	–	–	–
Environmental protection	–	–	–	–	–	–	-	-	–	–	–	–
Trading services	**5 260**	**2 257**	**7 517**	**6 761**	**–**	**(756)**	**90%**	**0%**	**–**	**–**	**–**	**3 073**
Electricity	–	–	–	–	–	–	-	-	–	–	–	–
Water	5 260	1 503	6 763	6 292	–	(471)	93%	120%	–	–	–	2 763
Waste water management	–	–	–	–	–	–	-	-	–	–	–	–
Waste management	–	753	753	469	–	(284)	62%	-	–	–	–	310
Other	**–**	**–**	**–**	**–**	**–**	**–**	**-**	**-**	**–**	**–**	**–**	**10**
Total Capital Expenditure - Standard	**14 223**	**13 424**	**27 646**	**19 473**	**–**	**(8 173)**	**70%**	**137%**	**–**	**–**	**–**	**16 541**
Funded by:												
National Government	–	–	–	–		–	-	-				–
Provincial Government	213	4 598	4 811	–		(4 811)	-	-				–
District Municipality	–	–	–	–		–	-	-				–
Other transfers and grants	–	–	–	–		–	-	-				–
Transfers recognised - capital	**213**	**4 598**	**4 811**	**–**		**(4 811)**	**-**	**0%**				**–**
Public contributions & donations	**–**	**–**	**–**	**–**		**–**	**-**	**-**				**–**
Borrowing	**–**	**–**	**–**	**–**		**–**	**-**	**-**				**–**
Internally generated funds	**14 010**	**8 826**	**22 836**	**19 473**		**(3 362)**	**85%**	**139%**				**16 541**
Total Capital Funding	**14 223**	**13 424**	**27 646**	**19 473**		**(8 173)**	**70%**	**137%**				**16 541**

APPENDIX N – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and provincial outcomes for local government*		
Outcome/Output	**Progress to date**	**Number or percentage achieved**
Output: Improving access to basic services	All basic services backlogs have been addressed earlier by the District Municipality and it is now pursuing alternative bulk water sources through desalination, as well as the development of a regional waste disposal site within the District.	Not measured or quantifiable
Output: Implementation of the Community Work Programme	Extensive public works programmes have been implemented by the district, especially in the field of environmental management.	District Municipality has not participated in CWP, only EPWP.
Output: Deepen democracy through a refined Ward Committee model	The local municipality IDP Ward has been strengthened and the municipal public participation process has been implemented and coordinated with provincial and local government at district level.	The District municipality does not have ward committees, however the district municipality do participate in the local municipal public participation/ public meeting processes/ share with local municipalities their ward level and or public participation platforms
Output: Administrative and financial capability	Continuous corporate improvement of administrative and financial capabilities and systems have been carried out.	District municipality is rolling out the attendance on the MMC/ MFMP programme training to most staff in order to strengthen administrative and financial capabilities.
Output: Improving access to basic services	All basic services backlogs have been addressed earlier by the District Municipality and it is now pursuing alternative bulk water sources through desalination, as well as the development of a regional waste disposal site within the District.	Not measured or quantifiable
Output: Implementation of the Community Work Programme	Extensive public works programmes have been implemented by the district, especially in the field of environmental management.	District Municipality has not participated in CWP, only EPWP.
Output: Deepen democracy through a refined Ward Committee model	The local municipality IDP Ward has been strengthened and the municipal public participation process has been implemented and coordinated with provincial and local government at district level.	The District municipality does not have ward committees but participates in the local municipal public participation/ public meeting processes/ share with local municipalities their ward level and or public participation platforms

APPENDIX O – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA SECTION 71

MFMA Section 71 returns not made according to reporting requirements	
Return	Reason return has not been properly made on due date
NONE TO REPORT	

APPENDIX P: AUDIT AND PERFORMANCE AUDIT COMMITTEE: 2022 / 2023

WEST COAST DISTRICT MUNICIPALITY

REPORT TO COUNCIL

1. SUBJECT

REPORT OF THE MUNICIPALITY AUDIT AND PERFORMANCE AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2022 TO 31 DECEMBER 2022.

2. MEMBERS OF THE AUDIT COMMITTEE:

Chairperson: Dr M Roos
Members: Dr M Behardien
Ms S Jones
Ms G Bolton
Adv N Hendricks

3. DATES OF MEETINGS HELD

16 August 2022 (Financial Statements Overview)

18 October 2022

29 November 2022

4. REFERENCE NUMBER: 4/3/4

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5. PURPOSE

The Audit Committee is appointed by Council, in terms of the Local Government: Municipal Finance Management Act (MFMA) Section 166. Within the scope and in accordance with the Audit Committee's Terms of reference, it seeks to provide Council with an update of the last six months activities.

The report also includes reference to the Audit Committee's assessment of the Municipality's Performance Management System for the period 01 July 2022 to 31 December 2022 as required by Regulation 14 of the Municipal Planning and Performance Management Regulations.

6. FOR DECISION BY

Regulation 14 of the Municipal Planning and Performance Management Regulations require the Audit Committee to report to Council at least twice per annum on their assessment of the Municipality's Performance Management System.

7. EXECUTIVE SUMMARY

The Audit Committee as part of its role and responsibilities completed the following activities for the six months under review:

- Reviewed financial in-year reports.
- Considered and provided input on annual financial statements.

- Reviewed Draft Audit Report.
- Reviewed Final AGSA Management Report.
- Reviewed and provided input to risk management and related documents.
- Monitored the implementation of Auditor-General recommendations.
- Reviewed and provided input on policies presented to APAC.
- Considered feed-back on governance issues.
- Studied Internal Audit Reports and monitored the implementation of recommendations.
- Reviewed progress against Risk-based Internal Audit Plan; and

In terms of Regulation 14 of the Municipal Planning and Performance Management Regulations, the performance audit committee should review the quarterly reports submitted by the internal auditors, review the municipality's performance management system and make recommendations to Council in a report at least twice per annum. This report covers the period 1 July 2022 to 31 December 2022.

8. DISCUSSION/CONTENTS

In terms of Regulation 14 of the Municipal Planning and Performance Management Regulations, a municipality must appoint a performance audit committee. The Municipality may utilise any audit committee established in terms of other applicable legislation, as the performance audit committee. The municipality has elected to use the Audit Committee to perform the functions of the performance audit committee.

The municipality's internal auditors must:

(a) On a continuous basis, audit the performance measurements of the municipality; and

(b) Submit quarterly reports on their audits to the municipal manager and the audit committee.

The audits conducted must include assessments of:

(a) The functionality of the municipality's performance management system.

(b) Whether the municipality's performance management system complies with the Act (Municipal Finance Management Act).

(c) The extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on performance indicators.

The Audit Committee must:

(a) Review the quarterly reports submitted by internal auditors.

(b) Review the municipality's performance management system and make recommendations in this regard to Council and at least twice during a financial year submit a report to Council.

The Audit Committee has reviewed the quarterly internal Audit report on performance management and the APAC chairperson attended the mid-year performance evaluation of executive management including the municipal manager on 24 October

2022. During the evaluation senior management of the municipality is required to provide explanations and corrective actions for variances between planned and actual performance.

The Audit Committee emphasises the need to maintain appropriate evidence to substantiate performance information.

The Audit Committee considered the feed-back provided by internal audit at the audit committee meetings and recognise the feed-back that there has been an improvement in the supporting evidence and quality of performance information reported.

The Audit Committee will continue to monitor management's actions to ensure an effective Municipality Performance Management System.

The Audit Committee would also like to bring to the attention of Council the following two matters:

a) The position of the Chief Internal Auditor has been vacant since 1 September 2022. Possible resource limitation might have an impact on completion of the 2022/23 risk-based audit plan.

b) There is a regulatory audit dispute in progress for the 2021/2022 financial year. This increases the strategic interpretation of legislation risk which might potentially result in litigation.

9. RECOMMENDED

That Council note the Audit Committee's report for the period 01 July 2022 to 31 December 2022 and the Audit Committee's recommendations that:

(a) Management continues to enhance the risk management process.

(b) Management continues to enhance the compliance management process.

(c) Management continues to enhance the control environment and internal controls.

(d) Management continues to implement recommendations by the Auditor-General and Internal Audit.

(e) The audit committee reviews quarterly performance reports specifically focusing on the indicators showing negative variances.

(f) The audit committee reviews quarterly financial reports.

(g) Management implements the necessary controls in the Financial and Performance Management Systems to ensure the accuracy of the documentary evidence which supports the municipality's financial and performance results and that the necessary supervisory controls are exercised to verify the integrity of financial and performance information reported to Council.



M Roos
Chairperson of the Audit and Performance Audit Committee
Date: 17 January 2023

WEST COAST DISTRICT MUNICIPALITY

REPORT TO COUNCIL

1. SUBJECT

REPORT OF THE MUNICIPALITY AUDIT AND PERFORMANCE AUDIT COMMITTEE FOR THE PERIOD 01 JANUARY 2023 TO 30 JUNE 2023

2. MEMBERS OF THE AUDIT COMMITTEE:

Chairperson: Dr M Roos
Members: Dr M Behardien
Ms S Jones
Ms G Bolton
Adv N Hendricks

3. DATES OF MEETINGS HELD

21 February 2023

20 April 2023

12 May 2023 (Meeting with AGSA)

13 June 2023

4. REFERENCE NUMBER: 4/12/3

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5. PURPOSE

The Audit Committee is appointed by Council, in terms of the Local Government: Municipal Finance Management Act (MFMA) Section 166. Within the scope and in accordance with the Audit Committee's Terms of reference, it seeks to provide Council with an update of the last six months activities.

The report also includes reference to the Audit Committee's assessment of the Municipality's Performance Management System for the period 01 January 2023 to 30 June 2023 as required by Regulation 14 of the Municipal Planning and Performance Management Regulations.

6. FOR DECISION BY

Regulation 14 of the Municipal Planning and Performance Management Regulations require the Audit Committee to report to Council at least twice per annum on their assessment of the Municipality's Performance Management System.

7. EXECUTIVE SUMMARY

The Audit Committee as part of its role and responsibilities completed the following activities for the six months under review:

- Reviewed financial in-year reports.

- Reviewed and provided input to risk management and related documents.
- Monitored the implementation of Auditor-General recommendations.
- Reviewed and provided input on policies presented to APAC.
- Considered feed-back on governance issues.
- Studied Internal Audit Reports and monitored the implementation of recommendations.
- Reviewed progress against Risk-based Internal Audit Plan.
- Reviewed Audit and Performance Audit Committee Charter.
- Reviewed Internal Audit Charter.
- Followed up on resolutions of Audit Committee Matters.
- Reviewed quarterly performance reports.
- Considered feedback provided on ICT status.
- Considered feedback provided on Disciplinary reports.

On 12 May 2023, the APAC met with representatives of the AGSA without management being present to discuss the way-forward with the external audit.

In terms of Regulation 14 of the Municipal Planning and Performance Management Regulations, the performance audit committee should review the quarterly reports submitted by the internal auditors, review the municipality's performance management system, and make recommendations to Council in a report at least twice per annum. This report covers the period 1 January 2023 to 30 June 2023.

8. DISCUSSION/CONTENTS

In terms of Regulation 14 of the Municipal Planning and Performance Management Regulations, a municipality must appoint a performance audit committee. The Municipality may utilise any audit committee established in terms of other applicable legislation, as the performance audit committee. The municipality has elected to use the Audit Committee to perform the functions of the performance audit committee.

The municipality's internal auditors must:

(a) On a continuous basis, audit the performance measurements of the municipality; and

(b) Submit quarterly reports on their audits to the municipal manager and the audit committee.

The audits conducted must include assessments of:

(a) The functionality of the municipality's performance management system;

(b) Whether the municipality's performance management system complies with the Act (Municipal Finance Management Act); and

(c) The extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on performance indicators.

The Audit Committee must:

(a) Review the quarterly reports submitted by internal auditors;

(b) Review the municipality's performance management system and make recommendations in this regard to Council and at least twice during a financial year submit a report to Council.

The Audit Committee has reviewed the quarterly Internal Audit report on performance management and a member of APAC attended the mid-year performance evaluation of executive management including the municipal manager on 13 March 2023. During the evaluation senior management of the municipality is required to provide explanations and corrective actions for variances between planned and actual performance.

The Audit Committee emphasises the need to maintain appropriate evidence to substantiate performance information and provide comprehensive reasons and corrective actions for targets not achieved.

The Audit Committee will continue to monitor management's actions to ensure an effective Municipality Performance Management System.

9. RECOMMENDED

That Council note the Audit Committee's report for the period 01 January 2023 to 30 June 2023 and the Audit Committee's recommendations that:

(a) Management continue to enhance the risk management process;

(b) Management continue to enhance the compliance management process;

(c) Management continue to enhance the control environment and internal controls;

(d) Management continue to implement recommendations by the Auditor-General and Internal Audit;

(e) The audit committee reviews quarterly performance reports specifically focusing on the indicators showing negative variances;

(f) The audit committee reviews quarterly financial reports; and

(g) Management implement the necessary controls in the Financial and Performance Management Systems to ensure the accuracy of the documentary evidence which supports the municipality's financial and performance results and that the necessary supervisory controls are exercised to verify the integrity of financial and performance information reported to Council.



M Roos
Chairperson of the Audit Committee
Date: 18 July 2023

WEST COAST DISTRICT MUNICIPALITY

Pre-Audited Annual Performance Report

2022/2023

1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the Municipality.

At local government level performance management is institutionalized through the legislative requirements of the performance management process for local government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The Constitution of the Republic of South Africa (1996), section 152, indicates the objectives of local government and paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources;
- accountable public administration;
- to be transparent by providing information;
- to be responsive to;
- the needs of the community; and
- to facilitate a culture of public service and accountability amongst staff.

The Local Government: Municipal Systems Act, No. 32 of 2000 (MSA) requires Municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the service delivery budget implementation plan (SDBIP). The Mayor approved the Top Layer SDBIP for 2022/23 in terms of Section 53(1)(c)(ii) of the MFMA, MFMA Circular No. 13 and the Budgeting and Reporting Regulation on 7 June 2022 which include the Municipalities key performance indicators for 2022/23.

1.1 Legislative requirements

In terms of Section 46(1)(a) of the MSA a municipality must prepare for each financial year a performance report reflecting the Municipalities and any service provider's performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the Municipality for the following financial year and measures that were or are to be taken to improve performance.

1.2 Organisational performance

Strategic performance indicates how well the Municipality achieve its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlights the performance of the Municipality as measured in the Top Layer SDBIP, in terms of its strategic objectives and National Key Performance Indicators prescribed in Section 43 of the MSA.

1.3 The performance system followed for the financial year 2022/23

a) Adoption of a Performance Management Framework

Performance management is prescribed by Chapter 6 of the MSA and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the Regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players." This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The Municipality adopted a performance management framework that was approved by Council on 24 May 2023.

b) The IDP and the budget

The IDP amendment and the budget for 2022/23 was approved by Council on 25 May 2022. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

c) The SDBIP

Strategic performance indicates how well the Municipality achieve its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

The municipal scorecard (Top Layer SDBIP) consolidates service delivery targets set by Council/senior management and provide an overall picture of performance for the Municipality, reflecting performance on its strategic priorities.

The SDBIP converts the budget into measurable indicators of how, where and when strategies, objectives and normal business process of the Municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

1.4 Actual Performance

The Municipality utilizes an electronic web-based system on which KPI owners update actual performance monthly. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set.
- A performance comment.
- Actions to improve the performance against the target set, if the target was not achieved.
- It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated.

Performance results are monitored and reviewed in terms of:

- Monthly reports tabled before the Portfolio Committees of the Mayor;
- Quarterly reports tabled before the Executive Mayoral Committee and Council; and
- Internal audit submitted their quarterly performance management audits to the Municipal Manager and the Performance Audit Committee during meetings held as required in terms of Regulation 14(1)(c) of the Municipal Planning and Performance Management Regulations of 2001 as follows:
- Quarter 4 of 2021/2022 - 18 October 2022
- Quarter 1 of 2022/2023 - 29 November 2022
- Quarter 2 of 2022/2023 – 21 February 2023
- Quarter 3 of 2022/2023 - 13 June 2023

1.5 Individual performance management

a) Municipal Manager and managers directly accountable to the Municipal Manager

The MSA prescribes that the municipality must enter into performance based agreements with the all Senior Managers and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the 2022/23 financial year were signed during June 2022 as prescribed.

The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The final evaluation of the 2021/22 financial year (1 January 2022 to 30 June 2022) took place on 24 October 2022 and the mid-year performance evaluation of 2022/23 (1 July 2022 to 31 December 2022) took place on 13 March 2023.

1.6 SDBIP (Top Layer)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the achievement of the Municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the Municipality's strategic plan and shows the strategic alignment between the different documents (IDP, budget and performance agreements).

In the tables below the performance achieved is illustrated against the Top Layer SDBIP according to the strategic objectives.

The following figure explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPI's) of the SDBIP is measured:

Category	Color	Explanation
KPI Not Yet Measured		KPI's with no targets or actuals in the selected period
KPI Not Met		0% > = Actual/Target< 75%
KPI Almost Met		75% > = Actual/Target < 100%
KPI Met		Actual/Target = 100%
KPI Well Met		100% > Actual/Target < 150%
KPI Extremely Well Met		Actual/Target > = 150%

Table 1.: SDBIP measurement categories

The graph below displays the overall performance per strategic objective for 2022/23:

(Information will be available in the final report)

Graph 1: Overall performance per strategic objective

a) Care for the social well-being, safety and health of all our communities

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
TL2	Take quarterly samples of bacterial levels of potable water in towns, farms and communities within in the district during the 2022/23 financial year	Number of samples taken and monitored	900	1006	225	225	225	225	900	1053	G2
TL6	Take quarterly samples in terms of Foodstuffs, Cosmetics and Disinfectants Act during the 2022/23 financial year	Number of samples taken and monitored	900	969	225	225	225	225	900	896	O
Corrective action:		The reason for the underperformance was brought about by unforeseen extra water samples taken as a result of follow-up monitoring and consequent budget shortfalls. However, there has already been correspondence to address the budget. There will also be stricter inter-regional monitoring on a quarterly basis to address under performance.									
TL7	Take quarterly samples regarding bacterial levels in final sewerage effluent during the 2022/23 financial year	Number of samples taken and monitored	250	278	75	50	50	75	250	284	G2

Table 2.: Top Layer SDBIP – Care for the social well-being, safety and health of all our communities

b) To maintain Financial Viability and Good Governance

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
TL11	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June 2023 ((Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue -	% of debt coverage	45%	0.63%	0%	0%	0%	45.00%	45%	0.10%	B

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
	Operating Conditional Grant)										
TL12	Financial viability measured in terms of the outstanding service debtors as at 30 June 2023 ((Total outstanding service debtors/ revenue received for services)X100)	% of outstanding service debtors	3.80%	2.19%	0%	0%	0%	3.80%	3.80%	1.55%	G2
TL13	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2023 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	Number of months it takes to cover fix operating expenditure with available cash	8.7	8.17	0	0	0	8.7	8.7	8.0	G2
Corrective action:		There is a difference between MSCOA and GRAP due to internal charges on MSCOA. Collaborate with National Treasury to attend to the MSCOA and GRAP differences.									
TL14	The number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved	Number of people appointed in the three highest levels of management	31	18	0	0	0	31	31	19	R

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
	employment equity plan as on 30 June										
Corrective action:		The Municipality will consider the EE targets on vacant positions as they arise.									
TL15	The percentage of the municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2023 ((Actual amount spent on training/total personnel budget)x100)	% of the municipality's personnel budget actually spent on implementing its workplace skills plan	1%	1.35%	0%	0%	0%	1%	1%	0.89%	O
Corrective action:		Training budget – Directive 57 was issued 25/04/2023 which addresses the problem of 1%.									
TL16	Review the risk management policy strategy with the implementation plan and submit to the risk committee by 31 May 2023	Reviewed risk management policy strategy with implementation plan submitted to risk committee	1	1	0	0	0	1	1	1	G
TL18	Limit the vacancy rate to less than 8% of budgeted posts by 30 June 2023 ((Number of budgeted posts filled/Number of budgeted posts on the organogram)x100)	% Vacancy rate	8%	9.39%	0%	0%	0%	8%	8%	10.60%	O
Corrective action:		Recruitment and selection process is slow as departments do not send the request to advertise vacant positions to HRM.									
TL19	Compile the risk based audit plan for 2023/24 and submit to the Audit Committee for consideration by 30 June 2023	RBAP submitted to Audit Committee	1	1	0	0	0	1	1	1	G

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
TL20	Submit progress reports on the implementation of the RBAP for 2022/23 to the Audit Committee during the 2022/23 financial year	Number of progress reports submitted	5	6	0	2	1	2	5	5	G
TL21	Co-ordinate the functioning of the audit committee during the 2022/23 financial year	Number of meetings coordinated	4	7	1	1	1	1	4	7	B
TL22	Perform quarterly risk assessments per the Risk Implementation Plan and submit report with amendments to the risk committee during the 2022/23 financial year	Number of risk assessments performed and report submitted to the risk committee	4	4	1	1	1	1	4	4	G
TL23	Initiate the meeting of the district coordinating forum (Technical) during the 2022/23 financial year	Number of meetings initiated	4	3	1	1	1	1	4	5	G2
TL28	Review and update the organisational structure and submit to Management by 30 November 2022 and Council by 31 March 2023	Reviewed organisational structure submitted to management by 30 November 2022 and to Council by 31 March 2023	2	2	0	1	1	0	2	1	R
Performance comment:		The municipality forms part of the National piloting and prototype staff establishment therefore the current staff establishment will remain unchanged until the outcome of the piloting initiative. The organizational structure will be reviewed in line with the Long Term Financial Plan and in correlation with mentioned Pilot.									

Table 3.: Top Layer SDBIP – To maintain Financial Viability and Good Governance

c) Co-ordinate and promote the development of bulk and essential services and transport infrastructure

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
TL10	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2023 {(Actual (including commitments) amount spent on projects /Total amount budgeted for capital projects)X100}	% of capital budget spent	95%	81.33%	10%	40%	70%	95%	95%	70.44%	O
Corrective action:		In future, budgeted Capital Expenditure not locked in a Supply Chain Management process by 31 December to be re-allocated and/or adjusted as part of the Mid-Year Adjustment Budget.									
TL30	95% of the provincial roads conditional grant budget allocation spent by 30 June 2023 {(Total expenditure divided by the total approved budget) x 100}	% of the budget spent	95%	98.29%	25%	55%	75%	95%	95%	98.23%	G2
TL31	Grade 16 000 kilometers of road by 30 June 2023	Number of kilometers graded	16000	22295.98	4 135	4 295	4 075	3 495	16000		G2
TL32	Re-gravel 25.52 kilometers of roads by 30 June 2023	Number of kilometers of road re-graveled	34.18	39.58	0	0	0	25.52	25.52	25.52	G
TL33	Upgrade 4,6 kilometers of roads from gravel to bitumen surface by 30 June 2023	Number of kilometers of road upgraded from gravel to bitumen	6	7.4	0	0	0	4.6	4.6	4.6	G
TL34	Reseal 151317 square metres of surfaced	Amount of square metres	304828	343001.10	0	0	0	151357	151317	151317	G

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
	roads by 30 June 2023	of road resealed									
TL42	New Construction of 1.2 kilometers of roads to bitumen surface by 30 June 2023	Number of kilometers of new constructed road to bitumen	N/a	N/a	0	0	0	1.2	1.2	1.2	G
TL35	Comply 95% with water quality parameters as per SANS 241 physical and micro parameters for West Coast Bulk Water Supply during the 2022/23 financial year	% compliance with the water quality parameters	95%	98.73%	95%	95%	95%	95%	95%	97.90%	G2
TL36	Limit average % water loss for last 12 months to less than 5% {(Number of Kiloliters Water Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purified _ 100}	% average water loss for last 12 months {(Number of Kiloliters Water Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purified _ 100}	5%	8.47%	5%	5%	5%	5%	5%	10.05%	R
Corrective action:		The infrastructure is old, the department does its best to respond as quickly as possible when leaks or faults occur. Leak detection tests will be the first effort outside of routine maintenance and repair to mitigate the reasons causing water losses. Unfortunately, the process is drawn out and difficult, and the results, if any, would not be apparent right away.									
TL38	The percentage of the departmental capital budget actually spent on capital projects by 30 June 2023 {(Actual (including commitments)	% of capital budget spent	95%	90.89%	20%	70%	85%	95%	95%	76.18%	O

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
	amount spent on projects /Total amount budgeted for capital projects)X100}										
Corrective action:		1.Allien Control & Eradication Plan- Tender was advertised, no tender was received. Tender was again advertised and West Coast received tender. Tender is was appointed and part of the conditions was that before the plan is submitted to the District Municipality,the approval of the Department of Environmental Affairs must be obtianed.By close of Financial year,no Approval was received by the Department and no payment was done to the Service Provider. 2. Installation of Air Quality Station- Tenders was received for the installation of a Air Quality Station but the tender amount was more than the budgeted amount.This project stands over till the next Financial Year. 3.. Fire Services a) The Fire Department budget for the replacement of the bulbs at all the fire stations with LED bulbs due to the scarcity of the current bulbs.Durings the SCM process,the Fire Departement was informed that the replacement of the current bulbs with LED lights is not regarded as a capital project but rather normal maintenance project.The replacement of the LED ligths did not take place due to reasons and this can been seen as a saving There was also savings on the capital projects which contributed to less spending on the Capital projects									
TL39	The percentage of the departmental capital budget actually spent on capital projects by 30 June 2023 {(Actual (including commitments) amount spent on projects /Total amount budgeted for capital projects)X100}	% of capital budget spent	95%	38.13%.	20%	70%	85%	95%	95%	84.73%	O
Corrective action:		The under spending on capital expenditure is explained as follow: 1. 99.65% of the capital allocation for the amount of 2 089 620 was spend with a resultant saving. 2. 63.74% of the discretionary funds amounting to 275 000 was spend, however, (1) an expense amounting to 130 482.45 was paid from the ICT vote for the procurement 5*laptops which results in savings from the allocated vote of 99 722.22as all items was procured. 3. The 300 000 as was budgeted for during the February 2023 adjustment for the training facility could not be spend due to the structure integrity assessments which was outstanding. This amount will form part of the August 2023 roll-over budget request. We will continue to initiate supply chain processes timeously.									

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
TL40	The percentage of the departmental capital budget actually spent on capital projects by 30 June 2023 {(Actual (including commitments) amount spent on projects /Total amount budgeted for capital projects)X100)	% of capital budget spent	95%	78.24%	20%	70%	85%	95%	95%	77.38%	O
Corrective action:	Policy formulation in relation to the water concession will be considered.										

Table 4.: Top Layer SDBIP – Co-ordinate and promote the development of bulk and essential services and transport infrastructure.

d) Care for the social well-being, safety and health of all our communities

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
TL17	Draft the annual consolidated operational plan for social development interventions in the district for 2022/23 and submit to MAYCO by 31 March 2023	Consolidated operational plan for social development interventions in the district drafted and submitted to MAYCO	1	1	0	0	1	0	1	1	G

Table 5.: Top Layer SDBIP – Care for the social well-being, safety and health of our communities

e) Promote regional economic growth and tourism

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
TL1	Create full time equivalent (FTE's) through expenditure with the EPWP job	Number of full time equivalent (FTE's)	30	73.83	0	0	0	30	30	67,35	B

Ref	KPI	Unit of Measurement	2021/22		Target for 2022/23					Actual	
			Target	Actual	Q1	Q2	Q3	Q4	Annual		
	creation by 30 June 2023	created by 30 June 2023									
TL24	Host 10 sessions to promote skills development and support the Tourism SMME business sector by 30 June 2023	Number of sessions hosted	10	11	3	3	3	1	10	17	B
TL25	Carry out 18 tourism promotional activities by 30 June 2023	Number of activities carried out	18	21	6	4	4	6	18	20	B
TL26	Assist 12 Tourism BEE entrepreneurs with starting and growing businesses e.g. research, business plans and skills development by 30 June 2023	Number of Tourism BEE entrepreneurs assisted	12	22	3	3	3	3	12	12	G
TL29	Create temporary job opportunities with man days paid through projects by 30 June 2023	Number of man days paid	3000	4810	0	0	0	3000	3000	7751	B

Table 6.: Top Layer SDBIP – Promote regional economic growth and tourism

2 COMPONENT E: ORGANISATIONAL PERFOMANCE SCORECARD

The main development and service delivery priorities for 2023/24 is the Municipality's Top Layer SDBIP for 2023/24 which are indicated per directorate in the table below:

Directorate	Strategic Objective	KPI	Unit of Measurement	Annual Target for 2023/24
Administration & Community Services	Promote regional economic growth and tourism	Create full time equivalent (FTE's) through expenditure with the EPWP job creation by 30 June 2024	Number of full time equivalent (FTE's) created by 30 June 2024	45

Directorate	Strategic Objective	KPI	Unit of Measurement	Annual Target for 2023/24
Administration & Community Services	Care for the social well-being, safety, health and environmental integrity of all our communities	Take quarterly samples of bacterial levels of potable water in towns, farms and communities within in the district during the 2023/24 financial year	Number of samples taken and monitored	900
Administration & Community Services	Care for the social well-being, safety, health and environmental integrity of all our communities	Take quarterly samples in terms of Foodstuffs, Cosmetics and Disinfectants Act during the 2023/24 financial year	Number of samples taken and monitored	900
Administration & Community Services	Care for the social well-being, safety, health and environmental integrity of all our communities	Take quarterly samples regarding bacterial levels in final sewerage effluent during the 2023/24 financial year	Number of samples taken and monitored	250
Administration & Community Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	The percentage of the departmental capital budget actually spent on capital projects by 30 June 2024 {(Actual (including commitments) amount spent on projects /Total amount budgeted for capital projects)X100}	% of capital budget spent	95%
Administration & Community Services	Foster sound relationships with all stakeholders, especially local municipalities	Draft the annual consolidated operational plan for social development interventions in the district for 2023/24 and submit to MAYCO by 31 March 2024	Consolidated operational plan for social development interventions in the district drafted and submitted to MAYCO	1
Financial Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2024 {(Actual (including commitments) amount spent on projects /Total amount budgeted for capital projects)X100}	% of capital budget spent	95%

Directorate	Strategic Objective	KPI	Unit of Measurement	Annual Target for 2023/24
Financial Services	To maintain Financial Viability and Good Governance	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June 2024 ((Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)	% of debt coverage	45%
Financial Services	To maintain Financial Viability and Good Governance	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024 ((Total outstanding service debtors/ revenue received for services)X100) excluding debtors that is written off and also paid out of the bad debt provisions	% of outstanding service debtors	3,80%
Financial Services	To maintain Financial Viability and Good Governance	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2024 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	Number of months it takes to cover fix operating expenditure with available cash	8,7
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	The number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan as on 30 June	Number of people appointed in the three highest levels of management	31

Directorate	Strategic Objective	KPI	Unit of Measurement	Annual Target for 2023/24
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	The percentage of the municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2024 ((Actual amount spent on training/total personnel budget)x100)	% of the municipality's personnel budget actually spent on implementing its workplace skills plan	1%
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	Review the risk management policy strategy with the implementation plan and submit to the risk committee by 31 May 2024	Reviewed risk management policy strategy with implementation plan submitted to risk committee	1
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	Limit the vacancy rate to less than 8% of budgeted posts by 30 June 2024 ((Number of actual posts filled/Number of budgeted posts on the organogram)x100)	% Vacancy rate	8%
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	Compile the risk based audit plan for 2024/25 and submit to the Audit Committee for consideration by 30 June 2024	RBAP submitted to Audit Committee	1
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	Submit progress reports on the implementation of the RBAP for 2023/24 to the Audit Committee during the 2023/24 financial year	Number of progress reports submitted	5
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	Co-ordinate the functioning of the audit committee during the 2023/24 financial year	Number of meetings coordinated	4
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	Perform quarterly risk assessments per the Risk Implementation Plan and submit report with amendments to the risk committee during the 2023/24 financial year	Number of risk assessments performed and report submitted to the risk committee	4

Directorate	Strategic Objective	KPI	Unit of Measurement	Annual Target for 2023/24
Office of the Municipal Manager	Foster sound relationships with all stakeholders, especially local municipalities	Initiate the meeting of the district coordinating forum (Technical) during the 2023/24 financial year	Number of meetings initiated	4
Office of the Municipal Manager	Promote regional economic growth and tourism	Host 10 sessions to promote skills development and support the Tourism SMME business sector by 30 June 2024	Number of sessions hosted	10
Office of the Municipal Manager	Promote regional economic growth and tourism	Carry out 18 tourism promotional activities by 30 June 2024	Number of activities carried out	18
Office of the Municipal Manager	Promote regional economic growth and tourism	Assist 12 Tourism BEE entrepreneurs with starting and growing businesses e.g. research, business plans and skills development by 30 June 2024	Number of Tourism BEE entrepreneurs assisted	12
Office of the Municipal Manager	To maintain Financial Viability and Good Governance	Review and update the organisational structure and submit to Management by 30 November 2023 and Council by 31 March 2024	Reviewed organisational structure submitted to management by 30 November 2023 and to Council by 31 March 2024	2
Office of the Municipal Manager	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	The percentage of the departmental capital budget actually spent on capital projects by 30 June 2024 {(Actual (including commitments) amount spent on projects /Total amount budgeted for capital projects)X100}	% of capital budget spent	95%
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	The percentage of the departmental capital budget actually spent on capital projects by 30 June 2024 {(Actual (including commitments) amount spent on projects /Total amount budgeted for capital projects)X100}	% of capital budget spent	95%

Directorate	Strategic Objective	KPI	Unit of Measurement	Annual Target for 2023/24
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	Grade 16 000 kilometers of road by 30 June 2024	Number of kilometers graded	16 000
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	Re-gravel 34.54 kilometers of roads by 30 June 2024	Number of kilometers of road re-graveled	34,54
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	Upgrade 7.56 kilometers of roads from gravel to bitumen surface by 30 June 2024	Number of kilometers of road upgraded from gravel to bitumen	7,56
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	Rehabilitation of 4.1 kilometers of surfaced roads by 30 June 2024	Number of kilometers of surfaced road rehabilitated	4,1
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	Reseal 227 593.4 square meters of surfaced roads by 30 June 2024	Amount of square meters of road resealed	227 593,4
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	Comply 95% with water quality parameters as per SANS 241 physical and micro parameters for West Coast Bulk Water Supply during the 2023/24 financial year	% compliance with the water quality parameters	95%
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	Limit average % water loss for last 12 months to less than 5% {(Number of Kiloliters Water Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purified _ 100}	% average water loss for last 12 months {(Number of Kiloliters Water Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purified _ 100}	5%
Infrastructure Services	Promote regional economic growth and tourism	Create temporary job opportunities with man days paid through projects by 30 June	Number of man days paid	3000
Infrastructure Services	Co-ordinate and promote the development of bulk and essential services and transport infrastructure	95% of the provincial roads conditional grant budget allocation spent by 30 June {(Total expenditure divided by the total approved budget) x 100}	% of the budget spent	95%



WEST COAST DISTRICT MUNICIPALITY
AUDITED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

AUDITOR-GENERAL
SOUTH AFRICA

General Information

Mayoral committee	Ald R W Strydom (Executive Mayor) Ald S M Crafford (Deputy Executive Mayor) Cllr N S Louw (Speaker) Cllr J A Engelbrecht Cllr R Witbooi Cllr M Schrader Cllr C Daniels
Councillors	Ald E Plaatjies Cllr S A Gxabalashe Cllr O M Stemele Cllr J Alexander Cllr T C Andrews Cllr G Stephan Cllr T J Muller Cllr A J Pool Cllr F Kamfer Cllr I S Adams Cllr A Small Cllr Z S Komani-Nkohla Cllr L Mitchell Ald M Koen Cllr B L Witbooi Cllr B J Penxa Cllr I S Le Minnie Cllr D C Pypers
Grading of local authority	Grade 4
Credit Rating	National - Long Term : A National - Short Term : A1 International - Long Term : B+
Registered office	58 Long Street Moorreesburg 7310
Postal address	P O Box 242 Moorreesburg 7310
Bankers	Standard Bank - Primary Bank Account 332321681 ABSA Bank 4074200056 4074200129 9136067143
Auditors	Auditor General of SA Registered Auditors
Telephone	022 - 4338400
Fax	086 692 6113
Accounting Officer	Mr D C Joubert
Chief Financial Officer (CFO)	Dr J C P Tesselaar

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality

Audited Annual Financial Statements for the year ended 30 June 2023

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The reports and statements set out below comprise the audited annual financial statements presented to the provincial legislature:

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ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

I AM RESPONSIBLE FOR THE PREPARATION OF THESE ANNUAL FINANCIAL STATEMENTS, WHICH ARE SET OUT ON PAGES 3 TO 104, IN TERMS OF SECTION 126 (1) OF THE MUNICIPAL FINANCE MANAGEMENT ACT, AND WHICH I HAVE SIGNED ON BEHALF OF THE MUNICIPALITY. THE AUDITED ANNUAL FINANCIAL STATEMENTS HAVE BEEN PREPARED IN ACCORDANCE WITH THE STANDARDS OF GENERALLY RECOGNISED ACCOUNTING PRACTICE (GRAP) INCLUDING ANY INTERPRETATIONS, GUIDELINES AND DIRECTIVES ISSUED BY THE ACCOUNTING STANDARDS BOARD. I ACKNOWLEDGE THAT I AM ULTIMATELY RESPONSIBLE FOR THE SYSTEM OF INTERNAL FINANCIAL CONTROL AND THAT THE SYSTEM OF INTERNAL CONTROL PROVIDES REASONABLE ASSURANCE THAT THE FINANCIAL RECORDS CAN BE RELIED ON.

I CERTIFY THAT THE SALARIES, ALLOWANCES AND BENEFITS OF COUNCILLORS AS DISCLOSED IN NOTE 22 OF THESE ANNUAL FINANCIAL STATEMENTS ARE WITHIN THE UPPER LIMITS OF THE FRAMEWORK AS ENVISAGED IN SECTION 219 OF THE CONSTITUTION, READ WITH THE REMUNERATION OF PUBLIC OFFICE BEARERS ACT, 20 OF 1998, AND THE MINISTER OF PROVINCIAL AND LOCAL GOVERNMENT'S DETERMINATION IN ACCORDANCE WITH THIS ACT.

IN TERMS OF SECTION 13G, READ WITH REGULATION 12 OF THE B-BBEE REGULATIONS, ALL SPHERES OF GOVERNMENT, PUBLIC ENTITIES AND ORGANS OF STATE MUST REPORT ON THEIR COMPLIANCE WITH BROAD-BASED BLACK ECONOMIC EMPOWERMENT IN THEIR ANNUAL FINANCIAL STATEMENTS AND ANNUAL REPORTS. COMPLIANCE IS DISCLOSED IN THE ANNUAL REPORT.

Mr D C Joubert
Accounting Officer - 30 November 2023

Dr J C P Tesselaar
Chief Financial Officer - 30 November 2023

AUDITOR-GENERAL SOUTH AFRICA

Statement of Financial Position as at 30 June 2023

Figures in Rand	Note(s)	2023 Actual	2022 Restated
Assets			
Current Assets			
Cash and cash equivalents	6	344 329 042	328 744 261
Trade receivables from exchange transactions	5	2 154 816	2 473 664
Other receivables from exchange transactions	4	32 732 394	49 967 122
Other receivables from non-exchange transactions	53	5 500 349	6 802 850
Inventories	3	10 575 277	10 285 161
Employee benefit - road receivable	15	1 154 918	1 264 196
Current portion of asset receivable - local municipalities	52	-	1 500 000
VAT receivable	11	13 843 878	14 032 783
Distribution receivable	50	318 756	-
		410 609 430	**415 070 037**
Non-Current Assets			
Investment property	7	4 377 657	4 410 867
Property, plant and equipment	8	100 287 156	91 409 983
Intangible assets	9	1 715 747	1 277 941
Employee benefit - road receivable	15	16 617 883	17 559 589
		122 998 443	**114 658 380**
Total Assets		**533 607 873**	**529 728 417**
Liabilities			
Current Liabilities			
Trade payables from exchange transactions	10	37 699 793	44 328 706
Unspent conditional grants and subsidies	12	2 379 431	4 781 729
Employee benefits	13	12 857 701	12 593 541
Distributions provision	50	-	23 471 360
Current portion of long-term liabilities	14&28	-	1 500 000
		52 936 925	**86 675 336**
Non-Current Liabilities			
Medical aid benefits	15	68 197 576	71 577 456
Long service awards	16	10 235 749	10 873 279
		78 433 325	**82 450 735**
Total Liabilities		**131 370 250**	**169 126 071**
Net Assets		**402 237 623**	**360 602 346**
Accumulated surplus	17	402 237 623	360 602 346

AUDITOR-GENERAL SOUTH AFRICA

Statement of Financial Performance

Figures in Rand	Note(s)	2023 Actual	2022 Restated
Revenue			
Revenue from exchange transactions			
Service concession revenue	18	139 358 035	112 834 980
Roads agency services	42	249 518 472	230 059 653
Other revenue	19	5 519 744	5 738 080
Fees earned	48	341 693	264 139
Resort income	7	4 745 549	4 638 510
Finance income	44	24 601 738	14 184 615
Gain on disposal of assets	8	-	25 087
Total revenue from exchange transactions		**424 085 231**	**367 745 064**
Revenue from non-exchange transactions			
Other revenue	19	515 634	6 911 769
Actuarial gains recognised - road receivable and employee benefits	15&43	10 613 558	1 186 147
Government grants & subsidies	20	117 601 597	106 803 391
Total revenue from non-exchange transactions		**128 730 789**	**114 901 307**
Total revenue		**552 816 020**	**482 646 371**
Expenditure			
Employee related costs	21	(226 480 458)	(213 761 527)
Remuneration of councillors	22	(7 593 787)	(7 567 908)
Depreciation and amortisation	7&8&9	(10 120 882)	(8 573 925)
Finance costs	23	(64 714)	(323 218)
Materials and supplies	47	(67 625 438)	(72 809 949)
Allowance for impairment	45	(999 221)	(2 255 196)
Bulk purchases	24	(18 564 044)	(22 612 171)
Transfers and subsidies	49	(2 094 300)	(913 173)
General expenses	25	(177 572 897)	(145 110 567)
Total expenditure		**(511 115 741)**	**(473 927 634)**
Loss on the disposal of assets	8	(65 002)	-
Actuarial loss recognised - employee benefits	16	-	(583 873)
Surplus for the year		**41 635 277**	**8 134 864**

AUDITOR-GENERAL SOUTH AFRICA

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Restated*Balance at 01 July 2021	**352 036 832**	**352 036 832**
Correction of errors - Refer to note 26	430 650	430 650
Surplus for the year	8 134 864	8 134 864
Restated* Balance at 01 July 2022	360 602 346	360 602 346
Surplus for the year	41 635 277	41 635 277
Balance as at 30 June 2023	402 237 623	402 237 623

AUDITOR-GENERAL SOUTH AFRICA

Cash Flow Statement

Figures in Rand	Note(s)	2023 Actual	2022 Restated
Cash flows from operating activities			
Receipts			
Cash receipts from rate payers, government and other		270 012 557	251 747 030
Road services		265 412 096	211 452 295
Interest income		24 601 738	14 184 615
		560 026 391	477 383 940
Payments			
Employee costs		(225 787 933)	(215 391 820)
Suppliers		(297 621 310)	(239 025 658)
Finance costs		(64 714)	(323 218)
		(523 473 957)	(454 740 696)
Net cash flows from operating activities	27	**36 552 434**	**22 643 244**
Cash flows from investing activities			
Purchase of Capital Assets	8&9	(19 473 318)	(16 454 889)
Proceeds from sale of property, plant and equipment	8	5 665	284 067
Net cash flows from investing activities		**(19 467 653)**	**(16 170 822)**
Cash flows from financing activities			
Movement in long - term liability	14	(1 500 000)	(3 000 000)
Net (decrease)/increase in cash and cash equivalents		**15 584 781**	**3 472 422**
Cash and cash equivalents at the beginning of the year		328 744 261	325 271 839
Cash and cash equivalents at the end of the year	6	**344 329 042**	**328 744 261**

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality

Statement of Comparison of Budget and Actual Information as at 30 June 2023

Description	2022/2023											2021/2022			
R thousands	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	–
Service concession revenue	126 633	–	126 633	–	–	126 633	139 358	–	12 725	110,05	110,05	–	–	–	112 835
Investment revenue	14 942	–	14 942	–	–	14 942	24 602	–	9 660	164,65	164,65	–	–	–	14 185
Transfers recognised - operational	30 193	3 520	33 713	–	–	33 713	37 236	–	3 523	110,45	123,33	–	–	–	28 684
Other own revenue	293 232	93 759	386 991	–	–	386 991	351 621	–	(35 370)	90,86	119,91	–	–	–	326 943
	464 999	97 279	562 278	–	–	562 278	552 816	–	(9 462)	98,32	118,89	–	–	–	482 646
Total Revenue (excluding capital transfers and contributions)															
Employee costs	231 551	(1 596)	229 956	–	–	229 956	226 480	–	(3 475)	98,49	97,81	–	–	–	213 762
Remuneration of councillors	7 229	–	7 229	–	–	7 229	7 594	–	365	105,05	105,05	–	–	–	7 568
Debt impairment	1 970	–	1 970	–	–	1 970	999	–	(971)	50,72	50,72	–	–	–	2 255
Depreciation & asset impairment	11 238	–	11 238	–	–	11 238	10 121	–	(1 117)	90,06	90,06	–	–	–	8 574
Finance charges	1 090	184	1 274	–	–	1 274	65	–	(1 210)	5,08	5,94	–	–	–	323
Materials and bulk purchases	78 861	44 616	123 477	–	–	123 477	86 189	–	(37 287)	69,80	109,29	–	–	–	95 422
Transfers and grants	1 458	1 698	3 155	–	–	3 155	2 094	–	(1 061)	0,00	0,00	–	–	–	913
Other expenditure	136 957	54 803	191 759	–	–	191 759	177 638	–	(14 121)	92,64	129,70	–	–	–	145 694
Total Expenditure	470 354	99 704	570 059	–	–	570 059	511 181	–	(58 878)	89,67	108,68	–	–	–	474 512
Surplus/(Deficit)	(5 355)	(2 425)	(7 780)	–	–	(7 780)	41 635	–	49 416	-535,14	-777,46	–	–	–	8 135
Transfers recognised - capital	213	4 598	4 811	–	–	4 811	–	–	(4 811)	1	1	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(5 143)	2 173	(2 970)	–	–	(2 970)	41 635	–	44 605	-1402,05	-809,59	–	–	–	8 135
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	0,00	–	–	–	–	–
Surplus/(Deficit) for the year	(5 143)	2 173	(2 970)	–	–	(2 970)	41 635	–	44 605	-1402,05	-809,59	–	–	–	8 135
Capital expenditure & funds sources															
Capital expenditure	14 223	13 424	27 646	–	–	27 646	19 473	–	(8 173)	70,44	136,92	–	–	–	8 106
Transfers recognised - capital	213	4 598	4 811	–	–	4 811	–	–	(4 811)	0,00	0,00	–	–	–	–
Public contributions & donations	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	–
Internally generated funds	14 010	8 826	22 836	–	–	22 836	19 473	–	(3 362)	85,28	139,00	–	–	–	16 541
Total sources of capital funds	14 223	13 424	27 646	–	–	27 646	19 473	–	(8 173)	70,44	136,92	–	–	–	16 541
Cash flows															
Net cash from (used) operating	19 719	33 063	52 782	–	–	52 782	35 052	–	(17 730)	66,41	177,76	–	–	–	19 643
Net cash from (used) investing	(12 723)	(13 424)	(26 146)	–	–	(26 146)	(17 968)	–	8 179	68,72	141,23	–	–	–	(13 171)
Net cash from (used) financing	(1 500)	–	(1 500)	–	–	(1 500)	(1 500)	–	–	100,00	0,00	–	–	–	(3 000)
Cash/cash equivalents at the year end	326 786	19 639	346 426	–	–	346 426	344 329	–	(2 097)	99,39	105,37	–	–	–	328 744
Financial Position															
Cash	312 062	19 639	331 701	–	–	331 701	344 329	–	12 628	103,81	110,34	–	–	–	326 744
Consumer debtors	13 225	–	13 225	–	–	13 225	2 155	–	(11 070)	16,29	16,29	–	–	–	2 474
Other debtors	11 249	–	11 249	–	–	11 249	52 395	–	41 146	465,76	0,00	–	–	–	70 803
Current portion of long-term receivables	–	–	–	–	–	–	1 155	–	1 155	0,00	0,00	–	–	–	1 264
Inventory	11 688	–	11 688	–	–	11 688	10 575	–	(1 113)	90,48	90,48	–	–	–	10 285
Current portion of asset receivable - local municipalities	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	1 500
Total current assets	348 224	19 639	367 863	–	–	367 863	410 609	–	42 746	111,62	117,92	–	–	–	415 070
Long-term receivable	17 463	–	17 463	–	–	17 463	16 618	–	(845)	95,16	95,16	–	–	–	17 560
Distribution receivable	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	–
Investment property	4 377	–	4 377	–	–	4 377	4 378	–	0	100,01	100,01	–	–	–	4 411
Property, plant and equipment	99 555	12 764	112 319	–	–	112 319	100 287	–	(12 032)	89,29	100,74	–	–	–	91 410
Intangible assets	1 075	640	1 715	–	–	1 715	1 716	–	1	100,04	159,60	–	–	–	1 278
Asset receivable - local municipalities	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	–
Total non-current assets	122 470	13 404	135 874	–	–	135 874	122 998	–	(12 876)	90,52	100,43	–	–	–	114 658
TOTAL ASSETS	470 694	33 043	503 737	–	–	503 737	533 608	–	29 870			–	–	–	529 728
LIABILITIES															
Borrowings	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	1 500
Trade and other payables	56 865	32 879	89 744	–	–	89 744	40 079	–	(49 664)	44,66	70,48	–	–	–	49 110
Provisions	7 001	–	7 001	–	–	7 001	12 858	–	5 857	183,66	183,66	–	–	–	36 065
Total current liabilities	63 868	32 879	96 744	–	–	96 744	52 937	–	(43 807)	54,72	82,89	–	–	–	86 675
Borrowings	–	–	–	–	–	–	–	–	–	0,00	0,00	–	–	–	–
Provisions	87 020	(2 009)	85 012	–	–	85 012	78 433	–	(6 578)	92,26	90,13	–	–	–	82 451
Total non-current liabilities	87 020	(2 009)	85 012	–	–	85 012	78 433	–	(6 578)	92,26	90,13	–	–	–	82 451
TOTAL LIABILITIES	150 886	30 870	181 756	–	–	181 756	131 370	–	(50 386)	72,28	87,07	–	–	–	169 126
NET ASSETS	319 808	2 173	321 981	–	–	321 981	402 238	–	80 256	124,93	125,77	–	–	–	360 602
Accumulated Surplus / (Deficit)	319 808	2 173	321 981	–	–	321 981	402 238	–	80 256	124,93	125,77	–	–	–	360 602
TOTAL COMMUNITY WEALTH / EQUITY	319 808	2 173	321 981	–	–	321 981	402 238	–	80 256	124,93	125,77	–	–	–	360 602

GRAP 24 paragraph 16 states the management should provide reasons for the movement from original budget to the adjustment budget. Management adjusted its capital and operating budgets due to the following:

Operating Budget : Refer to appendix A for explanations on variances.
Capital Budget : Refer to appendix A for explanations on variances.
Cashflow Budget : Refer to note 55 for explanations on variances.
Statement of Financial Position Budget : Refer to note 55 for explanations on variances.

AUDITOR-GENERAL SOUTH AFRICA

Accounting Policies

1. Presentation of Audited Annual Financial Statements

The audited annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These audited 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.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these audited annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These audited annual financial statements are presented in South African Rand, which is the functional currency of the municipality. All financial information has been rounded to the nearest Rand.

1.2 Going concern assumption

These audited annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Transfer of functions between entities not under common control

The acquisition method

The municipality accounts for each transfer of functions between entities not under common control by applying the acquisition method.

Applying the acquisition method requires:
(a) identifying the acquirer;
(b) determining the acquisition date;
(c) recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree; and
(d) recognising the difference between (c) and the consideration transferred to the seller.

Identifying the acquirer

For each transfer of functions between entities not under common control, one of the combining entities is identified as the acquirer.

The terms and conditions of a transfer of functions undertaken between entities not under common control are set out in a binding arrangement.

Determining the acquirer includes a consideration of, amongst other things, which of the combining entities initiated the transaction or event, the relative size of the combining entities, as well as whether the assets or revenue of one of the entities involved in the transaction or event significantly exceed those of the other entities. If no acquirer can be identified, the transaction or event is accounted for in terms of the Standard of GRAP on Mergers.

Determining the acquisition date

The acquirer identifies the acquisition date, which is the date on which it obtains control of the acquiree.

All relevant facts and circumstances are considered in identifying the transfer date.

Accounting Policies

1.3 Transfer of functions between entities not under common control (continued)

Recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree

Recognition principle

As of the acquisition date, the municipality as acquirer recognises, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree.

Recognition conditions:

To qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements and the recognition criteria in the applicable Standards of GRAP at the acquisition date.

In addition, to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must be part of what the municipality as acquirer and the acquiree (or its former owners) agreed in the binding arrangement rather than the result of separate transactions.

Operating leases:

The municipality as acquirer recognises no assets or liabilities related to an operating lease in which the acquiree is the lessee.

The municipality as acquirer determines whether the terms of each operating lease in which the acquiree is the lessee are favourable or unfavourable. The municipality as acquirer recognises an intangible asset if the terms of an operating lease are favourable relative to market terms and a liability if the terms are unfavourable relative to market terms.

An identifiable intangible asset may be associated with an operating lease, which may be evidenced by market participants' willingness to pay a price for the lease even if it is at market terms.

Intangible assets:

The municipality as acquirer separately recognises the identifiable intangible assets acquired in a transfer of functions. An intangible asset is identifiable if it meets either the separability criterion or the contractual-legal right criterion.

Classifying or designating identifiable assets acquired and liabilities assumed in a transfer of functions:

At the acquisition date, the municipality as acquirer classifies or designates the identifiable assets acquired and liabilities assumed as necessary to apply other Standards of GRAP subsequent to the acquisition date. The municipality as acquirer makes those classifications or designations on the basis of the terms of the binding arrangement, economic conditions, its operating or accounting policies and other relevant conditions as they exist at the acquisition date.

Measurement principle

The municipality as acquirer measures the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values.

Non-controlling interest in an acquiree:

For each transfer of functions, the municipality as acquirer measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation at either:

- fair value; or
- the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

Assets with uncertain cash flows (valuation allowances):

The municipality as acquirer does not recognise a separate valuation allowance as of the acquisition date for assets acquired in a transfer of functions that are measured at their acquisition-date fair values because the effects of uncertainty about future cash flows are included in the fair value measure.

Accounting Policies

1.3 Transfer of functions between entities not under common control (continued)

Assets subject to operating leases in which the acquiree is the lessor:

In measuring the acquisition-date fair value of an asset such as a building or a patent that is subject to an operating lease in which the acquiree is the lessor, the municipality as acquirer takes into account the terms of the lease.

Exceptions to the recognition principles

Contingent liabilities:

The requirements in the Standard of GRAP on Provisions, Contingent assets and Contingent liabilities do not apply in determining which contingent liabilities to recognise as of the acquisition date. Instead, the municipality as acquirer recognises as of the acquisition date a contingent liability assumed in a transfer of functions if it is a present obligation that arises from past events and its fair value can be measured reliably.

Exceptions to both the recognition and measurement principles

Employee benefits:

The municipality as acquirer recognises and measures a liability (or asset, if any) related to the acquiree's employee benefit arrangements in accordance with the Standard of GRAP on Employee Benefits.

Indemnification assets:

The seller in a transfer of functions may contractually indemnify the municipality as acquirer for the outcome of a contingency or uncertainty related to all or part of a specific asset or liability. The municipality as acquirer recognises an indemnification asset at the same time that it recognises the indemnified item measured on the same basis as the indemnified item, subject to the need for a valuation allowance for uncollectible amounts. Therefore, if the indemnification relates to an asset or a liability that is recognised at the acquisition date and measured at its acquisition-date fair value, the municipality as acquirer recognises the indemnification asset at the acquisition date measured at its acquisition-date fair value. For an indemnification asset measured at fair value, the effects of uncertainty about future cash flows because of collectability considerations are included in the fair value measure and a separate valuation allowance is not necessary.

Exceptions to the measurement principle

Reacquired rights:

The municipality as acquirer measures the value of a reacquired right recognised as an intangible asset on the basis of the remaining contractual term of the related contract or other binding arrangement regardless of whether market participants would consider potential renewals of the contract or other binding arrangement in determining its fair value.

Assets held for sale:

The municipality as acquirer measures an acquired non-current asset (or disposal group) that is classified as held for sale at the acquisition date in accordance with the Standard of GRAP on Non-current assets held for sale and Discontinued operations at fair value less costs to sell.

Recognising and measuring the difference between the assets acquired and liabilities assumed and the consideration transferred (if any)

The municipality as acquirer recognises the difference between the assets acquired and liabilities assumed and the consideration transferred (if any) as of the acquisition date in surplus or deficit. This difference is measured as the excess of (a) over (b) below:
(a) the aggregate of:
(i) the consideration transferred (if any) measured in accordance with this Standard, which generally requires acquisition-date fair value;
(ii) the amount of any non-controlling interest in the acquiree measured in accordance with this Standard; and
(iii) in a transfer of functions achieved in stages, the acquisition-date fair value of the entity as acquirer's previously held equity interest in the acquiree.
(b) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with this Standard.

Consideration transferred

AUDITOR-GENERAL SOUTH AFRICA

Accounting Policies

1.3 Transfer of functions between entities not under common control (continued)

The consideration transferred in a transfer of functions is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the municipality as acquirer, the liabilities incurred by the municipality as acquirer to former owners of the acquiree and the residual interests issued by the entity as acquirer.

Contingent consideration:

The consideration the municipality as acquirer transfers in exchange for the acquiree includes any asset or liability resulting from a contingent consideration arrangement. The municipality as acquirer recognises the acquisition-date fair value of contingent consideration as part of the consideration transferred in exchange for the acquiree.

The municipality as acquirer classifies an obligation to pay contingent consideration as a liability or as net assets on the basis of the definitions of a residual interest and a financial liability in the Standard of GRAP on Financial instruments, or other applicable Standard of GRAP. The municipality as acquirer classifies as an asset a right to the return of previously transferred consideration if specified conditions are met.

A transfer of functions achieved in stages

A municipality as acquirer sometimes obtains control of an acquiree in which it held a residual interest immediately before the acquisition date.

In a transfer of functions achieved in stages, the municipality as acquirer remeasures its previously held residual interest in the acquiree at its acquisition-date fair value and recognises the resulting gain or loss, if any, in surplus or deficit. In prior reporting periods, the municipality as acquirer may have recognised changes in the value of its residual interest in the acquiree in surplus or deficit. If so, the amount that was recognised in surplus or deficit is recognised on the same basis as would be required if the municipality as acquirer had disposed directly of the previously held residual interest.

Measurement period

If the initial accounting for a transfer of functions is incomplete by the end of the reporting period in which the transfer occurs, the municipality as acquirer reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the municipality as acquirer retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the municipality as acquirer also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the municipality as acquirer receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable. However, the measurement period does not exceed two years from the acquisition date.

Determining what is part of the transfer of functions transaction

The municipality as acquirer and the acquiree may have a pre-existing relationship or other arrangement before or when negotiations for the transfer of functions began, or they may enter into a binding arrangement during the negotiations that is separate from the transfer of functions. In either situation, the municipality as acquirer identifies any amounts that are not part of what the municipality as acquirer and the acquiree (or its former owners) exchanged in the transfer of functions. The acquirer recognises as part of applying the acquisition method only the consideration transferred (if any) for the acquiree and the assets acquired and liabilities assumed by the municipality as acquirer in the transfer of functions as governed by the terms and conditions of the binding arrangement.

Effective settlement of a pre-existing relationship between the municipality as acquirer and acquiree in a transfer of functions

A pre-existing relationship between the municipality as acquirer and acquiree may be contractual or non-contractual.

Accounting Policies

1.3 Transfer of functions between entities not under common control (continued)

If the transfer of functions in effect settles a pre-existing relationship, the municipality as acquirer recognises a gain or loss, measured as follows:
(a) for a pre-existing non-contractual relationship, fair value.
(b) for a pre-existing contractual relationship, the lesser of (i) and (ii):
(i) the amount by which the binding arrangement is favourable or unfavourable from the perspective of the municipality as acquirer when compared with terms for current market transactions for the same or similar items.
(ii) the amount of any stated settlement provisions in the binding arrangement available to the counterparty to whom the contract is unfavourable.
If (ii) is less than (i), the difference is included as part of the transfer of functions accounting. The amount of gain or loss recognised may depend in part on whether the municipality as acquirer had previously recognised a related asset or liability, and the reported gain or loss therefore may differ from the amount calculated by applying the above requirements.

A pre-existing relationship may be a contract that the municipality as acquirer recognises as a reacquired right. If the binding arrangement includes terms that are favourable or unfavourable when compared with pricing for current market transactions for the same or similar items, the municipality as acquirer recognises, separately from the transfer of functions, a gain or loss for the effective settlement of the contract.

Acquisition-related costs:

Acquisition-related costs are costs the municipality as acquirer incurs to effect a transfer of functions. Those costs include advisory, legal, accounting, valuation and other professional or consulting fees, general administrative costs, and costs of registering and issuing debt and equity securities (if applicable). The municipality as acquirer accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received, with one exception. The costs to issue debt or equity securities (if applicable) are recognised in accordance with the Standard of GRAP on Financial instruments.

Subsequent measurement and accounting

In general, a municipality as acquirer subsequently measure and account for assets acquired, liabilities assumed or incurred and the residual interest issued in a transfer of functions in accordance with other applicable Standards of GRAP for those items, depending on their nature.

Reacquired rights

A reacquired right recognised as an intangible asset is amortised over the remaining contractual period of the contract in which the right was granted. A municipality as acquirer that subsequently sells a reacquired right to a third party includes the carrying amount of the intangible asset in determining the gain or loss on the sale.

Contingent liabilities

After initial recognition and until the liability is settled, cancelled or expires, the municipality as acquirer measures a contingent liability recognised in a transfer of functions at the higher of:
(a) the amount that would be recognised in accordance with the Standard of GRAP on Provisions, Contingent liabilities and Contingent assets; and
(b) the amount initially recognised less, if appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from exchange transactions.

Indemnification assets

At the end of each subsequent reporting period, the municipality as acquirer measures an indemnification asset that was recognised at the acquisition date on the same basis as the indemnified liability or asset, subject to any limitations as set in the binding arrangement on its amount and, for an indemnification asset that is not subsequently measured at its fair value, management's assessment of the collectability of the indemnification asset. The municipality as acquirer derecognises the indemnification asset only when it collects the asset, sells it or otherwise loses the right to it.

Contingent consideration

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1.3 Transfer of functions between entities not under common control (continued)

Some changes in the fair value of contingent consideration that the municipality as acquirer recognises after the acquisition date may be the result of additional information that the municipality as acquirer obtained after that date about facts and circumstances that existed at the acquisition date. However, changes resulting from events after the acquisition date, such as meeting a performance target, or reaching a milestone on a research and development project, are not measurement period adjustments. The municipality as acquirer accounts for changes in the fair value of contingent consideration that are not measurement period adjustments as follows:
(a) Contingent consideration classified as net assets shall not be remeasured and its subsequent settlement is accounted for within net assets.
(b) Contingent consideration classified as an asset or a liability that:
(i) is a financial instrument and is within the scope of the Standard of GRAP on Financial instruments is measured at fair value, with any resulting gain or loss recognised in surplus or deficit in accordance with that Standard of GRAP.
(ii) is not within the scope of the Standard of GRAP on Financial instruments is accounted for in accordance with the Standard of GRAP on Provisions, Contingent liabilities and Contingent assets or other Standards of GRAP as appropriate.

1.4 Transfer of functions between entities under common control

Identifying the acquirer and transferor

For each transfer of functions between entities under common control an acquirer and transferor are identified. All relevant facts and circumstances are considered in identifying the acquirer and transferor.

The terms and conditions of a transfer of functions undertaken between entities under common control are set out in a binding arrangement. The binding arrangement governing the terms and conditions of a transfer of functions may identify which municipality to the transaction or event is the transferor(s) and which municipality is the acquirer. Where the binding arrangement does not clearly identify the acquirer or the transferor, the behaviour or actions of the entities may indicate which municipality is the acquirer and which municipality is the transferor.

Determining the acquirer includes a consideration of, amongst other things, which of the entities involved in the transfer of functions initiated the transaction or event, the relative size of the entities, as well as whether the assets or revenue of one of the entities involved in the transaction or event significantly exceed those of the other entities. If no acquirer can be identified, the transaction or event is accounted for in terms of the Standard of GRAP on Mergers.

Determining the transfer date

The acquirer and the transferor identify the transfer date, which is the date on which the acquirer obtains control and the transferor loses control of that function.

All relevant facts and circumstances are considered in identifying the transfer date.

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1.4 Transfer of functions between entities under common control (continued)

Assets acquired [transferred] and liabilities assumed [relinquished]

The recognition of assets and liabilities, is subject to the following conditions:

The assets acquired and the liabilities assumed are part of what had been agreed in terms of the binding arrangement (if applicable), rather than the result of separate transactions.

Determining what is part of the transfer of functions transaction

Where the municipality and the transferor have a pre-existing relationship before or when negotiations for a transfer of functions began, or where a binding arrangement is entered into during the negotiations that are separate from a transfer of functions, any amounts that are not part of what were transferred in a transfer of functions are identified. This policy only applies to the consideration transferred and the assets acquired and liabilities assumed in a transfer of functions as governed by the terms and conditions of the binding arrangement.

The following factors are considered, which are neither mutually exclusive nor individually conclusive, to determine whether a transaction is part of a transfer or function or whether the transaction is separate:

- the reasons for the transaction
- the timing of the transaction

Effective settlement of a pre-existing relationship between the entity (as acquirer) and transferor in a transfer of functions

A pre-existing relationship between the municipality (as acquirer) and the transferor may be contractual or non-contractual. If a transfer of functions in effect settles a pre-existing relationship, the entity (as acquirer) recognises a gain or loss, measured as follows:

- for a pre-existing non-contractual relationship, fair value.
- for a pre-existing contractual relationship, the lesser of the following:
  - the amount by which the binding arrangement is favourable or unfavourable from the perspective of the municipality (as acquirer) when compared with terms for current market transactions for the same or similar items.
  - the amount of any stated settlement provisions in the binding arrangement available to the counterparty to whom the contract is unfavourable.

If the latter is less, the difference is included as part of a transfer of functions accounting. The amount of gain or loss recognised may depend in part on whether the municipality (as acquirer) had previously recognised a related asset or liability, and the reported gain or loss therefore may differ from the amount calculated by applying the above requirements.

Other criteria for the entity (as acquirer)

The assets acquired and liabilities assumed that qualify for recognition as set out in the binding arrangement meets the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements and the recognition criteria in the applicable Standards of GRAP at the transfer date.

Costs that the municipality expects, but which it is not obliged to incur in the future to effect its plan to exit an activity of the transferor or to terminate the employment of, or relocate the transferor's employees, is not accounted for as part of the liabilities at the transfer date. The municipality does not recognise those costs as part of a transfer of functions. Instead, the municipality recognises these costs in its audited annual financial statements after the transfer has occurred, in accordance with the applicable Standards of GRAP.

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1.4 Transfer of functions between entities under common control (continued)

Accounting by the entity as acquirer

Initial recognition and measurement

As of the transfer date, the municipality recognises the purchase consideration paid to the transferor and all the assets acquired and liabilities assumed in a transfer of functions. The assets acquired and liabilities assumed are measured at their carrying amounts.

If, prior to the transfer of functions, the transferor was not applying the accrual basis of accounting, the transferor changes its basis of accounting to the accrual basis of accounting prior to the transfer.

The consideration paid by the municipality can be in the form of cash, cash equivalents or other assets. If the consideration paid is in the form of other assets, the municipality de-recognises such assets on the transfer date at their carrying amounts.

The difference between the carrying amounts of the assets acquired, the liabilities assumed and the consideration paid to the transferor, is recognised in accumulated surplus or deficit.

Measurement period

If the initial accounting for a transfer of functions is incomplete by the end of the reporting period in which the transfer occurs, the municipality reports in its audited annual financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the municipality retrospectively adjust the provisional amounts recognised at the transfer date to reflect new information obtained about facts and circumstances that existed as of the transfer date and, if known, would have affected the measurement of the amounts recognised as of that date. The measurement period ends as soon as the municipality receives the information it was seeking about facts and circumstances that existed as of the transfer date or learns that more information is not obtainable. However, the measurement period does not exceed two years from the transfer date.

The municipality considers all relevant factors in determining whether information obtained after the transfer date should result in an adjustment to the provisional amounts recognised or whether that information results from events that occurred after the transfer date.

The municipality recognises an increase (decrease) in the provisional amount recognised for an asset (liability) by means of decreasing (increasing) the excess of the purchase consideration paid over the carrying amount of the assets acquired and liabilities assumed previously recognised in accumulated surplus or deficit. However, new information obtained during the measurement period may sometimes result in an adjustment to the provisional amount of more than one asset or liability.

During the measurement period, the municipality recognises adjustments to the provisional amounts as if the accounting for the transfer of functions had been completed at the transfer date. Thus, the municipality revises comparative information for prior periods presented in audited annual financial statements as needed, including making any change in depreciation, amortisation or other income effects recognised in completing the initial accounting.

After the measurement period ends, the municipality revises the accounting for a transfer of functions only to correct an error in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

Acquisition-related costs

Acquisition-related costs are costs that the municipality incurs to affect the transfer of functions. These costs include advisory, legal, accounting and other professional or consulting fees, general administrative costs, and costs of registering and issuing debt and equity securities. The entity accounts for acquisition-related costs as expenses in the period in which the costs are incurred and the services are received, with the exception of the costs incurred to issue debt or equity securities, which are recognised in accordance with the Standard of GRAP on Financial Instruments.

Subsequent measurement

The municipality subsequently measure any assets acquired and any liabilities assumed in a transfer of functions in accordance with the applicable Standards of GRAP.

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1.4 Transfer of functions between entities under common control (continued)

At the transfer date, the municipality classifies or designates the assets acquired and liabilities assumed as necessary to apply other Standards of GRAP subsequently. The municipality makes those classifications or designations on the basis of the terms of the binding arrangement, economic conditions, its operating or accounting policies and other relevant conditions that exist at the transfer date. An exception is that the municipality classifies the following contracts on the basis of the contractual terms and other factors at the inception of the contract (or, if the terms of the contract have been modified in a manner that would change its classification, at the date of that modification, which might be the transfer date):

- classification of a lease contract as either an operating lease or a finance lease in accordance with the Standard of GRAP on Leases; and
- classification of a contract as an insurance contract in accordance with the International Financial Reporting Standard on Insurance Contracts.

Accounting by the entity as transferor

Derecognition of assets transferred and liabilities relinquished

As of the transfer date, the municipality derecognises from its audited annual financial statements, all the assets transferred and liabilities relinquished in a transfer of functions at their carrying amounts.

Until the transfer date, the municipality continues to measure these assets and liabilities in accordance with applicable Standards of GRAP.

The consideration received from the acquirer can be in the form of cash, cash equivalents or other assets. If the consideration received is in the form of other assets, the municipality measures such assets at their fair value on the transfer date in accordance with the applicable Standard of GRAP. The difference between the carrying amounts of the assets transferred, the liabilities relinquished and the consideration received from the acquirer is recognised in accumulated surplus or deficit.

1.5 Mergers

Identifying the combined entity and combining entities

For each merger a combined municipality and combining entities is identified. All relevant facts and circumstances are considered in identifying the combined municipality and combining municipality.

The binding arrangement usually sets out which entities are to be combined as a result of the merger, and identifies the new reporting municipality after the merger.

Determining the merger date

The combined municipality and the combining entities identify the merger date, which is the date on which the new reporting municipality obtains control of the assets and liabilities and the combining entities loses control of their assets and liabilities.

All relevant facts and circumstances are considered in identifying the merger date.

Assets acquired [transferred] and liabilities assumed [derecognised]

The recognition of assets and liabilities by the entity as combined entity are subject to the following conditions:

The assets and liabilities that qualify for recognition in a merger are part of what had been agreed in terms of the binding arrangement, rather than the result of separate transactions.

Other criteria for the entity (as the combined entity)

The assets and liabilities that quality for recognition as set out in the binding arrangement meets the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements and the recognition criteria in the applicable Standards of GRAP at the merger date.

Costs that the entity expects but which the municipality is not obliged to incur in the future to effect its plan to exit an activity of the combining entities or to terminate the employment of, or relocate the combining entities' employees, is not be accounted for as part of the liabilities at the merger date. The entity does not recognise those costs as part of a merger. Instead, the municipality recognises these costs in its audited annual financial statements after the merger has occurred, in accordance with the applicable Standards of GRAP.

Accounting Policies

1.5 Mergers (continued)

Accounting by the entity as the combined entity

Initial recognition and measurement

As of the merger date, the municipality recognises all the assets acquired and liabilities assumed. The assets acquired and liabilities assumed are measured at their carrying amounts.

If, prior to the merger, a combining municipality was not applying the accrual basis of accounting, that combining municipality changes its basis of accounting to the accrual basis of accounting prior to the merger.

The difference between the carrying amounts of the assets acquired and the liabilities assumed is recognised in accumulated surplus or deficit.

Measurement period

If the initial accounting for a merger is incomplete by the end of the reporting period in which the merger occurs, the municipality reports in its audited annual financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the municipality retrospectively adjust the provisional amounts recognised at the merger date to reflect new information obtained about facts and circumstances that existed as of the merger date and, if known, would have affected the measurement of the amounts recognised as of that date. The measurement period ends as soon as the municipality receives the information it was seeking about facts and circumstances that existed as of the merger date or learns that more information is not obtainable. However, the measurement period does not exceed two years from the merger date.

The municipality considers all relevant factors in determining whether information obtained after the merger date should result in an adjustment to the provisional amounts recognised or whether that information results from events that occurred after the merger date. Relevant factors include the date when additional information is obtained and whether the municipality can identify a reason for a change to provisional amounts.

The municipality recognises an increase (decrease) in the provisional amount recognised for an asset (liability) by means of decreasing (increasing) the excess of the purchase consideration paid over the carrying amount of the assets acquired and liabilities assumed previously recognised in accumulated surplus or deficit.

During the measurement period, the municipality recognises adjustments to the provisional amounts as if the accounting for the merger had been completed at the merger date. Thus, the municipality revises comparative information for prior periods presented in audited annual financial statements as needed, including making any change in depreciation, amortisation or other income effects recognised in completing the initial accounting.

After the measurement period ends, the municipality revises the accounting for a merger only to correct an error in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

Expenditure incurred in relation to the merger

Expenditures incurred in relation to the merger are costs that the entity incurs to effect the merger. These costs include advisory, legal, accounting and other professional or consulting fees, general administrative costs, costs to furnish information to owners of the combining entities, and salaries and other expenses related to services of employees involved in achieving the merger. It also includes costs or losses incurred in combining the assets and liabilities of the combining entities. The municipality accounts for such expenditure as expenses in the period in which the costs are incurred.

Subsequent measurement

The municipality subsequently measures any assets acquired and any liabilities assumed in a merger in accordance with the applicable Standards of GRAP.

At the merger date, the municipality classifies or designates the assets acquired and liabilities assumed as necessary to apply other Standards of GRAP subsequently. The municipality makes those classifications or designations on the basis of the terms of the binding arrangement, economic conditions, the operating or accounting policies and other relevant conditions as these exist at the merger date. An exception is that the municipality classifies the following contracts on the basis of the contractual terms and other factors at the inception of the contract (or, if the terms of the contract have been modified in a manner that would change its classification, at the date of that modification, which might be the merger date):

- classification of a lease contract as either an operating lease or a finance lease in accordance with the Standard of GRAP on Leases; and

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1.5 Mergers (continued)

- classification of a contract as an insurance contract in accordance with the International Financial Reporting Standard on Insurance Contracts.

The audited annual financial statements of the municipality are prepared using uniform accounting policies for similar transactions and other events or similar circumstances.

Accounting by entity as the combining entity

Assets transferred and liabilities de-recognised

As of the merger date, the municipality as the combining entity transfer and de-recognise from its audited annual financial statements, all the assets and liabilities de-recognised at their carrying amounts.

Until the merger date, the municipality continues to measure these assets and liabilities in accordance with applicable Standards of GRAP.

The difference between the carrying amounts of the assets transferred and the liabilities de-recognised are recognised in accumulated surplus or deficit.

1.6 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- 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 the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement. Investment property are depreciated on the straight line basis over the expected useful lives.

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, or service 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.

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life
Land	infinite
Property - Beach development	25 to 30 years

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

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1.7 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, rental to others, or for administrative purposes, and are expected to be used during more than one period.

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 municipality; 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. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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, it's 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.

Costs include costs incurred initially to acquire or construct 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. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance and are expensed. The enhancement of an existing assets so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which should be capitalised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and standby equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and standby equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment under construction - This cost include all expenditure related directly to specific projects still in progress at period end. Incomplete construction work is stated at historical cost.

Accounting Policies

1.7 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	Straight line	Infinite
Buildings	Straight line	5 to 100
Other Structures (Infrastructure)	Straight line	0 to 100
Other	Straight line	2 to 30

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 depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

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 the 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 the 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.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

1.8 Intangible assets

An asset is identifiable if it either:

- is 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 municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

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 municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality 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.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Accounting Policies

1.8 Intangible assets (continued)

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

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.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Intangible assets	Straight line	0 - 20 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.

1.9 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 municipality.

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 uncollectibility.

A concessionary loan is a loan granted to or received by an municipality on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an municipality's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

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1.9 Financial instruments (continued)

- It is settled at a future date.

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, an municipality shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall 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 (see the Standard of GRAP on Revenue from Exchange Transactions), 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 municipality shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another municipality; or
- a contractual right to:
  - receive cash or another financial asset from another municipality; or
  - exchange financial assets or financial liabilities with another municipality under conditions that are potentially favourable to the municipality.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another municipality; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the municipality.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an municipality in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

1.9 Financial instruments (continued)

A residual interest is any contract that manifests an interest in the assets of an municipality after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an municipality's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an municipality.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the municipality had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the municipality designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Accounting Policies

1.9 Financial instruments (continued)

Classification

The entity 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:

Class	Category
Other trade receivables from exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Trade receivables from exchange transactions	Financial asset measured at amortised cost
Other receivables from non-exchange transactions	Financial asset measured at amortised cost
Distribution receivable	Financial asset measured at amortised cost

The municipality 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
Unspent conditional grants and receipts	Financial liability measured at amortised cost
Long-term liabilities	Financial liability measured at amortised cost

Trade and other payables are initially measured at fair value plus transaction costs that are directly attributed to the acquisition and are subsequently measured at amortised cost using the effective interest rate method.

Trade and other receivables are initially recognised at fair value plus transaction cost that directly attributed to the acquisition and subsequently stated at amortised cost, less provision for impairment. This provision is based on a review of all outstanding amounts at year end and is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms. The amount of the provision is the effective interest rate. Bad debts are written off during the year in which they are identified. Subsequent recoveries of amounts previously written off are credited against the relevant revenue stream in the statement of financial performance.

Long-term financial liabilities are classified as financial liabilities that are measured at amortised cost.

Cash and cash equivalents includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions and are subject to an insignificant risk of change in value. For the purpose of the cash flow statement, cash and cash equivalents comprises of cash on hand, deposits held on call with banks, investments in financial instruments and net bank overdrafts. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the municipality becomes a party to the contractual provisions of the instrument.

The municipality recognises financial assets using trade date accounting.

Accounting Policies

1.9 Financial instruments (continued)

Initial measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The municipality measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

The municipality first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

Accounting Policies

1.9 Financial instruments (continued)

Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through estabilised practices or legislation.

Reclassification

The municipality does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Where the entity cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the entity reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The municipality assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Accounting Policies

1.9 Financial instruments (continued)

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 directly OR 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 OR by adjusting an allowance account. 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.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Accounting Policies

1.9 Financial instruments (continued)

Derecognition

Financial assets

The municipality derecognises financial assets using trade date accounting.

The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality :
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the municipality transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the municipality has retained substantially all the risks and rewards of ownership of the transferred asset, the municipality continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the municipality recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

Accounting Policies

1.9 Financial instruments (continued)

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another municipality by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Dividends or similar distributions relating to a financial instrument or a component that is a financial liability is recognised as revenue 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 revenue or expense in surplus or deficit.

Distributions to holders of residual interests are recognised by the municipality directly in net assets. Transaction costs incurred on residual interests are accounted for as a deduction from net assets. Income tax [where applicable] relating to distributions to holders of residual interests and to transaction costs incurred on residual interests are accounted for in accordance with the International Accounting Standard on Income Taxes.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the municipality does not offset the transferred asset and the associated liability.

1.10 Value added tax

The municipality accounts for Value Added Tax (VAT) on a cash basis. The municipality is liable to account for VAT at the standard rate (15%) in terms of section 7 (1) (a) of the VAT Act, in respect of the supply of goods or services except where the supplies are specifically zero - rated in terms of section 11, exempted in terms of section 12 of the VAT Act or out of scope for VAT purposes. The timing of payments to / from the South African Revenue Service is on the twenty fifth day of each of the twelve months of the financial year.

1.11 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the municipality's net investment in the finance lease.

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Accounting Policies

1.11 Leases (continued)

Finance leases - 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.

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 rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as revenue and the contractual receipts are recognised as an operating lease asset or liability.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - 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.

1.12 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

Accounting Policies

1.12 Inventories (continued)

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Water inventory represents water housed in dams within the municipal area and is measured at the lower of cost, which is deemed to be fair value, and net realisable value. In the absence of a market that trades in water outside of local government the fair value utilised to quantify water inventory is based on the unit reference value. The unit reference value is determined by a formula that is utilised in the engineering department to calculate the development cost of new water resources.

The water levels in the dams are based on cubic meter capacity taking into account the capacity of the dam, based on land surveying reports and the curve of the dam. Readings of water levels are taken at year-end, which is quantified at the above fair value. Water and purified effluent are measured at the lower of purified cost and net realisable value insofar as it is stored and controlled in reservoirs at year-end.

1.13 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. An asset that generates a commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

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).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

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Accounting Policies

1.13 Impairment of cash-generating assets (continued)

Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the municipality expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate commercial return, the municipality designates the asset as a non-cash-generating asset and applies the accounting policy on Impairment of Non-cash-generating assets, rather than this accounting policy.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

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Accounting Policies

1.13 Impairment of cash-generating assets (continued)

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Accounting Policies

1.13 Impairment of cash-generating assets (continued)

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

AUDITOR-GENERAL SOUTH AFRICA

Accounting Policies

1.13 Impairment of cash-generating assets (continued)

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable 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 cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.14 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).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

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Accounting Policies

1.14 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:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

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.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, 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.

Reversal of an impairment loss

The municipality assesses 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 municipality estimates the recoverable service amount of that asset.

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.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

Accounting Policies

1.15 Employee benefits

Employee benefits are all forms of consideration given by an municipality in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting municipality, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting municipality's own creditors (even in liquidation) and cannot be paid to the reporting municipality, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting municipality to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an municipality's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an municipality's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the municipality has indicated to other parties that it will accept certain responsibilities and as a result, the municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

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 municipality measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Accounting Policies

1.15 Employee benefits (continued)

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an municipality provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

Accounting Policies

1.15 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the municipality recognise actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting municipality) that are held by an municipality (a fund) that is legally separate from the reporting municipality and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting municipality's own creditors (even in liquidation), and cannot be returned to the reporting municipality, unless either:

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting municipality; or
- the assets are returned to the reporting municipality to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The municipality account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the municipality's informal practices. Informal practices give rise to a constructive obligation where the municipality has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the municipality's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement.

The amount determined as a defined benefit liability may be negative (an asset). The municipality measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

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Accounting Policies

1.15 Employee benefits (continued)

The municipality determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the audited annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The municipality recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The municipality uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, an municipality shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, an entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The municipality recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the municipality re-measure the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is [OR is not] presented as the net of the amount recognised for a reimbursement.

The municipality offsets an asset relating to one plan against a liability relating to another plan when the municipality has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Accounting Policies

1.15 Employee benefits (continued)

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
- those changes were enacted before the reporting date; or
- past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs. An actuarial valuation was performed and a liability was determined as a result of the valuation. The actuarial valuation will be revised on a annual basis.

Other post retirement obligations

The municipality provides post-retirement health care benefits, upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The municipality shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

Accounting Policies

1.15 Employee benefits (continued)

Termination benefits

The municipality recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The municipality is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.16 Provisions

Provisions are recognised when:

- the municipality 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 be required 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 be required 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 the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed 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.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Accounting Policies

1.16 Provisions (continued)

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality.

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is,there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

1.17 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, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality 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.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Accounting Policies

1.17 Revenue from exchange transactions (continued)

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 the municipality;
- 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 time frame, revenue is recognised on a straight line basis over the specified time frame 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.

Service charges relating to distribution of water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption based on the consumption history, are made on a monthly basis when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without it being invoiced. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is raised based on the average monthly consumption. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters are read. These adjustments are recognised as revenue in the invoicing period.

Service charges relating to refuse removal are recognised on a monthly basis by applying the approval tariff to each property receiving services. Tariffs are determined per category of property and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

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.

Service charges relating to sewerage and sanitation services are based on the type of service and the number of sewer connections on all developed property, using the tariffs approved by Council. Revenue is recognised on a monthly basis.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Rental income from operating leases is recognised on a straight line basis over the lease term.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant services is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

Commission for agency services is recognised as per the service level agreement with the municipality. The percentage calculated during a financial year are based on the total funds received from the agent.

1.18 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Accounting Policies

1.18 Revenue from non-exchange transactions (continued)

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Revenue from rates, including collection charges and penalty interest, is recognised on a monthly basis when the taxes are levied as this is regarded to be the date when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and there has been compliance with the relevant legal requirements.

Revenue from donations is recognised when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and any restrictions associated with the donation have been met.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legal procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Revenue from unconditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably. Since these grants are unconditional and there are no attached stipulations, the grants are recognised as revenue or, if the recognition criteria has been met, as assets in the reporting period in which they are received or receivable.

Revenue from conditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and to the extent that there has been compliance with any restrictions associated with the grant.

Accounting Policies

1.18 Revenue from non-exchange transactions (continued)

Recognition

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 the municipality 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.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. 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, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

The municipality 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.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

The municipality makes use of estimates to determine the amount of revenue that it is entitled to collect. Where settlement discounts or reductions in the amount payable are offered, the municipality considers past history in assessing the likelihood these discounts or reductions being taken up by debtors.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Services in-kind

Except for financial guarantee contracts, the municipality recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality disclose the nature and type of services in-kind received during the reporting period.

Accounting Policies

1.19 Borrowing costs

Borrowing costs are interest and other expenses incurred by an municipality in connection with the borrowing of funds.

Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use of sale.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset when it is probable that they will result in future economic benefits or service potential to the municipality, and the costs can be measured reliably. The municipality applies this consistently to all borrowing costs that are directly attributable to the acquisition, construction, or production of all qualifying assets of the municipality. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any investment income on the temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the municipality on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when all the following conditions have been met:

- expenditures for the asset have been incurred;
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are undertaken.

When the carrying amount or the expected ultimate cost of the qualifying asset exceeds its recoverable amount or recoverable service amount or net realisable value or replacement cost, the carrying amount is written down or written off in accordance with the accounting policy on Impairment of Assets and Inventories. In certain circumstances, the amount of the write-down or write-off is written back in accordance with the same accounting policy.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

When the municipality completes the construction of a qualifying asset in parts and each part is capable of being used while construction continues on other parts, the municipality ceases capitalising borrowing costs when it completes substantially all the activities necessary to prepare that part for its intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.20 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Accounting Policies

1.20 Accounting by principals and agents (continued)

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality is the agent and recognises in the Statement of Financial Performance only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP. The revenue and expenditure of the principal is recognised in the notes.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.21 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatement of comparative information. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.22 Unauthorised expenditure

Unauthorised expenditure means any expenditure incurred by the municipality otherwise than in accordance with section 15 or 11 (3) of the Municipal Finance Management Act (Act No 56 of 2003), and includes:

- overspending of the total amount appropriated in the approved budget;
- expenditure from a vote unrelated to the department or functional area covered by the vote.

All expenditure relating to unauthorised 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 revenue in the statement of financial performance.

1.23 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

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 revenue in the statement of financial performance.

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Accounting Policies

1.24 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the 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 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 financial statements and updated accordingly in the irregular expenditure register.

1.25 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decision or assessment of users made on the basis of the annual financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. Materiality is defined as 1% of the total operating expenditure. The materiality is from management's perspective and does not correlate with the auditor's materiality.

1.26 Contingencies

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability :

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality; or
- a present obligation that arises from past events but is not recognised because;
- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- the amount of the obligation cannot be measured with sufficient reliability.

1.27 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

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Accounting Policies

1.27 Segment information (continued)

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

Management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure.

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Accounting Policies

1.28 Capital commitments

Items are classified as commitments when the municipality has committed itself to future transactions that will normally result in the outflow of cash. Disclosures are required in respect of unrecognised capital commitments, which are disclosed in note 33.

Commitments for which disclosure is necessary to achieve a fair presentation are disclosed if both the following criteria are met:

- contracts are non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- contracts related to something other than the routine, steady, state business of the municipality - therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.29 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

The budget for the economic entity includes all the entities approved budgets under its control.

The audited annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts. Explanations of significant variances greater than ten percent versus the budget are given in appendix A. Explanatory comments for the Statement of Financial Position and Cashflow are provided in the Comparison of Budget and Actual on a overall growth or decline basis.

1.30 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed. Government Departments are excluded.

1.31 Service concession arrangements

Operator

The District Municipality as an operator in the service concession arrangement recognises revenue and expenditure in relation to the service concession arrangement in accordance with its accounting policies on revenue and expenditure recognition and with reference to the contract with the grantor.

In terms of the service concession arrangement the following types of revenue are recognised:

- Recognised and measurement of the arrangement consideration.
- Construction and upgrade services.
- Operating services.

The District does not recognise the assets relating to the service concession arrangement as these are recognised in the accounting records of the grantor.

The District Municipality recognises a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

The District Municipality recognises an intangible asset to the extent that it receives a right (a licence) to charge users of the public service.

Accounting Policies

1.32 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities of the municipality. Any surpluses and deficits realised during a specific financial year are credited / debited against accumulated surplus / deficit. Prior year adjustments relating to income and expenditure, are debited / credited against accumulated surplus when retrospective adjustments are made.

1.33 Critical accounting estimates and judgements

The contingent liabilities, contingent assets and provisions represents management's best estimate of the municipality's exposure. The probability that an outflow of economic resources will be required to settle the obligation must be assessed and a reliable estimate must be made of the amount of the obligation. Actual results may, however, differ from these estimates.

Management has made estimates of the selling price and direct cost to sell of certain inventory items to calculate the allowance to write down to the lower of cost or net realisable value. The write down is zero.

The present value of the post retirement obligation depends on a number of factors that are determined on a actuarial basis using a number of assumptions, which include the discount rate. Any changes in these assumptions will impact in the carrying amount of post retirement obligation.

The estimation of useful lives of assets is based on management's judgement. Any material adjustments to the estimated remaining useful lives of items of property, plant and equipment will have an impact on the carrying value of these items.

Where impairment indicators exist, the determination of the recoverable amount of assets or cash generating units require management to make assumptions to determine the fair value less cost to sell. Key assumptions on which management has based its determination of fair values less costs to sell include projected revenues, earnings multiple, capital expenditure and market share. The judgements, assumptions and methodologies used can have a material impact on the fair value and ultimately the amount of the impairment.

Where impairment indicators exist, the determination of the recoverable service amount of a non-cash generating asset requires management to make assumptions to determine the fair value less cost to sell and the value in use based on the depreciated replacement cost model. Key assumptions include the current replacement cost of non-cash generating assets and in certain instances an assumption about the commissioning date which determines the depreciated replacement cost of the non-cash generating assets.

An estimate for the impairment of receivables is made when collection of the full amount is no longer probable. The provision for doubtful debt is calculated on trade receivables only, i.e. service debtors, housing rentals and other debtors. The total impairment provision of the municipality is calculated per risk category.

1.34 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.35 Statutory receivables

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or

Accounting Policies

1.35 Statutory receivables (continued)

- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the municipality applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

In estimating the future cash flows, an municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Accounting Policies

1.35 Statutory receivables (continued)

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2023 or later periods:

IGRAP 21: The effects of past decisions on materiality

Municipalities apply the accounting policies set out in the Standards of GRAP, except when the effect of applying them is immaterial. This interpretation explains the implications of adopting accounting policies for material items based on Standards of GRAP as well as applying alternative accounting treatments for immaterial items. This interpretation applies to accounting treatments related to the recognition and measurement of items. The interpretation addresses the following issues

a) Whether past decisions about materiality extent subsequent reporting periods.

b) Whether applying alternative accounting treatments based on materiality is a departure from the Standards of GRAP or an error.

The effective date of the amendment is not yet set by the standard setters.

The municipality expects to adopt the amendment for the first time when the standard setters sets the effective date for the amendment.

Guideline: Guideline on Accounting for Landfill Sites

The Constitution of South Africa, 1996 (Act No. 108 of 1996) (the constitution), gives local government the executive authority over the functions of cleaning, refuse removal, refuse dumps and solid waste disposal. Even though waste disposal activities are mainly undertaken by municipalities, other public sector entities may also be involved in these activities from time to time. Concerns were raised about the inconsistent accounting practices for landfill sites and the related rehabilitation provision where entities undertake waste disposal activities. The objective of the Guideline is therefore to provide guidance to entities that manage and operate landfill sites. The guidance will improve comparability and provide the necessary information to the users of the financial statements to hold entities accountable and for decision making. The principles from the relevant Standards of GRAP are applied in accounting for the landfill site and the related rehabilitation provision. Where appropriate, the Guideline also illustrates the accounting for the land in a landfill, the landfill site asset and the related rehabilitation provision.

It covers: Overview of the legislative requirements that govern landfill sites, Accounting for land, Accounting for the landfill site asset, Accounting for the provision for rehabilitation, Closure, End-use and monitoring, Other considerations, and Annexures with Terminology & References to pronouncements used in the Guideline.

The effective date of the guideline is not yet set by the Minister of Finance.

The municipality expects to adopt the guideline for the first time when the Minister sets the effective date for the guideline.

AUDITOR-GENERAL SOUTH AFRICA

2. New standards and interpretations (continued)

Guideline: Guideline on the Application of Materiality to Financial Statements

The objective of this Guideline is to provide guidance that will assist entities to apply the concept of materiality when preparing financial statements in accordance with Standards of GRAP. The Guideline aims to assist entities in achieving the overall financial reporting objective. The Guideline outlines a process that may be considered by entities when applying materiality to the preparation of financial statements. The process was developed based on concepts outlined in Discussion Paper 9 on Materiality – Reducing Complexity and Improving Reporting, while also clarifying existing principles from the Conceptual Framework for General Purpose Financial Reporting and other relevant Standards of GRAP. The Guideline includes examples and case studies to illustrate how an entity may apply the principles in the Guideline, based on specific facts presented.

It covers: Definition and characteristics of materiality, Role of materiality in the financial statements, Identifying the users of financial statements and their information needs, Assessing whether information is material, Applying materiality in preparing the financial statements, and Appendixes with References to the Conceptual Framework for General Purpose Financial Reporting and the Standards of GRAP & References to pronouncements used in the Guideline.

The effective date of the guideline is not yet set by the Minister of Finance.

The municipality expects to adopt the guideline for the first time when the Minister sets the effective date for the guideline.

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

3. Inventories

Consumable Inventory	7 817 814	7 527 697
Water Stock	2 757 463	2 757 464
	10 575 277	**10 285 161**

Inventory pledged as security

No inventory was pledged as security.

No inventory was written-down during the period.

The amount of inventory recognised as an expense is R6 395 677 (2022 : R5 926 184).

4. Other receivables from exchange transactions

Water : sales	3 164 163	5 064 536
Operating Leases - refer to note 36	42 066	139 502
Other	3 481 003	3 553 252
Road receivable	23 643 018	39 536 642
Advance payment - SALGA levies paid	2 469 316	2 222 135
Net Balance (Allowance for impairment)	(67 172)	(548 945)
	32 732 394	**49 967 122**
Less - Allowance for impairment - refer to note 5	(67 172)	(548 945)

5. Receivables from exchange transactions

Gross balances		
Electricity	192 055	142 791
Water	2 071 882	2 539 797
Sewerage	23 887	20 169
Other	-	932
Housing rental	423 058	250 970
	2 710 882	**2 954 659**

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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

5. Receivables from exchange transactions (continued)

Less : Allowance for impairment	(556 066)	(480 995)
Net balance		
Electricity	192 055	142 791
Water	2 071 882	2 539 797
Sewerage	23 887	20 169
Other	-	932
Housing rental	423 058	250 970
Net balance (Allowance for impairment)	(556 066)	(480 995)
	2 154 816	**2 473 664**
Reconciliation of allowance for impairment (including other receivables from exchange transactions)		
Balance at the beginning of the year	(1 029 940)	(629 383)
Contributions to provision - refer to note 45	(999 221)	(2 255 196)
Debt impairment written off against provision	1 405 923	1 854 639
	(623 238)	**(1 029 940)**
Reconciliation of allowance for impairment between trade and other receivables		
Trade receivables from exchange transactions	(556 066)	(480 995)
Other receivables from exchange transactions	(67 172)	(548 945)
	(623 238)	**(1 029 940)**
Age analysis per service (Gross of allowance for impairment) Service Debtors (Water, Electricity, Sewerage and Other)		
Current (0-30 days)	1 775 025	1 792 241
31-60 days	355 305	693 074
61-90 days	119 759	136 134
91-120 days	9 067	30 078
121-365 days	28 668	52 162
	2 287 824	**2 703 689**
Housing Rental		
Current (0-30 days)	203 479	182 716
31-60 days	150 572	54 092
61-90 days	56 641	-
91-120 days	12 366	14 162
	423 058	**250 970**
Summary of debtors age analysis (Trade receivables)		
Current (0-30 days)	1 978 504	1 974 958
31-60 days	505 878	747 167
61-90 days	176 400	136 134
91-120 days	9 067	30 078
121-365 days	41 033	66 322
Less : Allowance for impairment	(556 066)	(480 995)
	2 154 816	**2 473 664**

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash book balances	344 328 592	328 743 811
Floats	450	450
Total cash and cash equivalents	**344 329 042**	**328 744 261**

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2023	30 June 2022	30 June 2021	30 June 2023	30 June 2022	30 June 2021
First National Bank - Current Account	-	-	4 287 132	-	-	4 287 953
Floats	450	450	450	450	450	450
Standard Bank - Current Account - Primary bank account	334 405 016	307 963 846	307 357 144	335 617 604	307 976 078	307 614 349
Standard Bank - Current Account - Primary bank account	8 710 988	20 694 527	13 369 087	8 710 988	20 694 527	13 369 087
ABSA Bank - Current Account	-	65	-	-	65	-
ABSA Bank - Current Account	-	65	-	-	65	-
ABSA Bank - Current Account	-	73 076	-	-	73 076	-
Total	**343 116 454**	**328 732 029**	**325 013 813**	**344 329 042**	**328 744 261**	**325 271 839**

Average rate of return on short-term investments	7.17%	4.63%

Cash and cash equivalents includes cash-on-hand and cash in bank. No cash and cash equivalents were pledge as security for financial liabilities or any restriction were placed on any cash and cash equivalents. Call deposits are investments with a maturity period between one to six months. The fair value of the cash and cash equivalents was determined after considering the terms and conditions of the agreement entered into between the municipality and the financial institution.

7. Investment property

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	5 512 774	(1 135 117)	4 377 657	5 512 774	(1 101 907)	4 410 867

Pledged as security

No properties was pledges as security and no restrictions in the current and prior financial period.

Fair value of Investment property - Buildings	18 100 000	18 100 000
Fair value of Investment property - Land	44 155 000	44 155 000

The municipality owns a beach development (Ganzekraal). The property is 2332.6578 hectares and the municipality receives rental income (camping fees). A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.Please refer to appendix B of Property, plant and equipment, Intangible and Investment property for detailed disclosures.

Resort income from investment property was R4 745 549 (2022:R4 638 510) as disclosed in the Statement of Financial Performance. Please refer to note 46 for the investment property repairs and maintenance disclosure.

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

8. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	27 776 505	-	27 776 505	27 776 505	-	27 776 505
Buildings	58 815 744	(35 084 413)	23 731 331	57 621 985	(32 386 332)	25 235 653
Infrastructure	6 178 732	(651 480)	5 527 252	3 332 776	(533 763)	2 799 013
Other	110 762 905	(67 510 837)	43 252 068	97 259 470	(61 660 658)	35 598 812
Total	**203 533 886**	**(103 246 730)**	**100 287 156**	**185 990 736**	**(94 580 753)**	**91 409 983**

Pledged as security

No properties were pledged as security and no restrictions in the current and prior financial period.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality. Please refer to appendix B of Property, plant and equipment, Intangibles and Investment property for detailed disclosure. The amount disclosed as work in process (WIP) relates to the development costs of a regional landfill site and electricity supply / reticulation - solar plant. The municipality did not experience any significant delays on the work in process (WIP).

9. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Intangible assets	5 889 209	(4 173 462)	1 715 747	5 056 744	(3 778 803)	1 277 941

Pledged as security

No assets have been pledged as security and no restrictions in the current and prior financial period.

Other information

The municipality acquired intangible assets with finite useful lives of five years. The straight-line method of amortisation will be used to allocate the depreciable amount of an asset on a systematic basis over its useful life. Please refer to appendix B of Property, plant and equipment, Intangibles and Investment property for detailed disclosure. The amount disclosed as work in process (WIP) relates to the development costs of a regional landfill site.

10. Trade payables from exchange transactions

Sundry creditors	3 958 357	3 513 459
Accrued leave pay	14 451 734	14 060 681
Retentions	-	97 220
Trade payables	19 287 526	26 657 346
Operating lease payables	2 176	-
	37 699 793	**44 328 706**

AUDITOR-GENERAL SOUTH AFRICA

Figures in Rand	2023	2022

11. VAT receivable

VAT 201 return as at 30 June	16 100 666	14 011 162
VAT in Suspense	(2 256 788)	21 621
	13 843 878	**14 032 783**

VAT is payable on the payment basis. Only once payment are received from debtors VAT is paid to SARS.

VAT - Roads Function:

The municipality requested a legal opinion concerning the output VAT treatment of the roads funding received from the Western Cape Department of Transport and Public Works. The objective of the opinion or request was to confirm if the municipality must declare output VAT at 15% or zero % on the funding received from the Western Cape Department of Transport and Public Works. The municipality must still engage several role players in this regard to ensure that the correct VAT treatment will be applied. At the date of these financial statements, there is still uncertainty about the obligation the municipality has, and the timing of the outflow of the economic benefits and / or service potential is also uncertain.

GRAP 108 Statutory Receivables:

Remeasurement may result due to the fact that GRAP 108 requires the receivable to be measured at transaction price plus interest and penalties, while GRAP 104 requires measurement at amortised cost.

The Municipality's only Statutory Receivable is VAT receivable.

12. Unspent conditional grants and receipts

See note 20 for detailed reconciliation of grants.

These amounts are invested and ring-fenced within the municipality's cash and cash equivalents until utilised.

Unspent conditional grants and receipts comprises of :		
Community Development Workers (CDW)	15 595	30 438
Local Government - Graduate Internship Grant	167 151	312 713
Provincial Government - Financial Management	700 000	500 000
Provincial Government - Municipal Service Delivery Grant	99	99
Mayor's Charity Fund	(265)	(265)
Provincial Government - Regional Co-ordination and Mentoring Grant	149 181	-
Rural Road Asset Management Grant	350	-
Provincial Government - Community Safety : WOSA	346 680	1 877 120
Western Cape Financial Management Grant (IDP and Internship)	640	41 624
Provincial Government - Public Employment	-	200 000
Provincial Government - Joint District Initiative	1 000 000	1 820 000
	2 379 431	**4 781 729**

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

13. Employee Benefits

Reconciliation of short-term portion of employee benefits - 2023	Opening Balance	Additions	Utilised during the year	Total
Short-term portion of medical aid benefits	4 224 837	3 922 213	(4 224 837)	3 922 213
Short-term portion of long service awards	1 703 535	2 046 498	(1 703 535)	2 046 498
Short-term portion of performance bonus	948 309	961 758	(948 309)	961 758
Short-term portion of bonus	5 716 860	5 927 232	(5 716 860)	5 927 232
	12 593 541	**12 857 701**	**(12 593 541)**	**12 857 701**

Reconciliation of short-term portion of employee benefits - 2022	Opening Balance	Additions	Utilised during the year	Total
Short-term portion of medical aid benefits	4 280 042	4 224 837	(4 280 042)	4 224 837
Short-term portion of long service awards	933 730	1 703 535	(933 730)	1 703 535
Short-term portion of performance bonus	731 314	948 309	(731 314)	948 309
Short-term portion of bonus	5 637 437	5 716 860	(5 637 437)	5 716 860
	11 582 523	**12 593 541**	**(11 582 523)**	**12 593 541**

The performance bonus represents management's best estimate of the municipality's liability under performance contracts of Sec 57 employees.

The bonus represents management's best estimate of the municipality's liability to pay employees thirteenth cheque.

Refer to disclosure note 16 (long service awards) and note 15 (medical aid benefits) for detail disclosure.

14. Long-term liabilities

Local registered stock loans	-	1 500 000
Less : Current portion transferred to current liabilities	-	(1 500 000)
	-	-

The municipality has an unsecured external loan at the Development Bank of South Africa at a fixed rate of 8.60500%. The redeemable date of the loan is 31 December 2022. The loan is redeemed on a half-yearly basis. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Services Department.

Refer to appendix E (1) for more detail on long term liabilities. The liabilities relates to the water service concession arrangement.

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

15. Medical aid benefits

Defined benefit plan

The most recent actuarial valuation of the present value of the obligation were carried out at 30 June 2023 by One Pangaea Expertise & Solutions.

Defined benefit plan	72 119 789	75 802 290
Change in liability		
Opening balance	71 577 456	69 314 877
Service costs	3 001 094	2 645 490
Interest costs	8 963 095	7 845 747
Recognised actuarial loss / (gain)	(12 171 102)	(5 131 252)
Benefits paid	(3 475 588)	(3 152 611)
Current portion transferred to current liabilities	302 621	55 205
	68 197 576	**71 577 456**
Net expenses recognised in the statement of financial performance		
Current service costs - Employee related costs	3 001 094	2 645 490
Interest costs - Employee related costs	8 963 095	7 845 747
Actuarial loss / (gain)	(12 171 102)	(5 131 252)
Total included in employee related costs	**(206 913)**	**5 359 985**
Changes in the short-term portion - refer to note 13		
Opening balance	4 224 837	4 280 042
Contributions by employer	(302 621)	(55 205)
	3 922 216	**4 224 837**

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

15. Medical aid benefits (continued)

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	12,78 %	12,49 %
Expected rate of return on assets	6,84 %	7,49 %
Expected rate of return on reimbursement rights	8,34 %	8,99 %
Actual return on reimbursement rights	4,09 %	3,21 %

It is the relative levels of the discount rate and health care cost inflation to one another that are important, rather than the nominal values. The assumption regarding the relative levels of these two rates is our expectation of the long-term average.

The methodology of setting the financial assumptions has been updated to be more duration specific. At the previous date, 30 June 2022 the duration of liabilities was 12.35 years. At this duration the discount rate determined by using the Bond Exchange Zero Coupon Yield Curve as at 30 June 2023 is 12.78% per annum, and the yield on the inflation linked bonds of a similar term was about 4.15% per annum, implying an underlying expectation of inflation of 6.84% per annum ([1+12.78% - 0.5%] / [1+5.08%] - 1).

A healthcare cost inflation rate of 8.34% was assumed. This is 1.5% in excess of the expected inflation over the expected term of the liability, consistent with the previous actuary.

However, it is the relative levels of the discount rate and healthcare inflation to one another that are important, rather than the nominal values. We have thus assumed a net discount factor of 4.09% per annum ([1+12.78%] / [1+8.34%] - 1). This year's valuation basis is therefore stronger than previous year's basis from a discount rate perspective.

The demographic and decrement assumptions were consistent in the previous and current valuation period, and are as follows:

	Active employees	Pensioners
Normal retirement age	65	-
Fully accrued age (to take account for ill-health and early retirement decrements)	63	-
Employment age used for past service period	Actual service ages	Actual service ages
Age difference between spouses	5 years	Actual ages used
Proportion married	90% assumed married at retirement	Actual marital status
Mortality	SA85-90 (Normal)	PA (90)

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

15. Medical aid benefits (continued)

The withdrawal rates assumption used are as follows:

Age	Withdrawal rates (Male)	Withdrawal rates (Female)
20	16%	24%
25	12%	18%
30	10%	15%
35	8%	10%
40	6%	6%
45	4%	4%
50	2%	2%
55	1%	1%
60+	-	-

Continuation Percentages

The assumption is that the continuation of the post-employment health care subsidy would be at 100% of active employees, or their surviving dependants.

Employee benefit - roads receivable (Medical aid)

In terms of the memorandum of agreement between the Western Cape Provincial Government, Department of Public Works and Transport, and past experience hereon, funds will be made available to maintain the approved organogram of the roads division in the municipality. The future claim for roads staff for post employment medical aid has therefore been recognised as a long-term debtor.

Employee benefits - roads receivable (Medical aid)		
Opening balance	18 823 785	21 195 665
Current service costs	823 962	764 756
Interest costs	2 196 784	2 248 240
Expected benefits paid	(1 449 820)	(1 439 770)
Actuarial loss / (gain)	(2 621 910)	(3 945 106)
	17 772 801	**18 823 785**

Statement of Financial Position		
Employee benefits - roads receivable (current assets)	1 154 918	1 264 196
Employee benefits - roads receivable (non-current assets)	16 617 883	17 559 589
	17 772 801	**18 823 785**

Other assumptions

Sensitivity Analysis : The valuation results are sensitive to changes in the underlying assumptions. The effects of varying these assumptions are illustrated below:

	One percentage point increase	**One percentage point decrease**
Effect on the employer's accrued liability - Medical inflation rate	80 612 043	63 308 212
Effect on the employer's current service cost - Medical inflation rate	3 506 872	2 463 592
Effect on the employer's interest cost - Medical inflation rate	10 046 866	7 838 535
Effect on the employer's accrued liability - Discount rate	63 810 567	80 108 444
Effect on the employer's current service cost - Discount rate	2 506 262	3 455 202
Effect on the employer's interest cost - Discount rate	8 520 049	9 202 210

Amounts for the current and previous four years are as follows:

	2023 R	2022 R	2021 R	2020 R	2019 R
Defined benefit obligation	72 119 789	75 802 290	73 594 919	62 401 717	69 700 828

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

16. Long-term portion of long service awards

Long service awards		
Provision of long service awards	12 282 247	12 576 815
Less : Transferred to current provision	(2 046 498)	(1 703 536)
Net long service awards liability	**10 235 749**	**10 873 279**

A long service award is granted to municipal employees after the completion of fixed periods of continuous service with the municipality. The provision represents an estimation of the awards to which employees in the service of the municipality at 30 June 2023 become entitled to in future, based on an actuarial valuation performed at that date.

An actuarial valuation of the present value of the obligation was done at 30 June 2023 by One Pangaea Expertise & Solutions.

The future service cost for ensuring year is established to be R819 239 whereas the interest-cost for the next year is estimated to be R1 222 727.

The principal assumption used for the purposes of the actuarial valuations were as follows :

- Discounted rate - 10.86%
- General salary inflation (long-term) - 6.46%
- Net effective discount rate - 4.13%
- Mortality - SA85-90
- Normal retirement age - 65

2023 - Details of employees eligible for long service awards are detailed below	Active Employees	Salaries Weighted Average Age (years)	Weighted Average Past Service (years)
All employees	505	45	11

2022 - Details of employees eligible for long service awards are detailed below	Active Employees	Salaries Weighted Average Age (years)	Weighted Average Past Service (years)
All employees	511	43	11

The amount recognised in the Statement of Financial Position are as follows :		
Present value of fund obligations	12 282 248	12 576 815
The amount recognised in the Statement of Financial Performance are as follows :		
Current service costs - Employee related costs	844 156	793 489
Interest costs - Employee related costs	1 262 788	910 338
Actuarial loss / (gain) on the obligation	(1 064 366)	583 873
	1 042 578	**2 287 700**
The movement in the long service awards liability over the year is as follows :		
Balance at the beginning of the year	12 576 815	11 189 340
Current service costs	844 156	793 489
Interest costs	1 262 788	910 338
Benefits paid	(1 337 145)	(900 225)
Actuarial loss / (gain) on the obligation	(1 064 366)	583 873
	12 282 248	**12 576 815**

The average past services cost has increased by 1% due to the effect of an increase in the average salary and an increase in the average past service, being mostly offset by the effect of an increase in the net discount rate.

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

16. Long-term portion of long service awards (continued)

Changes in withdrawal rate - The effect of a 1% movement in the withdrawal rates will be as follow :

Employer's accrued liability	-1% Withdrawal rate	Valuation Assumption	+1% Withdrawal rate
Salary increase rate	11 608 090	12 282 248	13 022 668
Discount rate	12 998 681	12 282 248	11 639 226
	24 606 771	**24 564 496**	**24 661 894**

Employer's expense cost	-1% Withdrawal rate	Valuation Assumption	+1% Withdrawal rate
Salary increase rate	1 917 350	2 041 966	2 179 468
Discount rate	2 054 882	2 041 966	2 029 688
	3 972 232	**4 083 932**	**4 209 156**

17. Accumulated surplus

Balance as at 1 July	360 602 346	352 036 832
Correction of errors - Refer to note 26	-	430 650
Surplus for the year	41 635 277	8 134 864
	402 237 622	**360 602 346**

18. Service concession revenue

Management fee	6 980 204	5 809 704
Sale of electricity	1 253 579	1 223 266
Sale of water	130 661 119	126 029 956
Distribution - Contribution for the year - Refer to note 50	277 179	(20 409 878)
Sewerage and sanitation charges	185 954	181 932
	139 358 035	**112 834 980**

The management fee is recovered through the tariff in terms of the concession agreement.

The surplus distribution is due to the local municipalities. Refer to note 50.

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

19. Other revenue

The amount included in other revenue arising from non-exchanges of goods or services are as follows:		
Unclaimed funds (monies)	38 746	49 905
Other income	476 888	908 372
Fire services (Cederberg and Matzikama Local Municipalities)	-	5 953 492
	515 634	**6 911 769**
The amount included in other revenue arising from exchange transactions is as follows:		
Rent	3 295 559	3 248 348
Water services	2 214	2 365
Interest on debtors	80 355	73 295
Sale of Scrap	167 179	73 942
Fire services (WCDM)	1 254 133	1 355 357
Other Income	720 304	984 773
	5 519 744	**5 738 080**

20. Government grants and subsidies

The following grants and subsidies were received and recognised : No funds destined for the municipality in terms of the annual Division of Revenue Act were delayed, withheld or withdrawn.

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

20. Government grants and subsidies (continued)

Unconditional grants		
RSC Levy Replacement Grant (Equitable Share)	80 366 000	78 469 661
Equitable Share	23 008 000	21 002 000
	103 374 000	**99 471 661**
Conditional grants		
Local Government Graduate Internship Grant	182 849	143 058
Western Cape Financial Management Grant (IDP & Internship)	40 985	29 015
Community Development Grant (CDW)	89 843	101 813
Provincial Government - Regional Co-ordination and Mentoring Grant	50 819	-
Financial Management Grant	1 000 000	1 000 000
EPWP Grant	1 194 000	1 401 000
Road Infrastructure Grant	1 900 000	-
Provincial Government - Joint District Initiative	1 820 000	-
Rural Roads Management	2 706 650	2 586 000
Provincial Government - Public Employment Grant	200 000	-
Fire Services Grant	821 000	-
Provincial Government - Community Safety : WOSA	3 030 440	1 251 574
Working for Water	624 414	474 981
Other Government Grant and Subsidies	566 597	344 289
	14 227 597	**7 331 730**
Total Government Grants and Subsidies	117 601 597	106 803 391

20.1) Local Government Graduate Internship Grant		
Balance unspent at the beginning of the year	312 713	205 771
Current year receipts	100 000	250 000
Current year interest	-	-
Conditions met - transferred to revenue	(182 849)	(143 058)
Transferred to Provincial Treasury	(62 713)	-
Conditions still to be met - transferred to liabilities	**167 151**	**312 713**

Strategic objective - Good governance and financial viability. The purpose of the grant is to assist the graduate internship programme within the West Coast District.

20.2) Financial Management Grant		
Balance unspent at the beginning of the year	-	-
Current year receipts	1 000 000	1 000 000
Current year interest	-	-
Conditions met - transferred to revenue	(1 000 000)	(1 000 000)
Conditions still to be met - transferred to liabilities	**-**	**-**

Strategic objective - Good governance and financial viability. The purpose of the grant was to support the training of municipal officials in financial management, the appointment of interns and the acquisition, upgrade and maintenance of financial management systems

20.3) Fire Services Grant		
Balance unspent at the beginning of the year		-
Current year receipts	821 000	-
Current year interest	-	-
Conditions met - transferred to revenue	(821 000)	-
Conditions still to be met - transferred to liabilities	**-**	**-**

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

20. Government grants and subsidies (continued)

Strategic objective - Social well-being. The purpose of the grant is to provide fire services within the West Coast District area.

20.4) Provincial Government - Joint District Metro Approach		
Balance unspent at the beginning of the year	1 820 000	-
Current year receipts	1 000 000	1 820 000
Current year interest	-	-
Conditions met - transferred to revenue	(1 820 000)	-
Conditions still to be met - transferred to liabilities	**1 000 000**	**1 820 000**

Strategic objective - Good governance and financial viability. The purpose of the grant for joint district initiatives within the West Coast District.

20.5) EPWP Grant		
Balance unspent at the beginning of the year	-	-
Current year receipts	1 194 000	1 401 000
Current year interest	-	-
Conditions met - transferred to revenue	(1 194 000)	(1 401 000)
Conditions still to be met - transferred to liabilities	**-**	**-**

Strategic objective - Environmental Integrity. The purpose of the grant was for community safety, sustainable land-based livelihoods, development and maintenance of buildings, health, roads and stormwater system development and maintenance and other social sector projects.

20.6) Community Development Workers (CDW)		
Balance unspent at the beginning of the year	30 437	56 251
Current year receipts	75 000	76 000
Current year interest	-	-
Conditions met - transferred to revenue	(89 843)	(101 814)
Conditions still to be met - transferred to liabilities	**15 594**	**30 437**

Strategic objective - Social well-being. The purpose of the grant is for the development of community within the West Coast District.

20.7) Western Cape Financial Management Grant (IDP and Internship)		
Balance unspent at the beginning of the year	40 985	-
Current year receipts	-	70 000
Current year interest	-	-
Conditions met - transferred to revenue	(40 985)	(29 015)
Conditions still to be met - transferred to liabilities	**-**	**40 985**

Strategic objective - Good governance and financial viability. The purpose of the grant is to support the internship programme as well as strategic services within the West Coast District area.

20.8) Rural Roads Management		
Balance unspent at the beginning of the year	-	208 661
Current year receipts	2 707 000	2 586 000
Current year interest	-	-
Conditions met - transferred to revenue	(2 706 650)	(2 586 000)
Transferred to National Treasury	-	(208 661)
Conditions still to be met - transferred to liabilities	**350**	**-**

Strategic objective - Environmental Integrity. The purpose of the grant is to develop a rural roads management plan within the West Coast District area.

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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
20. Government grants and subsidies (continued)		
20.9) Provincial Government - Financial Management		
Balance unspent at the beginning of the year	500 000	-
Current year receipts	200 000	500 000
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**700 000**	**500 000**

Strategic objective - Good governance and financial viability. The purpose of this grant is to assist with financial management within the West Coast District.

20.10) Western Cape Financial Management Grant (IDP & Internship)		
Balance unspent at the beginning of the year	640	640
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**640**	**640**

Strategic objective - Good governance and financial viability. The purpose of the grant is to assist with financial management within the West Coast District.

20.11) Provincial Government - Community Safety : WOSA		
Balance unspent at the beginning of the year	1 877 120	805 694
Current year receipts	1 500 000	2 323 000
Current year interest	-	-
Conditions met - transferred to revenue	(3 030 440)	(1 251 574)
Conditions still to be met - transferred to liabilities	**346 680**	**1 877 120**

Strategic objective - Social well - being. The purpose of the grant is safety planning within the communities.

20.12) Mayor's Charity Fund		
Balance unspent at the beginning of the year	(265)	(265)
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**(265)**	**(265)**

20.13) Provincial Government - Municipal Service Delivery Grant		
Balance unspent at the beginning of the year	99	99
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**99**	**99**

Strategic objective - Good governance and financial viability. The purpose of the grant is to improve service delivery within the West Coast District.

20.14) Provincial Government - Regional co-ordination and Mentoring Grant		
Balance unspent at the beginning of the year	-	-
Current year receipts	200 000	-
Current year interest	-	-
Conditions met - transferred to revenue	(50 818)	-
Conditions still to be met - transferred to liabilities	**149 182**	**-**

Strategic objective - Good governance and financial viability. The purpose of the grant is to improve regional co-ordination and mentoring within the West Coast District.

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

20. Government grants and subsidies (continued)

20.15) Provincial Government - Public Employment Grant		
Balance unspent at the beginning of the year	200 000	-
Current year receipts	-	200 000
Current year interest	-	-
Conditions met - transferred to revenue	(200 000)	-
Conditions still to be met - transferred to liabilities	**-**	**200 000**

Strategic objective - Social well - being. The purpose of the grant is for public employment within the West Coast District.

20.16) Working for Water		
Balance unspent at the beginning of the year	-	(201 177)
Current year receipts	624 414	676 158
Current year interest	-	-
Conditions met - transferred to revenue	(624 414)	(474 981)
Conditions met - transferred to liabilities	**-**	**-**

Strategic objective - Environmental Integrity. The purpose of the grant is to clear alien plants within the West Coast District.

20,17) Road Infrastructure		
Balance unspent at the beginning of the year	-	-
Current year receipts	1 900 000	-
Current year interest	-	-
Conditions met - transferred to revenue	(1 900 000)	-
Conditions met - transferred to liabilities	**-**	**-**

Strategic objective - Essential Bulk Services. The purpose of the grant is to improve road infrastructure within the West Coast District.

Unspent conditional grants and subsidies		
PAWC and State funds - various projects (see note)	2 379 431	4 781 729

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

21. Employee related costs

Employee related costs - Salaries and wages	131 223 233	124 307 719
Employee related costs - Contributions for UIF, pensions and medical aids	32 693 657	31 602 857
Bonus paid	7 783 055	7 479 258
Bonus paid - Roads	3 112 604	3 083 374
Travel, motor car, accommodation, subsistence and other allowances	13 454 522	14 783 656
Other payroll levies	2 737 016	2 625 669
Overtime payments	14 337 859	12 404 045
Contributions to employee benefits	12 504 207	10 545 822
Leave accrual	1 652 852	526 517
Special allowances	5 987 895	5 440 123
Housing benefits and allowances	993 558	962 487
	226 480 458	**213 761 527**

Remuneration of Municipal Manager (This expense forms part of employee related costs)

Annual Remuneration	1 626 594	1 640 344
Car Allowance	120 000	120 000
Performance Bonuses	344 569	365 386
Contributions to UIF, Medical and Pension Funds	36 019	37 510
Telephone allowance	20 184	20 184
Other	130	124
	2 147 496	**2 183 548**

Remuneration of Chief Finance Officer (This expense forms part of employee related costs)

Annual Remuneration	1 724 051	1 601 277
Car Allowance	72 000	72 000
Performance Bonuses	357 094	340 501
Contributions to UIF, Medical and Pension Funds	2 125	2 125
Telephone allowance	20 184	20 184
Other	130	124
	2 175 584	**2 036 211**

Remuneration of Director - Technical services (This expense forms part of employee related costs)

Annual Remuneration	1 204 269	276 095
Car Allowance	211 456	50 394
Performance Bonuses	296 915	223 602
Contributions to UIF, Medical and Pension Funds	2 125	532
Telephone allowance	20 184	5 046
Other	130	31
	1 735 079	**555 700**

Remuneration of Director - Corporate and Community services (This expense forms part of employee related costs)

Annual Remuneration	1 426 587	1 318 497
Car Allowance	120 000	120 000
Performance Bonuses	357 837	341 273
Contributions to UIF, Medical and Pension Funds	251 589	236 905
Telephone allowance	20 184	20 184
Other	130	124
	2 176 327	**2 036 983**

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

22. Remuneration of councillors

The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee members are full-time Councillors. Each is provided with an office and secretarial support at the cost of the municipality.

The Executive Mayor has the use of a council owned vehicle for official duties.

Certification by the Accounting Officer

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisage in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Executive Mayor	1 006 008	895 631
Deputy Executive Mayor	808 918	742 966
Mayoral Committee Members	1 614 859	2 001 999
Speaker	800 125	736 350
Councillors and Secretarial support	3 317 744	3 135 928
Councillors pension contribution	46 133	55 034
	7 593 787	**7 567 908**

23. Finance costs

Long-term liabilities	64 714	323 218

24. Bulk purchases

Water	18 564 044	22 612 171

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

25. General expenses

Advertising	444 101	267 121
Assessment rates & municipal charges	27 970 434	26 504 939
Auditors remuneration	4 888 691	3 559 676
Study - rural roads	2 571 300	2 456 700
Computer expenses	7 392 515	7 179 523
Consulting and professional fees	5 638 491	3 834 070
Insurance	1 959 940	1 479 345
Rental offices	209 466	296 821
Water demand management	90 341	77 233
Lease rental on operating lease	397 323	385 588
Fuel and oil	28 832 115	20 523 926
Printing and stationary	849 370	769 058
Security (Guarding of municipal property)	1 019 094	987 147
Subscriptions and membership fees	48 470	12 046
Telephone and fax	3 165 299	3 184 881
Transport and freight	41 841	25 026
Training	532 634	608 148
Travel - local (subsistence allowance)	4 411 997	3 721 424
Water and milk samples	12 795	9 373
Uniforms	1 978 525	2 013 227
Exhibitions	339 568	315 265
Professional services (Water services)	212 495	787 022
Infrastructure and planning - civil and land	45 835 418	28 726 624
Maintenance of buildings and equipment	13 664 620	8 511 218
Hire charges	7 881 689	12 549 931
Workmen's compensation	1 145 962	1 146 128
Skills development levies	1 876 891	1 787 474
Security services	559 126	131 924
Traffic and street lights	1 111 613	1 884 417
Fire services	119 699	556 815
SALGA levies	2 222 135	2 072 563
Signage	908 171	1 396 710
Air pollution	143 332	148 995
Other operating expenses	9 097 436	7 200 209
	177 572 897	**145 110 567**

26. Prior period errors

The correction of errors resulted in adjustments as follows:

	Adjustment
The Municipality incorrectly calculated VAT at 14% instead of 15%,	(24 178)
Correction of SARS funds claimed in the prior year	(4)
Correction of assessment rates and municipal charges paid in the prior financial year	(57 466)
Refund made for government grants and subsidies received in the prior financial year,	(350 000)
Correction of unauthorised, fruitless and wasteful expenditure made in the prior financial year.	(7 690)
Correction of finance deposits held for other institutions in the prior financial year	319 420
Correction of retention in the prior financial year.	97 220
Correction of computer expenses in the prior year	351 766
Correction of Other receivables from exchange transactions	(6 483 430)
Correction of Other receivables from non-exchange transactions	6 483 430
Correction of bulk purchase expenses in the prior year	(10 198 352)
	(9 869 284)

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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

26. Prior period errors (continued)

Statement of Financial Performance - 30 June 2022	Balance before adjustment	Adjustment	Balance after adjustment
Government grants and subsidies - Refer to note 20	107 153 391	(350 000)	106 803 391
Bulk purchases - Refer to note 24	(12 413 819)	(10 198 352)	(22 612 171)
General expenditure - Refer to note 25	(145 358 986)	248 419	(145 110 567)
	(50 619 414)	**(10 299 933)**	**(60 919 347)**

Government grants and subsidies - 30 June 2022	Balance before adjustment	Adjustment	Balance after adjustment
Provincial Government - Regional Co-ordination and Mentoring Grant - 30 June 2022	350 000	(350 000)	-

General expenditure	Balance before adjustment	Adjustment	Balance after adjustment
Assessment rates & municipal charges - 30 June 2022	(26 447 473)	(57 466)	(26 504 939)
Computer expenses - 30 June 2022	(7 485 408)	305 885	(7 179 523)
	(33 932 881)	**248 419**	**(33 684 462)**

Statement of Financial Position - 30 June 2022	Balance before adjustment	Adjustment	Balance after adjustment
Trade payables from exchange transactions - Refer to note 10	(32 687 370)	(11 641 336)	(44 328 706)
VAT receivable - Refer to note 11	12 572 461	1 460 322	14 032 783
Other receivables from exchange transactions - Refer to note 4	56 458 242	(6 491 120)	49 967 122
Other receivables from non-exchange transactions - Refer to note 53	-	6 802 850	6 802 850
	36 343 333	**(9 869 284)**	**26 474 049**

Accumulated surplus	Balance before adjustment	Adjustment	Balance after adjustment
Balance as at 30 June 2022	370 471 629	(9 869 284)	360 602 345

Other revenue correction of error	Balance before adjustment - 2022	Adjustment	Balance after adjustment - 2022
Other revenue from non-exchange transactions. Refer to note 19.	8 043 779	(1 132 010)	6 911 769
Other revenue from exchange transactions. Refer to note 19.	4 606 070	1 132 010	5 738 080
	-	-	-

Additional disclosure in terms of Municipal Finance Management Act	Balance before adjustment - 2022	Adjustment	Balance after adjustment - 2022
PAYE and UIF disclosure corrected. Current year subscription / fee - current year. Refer to note 32.3.	31 230 392	3 145 112	34 375 504
PAYE and UIF disclosure corrected. Amount paid - current year. Refer to note 32.3.	(31 230 392)	(3 145 112)	(34 375 504)

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27. Cash generated from operations

Surplus	41 635 277	8 134 864
Adjustments for:		
Depreciation and amortisation	10 120 882	8 573 925
Roads receivable - Employee benefits	1 050 984	2 371 880
Donated assets - Other assets	-	(86 481)
Capital redemption - Concession arrangement	1 500 000	3 000 000
Gain on property, plant and equipment	-	(25 087)
Loss on property. plant and equipment	65 002	-
Changes in working capital:		
Inventories	(290 116)	(1 829 710)
Receivables from exchange transactions	318 848	2 552 852
Other receivables from exchange transactions	17 234 728	(13 218 667)
Other receivables from non-exchange transactions	1 302 501	(6 802 850)
Payables from exchange transactions	(6 628 914)	19 275 282
VAT	188 906	4 024 301
Unspent conditional grants and receipts	(2 402 298)	3 504 879
Employee benefits	(3 753 250)	3 891 267
Distribution receivable - Concession arrangement	(318 756)	-
Distribution provision - Concession arrangement	(23 471 360)	(10 723 211)
	36 552 434	**22 643 244**

28. Utilisation of Long-term liabilities reconciliation

Long-term liabilities (See note 14)	-	1 500 000
Used to finance property, plant and equipment	-	(1 500 000)
Cash set aside for the repayment of long-term liabilities	-	1 500 000
	-	**1 500 000**

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

29. Unauthorised expenditure

Opening balance as previously reported	-	-
Correction of prior period error	-	-
Opening balance as restated	**-**	**-**
Add: Unauthorised Expenditure - prior period	-	-
Add: Unauthorised Expenditure - current	-	-
Less: Amounts recoverable - current	-	-
Less: Amounts recoverable - prior period	-	-
Less: Amount written off - current	-	-
Less: Amount written off - prior period	-	-
Closing balance	**-**	**-**

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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

30. Fruitless and wasteful expenditure

Opening balance as previously reported	635 843	635 843
Correction of prior period error	-	-
Opening balance as restated	**635 843**	**635 843**
Add: Fruitless and wasteful Expenditure - prior period	-	-
Add: Fruitless and wasteful Expenditure - current	15 622	27 781
Less: Amounts recoverable - current	-	-
Less: Amounts recoverable - prior period	-	-
Less: Amount written off - current	(15 622)	(27 781)
Less: Amount written off - prior period	-	-
Closing balance	**635 843**	**635 843**

30 June 2023 and 2022

The municipality identified one incident of fruitless and wasteful expenditure in this financial year. Reasonable steps were taken by management to address the control deficiency and the responsible official/s and were held accountable for any loss incurred by the municipality.

Incident 1 - The municipality paid penalties and interest for SABC TV licence renewals.	-	19 398
Incident 2 - The municipality paid penalties to SARS for UIF payments.	-	8 383
Incident 3 - An employee sold the municipality's store items for personal gain.	15 622	-
	15 622	**27 781**

31. Irregular expenditure

Opening balance as previously reported	682 294	92 097
Correction of prior period error	-	-
Less: Amounts written-off	**682 294**	**92 097**
Add: Irregular Expenditure - current	5 053 752	12 360 533
Add: Irregular Expenditure - prior period	1 022 358	727 480
Less: Amounts recoverable - current	-	-
Less: Amounts recoverable - prior period	(8 977)	(5 000)
Less: Amount written off - current	(5 053 752)	(11 765 336)
Less: Amount written off - prior period	(1 617 555)	(727 480)
Closing balance	**78 120**	**682 294**

Subsequent to clarity provided by National Treasury, the irregular expenditure relating to the Supply Chain Management regulation 29 has been corrected. There is no non-compliance and no irregular expenditure as the municipality applied MFMA Circular 34 - Guidelines Bid Adjudication Committees dated 28 June 2006.

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

31. Irregular expenditure (continued)

30 June 2023 and 2022		
Incident 1 - The municipality did not comply with paragraph 8 (5) of the Preferential Procurement Regulation, 2017 while contracting with a service provider.	-	51 542
Incident 2 - The municipality did not comply with paragraph 8 (5) of the Preferential Procurement Regulation, 2017 while contracting with a service provider.	-	52 454
Incident 3 - The municipality did not comply with CIDB while contracting with a service provider.	-	4 084 442
Incident 4 - The Supply Chain Management Regulation, paragraph 36 states that the accounting officer may dispense with the official procurement process in certain circumstances. The reason provided by management for this deviation was found to be invalid.	-	260 301
Incident 5 - The Supply Chain Management Regulation, paragraph 36 states that the accounting officer may dispense with the official procurement process in certain circumstances. The reason provided by management for this deviation was found to be invalid. The irregular expenditure was identified in the previous years and must be declared until the contract comes to an end.	1 022 358	230 900
Incident 6 - The Supply Chain Management Regulation, paragraph 32 states that the accounting officer may procure goods or services under a contract secured by another organ of state. The municipality did not comply with this regulation regarding the scope of a contract. The irregular expenditure was identified in the previous years and must be declared until the contract comes to an end.	4 749 052	8 408 374
Incident 7 - Following an investigation conducted by the municipality it was found that procurement was made in contravention with paragraph 39(d) of the Supply Chain Management policy. According to this provision, it is mandatory that before a payment is approved, certification by the responsible employee must be made that the goods and/or services are received and/or rendered on time and is in accordance with the order, the general conditions of the contract and specifications where applicable and that the price charged are as quoted in terms of the contract.	304 700	-
	6 076 110	**13 088 013**

32. Additional disclosure in terms of Municipal Finance Management Act

32.1) Contributions to organised local government

Opening balance	-	-
Current year subscription / fee	2 222 135	2 072 563
Amount paid - current year	(2 222 135)	(2 072 563)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

32.2) Audit fees

Opening balance	-	-
Current year subscription / fee	4 888 691	3 559 676
Amount paid - current year	(4 888 691)	(3 559 676)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

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Notes to the Audited Annual Financial Statements

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32. Additional disclosure in terms of Municipal Finance Management Act (continued)

32.3) PAYE and UIF

Opening balance	-	-
Current year subscription / fee	39 321 438	34 375 504
Amount paid - current year	(39 321 438)	(34 375 504)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

The municipality corrected the previous years amount disclosed in the Annual Financial Statements. This discloser is a Municipal Finance Mangement Act (MFMA) requirement. Refer to note 26

32.4) Pension and Medical Aid Deductions

Opening balance	-	-
Current year subscription / fee	31 620 120	30 557 799
Amount paid - current year	(31 620 120)	(30 557 799)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

32.5) VAT

VAT receivable	13 843 878	14 032 783

VAT output payables and VAT input receivables are shown in note 11.

All VAT returns have been submitted by the due date throughout the year.

32.6) Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2023:

30 June 2023	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Councillor A	-	-	-

32.7) Non-compliance to laws and regulations

In terms of section 65(2)(e) of the Local Government: Municipal Finance Management Act the accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure. This was not done by the relevant officials as prescribed.

In terms of section 23(5) of the Municipal Budget and Reporting Regulations an adjustment budget referred to in section 28 (2) (e) of the Act may only be tabled after the end of the financial year to which the roll-over relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-over relate. This was not done by the relevant officials as prescribed.

33. Capital Commitments

Authorised capital expenditure

Capital commitments are specific capital projects approved per tender and budget but still in progress at period end. The municipality does not have any capital commitments for this financial period.

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

34. Retirement benefit information

The municipality provides retirement benefits for all its permanent employees through a defined contribution plan, which is subject to the Pension Fund Act, 1956 as amended. The contributions made by the municipality and the employees to the plan during the year was :

Cape Joint Pension Fund	138 036	128 509
Cape Joint Retirement Fund	32 128 473	31 101 883
	32 266 509	**31 230 392**

Cape Joint Pension Fund, which is a defined multi - employer contribution fund. Contribution ratio for employees 9% and Council 18%. Contribution ratio for Councillors 9% and Council 18%.

Multi employer funds are treated as defined contribution funds.

35. Related parties

Relationships
The following related parties exist:

Members of key management - Refer to note 21 for the amounts payable to key management	D Joubert (Municipal Manager) J C P Tesselaar (Chief Financial Officer) W Markus (Director - Corporate and Community services) A C Koch (Director - Technical services)
Councillors - Refer to note 22 for the amount paid to Councillors	Ald R W Strydom (Executive Mayor) Ald S M Crafford (Deputy Executive Mayor) Cllr N S Louw (Speaker) Cllr J A Engelbrecht (Mayoral committee member) Cllr M Schrader (Mayoral committee member) Cllr C Daniels (Mayoral committee member) Cllr S A Gxabalashe Cllr O M Stemele Cllr J Alexander Cllr G Stephan Cllr L Venter Cllr A J Pool Cllr F Kamfer Cllr I S Adams Cllr A Small Cllr Z S Komani-Nkohla Cllr L Mitchell Ald M Koen Ald E Plaatjies Cllr B J Penxa Cllr I S Le Minnie Cllr D C Pypers Cllr S J Tshabalala Cllr T F Waldeck Cllr B L Witbooi

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

36. Leases

36.1) Lease payable

The total future minimum operating lease payments payable under existing arrangements are categorised as follows:

a) Within one year of the reporting date	315 611	416 433
b) More than one year but less than five years of the reporting date	219 330	438 661
	534 941	**855 094**

The municipality entered into an operating lease for the rental of photocopiers for three years with Konica Minolta. There is no escalation clause.

The municipality entered into an operating lease for the rental of two offices. The lease is between Saldanha Bay IDZ Licensing Company (SOC) Ltd and the municipality. The contract is for a period of six months.

The municipality entered into an operating lease for the rental of two offices. The lease is between Swemmerspark and the municipality. The contract is for a period of two years. The property involved is site 86 Velddift.

An operating lease exits between G R Damp and the municipality. The contract is for a month to month period. The property involved is Swartberg, Malmesbury (Section 5 of farm 619 Malmesbury road).

An operating lease exist between SITA and the municipality. The contract is for a period of one year. This involves the maintenance of Microsoft software, products and services.

The municipality entered into a operating lease for the rental of storage capacity. The lease is between Saldanhabay municipality and this municipality. The contract is for a month to month period. The property involved is erf 860 Langebaan.

The municipality entered into a operating lease for the rental of storage capacity. The lease is between Linu farms and this municipality. The contract is for a two year period. The property involved is Petersfield 455, Voortrekker Street, Citrusdal, Section Clanwilliam.

The municipality entered into a operating lease with Marcelle Ann Ellis and Jannie Nel Ellis. The contract is for a three year period. The property involved is Die Trek 28 Piketberg.

The municipality entered into a operating lease with Strassberger Investments. The contract is for a three year period. The property involved is erf 2715 Hoofweg 28A Clanwilliam.

36.2) Lease receivable

The following future minimum significant operating lease receivable under the existing operating lease arrangement are categorised as follows:

a) Within one year of the reporting date	202 811	304 217
b) More than one year but less than five years of the reporting date	-	202 811
	202 811	**507 028**

The municipality entered into an operating lease as lessor with the Department of Transport and Public Works as the lessee. The lease term commenced on 1 March 2014 and expire with option to extend on 28 February 2024 and cover a period of 10 years. The property involved is the Moorreesburg ambulance station situated on erf 641.

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

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37. Risk management and Financial instrument disclosure

Financial risk management

The municipality'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.

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance. The municipality uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out by a central treasury department (entity treasury) under policies approved by the accounting officer. Municipality treasury identifies, evaluates and hedges financial risks in close co-operation with the municipality's operating units. The accounting officer provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

37. Risk management and Financial instrument disclosure (continued)

Interest rate risk

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk.

37.1) Credit Risk

The carrying amount of financial assets and loans represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was : Refer to note 4,5,50 and 53.

Trade and other receivables	38 236 999	57 021 501
The ageing of trade and other receivables at the reporting date was :		
Current	38 127 859	57 071 740
30 days	505 878	747 167
60 days	176 400	136 134
90 days	9 067	30 078
120 days plus	41 033	66 322
Less : Provision for bad debt	(623 238)	(1 029 940)
	38 236 999	**57 021 501**
The movement in the allowance for bad debt in respect of trade receivables over the year was :		
Balance at the beginning of the year	1 029 940	629 383
Contribution to provision	999 221	2 255 196
Expenditure incurred	(1 405 923)	(1 854 639)
	623 238	**1 029 940**

The allowance for impairment in respect of trade and other receivables is used to record impairment losses until the municipality is satisfied that no recovery of the amount owing is possible. At that point the amount is considered irrecoverable and written off directly against the financial asset.

37.2) Liquidity risk

The following are contractual maturities of financial liabilities, including interest payments and excludes the impact of netting agreements :

Non-derivative financial liabilities 2023	Carrying Amount	Contractual Cash Flows	Within 1 Year	2 - 5 Years	More than 5 Years
Unspent conditional grants and receipts	2 379 431	-	-	-	-

37.3) Interest rate risk

Interest rate risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes. Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long term debtors, consumer debtors, other debtors and bank and cash balances. The municipality is exposed to interest rate risk as the municipality's borrowed funds is at a fixed interest rate. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the municipality can be required to pay. The financial assets are based on the interest rate provided by the banks and National Treasury at the reporting date. The municipality's exposure to interest rate risk and the effective interest rates on financial instruments at reporting date are as follows :

Non-derivative financial assets 2023	Within 1 Year	2 - 5 Years	More than 5 Years
Trade and other receivables (8%)	38 236 999	-	-
Cash and cash equivalents - Cash book balances (Prime less 4%)	344 329 042	-	-

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

37. Risk management and Financial instrument disclosure (continued)

	382 566 041	-	-

Non-derivative financial liabilities 2023	Within 1 Year	2 - 5 Years	More than 5 Years
Trade and other payables (Interest free)	23 248 059	-	-
Unspent conditional grants and receipts	2 379 431	-	-
	25 627 490	-	-

Sensitivity analysis

An increase of 1% in interest rates at 30 June would have increased / (decreased) financial assets and profit or loss by the amounts shown below. A decrease of 1% in interest at 30 June would have had the equal but opposite effect on the above financial instruments, on the basis that all other variables remain constant. There where no changes in the municipality's approach from the prior year.

Non-derivative financial assets 2023	Statement of Financial Position	Profit or loss
Trade and other receivables	38 236 999	382 369
Cash and cash equivalents - Cash book balances	344 329 042	3 443 290
	382 566 041	**3 825 659**

37.4) Fair value

Due to their short maturities the fair values of all financial instruments are substantially identical to the values reflected in the Statement of Financial Position.

37.5) Receivables past due

Refer to note 5 for more information regarding the provision for impairment raised against receivables considered to be past due. Also refer to note 53 for receivables - fire services Cederberg and Matzikama Local Municipalities that are past due but not impaired - R5 163 917 (2022 - R6 483 430). These receivables are aged past due (121-365 days).

No receivables were pledged as security for liabilities and no collateral is held from any consumers.

The following service receivables are past due, but not impaired:

Electricity	58 163	21 779
Water	451 095	888 367
Sewerage	3 540	1 301
Housing rental	219 580	68 254
	732 378	**979 701**

Past due receivables are aged as follow:

Past due (31-60 days)	505 878	747 167
Past due (61-90 days)	176 400	136 134
Past due (91-120 days)	9 067	30 078
Past due (121-365 days)	41 033	66 322
	732 378	**979 701**

38. Contingent assets

The municipality has a claim for breach of contract / damages against West Coast Builders CC amounting to R250 000. The High Court case number is 19112/2018.

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Notes to the Audited Annual Financial Statements

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39. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officer and includes a note to the audited annual financial statements. The value of the award is disclosed in the financial statements.

DT Sibenza Security Services - Emergency	4 800	-
Bergrivier Gutters - Emergency	3 950	-
Adapt IT - Sole supplier	75 847	-
Chartered Institute of Government - Exceptional case it is impractical or impossible to follow the official procurement processes	6 740	-
Chartered Institute of Government - Exceptional case it is impractical or impossible to follow the official procurement processes	21 180	-
Wolters Kluwer Tax and Accounting - Sole supplier	19 615	-
Channel Data (Pty) Ltd t/a Powermode - Emergency	2 887	-
Switch Electrical and Project - Exceptional case and it is impractical or impossible to follow the official procurement processes	2 600	-
Nexia SAB & T - Exceptional case and it is impractical or impossible to follow the official procurement processes	189 274	-
Solvem Consulting - Sole supplier	12 581	-
EOH Mthombo - Exceptional case and it is impractical or impossible to follow the official procurement processes	11 500	-
CK Coetzee - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	35 029	-
Dr Wilhemina Erasmus - Exceptional case and it is impractical or impossible to follow the official procurement processes	2 700	-
Perdeberg Motors - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	19 347	-
Institute of Internal Auditors - Exceptional case and it is impractical or impossible to follow the official procurement processes	6 325	-
CSE Equipment CO (Pty) Ltd - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	96 174	-
FRJ Electrical and Maintenance - Exceptional case and it is impractical or impossible to follow the official procurement processes	22 122	-
Microsoft Ireland Operations - Sole supplier	1 239 316	-
Dr Wilhelmina Erasmus - Exceptional case and it is impractical or impossible to follow the official procurement processes	1 400	-
Perdeberg Motors - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	36 916	-
Namibia Tourism Expo - Exceptional case and it is impractical or impossible to follow the official procurement processes	22 566	-
BNA Brake and Radiators - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	9 585	-
Eric Jerome Pots - Exceptional case and it is impractical or impossible to follow the official procurement processes	15 000	-
Radio Dot Comm - Emergency	11 425	-
Cape Truck and Van - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	3 483	-
Exilite 407 - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	13 877	-
WJ Cotter Electrical - Emergency	55 085	-
Vision Elevators - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	2 686	-
FRJ Electrical and Maintenance - Exceptional case and it is impractical or impossible to follow the official procurment processes	24 105	-

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Figures in Rand	2023	2022
39. Deviation from supply chain management regulations (continued)		
Baymont Cape Projects - Emergency	44 939	-
Exilite 407 - Emergency	351 707	-
Baymont Cape Projects - Emergency	482 856	-
Ignite Advisory Services - Exceptional case and it is impractical or impossible to follow the official procurement processes	43 746	-
WJ Cotter Electrical - Emergency	450 858	-
Solvem Consulting - Sole supplier	15 043	-
Switch Electrical - Exceptional case and it is impractical or impossible to follow the official procurement processes	7 371	-
Vetties Waste (Pty) Ltd - Emergency	100 772	-
FRJ Electrical and Maintenance - Exceptional case and it is impractical or impossible to follow the official procurement processes	14 876	-
Vision Elevators - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	16 118	-
SPOC Managed Services - Emergency	62 262	-
West Coast Petroleum - Emergency	40 250	-
Vetties Waste (Pty) Ltd - Emergency	76 407	-
Advanced Energies Africa - Sole Supplier	3 301 402	-
Interactive Trading 498 CC - Exceptional case and it is impractical or impossible to follow the official procurement processes	31 850	-
CK Coetzee - Emergency	40 020	-
Loekie Oosthuizen Arbeidsterareut - Exceptional case and it is impractical or impossible to follow the official procurement processes	7 500	-
Perdeberg Motors - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	6 568	-
Vetties Waste (Pty) Ltd - Emergency	5 739	-
Vetties Waste (Pty) Ltd - Emergency	25 763	-
CK Coetzee - Emergency	21 942	-
Peninsula Industries - Emergency	53 066	-
AmandlaGCF Construction - Exceptional case and it is impractical or impossible to follow the official procurement processes	1 155 023	-
Water Institute of Southern Africa - Sole supplier	9 800	-
Switch Electrical and Projects - Exceptional case and it is impractical or impossible to follow the official procurement processes	19 545	-
FRJ Electrical and Maintenance - Exceptional case and it is impractical or impossible to follow the official procurement processes	7 528	-
Wesgro - Exceptional case and it is impractical or impossible to follow the official procurement processes	33 000	-
Xneelo (Hetzner) - Sole supplier	5 270	-
Neuron Logistics - Emergency	1 372 385	-
Neuron Logistics - Emergency	2 232 175	-
Juno Corp - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	14 375	-
AL Abbott and Associates - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	3 379	-
FRJ Electrical and Maintenance - Exceptional case and it is impractical or impossible to follow the official procurement processes	8 034	-
Paltechnologies - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	556 046	-
Coetzee Coach Works - Emergency	8 115	-
FRJ Electrical and Maintenance - Exceptional case and it is impractical or impossible to follow the official procurement processes	2 004	-
Switch Electrical and Projects - Exceptional case and it is impractical or impossible to follow the official procurement processes	9 661	-
Indexx Labaratories - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	158 494	-
First Technology (Pty) Ltd - Exceptional case and it is impractical or impossible to follow the official procurement processes	-	23 073

Notes to the Audited Annual Financial Statements

Figures in Rand		2023	2022
39. Deviation from supply chain management regulations (continued)			
Cutters - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	-		5 445
Adapt IT - Sole supplier	-		82 720
Sasfin Commercial Solutions - Sole supplier	-		6 000
Switch Electrical (Pty) Ltd - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		5 242
Wec-Consult (Pty) Ltd - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		169 464
De Kock Cronje - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		50 922
Hashtopic - Emergency	-		5 434
Internet Solutions - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		8 806
Gert Jacobus Vlok - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		3 756
Vetties Waste (Pty) Ltd - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids	-		29 911
Bytes System Integration - Sole supplier	-		162 335
H H Ballard - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		13 220
Ignite Advisory Services - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		50 835
Solvem Consulting (Pty) Ltd - Sole supplier	-		12 445
Switch Electrical (Pty) Ltd - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		10 020
De Kok & Cronje (Pty) Ltd - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		16 891
South African weather services - Sole supplier	-		7 578
Internet Solutions - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		2 667
Microsoft Ireland Operations - Sole Supplier	-		997 075
H H Ballard - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		7 058
Working on Fire - Emergency	-		3 850
Interactive Trading 498 CC - Exceptional case and it is impractical or impossible to follow the official procurement processes	-		40 000
Sasfin Commercial Solutions - Sole supplier	-		6 000
Working on Fire - Emergency	-		233 434
Working on Fire - Emergency	-		127 318
Sibathatu Mining - Emergency	-		7 073
Kishugu Aviation - Emergency	-		100 889
Xneelo (Pty) Ltd - Emergency	-		4 098
Barloworld Equipment - Sole supplier	-		39 742
C M Elektries - Emergency	-		2 950
Kemach Equipment - Sole supplier	-		40 988
Hydrenco (Pty) Ltd - Ad-hoc repairs to plant and equipment where it is not possible to ascertain the natue or extent of the work required in order to call for bids	-		53 176
Barloworld Equipment - Sole supplier	-		45 663
Imperial Trucks - Cape Town - Sole supplier	-		32 335
Max Internet Technologies - Emergency	-		11 245
Green Door Construction - Emergency	-		9 586
O T Hartung en Seun - Emergency	-		7 192
	12 764 004		**2 436 436**

In terms of the Supply Chain Regulations No 27636 - 30 May 2005 Section 45 the municipality is allowed to make awards to close family members or persons in the service of the state, or who have been in the service of the state in the previous twelve months. As per the reporting period the municipality made the following awards :

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

39. Deviation from supply chain management regulations (continued)

The transactions were concluded in full compliance with the municipality's Supply Chain Management Policy and the transactions are considered to be at arm's length.

Piston Power Chemicals CC - Mrs N Andhee - KZN Department of Education - Teacher	508 547	477 499
IOMU Trading (Pty) Ltd - Mrs A Appollis - Department of Correctional Services - Employee	-	460 184
Blackbird Trading CC - Mrs M Smit - Employee - Swartland Municipality	15 000	-
African Oxygen Limited - Nomfundo Qanguis, Mr C Wells, Mr K Mokhele, Mr N Thompson - Goega Development Corporation - Employee	103 638	115 757
Amandla Construction - J Jacobs (Employee) - National Government Employment and Labour, U Frazenburg (Employee) - National Government Deeds Office Kimberly, E Frazenburg (Teacher) - Western Cape Government Education Eersteriver HS, J Franzenburg (Teacher) - Western Cape Government Education Kleinvlei HS, B Frazenburg (Employee) - City of Cape Town.	1 187 441	-
Global Credit Rating Co - Mr M Ngossheng - Goega Development Corporation - Non-executive director	200 000	199 525
Sivad Trading (Pty) Ltd - Mrs Y Davis Michaels - Department of International Relations - Clerk	-	1 135
Sheq and Risk Partners (Pty) Ltd - M Lazenby - Employee - Western Cape Government	15 640	-
Golden Rewards 1873CC - Mr R de Jager - WC - Department of Education - Teacher	43 200	72 000
Ithuba Industries - Mrs De Monrey - Sir Lowry's Pass Primary - Teacher	344 825	684 754
W J Cotter Electrical - S Crafford - Councillor - West Coast District Municipality	1 351 561	-
Improchem t/a AECI Water - K Mokhele - Employee - University of Free State	7 196 795	-
Siphakame - N S Vacu - Employee - Drakenstein Municipality	127 325	-
JVC Construction (Pty) Ltd - Mr R Matthee - Employee - Department of Correctional Services	-	1 011 341
Namaqua Engineering - Mr R Basson - Matzikama Municipality - Acting Director Technical Services	-	1 008 940
Namaqua Service Centre - Mr R Basson - Matzikama Municipality - Acting Director Technical Services	-	281 276
Pison Hawila Constuction - G Scheepers (Employee) - Bergrivier Municipality, R Swarts (Councillor) - Bergrivier Municipality	49 260	-
RDB Building and Construction - R Basson - Director - Cederberg Municipality	522 324	-
Euraf Agencies CC - Mrs R Fourie - Employee - Department of Health	6 090	1 090
Bubbles Household Chemicals - Miss C Pieters - Employee - City of Cape Town	-	38 062
Indecon Instrumantation - Mrs L Barnard - Teacher - Schoonspruit Secondary School	382 700	160 330
Dinah Traders - Mr N Hendricks - Employee - Western Cape Department of Education	2 666 128	3 356 962
	14 720 474	**7 868 855**

40. Reticulation Losses

Water		
Kilolitres puchased - after purification	21 779 427	20 239 132
Kilolitres sold	(19 590 033)	(18 525 287)
Reticulation loss	**2 189 394**	**1 713 845**
Percentage	10.05%	8.47%

The norm for water losses is 10%. The losses occurred due to burst pipes and leaks from the reservoirs to the consumers.

Electricity

No electricity losses were incurred.

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

41. Reconciliation between budget and statement of financial performance

Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance. Please refer to appendix A for more detailed disclosures.

Net surplus per the statement of financial performance		
Adjusted for :	41 635 277	8 134 864
Accounts exceeding budget	-	-
Resort income	(1 217 489)	(1 309 139)
Investment revenue	(9 659 737)	(442 614)
Service concession revenue	(12 725 442)	-
Interest on debtors	-	36 343
Bulk purchases	18 564 044	22 612 171
Licences and permits	(94 693)	(114 689)
Transfers recognised - operational	(3 522 676)	-
Accounts not exceeding budget	-	-
Employee costs	(3 110 551)	(3 428 245)
Transfers recognised - capital	4 810 620	3 962 257
Transfers and subsidies	(1 061 002)	(539 300)
Agency service	8 631 028	5 560 847
Service concession revenue	-	13 466 199
Interest on debtors	71 511	-
Finance charges	(1 209 641)	(903 137)
Debt impairment	(970 779)	285 196
Depreciation and asset impairment	(1 117 120)	(540 744)
Other expenditure	(14 121 434)	(31 130 941)
Other materials	(55 851 311)	(48 822 673)
Other own revenue	27 979 791	27 115 897
	(2 969 604)	**(6 057 708)**

42. Road agency services

Revenue recognised	249 518 472	230 059 653

43. Actuarial gains recognised - employee benefits and roads receivable

Roads receivable and Employee benefits - Refer to note 15	10 613 558	1 186 147

44. Finance income

Short-term investments	17 413 180	9 311 443
Primary bank account	7 123 844	4 549 954
Water service concession	64 714	323 218
	24 601 738	**14 184 615**

45. Allowance for impairment

Other receivables from exchange transactions	-	-
Trade receivables from exchange transactions - Refer to note 5	999 221	2 255 196
	999 221	**2 255 196**

46. Repairs and maintenance

In accordance with GRAP 17 paragraph 88 and 89 the municipality shall separately disclose expenditure incurred to repair and maintain property, plant and equipment in the notes to the financial statements. Below are repairs and maintenance per asset class and nature :

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

46. Repairs and maintenance (continued)

Repairs and maintenance per asset class	Buildings	Infrastructure	Other	Investment property	Total - 30 June 2023
Water reticulation	-	3 689 318	-	-	3 689 318
Buildings	1 781 929	-	-	593 683	2 375 612
Computer equipment	-	-	71 312	-	71 312
Furniture and office equipment	-	-	2 698	-	2 698
Machinery and equipment	-	-	12 459 459	-	12 459 459
Transport assets	-	-	1 502 870	-	1 502 870
	1 781 929	**3 689 318**	**14 036 339**	**593 683**	**20 101 269**

The repairs and maintenance expenses for the year amounts to R138 451 143, R118 349 874 of the amount pertains to the cost of repairs incurred on the provincial roads in terms of a signed agreement between the Department of Transport and Public works on an agency basis. The remaining R20 101 269 pertains to repair cost incurred to the municipal assets as depicted in the note above.

Repairs and maintenance per asset class	Buildings	Infrastructure	Other	Investment property	Total - 30 June 2022
Water reticulation	-	3 770 104	-	-	3 770 104
Buildings	2 073 358	-	-	41 502	2 114 860
Computer equipment	-	-	53 003	-	53 003
Furniture and office equipment	-	-	2 927	-	2 927
Machinery and equipment	-	-	16 506 908	-	16 506 908
Transport assets	-	-	1 368 683	-	1 368 683
	2 073 358	**3 770 104**	**17 931 521**	**41 502**	**23 816 485**

The repairs and maintenance expense for the year amounts to R133 545 937, R109 729 452 of the amount pertains to the cost of repairs incurred on the provincial roads in terms of a signed agreement between the Department of Transport and Public works on an agency basis. The remaining R23 816 485 pertains to repair cost incurred to the municipal assets as depicted in the note above.

47. Materials and supplies

Materials	67 625 438	72 809 949

48. Fees earned

Environmental health certificates and trading	341 693	264 139

49. Transfers and subsidies

Farmer support houses	(78 770)	28 500
Local municipal support	2 173 070	884 673
	2 094 300	**913 173**

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

50. Distribution

Balance at the beginning of the year	23 471 360	34 194 571
Contribution for the year - Refer to note 18	(277 179)	20 409 879
Payment to local municipalities	(23 471 360)	(34 194 571)
VAT Payable to / (Receivable from) local municipalities	(41 577)	3 061 481
	(318 756)	**23 471 360**

West Coast District Municipality (operator) is operating a water concession on behalf of the following B (local) municipalities (grantor), namely Saldanha Bay, Swartland and Bergriver. The current water concession agreement will be terminated at 30 June 2023. The stakeholders (operator and grantor) are however busy with a Section 78 process in terms of the Local Government : Municipal System Act, 2000 (Act 32 of 2000) to decide on the future service delivery mechanism.

West Coast District Municipality as the operator of the water concession is responsible for the day to day operations of the bulk water purification works, including the maintaining of the water network. The relevant local municipalities (grantor) are responsible for capital replacement and upgrading. The only change facilitated during the financial year was the tariff structure. Cashflows are limited to the sale of water that are based on the tariff charged in terms of the agreement. Future cashflows is dependent on the Section 78 process and future agreements.

Distribution provision	-	23 471 360
Distribution receivable	(318 756)	-
	(318 756)	**23 471 360**

51. Change in accounting estimate

The following change in estimate amounting to R469 463 (2022: R478 611) was made to depreciation of assets with zero book values but still in use reported in the financial statements of the municipality and is applied prospectively. The effect on future periods are not disclosed because it is impracticable. Refer to Appendix B for detailed disclosure.

Depreciation adjustment to assets	469 463	478 611

52. Asset receivable - local municipalities

Current portion of the asset receivable - local municipalities	-	1 500 000

The asset receivable relates to the water service concession arrangement. Refer to note 14 for the liability disclosure.

53. Other receivables from non-exchange transactions

Fire services - Cederberg and Matzikama Local Municipalities	5 163 917	6 483 430
Deposits - ESKOM	336 432	319 420
	5 500 349	**6 802 850**

54. Segment information

General information

Identification of segments

Reports to management are on the basis of three major functional areas: public safety, environmental health and sports and recreation - Ganzekraal. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Some segments were aggregated for reporting purposes. Non-reportable segments includes water, roads and administrative functions.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

Segments like fire services and disaster management were aggregated to public safety on the basis of services delivered as management considered that the economic characteristics of the segments were sufficiently similar to warrant aggregation.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Segment 1	Public Safety
Segment 2	Environmental Health
Segment 3	Sport and Recreation (Ganzekraal)

Notes to the Audited Annual Financial Statements

Figures in Rand

54. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2023

	Public Safety	Environmental Health	Sports and Recreation (Ganzekraal)	Non-reportable Segments	Total
Revenue					
Revenue from non-exchange transactions	12 404 799	13 455 014	-	102 870 976	128 730 789
Revenue from exchange transactions	1 254 131	328 064	4 745 549	393 155 749	399 483 493
Interest revenue	-	-	-	24 601 738	24 601 738
Total segment revenue	**13 658 930**	**13 783 078**	**4 745 549**	**520 628 463**	**552 816 020**
Total revenue					**552 816 020**
Expenditure					
Salaries and wages	37 226 025	25 345 708	3 879 183	160 029 542	226 480 458
Depreciation and amortisation	4 088 928	310 466	254 597	5 466 891	10 120 882
Goods and services	6 686 254	3 862 298	3 530 396	260 435 741	274 514 689
Interest expense	-	-	-	64 714	64 714
Total segment expenditure	**48 001 207**	**29 518 472**	**7 664 176**	**425 996 888**	**511 180 743**
Total segmental surplus/(deficit)	**(34 342 277)**	**(15 735 394)**	**(2 918 627)**	**94 631 575**	**41 635 277**
Assets					
Segment assets	37 480 442	2 873 607	6 571 709	59 454 802	106 380 560
Total assets as per Statement of financial Position					**106 380 560**

	Public Safety	Environmental Health	Sports and Recreation (Ganzekraal)	Non-reportable Segments	Total
Other information					
Capital expenditure	4 513 288	232 221	1 180 055	13 547 754	19 473 318

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand

54. Segment information (continued)

2022

	Public Safety	Environmental Health	Sports and Recreation - Ganzekraal	Non-reportable Segments	Total
Revenue					
Revenue from non-exchange transactions	16 477 840	12 687 157	-	85 736 310	114 901 307
Revenue from exchange transactions	1 355 356	264 139	4 638 510	347 302 444	353 560 449
Interest revenue	-	-	-	14 184 615	14 184 615
Total segment revenue	**17 833 196**	**12 951 296**	**4 638 510**	**447 223 369**	**482 646 371**
Total revenue					**482 646 371**
Expenditure					
Salaries and wages	36 688 322	24 642 063	3 976 431	148 454 711	213 761 527
Depreciation and amortisation	4 465 980	290 945	205 643	3 611 357	8 573 925
Goods and services	6 788 916	3 369 439	2 517 596	239 176 886	251 852 837
Interest expense	-	-	-	323 218	323 218
Total segment expenditure	**47 943 218**	**28 302 447**	**6 699 670**	**391 566 172**	**474 511 507**
Total segmental surplus/(deficit)	**(30 110 022)**	**(15 351 151)**	**(2 061 160)**	**55 657 197**	**8 134 864**
Assets					
Segment assets	38 001 471	2 945 216	5 649 837	50 502 267	97 098 791
Total assets as per Statement of financial Position					**97 098 791**

	Public Safety	Environmental Health	Sports and Recreation - Ganzekraal	Non-reportable Segments	Total
Other information					
Capital expenditure	9 359 727	575 595	366 789	6 239 259	16 541 370.

Measurement of segment surplus or deficit, assets and liabilities

AUDITOR-GENERAL SOUTH AFRICA

Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022

54. Segment information (continued)

Basis of accounting for transactions between reportable segments

The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

Information about geographical areas

The municipality's operations are in the West Coast District within the Western Cape Province.

The table below indicates the relevant geographical information after eliminating inter segmental transfers:

2023

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure	Non-current assets*
Whole of the district	128 730 789	419 339 682	503 516 567	99 808 851
Swartland municipal area	-	4 745 549	7 664 176	6 571 709
Total	**128 730 789**	**424 085 231**	**511 180 743**	**106 380 560**

2022

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure	Non-current assets*
Whole of the district	114 901 307	363 106 554	467 811 837	91 448 954
Swartland municipal area	-	4 638 510	6 699 670	5 649 837
Total	**114 901 307**	**367 745 064**	**474 511 507**	**97 098 791**

55. Budget differences

Material differences between budget and actual amounts

Current Assets

The municipality accounts for a receivable on the roads account, which had a increasing effect on other receivables.

Non-current Assets

The capital expenditure are low due to savings and the effects of cost containment implemented by the municipality, which had a decreasing effect on property, plant and equipment.

Current Liabilities :

The operating expenditure are low due to savings and the effects of cost containment implemented by the municipality, which had a decreasing effect on trade and other payables.

Net cash from (used) operating

The operating expenditure are low due to savings and the effects of cost containment implemented by the municipality.

Net cash from (used) investing :

The capital expenditure are low due to savings and the effects of cost containment implemented on projects.

Explanatory comments for expenditure and revenue are provided in appendix A of the financial statements. The municipality did well on an overall basis comparing total amounts as per the financial statements compared to the budget.

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix A
June 2023

Actual versus Budget(Revenue and Expenditure) for the year ended 30 June 2023.

	Act. Bal. Rand	Adjusted budget Rand	Variance Rand	Var	Explanation of Significant Variances greater than 10% versus Budget
Revenue					
Service concession revenue	139 358 035	126 632 593	12 725 442	10,0	Increase in consumption by consumers at the municipal level. WCDM provides water in bulk to local municipalities under the water concession.
Rental of facilities and equipment	4 745 549	3 528 060	1 217 489	34,5	Increase in revenue at Ganzekraal due to an increase in the occupancy rate.
Interest received - Investments	24 601 738	14 942 001	9 659 737	64,6	Increase due to the prime rate increase in South Africa in this financial year.
Interest received - Debtors received	80 354	151 865	(71 511)	(47,1)	Decrease in the bad debt provision,
Agency services	249 518 472	258 149 500	(8 631 028)	(3,3)	
Licences and permits	341 693	247 000	94 693	38,3	Increase in permits issued by the municipality.
Transfers recognised - operating	37 235 597	33 712 921	3 522 676	10,4	The municipality received more fund from National and Provincial Government.
Transfers recognised - capital	-	4 810 620	(4 810 620)	(100,0)	Due to the difference between the Municipal Standard Chart of Accounts and the Generally Recognised Accounting Practice.
Other revenue	96 934 582	124 914 373	(27 979 791)	(22,4)	Due to the difference between the Municipal Standard Chart of Accounts and the Generally Recognised Accounting Practice.
	552 816 020	567 088 933	(14 272 913)	(2,5)	
Expenses					
Employee costs	(226 480 458)	(229 955 826)	3 475 368	(1,5)	
Remuneration of councillors	(7 593 787)	(7 228 970)	(364 817)	5,0	
Debt impairment	(999 221)	(1 970 000)	970 779	(49,3)	Decrease in the bad debt provision.
Depreciation and asset impairment	(10 120 882)	(11 238 002)	1 117 120	(9,9)	The municipality's capital expenditure was lower than expected.
Finance charges	(64 714)	(1 274 355)	1 209 641	(94,9)	Decrease in outstanding loans.
Other materials	(67 625 438)	(123 476 749)	55 851 311	(45,2)	Decrease in the expenditure for the maintenance of provincial roads. which the municipality carries out on behalf of the Department of Transport and the annual price increases on goods and services. Less expenditure due to savings and the implementation of cost containment..

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix A
June 2023

Actual versus Budget(Revenue and Expenditure) for the year ended 30 June 2023.

	Act. Bal.	Adjusted budget	Variance		Explanation of Significant Variances greater than 10% versus Budget
Bulk purchases	(18 564 044)	-	(18 564 044)	-	Due to the difference between the Municipal Standard Chart of Accounts and the Generally Recognised Accounting Practice.
Transfers and subsidies	(2 094 300)	(3 155 302)	1 061 002	(33,6)	Decrease in the expenditure for the maintenance of provincial roads. which the municipality carries out on behalf of the Department of Transport and the annual price increases on goods and services. Less expenditure due to savings and the implementation of cost containment.
General Expenses	(177 637 899)	(191 759 333)	14 121 434	(7,4)	Decrease in the allocation for the maintenance of provncial roads. which the municipality carries out on behalf of the Department of Transport and the annual price increases on goods and services. Less expenditure due to savings and the implementation of cost containment.. There are also differences between the Municipal Standard Chart of Accounts and the Generally Recognised Accounting Practice.
	(511 180 743)	(570 058 537)	58 877 794	(10,3)	Less expenditure due to the reasons stated above.
Net surplus/ (deficit) for the year	41 635 277	(2 969 604)	44 604 881	(1 502,0)	Surplus for the year is mainly due to the reasons stated above.

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix B
June 2023

Analysis of property, plant and equipment as at 30 June 2023

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Other Changes, movements	Additions	Disposals	WIP	Reclassification	Closing Balance	Opening Balance	Corrections and Transfers	Additions	Disposals	Other Changes, movements	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Land														
Land	27 776 505	-	-	-	-	-	**27 776 505**	-	-	-	-	-	-	27 776 505
	27 776 505	-	-	-	-	-	**27 776 505**	-	-	-	-	-	-	**27 776 505**
Infrastructure														
Electricity supply / reticulation	372 715	-	847 758	-	1 529 021	-	**2 749 494**	(139 239)	-	(9 232)	-	-	**(148 471)**	2 601 023
Mini sub stations	3 663	-	-	-	-	-	**3 663**	(1 527)	-	(92)	-	-	**(1 619)**	2 044
Pump stations	14 289	-	-	-	-	-	**14 289**	(6 620)	-	(357)	-	-	**(6 977)**	7 312
Reservoirs	3 328	-	-	-	-	-	**3 328**	(2 219)	-	(133)	-	-	**(2 352)**	976
Electric panels	44	-	-	-	-	-	**44**	(18)	-	(770)	-	-	**(788)**	(744)
Electricity perimeter protection	53 529	-	-	-	-	-	**53 529**	(32 658)	-	(2 141)	-	-	**(34 799)**	18 730
Other	1 385 209	-	-	-	1 969 176	-	**3 354 385**	(351 482)	-	(104 992)	-	-	**(456 474)**	2 897 911
	1 832 777	-	**847 758**	-	**3 498 197**	-	**6 178 732**	**(533 763)**	-	**(117 717)**	-	-	**(651 480)**	**5 527 252**
Buildings														
Residences (Personnel)	1 577 100	-	-	-	-	-	**1 577 100**	(563 405)	-	(72 496)	-	-	**(635 901)**	941 199
Warehouses	1 416 000	-	-	-	-	-	**1 416 000**	(991 085)	-	(70 770)	-	-	**(1 061 855)**	354 145
Community halls	8 417	-	-	-	-	-	**8 417**	(5 893)	-	(420)	-	-	**(6 313)**	2 104
Office buildings	9 619 874	-	1 141 659	-	-	-	**10 761 533**	(5 092 168)	-	(441 299)	-	-	**(5 533 467)**	5 228 066
Recreational facilities	17 081	-	-	-	-	-	**17 081**	(3 718)	-	(569)	-	-	**(4 287)**	12 794
Clinics / Ambulance	3 249 440	-	-	-	-	-	**3 249 440**	(2 112 588)	-	(162 467)	-	-	**(2 275 056)**	974 385
Non residential perimeter protection	591 729	-	-	-	-	-	**591 729**	(21 762)	-	(743)	-	-	**(22 505)**	569 224
Workshops / Store rooms	561 271	-	-	-	-	-	**561 271**	(312 126)	-	(22 451)	-	-	**(334 577)**	226 694
Public parking	1 004 546	-	-	-	-	-	**1 004 546**	(703 322)	-	(50 225)	-	-	**(753 547)**	250 999
Fire, safety & emergency	35 236 549	-	-	-	-	-	**35 236 549**	(22 417 989)	-	(1 761 771)	-	-	**(24 179 760)**	11 056 789
Car ports / Garage	4 086 530	-	-	-	-	-	**4 086 530**	(21 549)	-	(105 950)	-	-	**(127 499)**	3 959 031
Internal roads	253 448	-	-	-	-	-	**253 448**	(140 727)	-	(8 442)	-	-	**(149 169)**	104 279
Ablution / Public	-	-	52 100	-	-	-	**52 100**	-	-	(478)	-	-	**(478)**	51 622
	57 621 985	-	**1 193 759**	-	-	-	**58 815 744**	**(32 386 332)**	-	**(2 698 081)**	-	-	**(35 084 413)**	**23 731 331**

AUDITOR-GENERAL SOUTH AFRICA

Analysis of property, plant and equipment as at 30 June 2023

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Other Changes, movements	Additions	Disposals	WIP	Reclassification	Closing Balance	Opening Balance	Corrections and Transfers	Additions	Disposals	Other Changes, movements	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Other assets														
General vehicles	41 479 894	-	4 434 206	(732 281)	-	-	**45 181 819**	(30 894 085)	-	(2 517 291)	684 257	-	**(32 727 119)**	12 454 700
Audiovisual equipment	1 559 238	-	854 265	(3 691)	-	-	**2 409 812**	(531 710)	-	(180 311)	3 661	2 851	**(705 509)**	1 704 303
Computer Equipment	16 428 641	-	1 971 424	(211 704)	-	-	**18 188 361**	(6 212 486)	-	(1 774 508)	203 774	86 162	**(7 697 058)**	10 491 303
Domestic equipment	628 458	-	308 290	(895)	-	-	**935 853**	(164 641)	-	(121 562)	886	2 248	**(283 069)**	652 784
Electrical wire and power distribution	340 894	-	-	-	-	-	**340 894**	(78 627)	-	(67 288)	-	-	**(145 915)**	194 979
Emergency / rescue equipment	2 552 306	-	-	-	-	-	**2 552 306**	(962 357)	-	(342 439)	-	21 129	**(1 283 667)**	1 268 639
Fire fighting equipment	9 892 797	-	617 221	-	-	-	**10 510 018**	(5 520 252)	-	(607 064)	-	72 155	**(6 055 161)**	4 454 857
Gardening equipment	243 323	-	173 500	-	-	-	**416 823**	(217 091)	-	(21 451)	-	7 140	**(231 402)**	185 421
Kitchen appliances	647 385	-	30 346	(12 946)	-	-	**664 785**	(303 981)	-	(43 331)	6 768	782	**(339 762)**	325 023
Laboratory equipment	1 143 216	-	182 651	(2 377)	-	-	**1 323 490**	(840 544)	-	(113 784)	2 118	8 164	**(944 046)**	379 444
Medical and allied equipment	226 435	-	-	-	-	-	**226 435**	(179 320)	-	(15 644)	-	418	**(194 546)**	31 889
Pump / Pluming	3 099 850	-	97 491	-	-	-	**3 197 341**	(2 332 337)	-	(380 123)	-	76 781	**(2 635 679)**	561 662
Radio equipment	4 400 492	-	642 698	(2 370)	-	-	**5 040 820**	(2 494 198)	-	(353 918)	1 481	5 023	**(2 841 612)**	2 199 208
Security equipment	697 272	-	93 990	-	-	-	**791 262**	(287 825)	-	(118 827)	-	4 216	**(402 436)**	388 826
Workshop equipment	3 538 820	-	4 081 952	(23 283)	-	-	**7 597 489**	(3 083 046)	-	(110 487)	22 092	12 975	**(3 158 466)**	4 439 023
Air conditioners	963 289	-	125 553	-	-	-	**1 088 842**	(758 623)	-	(49 806)	-	7 234	**(801 195)**	287 647
Office furniture	4 533 101	-	548 043	(43 352)	-	-	**5 037 792**	(3 702 574)	-	(170 144)	40 935	9 226	**(3 822 557)**	1 215 235
Domestic and hostel furniture	2 121 022	-	216 100	(62 281)	-	-	**2 274 841**	(1 396 483)	-	(144 677)	58 536	10 979	**(1 471 645)**	803 196
Other	2 763 037	-	223 408	(2 523)	-	-	**2 983 922**	(1 700 478)	-	(188 227)	2 527	116 185	**(1 769 993)**	1 213 929
	97 259 470	**-**	**14 601 138**	**(1 097 703)**	**-**	**-**	**110 762 905**	**(61 660 658)**	**-**	**(7 320 882)**	**1 027 035**	**443 668**	**(67 510 837)**	**43 252 068**

AUDITOR-GENERAL SOUTH AFRICA

Analysis of property, plant and equipment as at 30 June 2023

Cost/Revaluation — Accumulated depreciation

	Opening Balance	Other Changes, movements	Additions	Disposals	WIP	Reclassification	Closing Balance	Opening Balance	Corrections and Transfers	Additions	Disposals	Other Changes, movements	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Total property plant and equipment														
Land	27 776 505	-	-	-	-	-	**27 776 505**	-	-	-	-	-	-	27 776 505
Infrastructure	1 832 777	-	847 758	-	3 498 197	-	**6 178 732**	(533 763)	-	(117 717)	-	-	**(651 480)**	5 527 252
Buildings	57 621 985	-	1 193 759	-	-	-	**58 815 744**	(32 386 332)	-	(2 698 081)	-	-	**(35 084 413)**	23 731 331
Other assets	97 259 470	-	14 601 138	(1 097 703)	-	-	**110 762 905**	(61 660 658)	-	(7 320 882)	1 027 035	443 668	**(67 510 837)**	43 252 068
	184 490 737	**-**	**16 642 655**	**(1 097 703)**	**3 498 197**	**-**	**203 533 886**	**(94 580 753)**	**-**	**(10 136 680)**	**1 027 035**	**443 668**	**(103 246 730)**	**100 287 156**
Intangible assets														
Computers - software & programming and internally generated masthead	4 746 744	-	832 465	-	310 000	-	**5 889 209**	(3 778 803)	-	(420 454)	-	25 795	**(4 173 462)**	1 715 747
	4 746 744	**-**	**832 465**	**-**	**310 000**	**-**	**5 889 209**	**(3 778 803)**	**-**	**(420 454)**	**-**	**25 795**	**(4 173 462)**	**1 715 747**
Investment properties														
Investment property	5 512 774	-	-	-	-	-	**5 512 774**	(1 101 907)	-	(33 210)	-	-	**(1 135 117)**	4 377 657
	5 512 774	**-**	**-**	**-**	**-**	**-**	**5 512 774**	**(1 101 907)**	**-**	**(33 210)**	**-**	**-**	**(1 135 117)**	**4 377 657**
Total														
Land	27 776 505	-	-	-	-	-	**27 776 505**	-	-	-	-	-	-	27 776 505
Infrastructure	1 832 777	-	847 758	-	3 498 197	-	**6 178 732**	(533 763)	-	(117 717)	-	-	**(651 480)**	5 527 252
Buildings	57 621 985	-	1 193 759	-	-	-	**58 815 744**	(32 386 332)	-	(2 698 081)	-	-	**(35 084 413)**	23 731 331
Other assets	97 259 470	-	14 601 138	(1 097 703)	-	-	**110 762 905**	(61 660 658)	-	(7 320 882)	1 027 035	443 668	**(67 510 837)**	43 252 068
Intangible assets	4 746 744	-	832 465	-	310 000	-	**5 889 209**	(3 778 803)	-	(420 454)	-	25 795	**(4 173 462)**	1 715 747
Investment properties	5 512 774	-	-	-	-	-	**5 512 774**	(1 101 907)	-	(33 210)	-	-	**(1 135 117)**	4 377 657
	194 750 255	**-**	**17 475 120**	**(1 097 703)**	**3 808 197**	**-**	**214 935 869**	**(99 461 463)**	**-**	**(10 590 344)**	**1 027 035**	**469 463**	**(108 555 309)**	**106 380 560**

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix B
June 2023

Analysis of property, plant and equipment as at 30 June 2022

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Other Changes, movements	Additions	Disposals	WIP	Reclassifications	Closing Balance	Opening Balance	Corrections and Transfers	Additions	Disposals	Other Changes, movements	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Land														
Land	27 776 505	-	-	-	-	-	**27 776 505**	-	-	-	-	-	-	27 776 505
	27 776 505	-	-	-	-	-	**27 776 505**	-	-	-	-	-	-	**27 776 505**
Infrastructure														
Electricity supply / reticulation	372 715	-	-	-	-	-	**372 715**	(130 025)	-	(9 214)	-	-	**(139 239)**	233 476
Mini sub stations	3 663	-	-	-	-	-	**3 663**	(1 435)	-	(92)	-	-	**(1 527)**	2 136
Pump stations	14 289	-	-	-	-	-	**14 289**	(6 263)	-	(357)	-	-	**(6 620)**	7 669
Reservoirs	3 328	-	-	-	-	-	**3 328**	(2 086)	-	(133)	-	-	**(2 219)**	1 109
Electric panels	44	-	-	-	-	-	**44**	(17)	-	(1)	-	-	**(18)**	26
Electricity perimeter protection	53 529	-	-	-	-	-	**53 529**	(30 517)	-	(2 141)	-	-	**(32 658)**	20 871
Other	1 354 694	-	30 515	-	1 499 999	-	**2 885 208**	(266 308)	-	(85 129)	-	(45)	**(351 482)**	2 533 726
	1 802 262	-	**30 515**	-	**1 499 999**	-	**3 332 776**	**(436 651)**	-	**(97 067)**	-	**(45)**	**(533 763)**	**2 799 013**
Buildings														
Residences (Personnel)	1 577 100	-	-	-	-	-	**1 577 100**	(509 398)	867	(54 874)	-	-	**(563 405)**	1 013 695
Warehouses	1 416 000	-	-	-	-	-	**1 416 000**	(920 315)	-	(70 770)	-	-	**(991 085)**	424 915
Community halls	8 417	-	-	-	-	-	**8 417**	(5 472)	-	(421)	-	-	**(5 893)**	2 524
Office buildings	9 275 233	-	344 641	-	-	-	**9 619 874**	(4 671 681)	-	(420 487)	-	-	**(5 092 168)**	4 527 706
Recreational facilities	17 081	-	-	-	-	-	**17 081**	(3 149)	-	(569)	-	-	**(3 718)**	13 363
Clinics	3 249 440	-	-	-	-	-	**3 249 440**	(1 950 122)	-	(162 466)	-	-	**(2 112 588)**	1 136 852
Non residential perimeter protection	69 592	-	522 137	-	-	-	**591 729**	(16 894)	(867)	(4 001)	-	-	**(21 762)**	569 967
Workshops / Store rooms	561 271	-	-	-	-	-	**561 271**	(289 675)	-	(22 451)	-	-	**(312 126)**	249 145
Public parking	1 004 546	-	-	-	-	-	**1 004 546**	(653 097)	-	(50 225)	-	-	**(703 322)**	301 224
Fire, safety & emergency	33 935 813	-	1 300 736	-	-	-	**35 236 549**	(20 710 459)	-	(1 707 530)	-	-	**(22 417 989)**	12 818 560
Car ports / Garage	28 030	-	4 058 500	-	-	-	**4 086 530**	(2 623)	-	(18 926)	-	-	**(21 549)**	4 064 981
Internal roads	253 448	-	-	-	-	-	**253 448**	(132 285)	-	(8 442)	-	-	**(140 727)**	112 721
	51 395 971	-	**6 226 014**	-	-	-	**57 621 985**	**(29 865 170)**	-	**(2 521 162)**	-	-	**(32 386 332)**	**25 235 653**

AUDITOR-GENERAL SOUTH AFRICA

Analysis of property, plant and equipment as at 30 June 2022

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Other Changes, movements	Additions	Disposals	WIP	Reclassifications	Closing Balance	Opening Balance	Corrections and Transfers	Additions	Disposals	Other Changes, movements	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Other assets														
General vehicles	42 160 831	-	1 388 477	(2 069 414)	-	-	**41 479 894**	(30 667 927)	-	(2 144 669)	1 862 474	56 037	**(30 894 085)**	10 585 809
Audiovisual equipment	780 433	-	807 291	(28 486)	-	-	**1 559 238**	(485 738)	-	(83 316)	33 108	4 236	**(531 710)**	1 027 528
Computer Equipment	13 759 674	-	2 743 525	(74 558)	-	-	**16 428 641**	(5 150 454)	-	(1 287 935)	151 364	74 539	**(6 212 486)**	10 216 155
Domestic equipment	382 013	-	252 245	(5 800)	-	-	**628 458**	(80 602)	-	(91 605)	5 780	1 786	**(164 641)**	463 817
Electrical wire and power distribution	309 134	-	31 760	-	-	-	**340 894**	(17 568)	-	(61 074)	-	15	**(78 627)**	262 267
Emergency / Rescue equipment	1 138 976	-	1 413 330	-	-	-	**2 552 306**	(915 666)	-	(81 064)	19 300	15 073	**(962 357)**	1 589 949
Fire fighting equipment	9 255 942	-	636 855	-	-	-	**9 892 797**	(5 012 046)	-	(609 680)	-	101 474	**(5 520 252)**	4 372 545
Gardening equipment	265 789	-	13 728	(36 194)	-	-	**243 323**	(236 996)	-	(16 969)	36 110	764	**(217 091)**	26 232
Kitchen appliances	631 414	-	95 799	(79 828)	-	-	**647 385**	(320 334)	-	(41 037)	56 956	434	**(303 981)**	343 404
Laboratory equipment	1 170 529	-	14 878	(42 191)	-	-	**1 143 216**	(763 285)	-	(121 157)	41 876	2 022	**(840 544)**	302 672
Medical and allied equipment	226 435	-	-	-	-	-	**226 435**	(163 284)	-	(16 063)	-	27	**(179 320)**	47 115
Pump / Pluming	2 963 908	-	145 349	(9 407)	-	-	**3 099 850**	(2 054 783)	-	(433 155)	5 205	150 396	**(2 332 337)**	767 513
Radio equipment	3 819 626	-	592 188	(11 322)	-	-	**4 400 492**	(2 236 852)	-	(318 196)	9 260	51 590	**(2 494 198)**	1 906 294
Security equipment	396 185	-	301 087	-	-	-	**697 272**	(199 794)	-	(94 066)	-	6 035	**(287 825)**	409 447
Workshop equipment	3 324 462	-	250 718	(36 360)	-	-	**3 538 820**	(3 053 663)	-	(84 651)	37 243	18 025	**(3.083 046)**	455 774
Air conditioners	961 078	-	29 573	(27 362)	-	-	**963 289**	(742 621)	-	(45 293)	27 124	2 167	**(758 623)**	204 666
Office furniture	4 292 620	-	371 653	(131 172)	-	-	**4 533 101**	(3 776 145)	-	(113 088)	176 225	10 434	**(3 702 574)**	830 527
Domestic and hostel furniture	1 942 374	-	226 383	(47 735)	-	-	**2 121 022**	(1 286 207)	-	(138 005)	39 217	(11 488)	**(1 396 483)**	724 539
Other	2 323 856	1 974	620 527	(183 320)	-	-	**2 763 037**	(1 449 369)	-	(266 962)	22 136	(6 283)	**(1 700 478)**	1 062 559
	90 105 279	**1 974**	**9 935 366**	**(2 783 149)**	**-**	**-**	**97 259 470**	**(58 613 334)**	**-**	**(6 047 985)**	**2 523 378**	**477 283**	**(61 660 658)**	**35 598 812**

AUDITOR-GENERAL SOUTH AFRICA

Analysis of property, plant and equipment as at 30 June 2022

Cost/Revaluation — Accumulated depreciation

	Opening Balance	Other Changes, movements	Additions	Disposals	WIP	Reclassifications	Closing Balance	Opening Balance	Corrections and Transfers	Additions	Disposals	Other Changes, movements	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Total property plant and equipment														
Land	27 776 505	-	-	-	-	-	**27 776 505**	-	-	-	-	-	-	27 776 505
Infrastructure	1 802 262	-	30 515	-	1 499 999	-	**3 332 776**	(436 651)	-	(97 067)	-	(45)	**(533 763)**	2 799 013
Buildings	51 395 971	-	6 226 014	-	-	-	**57 621 985**	(29 865 170)	-	(2 521 162)	-	-	**(32 386 332)**	25 235 653
Other assets	90 105 279	1 974	9 935 366	(2 783 149)	-	-	**97 259 470**	(58 613 334)	-	(6 047 985)	2 523 378	477 283	**(61 660 658)**	35 598 812
	171 080 017	**1 974**	**16 191 895**	**(2 783 149)**	**1 499 999**	**-**	**185 990 736**	**(88 915 155)**	**-**	**(8 666 214)**	**2 523 378**	**477 238**	**(94 580 753)**	**91 409 983**
Intangible assets														
Computers - software & programming and internally generated masthead	4 708 337	-	39 475	(1 068)	310 000	-	**5 056 744**	(3 426 948)	-	(353 113)	1 068	190	**(3 778 803)**	1 277 941
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4 708 337	**-**	**39 475**	**(1 068)**	**310 000**	**-**	**5 056 744**	**(3 426 948)**	**-**	**(353 113)**	**1 068**	**190**	**(3 778 803)**	**1 277 941**
Investment properties														
Investment property	5 512 774	-	-	-	-	-	**5 512 774**	(1 068 698)	-	(33 209)	-	-	**(1 101 907)**	4 410 867
	5 512 774	**-**	**-**	**-**	**-**	**-**	**5 512 774**	**(1 068 698)**	**-**	**(33 209)**	**-**	**-**	**(1 101 907)**	**4 410 867**
Total														
Land	27 776 505	-	-	-	-	-	**27 776 505**	-	-	-	-	-	-	27 776 505
Infrastructure	1 802 262	-	30 515	-	1 499 999	-	**3 332 776**	(436 651)	-	(97 067)	-	(45)	**(533 763)**	2 799 013
Buildings	51 395 971	-	6 226 014	-	-	-	**57 621 985**	(29 865 170)	-	(2 521 162)	-	-	**(32 386 332)**	25 235 653
Other assets	90 105 279	1 974	9 935 366	(2 783 149)	-	-	**97 259 470**	(58 613 334)	-	(6 047 985)	2 523 378	477 283	**(61 660 658)**	35 598 812
Intangible assets	4 708 337	-	39 475	(1 068)	310 000	-	**5 056 744**	(3 426 948)	-	(353 113)	1 068	190	**(3 778 803)**	1 277 941
Investment properties	5 512 774	-	-	-	-	-	**5 512 774**	(1 068 698)	-	(33 209)	-	-	**(1 101 907)**	4 410 867
	181 301 128	**1 974**	**16 231 370**	**(2 784 217)**	**1 809 999**	**-**	**196 560 254**	**(93 410 801)**	**-**	**(9 052 536)**	**2 524 446**	**477 428**	**(99 461 463)**	**97 098 791**

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix C
June 2023

Segmental analysis of property, plant and equipment as at 30 June 2023

	Cost/Revaluation							Accumulated Depreciation						
	Opening Balance Rand	Additions Rand	Disposals Rand	Corrections and Transfers Rand	WIP Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Corrections and Transfers Rand	Depreciation Rand	Other changes, movements Rand	Closing Balance Rand	Carrying value Rand
Municipality														
Administration	25 091 377	136 847	(561 712)	-	-	-	**24 666 512**	(8 979 164)	512 281	-	(534 564)	9 624	**(8 991 823)**	15 674 689
Council general	733 012	2 082 323	-	-	-	-	**2 815 335**	(345 160)	-	-	(159 042)	603	**(503 599)**	2 311 736
Municipal manager	263 040	175 278	-	-	-	-	**438 318**	(113 874)	-	-	(33 906)	200	**(147 580)**	290 738
Tourism	201 348	-	(2 435)	-	-	-	**198 913**	(170 710)	2 398	-	(5 744)	1 570	**(172 486)**	26 427
Internal audit	39 528	-	(2 455)	-	-	-	**37 073**	(38 715)	2 452	-	(270)	67	**(36 466)**	607
Human resources	250 949	-	(1 148)	-	-	-	**249 801**	(172 510)	1 144	-	(14 648)	1 065	**(184 949)**	64 852
Strategic services	85 311	-	-	-	-	-	**85 311**	(74 180)	-	-	(1 893)	665	**(75 408)**	9 903
Risk management	16 224	-	-	-	-	-	**16 224**	(16 046)	-	-	(47)	21	**(16 072)**	152
Health	5 224 104	232 221	(121 851)	-	-	-	**5 334 474**	(2 270 329)	119 929	-	(306 719)	7 488	**(2 449 631)**	2 884 843
Ganzekraal - Public amenity	8 638 177	1 245 056	(42 022)	-	-	-	**9 841 211**	(2 985 978)	32 796	-	(240 356)	19 437	**(3 174 101)**	6 667 110
Disaster management - Public safety	81 009 695	3 997 984	(13 715)	-	-	-	**84 993 964**	(49 540 516)	12 597	-	(4 039 266)	109 248	**(53 457 937)**	31 536 027
Disaster management - Public safety	16 745 141	515 306	(20 742)	-	-	-	**17 239 705**	(9 988 383)	20 370	-	(1 152 593)	27 963	**(11 092 643)**	6 147 062
Finance	11 760 365	279 660	(8 864)	-	-	-	**12 031 161**	(7 182 752)	7 508	-	(721 735)	37 872	**(7 859 107)**	4 172 054
Land & buildings	1 893 869	-	-	-	-	-	**1 893 869**	(481 029)	-	-	(39 349)	96 146	**(424 232)**	1 469 637
Water	34 793 272	3 562 093	(321 465)	-	3 808 197	-	**41 842 097**	(14 914 659)	314 264	-	(2 368 201)	150 484	**(16 818 112)**	25 023 985
Planning and development	795 599	4 226 276	-	-	-	-	**5 021 875**	(331 050)	-	-	(168 632)	-	**(499 682)**	4 522 193
Development	49 570	-	(1 294)	-	-	-	**48 276**	(48 635)	1 296	-	(186)	1 114	**(46 411)**	1 865
Information technology	7 159 674	1 022 076	-	-	-	-	**8 181 750**	(1 807 773)	-	-	(803 193)	5 896	**(2 605 070)**	5 576 680
	194 750 255	**17 475 120**	**(1 097 703)**	-	**3 808 197**	-	**214 935 869**	**(99 461 463)**	**1 027 035**	-	**(10 590 344)**	**469 463**	**(108 555 309)**	**106 380 560**

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix D
June 2023

Segmental Statement of Financial Performance for the year ended

30 June 2022				30 June 2023		
Actual Income Rand	Actual Expenditure Rand	Surplus /(Deficit) Rand		Actual Income Rand	Actual Expenditure Rand	Surplus /(Deficit) Rand
			Municipality			
1 270 907	15 580 420	(14 309 513)	Executive & Council/Mayor and Council	4 850 440	18 352 689	(13 502 249)
124 364 336	46 778 836	77 585 500	Finance & Admin/Finance	144 721 992	27 489 790	117 232 202
101 438	7 695 975	(7 594 537)	Planning and Development/Economic Development/Plan	2 640 662	8 068 041	(5 427 379)
12 951 297	28 302 447	(15 351 150)	Health/Clinics	13 783 078	29 518 473	(15 735 395)
1 902	2 713 477	(2 711 575)	Comm. & Social/Libraries and archives	54 612	3 725 610	(3 670 998)
3 020 784	2 075 351	945 433	Housing	3 130 329	2 323 313	807 016
17 831 294	45 229 741	(27 398 447)	Public Safety/Police	13 658 930	48 001 207	(34 342 277)
4 614 255	6 699 669	(2 085 414)	Sport and Recreation	4 745 549	7 664 176	(2 918 627)
212 177 969	212 177 969	-	Road Transport/Roads	232 413 117	232 413 117	-
106 312 189	107 257 622	(945 433)	Water/Water Distribution	132 817 311	133 624 327	(807 016)
482 646 371	**474 511 507**	**8 134 864**		**552 816 020**	**511 180 743**	**41 635 277**

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix E (1)
June 2023

Schedule of external loans as at 30 June 2023

	Loan Number	Redeemable	Balance at 30 June 2022	Interest paid less interest not paid during the period	Redeemed written off during the period	Balance at 30 June 2023	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
			Rand	Rand	Rand	Rand	Rand	Rand
External loans								
DBSA	1	31/12/2022	1 500 000	-	1 500 000	-	-	-
			1 500 000	**-**	**1 500 000**	**-**	**-**	**-**

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix E(2)
June 2023

Budget Analysis of Capital Expenditure as at 30 June 2023

	Additions	Revised Budget	Variance	Variance	Explanation of significant variances from budget
	Rand	Rand	Rand	%	
Municipality					
Executive & Council/Mayor and Council	2 257 602	2 664 620	407 018	**15**	Less expenditure due to savings and the implementation of cost containment on projects..
Finance & Admin/Finance	1 438 584	3 098 700	1 660 116	**54**	Less expenditure due to savings and the implementation of cost containment on projects.
Planning and Development/Economic Development/Plan	3 757 099	5 130 784	1 373 685	**27**	Less expenditure due to savings and the implementation of cost containment on projects.
Health	232 221	1 100 000	867 779	**79**	Less expenditure due to savings and the implementation of cost containment on projects.
Disaster Management	515 305	574 000	58 695	**10**	Less expenditure due to savings and the implementation of cost containment on projects.
Public Safety	3 997 983	4 570 261	572 278	**13**	Less expenditure due to savings and the implementation of cost containment on projects.
Sport and Recreation	1 245 056	2 991 300	1 746 244	**58**	Less expenditure due to savings and the implementation of cost containment on projects.
Landfill	469 177	753 454	284 277	**38**	Less expenditure due to savings and the implementation of cost containment on projects
Water/Water Distribution	5 560 291	6 763 194	1 202 903	**18**	Less expenditure due to savings and the implementation of cost containment on projects.
	19 473 318	**27 646 313**	**8 172 995**	**30**	

AUDITOR-GENERAL SOUTH AFRICA

West Coast District Municipality
Appendix F
Disclosures of Grants and Subsidies in terms of Section 123 MFMA, 56 of 2003
June 2023

Name of Grants	Quarterly Receipts					Quarterly Expenditure					Did y municipality co ly wi the gr condi s ir terms gra frame k in t late Divisi of Rever Ac
	Jun	Sep	Dec	Mar	Jun	Jun	Sep	Dec	Mar	Jun	Yes/
EPWP Grant	-	299 000	538 000	357 000	-	540 922	365 342	395 283	283 963	150 409	Yes
FMG Grant	-	1 000 000	-	-	-	545 288	89 622	167 995	98 533	643 850	Yes
Rural Roads management	-	1 894 000	-	813 000	-	731 833	194 256	726 895	461 599	1 323 898	Yes
Working for Water	676 158	-	-	419 330	205 083	105 691	-	150 204	328 707	145 500	Yes
CDW Grant	-	-	75 000	-	-	71 999	-	-	6 825	83 018	Yes
Co-ordination and Model	-	-	-	-	200 000	-	-	-	-	-	Yes
Provincial : LG internship	250 000	-	-	100 000	-	96 567	-	-	-	223 833	Yes
Provincia Government -l Employment support	200 000	-	-	-	-	-	-	-	-	200 000	Yes
Provincial Government - Joint District Metro Approach	1 820 000	-	-	-	1 000 000	-	-	-	-	1 820 000	Yes
Fire services	-	821 000	-	-	-	-	-	-	-	-	Yes
Road Infrastructure	-	-	-	-	1 900 000	-	-	-	-	1 900 000	Yes
WSOA	2 323 000	-	1 500 000	-	-	471 312	143 787	223 539	1 564 132	1 098 985	Yes
Provincial Government - Financial Management	500 000	-	-	-	200 000	-	-	-	-	-	Yes
	5 769 158	4 014 000	2 113 000	1 689 330	3 505 083	2 563 612	793 007	1 663 916	2 743 759	7 589 493	

AUDITOR-GENERAL SOUTH AFRICA

Unaudited schedule: Appendix G

Reconciliation of Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Description	2022/2023											2021/2022			
R thousand	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Revenue - Standard															
Governance and administration	**132 504**	**9 879**	**142 383**	–	–	**142 383**	**149 572**	–	**7 189**	105,05	112,88	–	–	–	**125 635**
Executive and council	1 500	4 797	6 297	–	–	6 297	4 850	–	(1 447)	77,03	323,36	–	–	–	1 271
Budget and treasury office	131 004	5 082	136 086	–	–	136 086	144 712	–	8 626	106,34	110,46	–	–	–	124 331
Corporate services	–	–	–	–	–	–	10	–	10	-	-	–	–	–	33
Community and public safety	**36 491**	**(13)**	**36 478**	–	–	**36 478**	**35 372**	–	**(1 106)**	96,97	96,93	–	–	–	**38 420**
Community and social services	–	41	41	–	–	41	55	–	14	-	-	–	–	–	2
Sport and recreation	4 187	–	4 187	–	–	4 187	4 746	–	559	113,35	113,35	–	–	–	4 614
Public safety	18 428	–	18 428	–	–	18 428	13 659	–	(4 770)	74,12	74,12	–	–	–	17 831
Housing	–	–	–	–	–	–	3 130	–	3 130	-	-	–	–	–	3 021
Health	13 876	(54)	13 822	–	–	13 822	13 783	–	(39)	99,72	99,33	–	–	–	12 951
Economic and environmental services	**171 286**	**92 011**	**263 297**	–	–	**263 297**	**235 054**	–	**(28 243)**	89,27	137,23	–	–	–	**212 279**
Planning and development	75	3 230	3 305			3 305	2 641		(665)	79,89	3 520,88				101
Road transport	171 211	88 781	259 992	–		259 992	232 413		(27 578)	89,39	135,75				212 178
Environmental protection	–	–	–	–	–	–	–		–	-	-				–
Trading services	**124 931**	**–**	**124 931**	–	–	**124 931**	**132 817**	–	**7 887**	106,31	106,31	–	–	–	**106 312**
Electricity	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Water	124 931	–	124 931	–	–	124 931	132 817	–	7 887	106,31	106,31	–	–	–	106 312
Waste water management	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Waste management	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	-	-	–	–	–	(0)
Total Revenue - Standard	**465 211**	**101 878**	**567 089**	–	–	**567 089**	**552 816**	–	**(14 273)**	97,48	118,83	–	–	–	**482 646**
Expenditure - Standard															
Governance and administration	**68 956**	**8 048**	**77 004**	–	–	**77 004**	**43 208**	–	**(33 796)**	56,11	**62,66**	–	–	–	**59 564**
Executive and council	15 568	2 920	18 488	–	–	18 488	15 718	–	(2 770)	85,02	**100,96**	–	–	–	12 785
Budget and treasury office	51 102	5 128	56 230	–	–	56 230	19 422	–	(36 808)	34,54	**38,01**	–	–	–	39 540
Corporate services	2 286	–	2 286	–	–	2 286	8 068	–	5 782	352,91	**352,91**	–	–	–	7 239
Community and public safety	**92 852**	**1 682**	**94 534**	–	–	**94 534**	**91 233**	–	**(3 302)**	96,51	**98,26**	–	–	–	**85 021**
Community and social services	3 598	41	3 639	–	–	3 639	3 726	–	87	102,38	**103,55**	–	–	–	2 713
Sport and recreation	7 517	1 445	8 962	–	–	8 962	7 664	–	(1 298)	85,52	**101,96**	–	–	–	6 700
Public safety	49 906	250	50 156	–	–	50 156	48 001	–	(2 155)	95,70	**96,18**	–	–	–	45 230
Housing	–	–	–	–	–	–	2 323	–	2 323	-	-	–	–	–	2 075
Health	31 831	(54)	31 777	–	–	31 777	29 518	–	(2 259)	92,89	**92,73**	–	–	–	28 302
Economic and environmental services	**180 585**	**90 035**	**270 621**	–	–	**270 621**	**240 463**	–	**(30 158)**	88,86	**133,16**	–	–	–	**219 874**
Planning and development	9 375	1 254	10 629	–	–	10 629	8 049	–	(2 580)	75,73	**85,86**	–	–	–	7 696
Road transport	171 211	88 781	259 992	–	–	259 992	232 413	–	(27 578)	89,39	**135,75**	–	–	–	212 178
Environmental protection	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Trading services	**124 840**	**(61)**	**124 779**	–	–	**124 779**	**133 643**	–	**8 864**	107,10	**107,05**	–	–	–	**107 258**
Electricity	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Water	124 836	(81)	124 755	–	–	124 755	133 624	–	8 869	107,11	**107,04**	–	–	–	107 258
Waste water management	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Waste management	4	20	24	–	–	24	19	–	(6)	76,87	**445,75**	–	–	–	–
Other	3 120	–	3 120	–	–	3 120	2 635	–	(486)	84,44	**84,44**	–	–	–	2 796
Total Expenditure - Standard	**470 354**	**99 704**	**570 059**	–	–	**570 059**	**511 181**	–	**(58 878)**	89,67	**108,68**	–	–	–	**474 512**
Surplus/(Deficit) for the year	**(5 143)**	**2 173**	**(2 970)**			**(2 970)**	**41 635**		**44 605**						**8 135**

AUDITOR-GENERAL SOUTH AFRICA

Unaudited schedule: Appendix G

Reconciliation of Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2022/2023											2021/2022			
R thousand	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Revenue by Vote															
Vote 1- EXECUTIVE AND COUNCIL	1 784	6 178	7 961	–	–	7 961	6 057	–	(1 904)	76,08	339,58	–	–	–	2 003
Vote 2 - FINANCE	129 869	4 632	134 501	–	–	134 501	146 853	–	12 352	109,18	113,08	–	–	–	126 555
Vote 3 - ADMINISTRATION	32 413	(13)	32 399	–	–	32 399	27 507	–	(4 893)	84,90	84,86	–	–	–	30 817
Voe 4 - TECHNICAL	132 643	2 300	134 943	–	–	134 943	142 693	–	7 750	105,74	107,58	–	–	–	113 679
Vote 5 - AGENCIES	168 504	88 781	257 285	–	–	257 285	229 706	–	(27 578)	89,28	136,32	–	–	–	209 592
Vote 6 - [NAME OF VOTE 6]															
Vote 7 - [NAME OF VOTE 7]															
Vote 8 - [NAME OF VOTE 8]															
Vote 9 - [NAME OF VOTE 9]															
Vote 10 - [NAME OF VOTE 10]															
Vote 11 - [NAME OF VOTE 11]															
Vote 12 - [NAME OF VOTE 12]															
Vote 13 - [NAME OF VOTE 13]															
Vote 14 - [NAME OF VOTE 14]															
Vote 15 - [NAME OF VOTE 15]															
Total Revenue by Vote	465 211	101 878	567 089	–	–	567 089	552 816	–	(14 273)	97,48	118,83	–	–	–	482 646
Expenditure by Vote *to be appropriated*															
Vote 1- EXECUTIVE AND COUNCIL	34 596	5 938	40 534	–	–	40 534	32 143	–	(8 392)	79,30	92,91	–	–	–	31 043
Vote 2 - FINANCE	37 269	3 990	41 259	–	–	41 259	25 029	–	(16 230)	60,66	67,16	–	–	–	39 486
Vote 3 - ADMINISTRATION	93 348	237	93 585	–	–	93 585	89 313	–	(4 272)	95,44	95,68	–	–	–	83 485
Voe 4 - TECHNICAL	136 638	758	137 396	–	–	137 396	134 990	–	(2 407)	98,25	98,79	–	–	–	110 906
Vote 5 - AGENCIES	168 504	88 781	257 285	–	–	257 285	229 706	–	(27 578)	89,28	136,32	–	–	–	209 592
Vote 6 - [NAME OF VOTE 6]															
Vote 7 - [NAME OF VOTE 7]															
Vote 8 - [NAME OF VOTE 8]															
Vote 9 - [NAME OF VOTE 9]															
Vote 10 - [NAME OF VOTE 10]															
Vote 11 - [NAME OF VOTE 11]															
Vote 12 - [NAME OF VOTE 12]															
Vote 13 - [NAME OF VOTE 13]															
Vote 14 - [NAME OF VOTE 14]															
Vote 15 - [NAME OF VOTE 15]															
Total Expenditure by Vote	470 354	99 704	570 059	–	–	570 059	511 181	–	(58 878)	89,67	108,68	–	–	–	474 512
Surplus/(Deficit) for the year	(5 143)	2 173	(2 970)	–	–	(2 970)	41 635	–	44 605	0	0	–	–	–	8 135

AUDITOR-GENERAL SOUTH AFRICA

Unaudited schedule: Appendix G

Reconciliation of Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2022/2023											2021/2022			
R thousand	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Revenue By Source															
Property rates	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Property rates - penalties & collection charges	–	–	–	–	–	–	–		–	-	-				–
Service concession - electricity revenue	1 419	–	1 419	–	–	1 419	1 254	–	(166)	88,33	88,33	–	–	–	1 223
Service concession - water revenue	125 019	–	125 019	–	–	125 019	137 919	–	12 899	110,32	110,32	–	–	–	111 430
Service concession - sanitation revenue	113	–	113	–	–	113	108	–	(4)	96,13	96,13	–	–	–	106
Service concession - refuse revenue	81	–	81	–	–	81	78	–	(4)	95,13	95,13	–	–	–	76
Service concession - other	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Rental of facilities and equipment	3 528	–	3 528	–	–	3 528	4 746	–	1 217	134,51	134,51	–	–	–	4 639
Interest earned - external investments	14 942	–	14 942	–	–	14 942	24 602	–	9 660	164,65	164,65	–	–	–	14 185
Interest earned - outstanding debtors	152	–	152	–	–	152	80	–	(72)	52,91	52,91	–	–	–	73
Actuarial gains recognised Employee Benefits	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Fines	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Licences and permits	247	–	247	–	–	247	342	–	95	138,34	138,34	–	–	–	264
Agency services	169 423	88 727	258 150	–	–	258 150	249 518	–	(8 631)	96,66	147,28	–	–	–	230 060
Transfers recognised - operational	30 193	3 520	33 713	–	–	33 713	37 236	–	3 523	110,45	123,33	–	–	–	28 334
Other revenue	119 882	5 032	124 914	–	–	124 914	96 935	–	(27 980)	77,60	80,86	–	–	–	92 257
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**464 999**	**97 279**	**562 278**	**–**	**–**	**562 278**	**552 816**	**–**	**(9 462)**	**98,32**	**118,89**	**–**	**–**	**–**	**482 646**
Expenditure By Type															
Employee related costs	231 551	(1 596)	229 956	–	–	229 956	226 480	–	(3 475)	98,49	97,81	–	–	–	213 762
Remuneration of councillors	7 229	–	7 229	–	–	7 229	7 594	–	365	105,05	105,05	–	–	–	7 568
Debt impairment	1 970	–	1 970	–	–	1 970	999	–	(971)	50,72	50,72	–	–	–	2 255
Depreciation & asset impairment	11 238	–	11 238	–	–	11 238	10 121	–	(1 117)	90,06	90,06	–	–	–	8 574
Finance charges	1 090	184	1 274	–	–	1 274	65	–	(1 210)	5,08	5,94	–	–	–	323
Bulk purchases	–	–	–	–	–	–	–	–	–	-	-	–	–	–	12 414
Other materials	78 861	44 616	123 477	–	–	123 477	86 189	–	(37 287)	69,80	109,29	–	–	–	83 008
Contracted services	38 721	45 131	83 852	–	–	83 852	72 631	–	(11 221)	86,62	187,57	–	–	–	49 653
Transfers and grants	1 458	1 698	3 155	–	–	3 155	2 094	–	(1 061)	66,37	143,67	–	–	–	913
Other expenditure	96 518	9 672	106 190	–	–	106 190	104 942	–	(1 248)	98,82	108,73	–	–	–	96 041
Loss on disposal of PPE	1 717	–	1 717	–	–	1 717	65	–	(1 652)	3,79	3,79	–	–	–	–
Total Expenditure	**470 354**	**99 704**	**570 059**	**–**	**–**	**570 059**	**511 181**	**–**	**(58 878)**	**89,67**	**108,68**	**–**	**–**	**–**	**474 512**
Surplus/(Deficit)	**(5 355)**	**(2 425)**	**(7 780)**	**–**	**–**	**(7 780)**	**41 635**	**–**	**49 416**	**(535,14)**	**(777,46)**	**–**	**–**	**–**	**8 135**
Transfers recognised - capital	213	4 598	4 811	–	–	4 811	–	–	(4 811)	-	-	–	–	–	–
Contributions recognised - capital	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Contributed assets	–	–	–	–	–	–	–	–	–	-	-	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**(5 143)**	**2 173**	**(2 970)**	**–**	**–**	**(2 970)**	**41 635**	**–**	**44 605**	**(1 402,05)**	**(809,59)**	**–**	**–**	**–**	**8 135**
Taxation	–	–	–	–	–	–		–	–			–	–	–	–
Surplus/(Deficit) after taxation	**(5 143)**	**2 173**	**(2 970)**	**–**	**–**	**(2 970)**	**41 635**	**–**	**44 605**	**(1 402,05)**	**(809,59)**	**–**	**–**	**–**	**8 135**
Attributable to minorities	–	–	–	–	–	–		–	–			–	–	–	–
Surplus/(Deficit) attributable to municipality	**(5 143)**	**2 173**	**(2 970)**	**–**	**–**	**(2 970)**	**41 635**	**–**	**44 605**	**(1 402,05)**	**(809,59)**	**–**	**–**	**–**	**8 135**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–			–	–	–	–
Surplus/(Deficit) for the year	**(5 143)**	**2 173**	**(2 970)**	**–**	**–**	**(2 970)**	**41 635**	**–**	**44 605**	**(1 402,05)**	**(809,59)**	**–**	**–**	**–**	**8 135**

AUDITOR-GENERAL SOUTH AFRICA

Unaudited schedule: Appendix G

Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2022/2023											2021/2022			
R thousand	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Capital expenditure - Vote															
Multi-year expenditure															
Vote 1- EXECUTIVE AND COUNCIL	100	1 905	2 005	–	–	2 005	1 272	–	(733)	63,46	1 272,38	–	–	–	554
Vote 2 - FINANCE	2 450	991	3 441	–	–	3 441	1 583	–	(1 859)	45,99	64,60	–	–	–	1 991
Vote 3 - ADMINISTRATION	4 685	(33)	4 652	–	–	4 652	4 274	–	(378)	91,87	91,22	–	–	–	9 199
Voe 4 - TECHNICAL	5 040	7 119	12 159	–	–	12 159	10 037	–	(2 122)	82,55	199,16	–	–	–	2 887
Vote 5 - AGENCIES	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	**12 275**	**9 982**	**22 257**	**–**	**–**	**22 257**	**17 166**	**–**	**(5 091)**	**0**	**2**	**–**	**–**	**–**	**14 631**
Single-year expenditure															
Vote 1- EXECUTIVE AND COUNCIL	388	272	660	–	–	660	244	–	(416)	36,99	62,96	–	–	–	204
Vote 2 - FINANCE	575	1 909	2 484	–	–	2 484	1 161	–	(1 323)	46,73	201,85	–	–	–	316
Vote 3 - ADMINISTRATION	490	1 267	1 757	–	–	1 757	560	–	(1 198)	31,86	114,26	–	–	–	1 031
Voe 4 - TECHNICAL	495	(7)	488	–	–	488	343	–	(146)	70,17	69,23	–	–	–	361
Vote 5 - AGENCIES	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	**1 948**	**3 442**	**5 389**	**–**	**–**	**5 389**	**2 307**	**–**	**(3 082)**	**42,81**	**118,47**	**–**	**–**	**–**	**1 911**
Total Capital Expenditure - Vote	**14 223**	**13 424**	**27 646**	**–**	**–**	**27 646**	**19 473**	**–**	**(8 173)**	**70,44**	**136,92**	**–**	**–**	**–**	**16 541**
Capital Expenditure - Standard															
Governance and administration	**3 358**	**2 816**	**6 174**	**–**	**–**	**6 174**	**3 367**	**–**	**(2 807)**	**54,54**	**100,28**	**–**	**–**	**–**	**8 737**
Executive and council	488	1 877	2 365	–	–	2 365	1 719	–	(646)	72,69	352,60	–	–	–	681
Budget and treasury office	2 870	939	3 809	–	–	3 809	1 648	–	(2 161)	43,27	57,42	–	–	–	8 057
Corporate services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety	**5 330**	**3 495**	**8 825**	**–**	**–**	**8 825**	**5 726**	**–**	**(3 099)**	**64,88**	**107,43**	**–**	**–**	**–**	**4 480**
Community and social services	494	–	494	–	–	494	546	–	52	110,47	110,47	–	–	–	487
Sport and recreation	1 100	1 891	2 991	–	–	2 991	1 245	–	(1 746)	41,62	113,19	–	–	–	367
Public safety	2 996	1 444	4 440	–	–	4 440	3 760	–	(680)	84,68	125,49	–	–	–	3 418
Housing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health	740	160	900	–	–	900	176	–	(724)	19,54	23,77	–	–	–	208
Economic and environmental services	**275**	**4 856**	**5 131**	**–**	**–**	**5 131**	**3 619**	**–**	**(1 512)**	**70,54**	**1 316,10**	**–**	**–**	**–**	**241**
Planning and development	275	4 856	5 131	–	–	5 131	3 619	–	(1 512)	70,54	1 316,10	–	–	–	241
Road transport	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services	**5 260**	**2 257**	**7 517**	**–**	**–**	**7 517**	**6 761**	**–**	**(756)**	**89,95**	**128,53**	**–**	**–**	**–**	**3 073**
Electricity	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Water	5 260	1 503	6 763	–	–	6 763	6 292	–	(471)	93,03	119,61	–	–	–	2 763
Waste water management	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste management	–	753	753	–	–	753	469	–	(284)	62,27	–	–	–	–	310
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	10
Total Capital Expenditure - Standard	**14 223**	**13 424**	**27 646**	**–**	**–**	**27 646**	**19 473**	**–**	**(8 173)**	**70,44**	**136,92**	**–**	**–**	**–**	**16 541**
Funded by:															
National Government	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Government	213	4 598	4 811	–	–	4 811	–	–	(4 811)	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	**213**	**4 598**	**4 811**	**–**	**–**	**4 811**	**–**	**–**	**(4 811)**	**–**	**–**	**–**	**–**	**–**	**–**
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	86
Borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	**14 010**	**8 826**	**22 836**	**–**	**–**	**22 836**	**19 473**	**–**	**(3 362)**	**85,28**	**139,00**	**–**	**–**	**–**	**16 455**
Total Capital Funding	**14 223**	**13 424**	**27 646**	**–**	**–**	**27 646**	**19 473**	**–**	**(8 173)**	**70,44**	**136,92**	**–**	**–**	**–**	**16 541**

AUDITOR-GENERAL SOUTH AFRICA

Unaudited schedule: Appendix G

Reconciliation of Table A7 Budgeted Cash Flows

Description	2022/2023								2021/2022
R thousand	Original Budget	Budget Adjustments (i.t.o. s28)	Final adjustments budget	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
	1	2	3	6	7	9	10	11	12
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Service concession revenue	128 133	–	128 133	128 133	139 358	11 225	108,76	108,76	112 835
Government - operating	30 406	–	30 406	30 406	37 236	6 830	122,46	122,46	28 684
Government - capital	–	–	–	–	–	–	-	-	–
Other revenue	293 080	93 759	386 839	386 839	357 331	(29 508)	92,37	121,92	318 681
Interest	15 094	–	15 094	15 094	24 602	9 508	–	–	14 185
Dividends	–	–	–	–	–	–	–	–	–
Payments	–	–	–		–				–
Suppliers and employees	(444 445)	(58 555)	(503 000)	(503 000)	(521 315)	(18 315)	103,64	117,30	(453 504)
Finance charges	(1 090)	(150)	(1 240)	(1 240)	(65)	1 176	5,22	5,94	(323)
Transfers and Grants	(1 458)	(1 991)	(3 449)	(3 449)	(2 094)	1 354	60,73	143,67	(913)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**19 719**	**33 063**	**52 782**	**52 782**	**35 052**	**(17 730)**	**66,41**	**177,76**	**19 643**
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	1 500	–	1 500	1 500	1 500	–	100,00	100,00	3 000
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–
Payments			–						
Capital assets	(14 223)	(13 424)	(27 646)	(27 646)	(19 468)	8 179	70,42	136,88	(16 171)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(12 723)**	**(13 424)**	**(26 146)**	**(26 146)**	**(17 968)**	**8 179**	**68,72**	**141,23**	**(13 171)**
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–		–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	-	-	–
Increase (decrease) in consumer deposits	–	–	–	–		–	–	–	–
Payments									
Repayment of borrowing	(1 500)	–	(1 500)	(1 500)	(1 500)	–	100,00	100,00	(3 000)
Finance lease payments	–	–	–	–	–	–	-	-	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(1 500)**	**–**	**(1 500)**	**(1 500)**	**(1 500)**	**–**	**-**	**-**	**(3 000)**
NET INCREASE/ (DECREASE) IN CASH HELD	5 496	19 639	25 136	25 136	15 585	(9 551)	62,00	–	3 472
Cash/cash equivalents at the year begin:	321 290	–	321 290	–	328 744	328 744	–	–	325 272
Cash/cash equivalents at the year end:	326 786	19 639	346 426	25 136	344 329	319 193	–	–	328 744

AUDITOR-GENERAL SOUTH AFRICA