



FINAL ANNUAL REPORT



ON THE PERFORMANCE OF **KAROO HOOGLAND MUNICIPALITY**

FOR THE 2023/2024 FINANCIAL YEAR

IN TERMS OF
SECTION 46 OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 2000
AND
SECTION 121 OF THE MUNICIPAL FINANCIAL MANAGEMENT ACT, 2003

ANNUAL REPORT PROCESS AND PROGRESS:

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CHAPTER 1: MAYOR'S FOREWORD & EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD



**Councillor JE Davids
Mayor**

INTRODUCTION & VISION

It is my privilege as the newly elected Mayor to introduce and present the 2023/2024 Annual Report of Karoo Hoogland Municipality to Council and residents of the Karoo Hoogland Municipal area. In terms of Section 46 of the Local Government: Municipal Systems Act No. 32 of 2000 and Sections 121 and 127(2) of the Local Government: Municipal Finance Management Act, No.56 of 2003, *the Municipality must prepare an Annual Report for each financial year, which must be tabled by the Mayor within seven months after the end of each financial year.*

The Annual Report reflects and looks back on the planned performance of the IDP and Budget of the municipality for the 2023/2024 financial year and is a true reflection.

This Annual Report contributes to the constitutional mandate of Karoo Hoogland Municipality **to deliver services to its residents** and actively involve them in the affairs of the municipality. Transparent, accountable and efficient service delivery.

The Vision statement of the Karoo Hoogland Municipality stated in the IDP (2022/2027) serves as the blueprint for the development of the municipal area. This report showcases the collective effort between the Municipal Administration and Council to address and eradicate service backlogs, socio economic challenges and

council's contribution towards Local Economic Development.

Council must create an environment that will enhance economic development with specific focus on poverty alleviation and developing an environment conducive for the creation of direct and indirect job opportunities which is clearly achieved when you look at the figures for 2023/2024, where 70 EPWP jobs were created. However, I think that a more sustainable target should be set in the future in this regard.

THE MISSION

To provide local leadership on environmental sustainability and climate change response. As an authority that delivers municipal services to Karoo Hoogland municipal jurisdiction, we attempt, by means of a motivated staff, to develop Karoo Hoogland municipal jurisdiction increasingly as a pleasant, safe and affordable living and workplace for its residents - and a hospitable and relaxed visiting place for its visitors.

KEY POLICY DEVELOPMENTS

The focus of Karoo Hoogland Municipality is to be an economical growth node in the Northern Cape, earmarked by active community participation. In this journey the municipality is of the intention on aligning its goals and strategies to that of the National Development Plan – Vision 2030 (NDP) as well as other relevant National and Provincial strategies. The NDP priorities closely link to Karoo Hoogland Municipality.

The NDP 2030 focus on:

- Opportunities,
- Conditions,
- Rising living standards,
- Poverty reduction,
- Growth,
- Employment,
- Capabilities.

Even though a lot of challenges were experienced during 2023/2024, the municipality still succeeded in providing services of quality to the citizens, continue with maintenance of infrastructure in respect of ageing infrastructure and spending on the capital budget. The municipality implemented the following projects for the period under review (2023/2024) as part of the commitment to deliver adequate and quality services to the community.

- Sewage Reticulation Network and eradication of 185 UDS in Fraserburg
- Upgrading of the Williston Sport facilities at the Das Louw Sport facility (With Roll Over request)

The upgrading of the Sport Facilities in Williston commenced in March 2023 and rolled over to the year under review and was not completed thus another roll over to 2024/2025 was approved. Lack of proper project management will need to be addressed to ensure that projects are completed within the necessary time frames.

The Annual Report is in terms of accountability, a valuable instrument of government to assess the effectiveness of the Municipality and the impact it has on the community/residents. It not only provides an overview of the state of financial affairs of the Municipality and the administrative and governance maturity levels of the institution, but it also provides a synopsis of the successes achieved and the challenges experienced. It should be used in planning the next financial year to ensure that challenges are sufficiently addressed and planned for and possibly anticipated beforehand.

PUBLIC PARTICIPATION AND COMMUNICATION

The municipality believes that an informed community is the best and we try to keep the community updated with all the necessary information timeously in all the possible mediums/formats which we can afford. Cost Containment hinders publishing information in Newspapers, but alternative and more affordable platforms were used. Public Participation is key to all our processes and needed for transparency. Communication to the community will receive some attention in this current financial year to ensure that everyone understands their role in this crucial area.

FUTURE ACTIONS

The approved Capital projects for the years to come are as follows for which grant funding have already been secured:

- Upgrading of the Williston Sport facilities at the Das Louw Sport Facility (Rolled Over and in progress 2024/2025)
- Williston Waste Water treatment works (Contractor to be appointed)
- Sutherland Emergency Bulk Water Supply Phase 2 (Drilling, Civil, M&E)
- Fraserburg Internal Electrical network Upgrade

AGREEMENTS/PARTNERSHIPS

After interventions with Department of Public Works the following projects commenced during the 2022/2023 and was completed during the 2023/2024 year whereby Karoo Hoogland Municipality benefitted:

- Tarring of about 30km of the gravel road between Fraserburg and Williston

This road between Williston and Fraserburg is now fully tarred and should be maintained as it will receive a great amount of traffic being the only tar road between towns in Karoo Hoogland Municipal area.

Negotiations with the Renewable Energy sector (Windfarms surrounding Sutherland) include discussions on Social Labour Plans and employing community members of our area and thus creating an inductive environment for job creation.

With reference to the 150 serviced erven in Williston and the Bulk Internal Services being installed during the 2020/2021 year and the list with the first 50 beneficiaries were announced in October 2024, top structures are planned to be erected during the 2024/2025 financial year. Serviced erven in all three towns are in high demand and will need more attention to address all the housing backlogs still registered.

CONCLUSION

It has not been an easy task, particularly as the frustration of communities regarding matters over which municipalities have no control over, such as inadequate National Government funding for human settlement projects, are directed at municipalities as the sphere of government closest and most accessible to the communities.

Along this way I would like to thank the community at large, our administration for the positive contribution and positive attitude. We found ourselves in challenging times having 11 newly elected Councillors with a whole new Collective Executive System to adjust to.

As I look ahead, we must take stock of our current financial - and human resources. We must set targets and tell each other where we want to be in the next year and in the next five years. What we want to achieve and the level of services we want to deliver and continue to deliver. We must gather intelligence to see what we need and where we can adjust to be able to reach these goals. And then we must move forward as a team with these common goals, setting out clear strategies to achieve it to be accountable to the community we serve. Together we can move forward and deliver good quality services to all our voters.

Councillor JE Davids

Mayor : *Elected on 17 January 2025*

24 January 2025

COMPONENT B : EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW



Mr J Jonkers
Municipal Manager

This report records the progress made by the Municipality in fulfilling its objectives as reflected in the IDP, the Budget and the Service Delivery and Budget Implementation Plan. It also reflects on challenges and priorities for the 2023/2024 financial year.

Chapter 12 of MFMA Section 121 (1) stipulates that every municipality must for each financial year prepare an annual report in accordance with this Chapter.

Karoo Hoogland Municipality has compiled the annual report to comply with legislation to give members of community and all stakeholders the performance of the municipality as to how the IDP and budget was implemented.

The Karoo Hoogland Municipality was established in 2000. Karoo Hoogland is a category B municipality as determined in terms of Municipal Structures Act (1998). Karoo Hoogland is a municipality with a Collective Executive System as contemplated in Section 2(a) of the Northern Province Determination of Types of Municipalities Act (2000) since 1 November 2021.

In terms of its category B status the Karoo Hoogland Municipality has been empowered to perform the following functions as bestowed upon it by the Constitution in terms of section 156(1) and the division of powers and functions.

Municipal Functions/District		
Municipal Functions	Function Applicable To Municipality	District
Water Provision	✓	
Waste Water (Sanitation)	✓	
Electricity Provision	✓	
Waste Management	✓	
Housing	✓ (Administrative function only)	
Free Basic Services	✓	
Road Transport	✓	
Waste Water Storm Water Drainage	✓	
Community Social Services	✓	
Museums	✓	
Cemeteries	✓	
Environmental Protection	✓	
Health	✓	
Health Inspections and Abattoir		✓
Security and Safety		✓
Sport and Recreation	✓	
Disaster Management	Shared Service Agreement with District	✓
Air pollution		✓
Building regulations	Shared Service Agreement with District	✓
Firefighting services	Shared Service Agreement with District	✓

For the year under review, municipality obtained a qualified audit opinion. Good governance and compliance remain essential components to what we daily do. Our control measures and performance management systems are in place to track performance and demand service excellence, however there is a lot of room for improvement. Effective oversight, regular financial reporting and transparency helps us to maintain public trust from the residents that we serve.

Thank you to all employees for your hard work over the past year. It is an honor to serve with you in this municipality.

Mr J Jonkers
Municipal Manager
24 January 2025

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

This report addresses the performance of Karoo Hoogland Municipality (KHM) in the Northern Cape in 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 Council of the Municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality. **The 2023/2024 Annual Report reflects on the performance of KHM for the period 1 July 2023 to 30 June 2024.** The Annual Report is prepared in accordance with Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

1.2.1 INTRODUCTION TO BACKGROUND DATA

The Municipal Systems Act, Act 32 of 2000 states that:

- A Municipality is a state of organ within the local sphere of government exercising legislative and executive authority within an area determined in terms of the Local Government Municipal Demarcation Act, 1998
- It consists of –
 - the political structures and
 - administration of the municipality and
 - the community of the municipality

As stated by the act above, the Municipality represent the interests of the community and must take decisions that are reasonable and in the interest of the community.

MUNICIPAL CAPACITY, POWERS AND FUNCTIONS OF KAROO HOOGLAND MUNICIPALITY

The Karoo Hoogland Municipality was established in 2000. Karoo Hoogland is a category B municipality as determined in terms of Municipal Structures Act (1998). In terms of Section 9 of the Local Government: Municipal Structures Act (No. 117 of 1998) KHM **was** a Category B municipality with a plenary executive system combined with a ward participatory system until 31 October 2021.

WITH THE AMENDMENT TO THE STRUCTURES ACT IN 2021 THE FOLLOWING CHANGES WERE AFFECTED FROM 1 NOVEMBER 2021

- Karoo Hoogland changed from plenary executive system to a Section 9(b) **collective executive system combined with a ward participatory system.**
- Changed from 7 Councillors to 11 Councillors
- Changed from 4 Wards to 6 Wards
- Karoo Hoogland Municipality now have a Mayor and a Speaker as Full Time Councillors
- Council now has an Executive Committee with three EXCO members from the Patriotic Alliance, African National Congress and Democratic Alliance

The new local government structures are mandated to improve the quality of life of their citizens and residents. In terms of its category B status the Karoo Hoogland Municipality has been empowered to perform the **following functions** as bestowed upon them by the Constitution in terms of section 156(1) and the division of powers and functions.

The powers and functions performed by local authorities in South Africa are defined primarily in Section 156 and 229 of the Constitution (Act 108 of 1996). The Local Government Municipal Structures Act (117 of 1998),

read together with the Local Government Municipal Structures Amendment Act (33 of 2000), divides the powers and functions, as set out in the Constitution between district and local municipalities (Section 84). The Act, together with the Amendment Act, Section 85(1), allows the Member of Executive Council (MEC) for COGHSTA to further adjust the division of certain of these functions between district and local municipalities. Section 84(3)(a) allows only the Minister for Provincial and Local Government to authorize a local municipality to perform these functions.

Karoo Hoogland Municipality consists of the following towns and areas: Sutherland, Williston and Fraserburg and surrounding rural areas.

The municipality comprises an area of 29 423 km² and falls within the area of jurisdiction of Namakwa District Municipality.

Houses	* 2211	(Households serviced)
Households billed:	* 2211	
Population	* 13069	(Community Survey Census 2016)
	* 11 691	(Census 2022 outcome)

Registered erven	* 4290	(Per Valuation Roll)
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Informal structures	* +/- 60
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Total Households	* 3109 (Including Rural areas)
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Indigents as at 30/06/2020	* 912
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Indigents as at 30/06/2021	* 874
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<u>Indigents as at 30/06/2022</u>	* 897
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<u>Indigents as at 30/06/2023</u>	* 1090
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<u>Indigents as at 30/06/2024</u>	* 1210
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HOUSEHOLDS WITH ACCESS TO WATER AND BASIC SERVICES: 2211

Households with access to sanitation:	2211
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Households with access to electricity:	2211
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Households with access to refuse removal:	2211
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WARDS AND COUNCILLORS - SINCE 1 NOVEMBER 2021 – 30 JUNE 2024

Election Date : 1 November 2021

Constituency Council Meeting : 22 November 2021

The 6 wards:

Ward 1	A part of Williston
Ward 2	Fraserburg
Ward 3	Rural Surrounding Areas of the towns
Ward 4	Sutherland
Ward 5	A part of Williston
Ward 6	Rural Surrounding Areas and a part of Sutherland

The Municipal Council of Karoo Hoogland now consists of 11 members. Six (6) represent wards and five (5) are proportional representatives of political parties.

IN TERMS OF SECTION 9(b) OF THE LOCAL GOVERNMENT: MUNICIPAL STRUCTURES ACT (NO. 117 OF 1998) KHM IS NOW A CATEGORY B MUNICIPALITY WITH A COLLECTIVE EXECUTIVE SYSTEM COMBINED WITH A WARD PARTICIPATORY SYSTEM.

The eleven councillors represent the following political parties:**Declared Elected on 9 November 2021**

	political party	Ward/PR
Councillor (ms) MJ Chadow	Patriotic Alliance	PR
Councillor JE Davids	ANC	PR
Councillor R VDM Geel	FF PLUS	PR
Councillor AS Mietas	Patriotic Alliance	PR
Councillor (ms) SA Muller	ANC	Ward 4
Councillor (ms) EC Oliphant	ANC	Ward 6
Councillor VT Opperman	ANC	Ward 2
Councillor AE Steenkamp	DA	Ward 1
Councillor (ms) CG Steenkamp	DA	Ward 5
Councillor JJ Van der Colff	DA	Ward 3
Councillor (ms) VC Wentzel	ANC	PR

From 30 June 2023 until 30 June 2024 :

Elected as Mayor	Councillor AS Mietas	Removed on 27/12/2024
Elected as Speaker	Councillor VT Opperman	
EXCO Members:	Councillor AS Mietas	(PA)
	Councillor JE Davids	(ANC)
	Councillor JJ van der Colff	(DA)
Elected as Whip	Councillor MJ Chadow	Removed on 27/12/2024

New and Current as at 24 January 2025:

Mayor	Councillor JE Davids
Whip	Councillor EC Oliphant

Councillor AE Steenkamp resigned on 1 October 2024 and during a bi-election held on 4 December 2024 for Ward 1, a new Councillor joined the Council. Councillor ADP Willemse is now currently the Ward Councillor for Ward 1.

1.2.2 DEMOGRAPHIC INFORMATION & HISTORY

Karoo Hoogland Municipality had a total population of approximately **13069** according to STATS SA Consumer Survey done in 2016. At the beginning of 2022 the Census commenced and the outcome showed that the population for Karoo Hoogland has changed to be **11 691** which points to a decline in the population figures of about -0,7 % from 2011 until 2022.

South Africa, province, district and local municipality	DEMOGRAPHICS														Exponential Population Growth (% p.a.)	
	Population		Age Structure						Total Dependency Ratio per 100 (15-64)		Median age					
			<15		15-64		65+									
	2011	2022	2011	2022	2011	2022	2011	2022	2011	2022	2011	2022	2001-2011	2011-2022		
NW384 : Ditsobotla	168 902	164 176	32,6	29,6	61,9	64,4	5,5	6,0	61,5	55,3	24	26	1,4	-0,3		
NW385 : Ramotshere Moiloa	150 713	161 605	32,9	30,0	59,7	61,6	7,5	8,3	67,6	62,3	24	26	0,9	0,7		
Dr Ruth Segomotsi Mompati	463 815	508 192	35,2	32,7	58,4	60,8	6,4	6,5	71,3	64,4	22	24	0,8	0,9		
NW392 : Naledi	66 781	63 755	31,0	30,2	64,0	64,6	5,0	5,2	56,2	54,9	25	26	1,7	-0,5		
NW393 : Mmusu	60 355	70 483	36,5	32,8	58,5	62,2	5,0	5,0	71,0	60,7	22	23	2,2	1,5		
NW394 : Greater Taung	177 642	202 009	35,8	32,7	56,3	59,3	7,9	8,1	77,6	68,7	21	24	-0,3	1,2		
NW396 : Lekwa-Teemane	53 248	59 815	31,8	30,9	62,1	64,0	6,1	5,1	61,1	56,4	24	25	2,1	1,1		
NW397 : Kagisano/Molopo	105 789	112 130	37,6	34,9	56,5	59,0	5,9	6,1	77,1	69,4	21	23	0,5	0,6		
Dr Kenneth Kaunda	695 933	734 203	28,5	26,8	66,0	66,8	5,5	6,5	51,5	49,7	26	28	1,5	0,5		
NW403 : City of Matlosana	398 676	431 231	28,2	26,5	66,4	66,8	5,4	6,7	50,7	49,7	27	29	1,0	0,8		
NW404 : Maquassi Hills	77 794	90 302	33,0	31,0	61,8	63,8	5,2	5,2	61,8	56,9	24	25	1,2	1,4		
NW405 : JB Marks	219 463	212 670	27,4	25,4	66,8	68,0	5,8	6,5	49,7	47,0	26	29	2,5	-0,3		
Northern Cape	1 145 861	1 355 945	30,1	27,8	64,2	65,6	5,7	6,6	55,7	52,5	25	27	1,4	1,6		
John Taolo Gaetsewe	224 799	272 454	34,0	31,4	61,2	62,9	4,8	5,7	63,3	59,0	23	25	1,6	1,9		
NC451 : Joe Morolong	89 530	125 420	39,4	34,8	54,2	58,0	6,4	7,1	84,6	72,3	20	22	-0,9	3,3		
NC452 : Ga-Segonyana	93 651	117 454	32,5	29,6	63,2	65,9	4,3	4,5	58,1	51,7	23	26	2,9	2,2		
NC453 : Gamagara	41 617	29 580	25,5	24,5	71,9	71,4	2,6	4,1	39,0	40,0	27	30	5,8	-3,3		
Namakwa	115 842	148 935	25,8	23,1	66,1	67,4	8,1	9,5	51,2	48,3	30	32	0,7	2,4		
NC061 : Richtersveld	11 982	24 235	23,8	24,1	70,2	68,9	6,0	6,9	42,5	45,1	30	32	1,7	6,8		
NC062 : Nama Khoi	47 041	67 089	24,9	21,4	66,9	68,2	8,2	10,5	49,4	46,7	30	34	0,5	3,4		
NC064 : Kamiesberg	10 187	15 130	26,5	22,3	63,3	66,0	10,2	11,7	57,9	51,6	31	32	-0,5	3,8		
NC065 : Hantam	21 671	22 281	27,4	25,4	64,3	65,3	8,3	9,3	55,5	53,2	29	29	0,6	0,3		
NC066 : Karoo Hoogland	12 514	11 691	27,8	25,5	62,2	64,7	10,0	9,7	60,7	54,4	31	29	1,7	-0,7		
NC067 : Kh-oi-Ma	12 446	8 510	25,9	25,0	68,6	68,9	5,5	6,1	45,7	45,1	27	28	0,8	-3,7		
Pixley ka Seme	186 351	216 589	31,6	28,6	62,4	64,8	6,1	6,7	60,4	54,4	25	27	1,1	1,5		
NC071 : Ubuntu	18 601	15 836	33,3	29,3	61,1	64,1	5,6	6,5	63,5	55,9	24	25	1,3	-1,6		
NC072 : Umsobomvu	28 376	29 555	31,4	28,8	62,8	64,5	5,8	6,7	59,3	55,1	25	26	1,8	0,4		
NC073 : Emthanjeni	42 356	46 587	31,7	29,1	62,5	64,8	5,8	6,1	60,1	54,4	25	26	1,7	0,9		
NC074 : Kareeberg	11 673	10 961	29,4	28,8	62,5	63,1	8,1	8,1	59,9	58,5	28	28	2,1	-0,6		
NC075 : Renosterberg	10 978	10 843	32,8	23,2	61,0	67,6	6,2	9,2	64,0	47,9	25	31	1,9	-0,1		
NC076 : Thembelihle	15 701	22 542	30,9	29,2	62,8	62,8	6,4	8,0	59,3	59,3	25	27	0,8	3,5		
NC077 : Siyathemba	21 591	27 102	30,8	27,0	63,2	66,5	6,0	6,5	58,2	50,3	26	28	1,6	2,2		
NC078 : Siyancuma	37 076	53 165	31,8	29,3	62,2	64,8	6,0	6,0	60,8	54,4	25	26	-0,6	3,5		
ZF Mgcawu	236 783	283 624	28,4	26,8	66,4	67,3	5,1	5,9	50,5	48,5	26	27	1,6	1,8		
NC082 : Kai IGarib	65 869	85 104	24,4	25,0	70,5	69,3	5,1	5,7	41,9	44,3	26	28	1,2	2,5		
NC084 : IKheis	16 637	21 954	35,0	30,8	60,3	63,5	4,7	5,7	65,9	57,5	24	24	0,1	2,7		
NC085 : Tsantsabane	35 093	30 969	27,9	21,5	67,6	72,3	4,4	6,3	47,8	38,4	26	30	2,6	-1,2		
NC086 : Kgatelopele	18 687	19 854	29,5	26,6	66,4	68,2	4,1	5,2	50,6	46,7	26	28	2,4	0,6		

Census 2022 Municipal fact sheet, Report 03-01-82



Extract from the Census 2022 Municipal fact sheet / Statistics South Africa

Population		Age Structure						Exponential Population Growth (% p/a)	
		< 15		15- 64		65 +			
2011	2022	2011	2022	2011	2022	2011	2022	2001 - 2011	2011-2022
12 514	11 691	27,8	25,5	62,2	64,7	10,0	9,7	1,7	-0,7

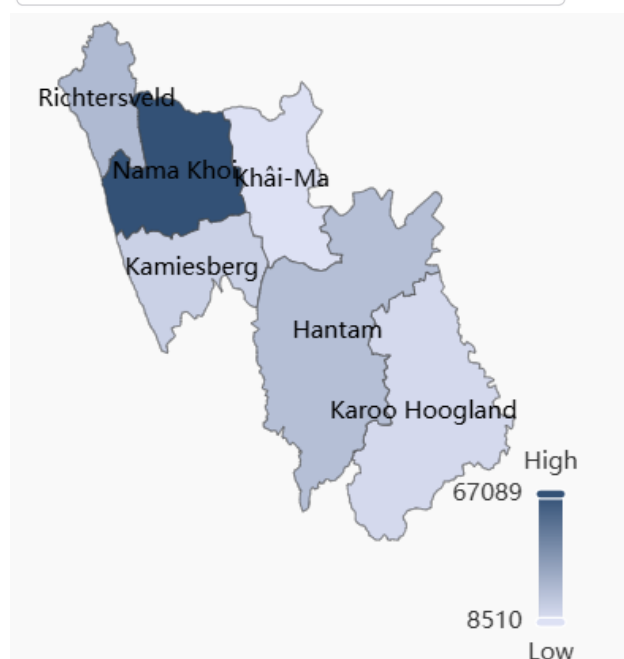
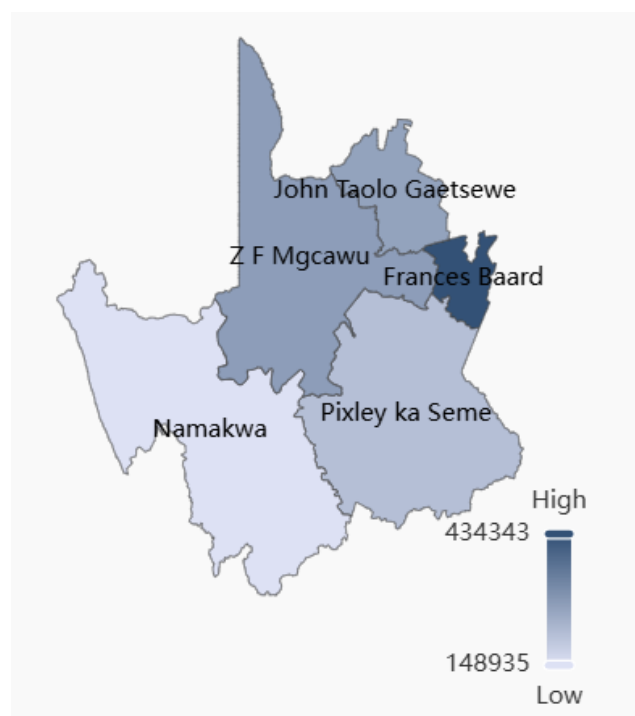
For comparison purposes from 2011 to 2022 to see the overall population growth:

	2022	2011
South Africa's total population:	62 027 503	51 770 560
Northern Cape Total population:	1 355 945	1 145 861
Namakwa District Total population:	148 935	115 842
Karoo Hoogland Total population:	11 691	12 514

Karoo Hoogland is situated in the most Southern part of the Northern Cape and falls within the area of jurisdiction of Namaqua District Municipality with its head office located in Springbok. The three main towns in Karoo Hoogland are Williston, Fraserburg and Sutherland which are respectively 499 km, 592 km and 539

km from Springbok. Karoo Hoogland Municipality is divided into 6 Wards and there is an estimate of 2211 households in the three towns serviced by the Municipality and about 900 households in the rural area.

Hantam Municipality (to the west) and Kareeberg Municipality (to the east – not on map). The maps show all six municipalities in the Namakwa District Municipal area as well as the District municipalities in the Northern Cape. The last blue map shows the population per municipality in the Namakwa District area whereby Karoo Hoogland has the



MDB code: NC066

Description: The Karoo Hoogland Local Municipality is a **Category B municipality** situated in the Namakwa District of the Northern Cape Province. It is the second largest in land area of the six municipalities in the district, making up a quarter of its geographical area but only has the fifth most population of the six municipalities. (*Northern Cape is the largest province by land area yet the smallest population.*)

The Karoo Hoogland is predominantly rural in nature with a high unemployment rate resulting in high poverty levels and is linked with many other places through shared environmental, social and economic systems and structures.

The Karoo Hoogland Municipality is also integral to the provinces of Western Cape Province and has significant development potential in sectors such as agriculture (both horticulture and livestock), tourism and mining (Renewable Energy).

Although the municipality's towns are separated by more than 100km by road, they share many administrative tasks. Hoogland is an Afrikaans word meaning 'highland' and Karoo is a Khoi word meaning 'hard' or 'dry'. The name reflects the area, which has dry, arid and desert-like conditions.

Area: 29 423 km²

Cities/Towns: Fraserburg, Sutherland, Williston, Surrounding rural farms/areas.

Wards: 6

Main Economic Sectors: Community, social and personal services (42.5%), transport, storage and communication (15%), wholesale and retail trade, catering and accommodation (13.7%), agriculture, forestry and fishing (13%), finance, insurance, real estate and business services (8.8%), manufacturing (5.9%)

Williston is approximately 520 km from Cape Town, 500km from Springbok, Upington and Kimberley. Low accessibility is a restriction to economic development in the area.

A 1 250 meter gravel grated landing strip, which is situated close to Williston, it is currently being maintained and graded by a private person for the purpose of tourism and tourists who wish to visit this beautiful part of the Northern Cape and by the Red Cross for emergencies.

The Karoo Hoogland LM (KHLM) encompasses an extensive area, and consists of a flat, undulating landscape, with mesa's dotted across the landscape. Rainfall occurs mostly in summer, with between 100-300mm expected per year. One of the SKEP priority areas, the Bokkeveld-Hantam-Roggeveld corridor, follows a southeast trajectory through the municipality, encompassing Sutherland within its scope. This area – rigorously identified as key biodiversity rich locations within an already significant biodiversity hotspot - contains not only critical water management sites, but also a remarkable number of unique invertebrate and plant life. The Karoo Hoogland Municipality is home to a wide variety of endemic bulbs, invertebrates and Fauna. Primitive scarab beetles, monkey beetles – which are found almost exclusively in Southern Africa, within which distinct species are concentrated within different areas throughout the Succulent Karoo – as well as various bees and wasps, exist in this habitat that are found nowhere else on earth.

In the second half of the previous century, the form-giving ideology of apartheid spatial planning (re)shaped the urban configuration into racially segregated residential neighbourhoods and a single central business area. The highest population densities are in (lower-income) neighbourhoods living in a somewhat urban environment, however gradually upgrading as poverty is relieved. Limited construction of residential and non-residential buildings (in number and size) as well as informal settlements due to lack of serviced erven. Home availability and affordability problems owing to a supply-side that has not been keeping up with demand, and worryingly, may lead to overcrowding. Backyard-living must be acknowledged as a legitimate form of housing, provided it does not compromise safety and health standards. Also, not to be ignored, is the extra income that homeowners earn in this manner. Also in the last ten years, the house shops/spaza shops, which were run by home owners to make ends meet, have been gradually taken over or leased out to foreigners seemingly taking advantage of some community members. Degradation of environmental, heritage and agricultural assets. Severe vandalism started occurring in the last five years to municipal property as well as vacant buildings. Lack of addressing the climate vulnerability of urban areas through adopting and implementing specific adaptation measures as well as sustainable projects.

WILLISTON (Ward 1, Ward 5 and parts of Ward 3 and 6)



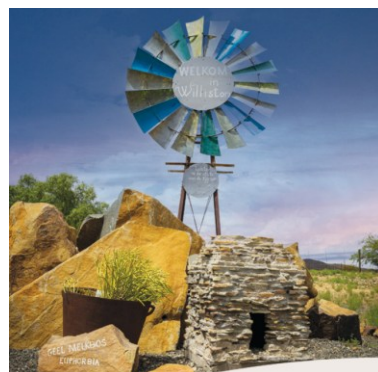
On 10 July 1768 Johan Abraham Nel of Stellenbosch rested near a fountain close to the Sak River during the birth of his son, planting an almond tree in honour of the event. This tree was eventually to become enormous, and was an oasis in the dry treeless area of the Karee Mountains.

In 1845 Johann Heinrich Lutz of Switzerland established a mission station named Amandelboom (Almond tree) at this spot. In 1883 the name was changed to Williston, in honour of the British Cape Colony Secretary, Colonel H Willis.

Covering an area of 13,264 km², Williston became an official district in 1926, focusing primarily on sheep farming. Since 1913, farmers were legally obligated to fence their boundaries, and in 1929, jackal-proof fencing replaced conventional fences.

There is a fantastic but eerie reason to visit Williston: a Tombstone Route, showcasing an exceptional form of art – stonecutting. Nowhere will one find more beautiful and fascinating tombstones than here. Tombstone-making became a form of folk-art as they were skilfully chiselled out of local sandstone.

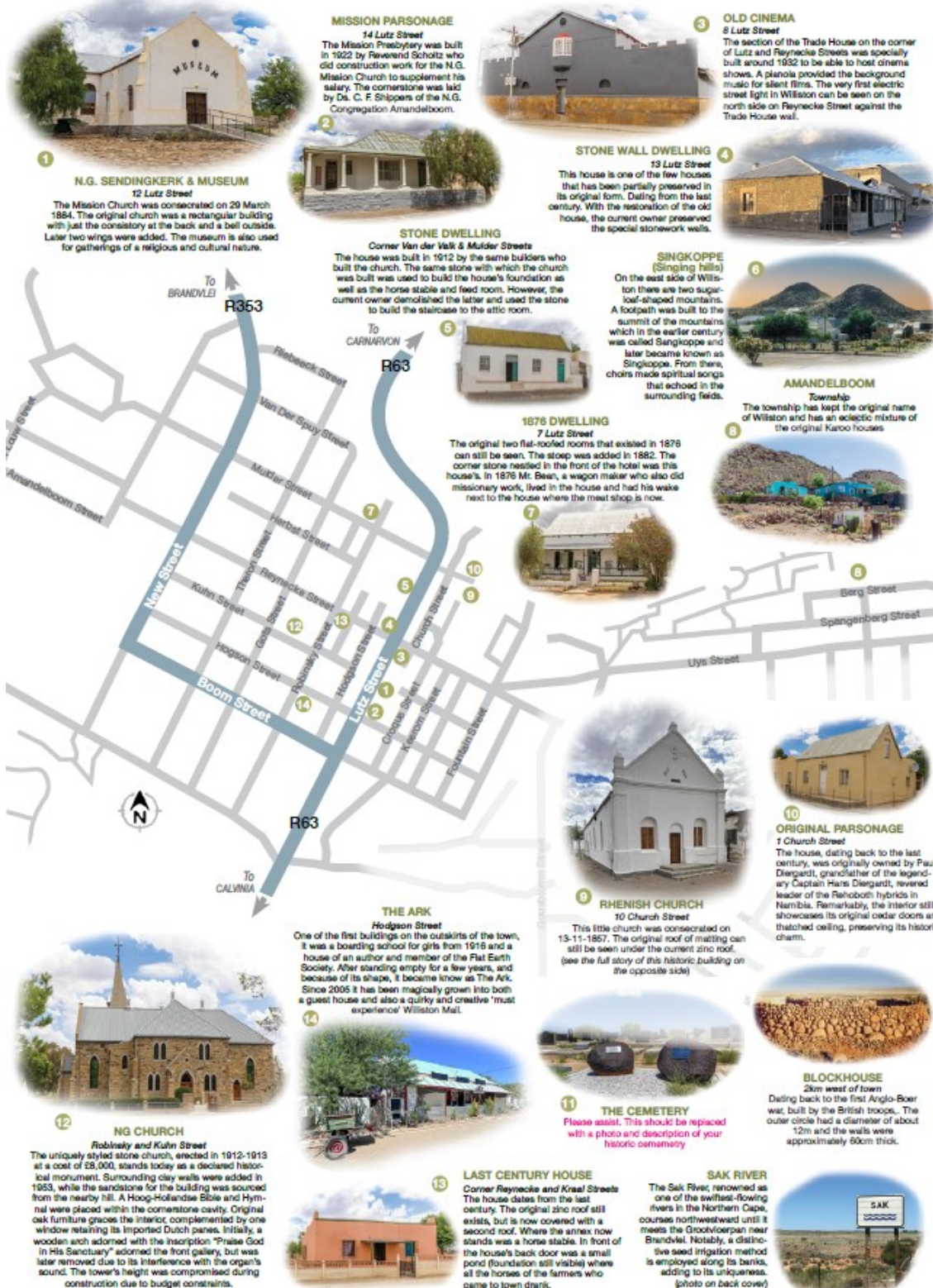
In 1995, Dr. Bruce Rubidge of the University of the Witwatersrand discovered a fossil, *Anomecephalus Africanus*, on the farm Kruitfontein in the Williston district. It was a cross between a mammal and a reptile, which lived 260 million years ago on the banks of an inland sea.



This area is renowned for its corbel houses, with this building method considered the first architectural style in the northwest Karoo. It is unique in that it is entirely built of stone, with flat stones protruding from a domed roof, forming a scaffolding. Examples of these houses may be seen on the farm Arbeidersfontein, in the direction of Carnarvon, and along the Fraserburg road at Jan Klaasplaas and on Van Reenensplaas.

Williston is situated on the beds of the Zak River, a seasonal river where unique riverbed

irrigation is practised, similar to that at the Nile River in Egypt. This region is also home to a very scarce and endangered animal, the Riverine Rabbit.



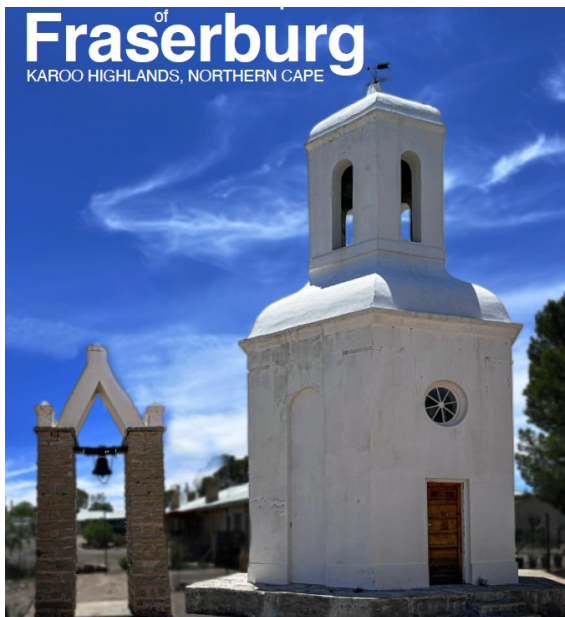
FRASERBURG(Ward 2, parts of Ward 3 and Ward 6)

The first Europeans settled in the area circa 1760. Previously the area was inhabited by the San or Bushmen. Various cultural artefacts of them remain in the area.

The town was founded in 1851. The town was named after the minister, Reverend Fraser, and a certain church elder, Meyburg. The town was established on the farm Rietfontein. The original manor house of this farm is still in use.

In those days, the only means of transportation and thus communication were horses and horse drawn carriages. Post was brought irregularly by stagecoach from Beaufort West. Most farmers visited the town as few as four times a year and then only for the Nachmaal (Communion). Distances were gauged by the distance a horse could ride in one hour (about 6 miles or 10 kilometres).

Early in the twentieth century Fraserburg also got a telegraph connection. One can still see the remains of this line between Fraserburg and Carnarvon.



A Post Office opened in 1858, the first postmaster being a certain Robert C Hemming. That led in an era of development in the town. A Magistrates Office opened in 1859 with Mr FE Balston the first magistrate – he stayed on for the next 20 years. In 1860 a Police Station opened with Francois Bourke as first Chief Constable. Dr C Edmonds became the first medical doctor in 1860. A prison opened in 1861 and closed down more than a century later in 1968.

A public library started in 1866 in the “Peperbus”. The first bank that opened was a branch of Standard Bank in 1876. Volkskas opened only in 1956.

Fraserburg was proclaimed as a municipality on June 6, 1862. The first electric power was supplied on September 16, 1958 and the town switched to ESKOM power in 1983.

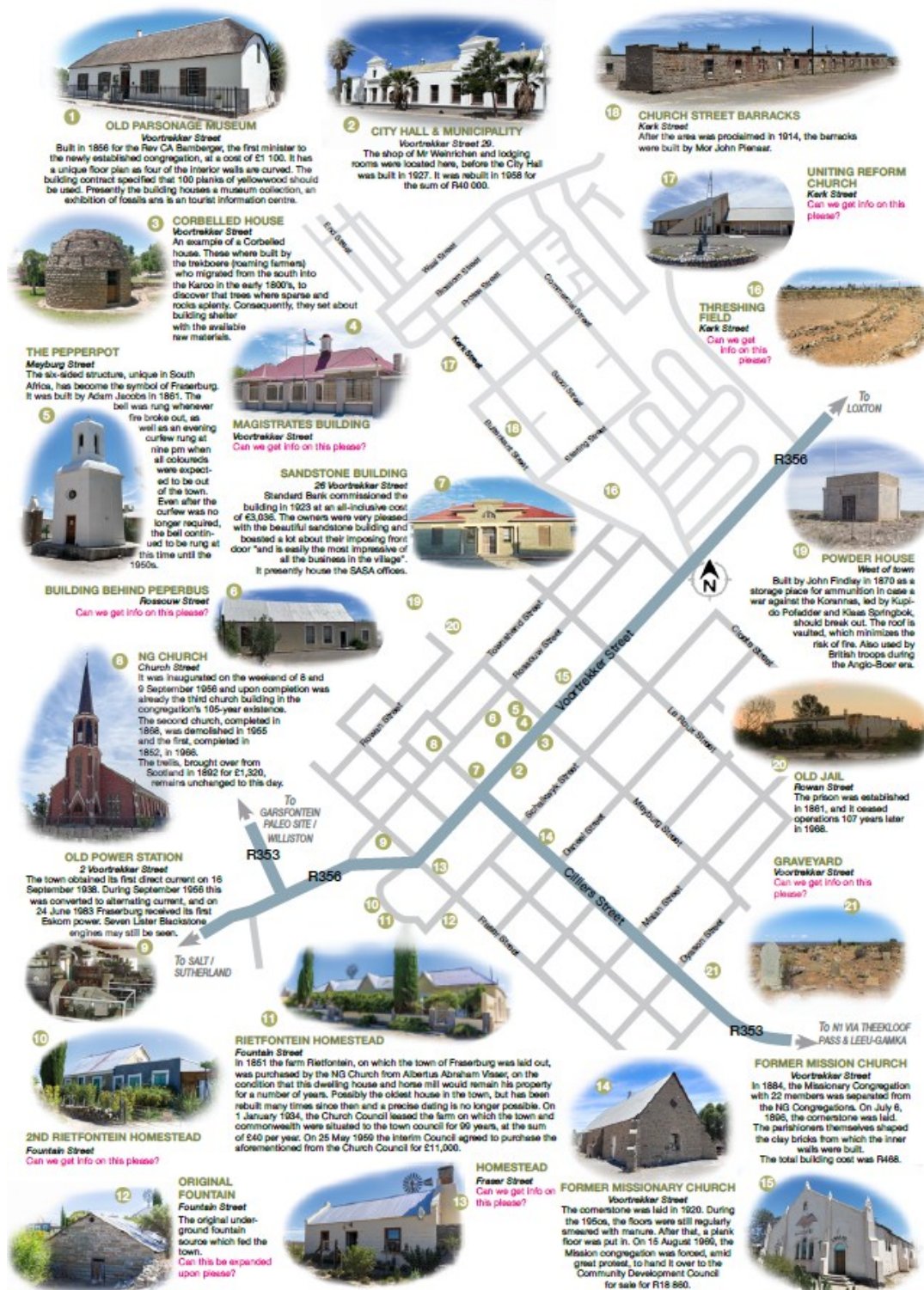
Fraserburg is a comfortable 5 hour drive from Cape Town. It is one of the most authentic and well preserved Karoo towns left in South Africa. It is a quiet and peaceful place where one can truly get away from it all without compromising on comfort, style and fun.

For the more adventurous there are numerous hiking trails which are quite breathtaking. There are also a number of 4×4 trails which do not disappoint. Besides the majestic scenery and self-catering accommodation, one will pass Corbel houses which are unique and are not found anywhere else in the southern hemisphere.

Another aspect which makes the area such an attractive destination, are the perfectly clear night skies. For the amateur or more serious sky gazer, this is reputed to be one of the best areas for this fascinating pass time.

For the hunter, there are a number of game farms which provide excellent and comfortable facilities only a short distance from the town. Game is predominantly Springbok, but Gemsbok, Eland and Wildebeest also abound.

Our town and its surroundings are still unspoilt and are guaranteed to stay that way. We understand that a person who makes the journey is special, and should be treated as such. It is a place worth visiting and we are quite sure, once you have been you will return again and again. And you'll always be welcome. We look forward to having you.



SUTHERLAND(Ward 4, part of Ward 3 and part of Ward 6)

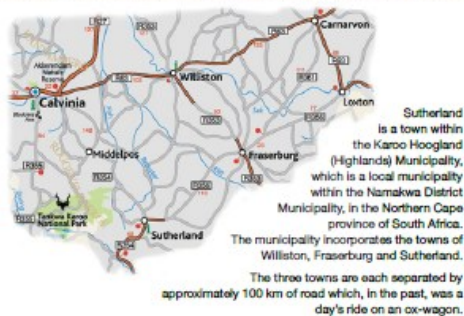
Sutherland originated on the farm De List and was named after Rev. Henry Sutherland, who annually came to the Roggeveld from Worcester for church services. In 1855 it was decided to establish a congregation here. On 8 November 1858, 30 of 50 plots were sold.

Sutherland is situated at a height of 1450m above sea level on the southwest escarpment of the inland plato. At this height the area is exposed to all the cold air coming from the southwest. Due to the low moisture levels and thin air, heat radiation at night is high. The heavy cold air flows down to the lower valley where Sutherland is situated. Sutherland is seen to be the coldest place in South Africa. The lowest temperature in 33 years of minus 16.4 °C was experienced on 12 July 2003.



Astronomy has the unique capability to spark the imagination of young and old, and provides the Municipality of Karoo Hoogland with exciting opportunities in the development of a unique tourism industry associated with astronomy in and for South Africa. See [SALT](#) and [SAAO](#).

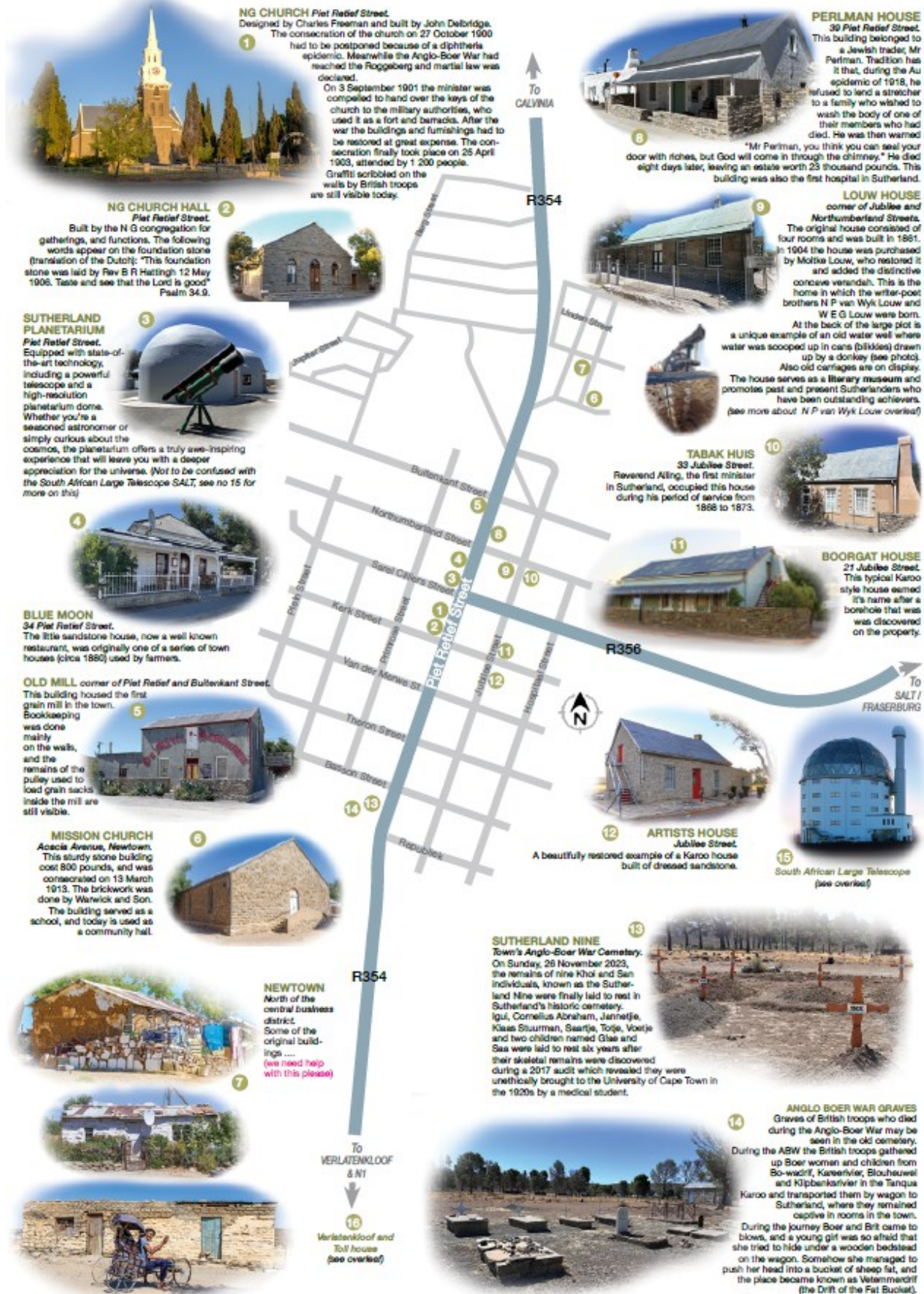
The growing of tulips in South Africa was pioneered by Rev M B Brink. In 1925 he arrived in Sutherland during a snowstorm. After studying for several years in Holland, he immediately realised the climate in Sutherland was approximately the same as in Holland, therefore ideal for tulip growing. He requested a friend of his to send him seventy five tulip bulbs. He stayed in Sutherland and for a period of twenty five years he distributed one hundred thousand yellow tulip bulbs throughout South Africa.



Indulge in the rich, uniquely Karoo cultural heritage of Sutherland with a leisurely stroll through its streets.

TOURIST INFORMATION Karoo Hoogland Tourism Tel 023 571 1265





POPULATION FIGURES OF 6 WARDS AS AT 30 JUNE 2024

	2011	TOTAL ESTIMATED POPULATION 2016	TOTAL ESTIMATED POPULATION 2022 Census	PERCENTAGE OF TOTAL POPULATION PER WARD IN 2016 PER CURRENT MUNICIPAL IDP	CORRECT AMOUNT OF HOUSES PER WARD AS PER FINANCIAL SYSTEM OF KHM	AVERAGE PEOPLE PER HOUSE-HOLD = POPULATION / HH	AVERAGE PEOPLE PER HOUSE-HOLD = POPULATION / HH – 2022 Census	AMOUNT OF REGISTERED INDIGENT HOUSE- HOLDS	HOUSING BACKLOG AS AT 2023 (HOUSE-HOLDS)	BACKYARD DWELLERS AS PER IDP 2009 - 2011	Informal Structures as at 2002/2024
2011 Census Total Population	12514										
Population growth from 2011 -2016		1,7%									
TOTAL POPULATION (COMMUNITY SURVEY 2016)		13069		100%							
Total population according to Census 2022 outcome			11691		3109 (2023/2024)			1210 (2023/2024)	805	215	90
Population growth from 2011 -2022			-0.7%								
POPULATION : SUTHERLAND : WARD 4			2338	20 %	630	4.1	2583	304	250	39	25
POPULATION : FRASERBURG : WARD 2			2689	23 %	852	3.6	3068	563	120	116	15
POPULATION : WILLISTON : WARD 1 AND 5			3274	28 %	727	5.0	3635	338	305	60	50
POPULATION : RURAL AREAS : WARD 3 (WILLISTON AND FRASERBURG)			1870	16 %	500	3	1500		75		
POPULATION : RURAL AREAS : WARD 6 (SUTHERLAND AND WILLISTON)			1520	13 %	400	3	1200		55		
TOTAL ESTIMATED POPULATION NUMBER AS AT 30 JUNE 2024 LIVING IN FORMAL HOUSEHOLDS							+/- 11 986				

POPULATION DISTRIBUTION IN KAROO HOOGLAND MUNICIPAL AREA

Fraserburg : 23% of total population

Non Urban areas (Rural) : 29% of total population

Sutherland: 20% of total population

Williston : 28% of total population

In this section an overview is provided of the important socio-economic indicators and trends of the Karoo Hoogland Municipality highlighting issues of concern in terms of challenges that the municipality currently experiences. As a basis of reference, the municipality has considered the demographic information that was provided by Stats SA census 2011 and 2022, Provincial treasury comparative analysis Namakwa District and Global insight. The age distribution of a population is important because the largest age group inevitably indicates its own demands on the market. A large number of residents are still dependant on government grants.

The Karoo Hoogland population can be regarded as having a high **dependency ratio**. With **9,7%** of the population over the age of 65 and **25,5%** are under 15 years. *The latter youth group will be demanding education, housing and jobs in the near future.*

Facts and important information to take into consideration when looking at the ratios and figures for Karoo Hoogland to be able to compare against the country and then the world as well.

Table 1: Population by sex, 1996-2016

1996			2001			2011			2016*		
Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
6 020	6 367	12 387	5 006	5 506	10 512	6 253	6 335	12 514	6 559	6 510	13 069

* Note: Caution should be used by the reader when interpreting the values for municipalities in Namakwa due to the large out of scope Dwelling Units sampled for the survey.

Table 1 shows that the population of Karoo Hoogland has increased from 12 387 persons in 1996 to **13 069** persons in 2016. Gender proportions show there are more males than females in the municipality.

According to the **2022 Census** the population of Karoo Hoogland Municipality stands at **11 691** which indicates a decline from the 2011 statistics.

Figure 2: Percentage distribution of the population in Karoo Hoogland by sex, 2016

Figure 2 depicts a greater proportion of males than females in Karoo Hoogland municipality, at 50.2% and 49.8% respectively.

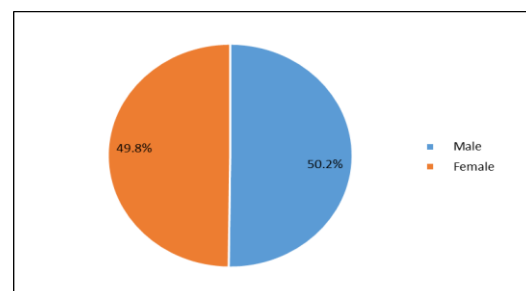
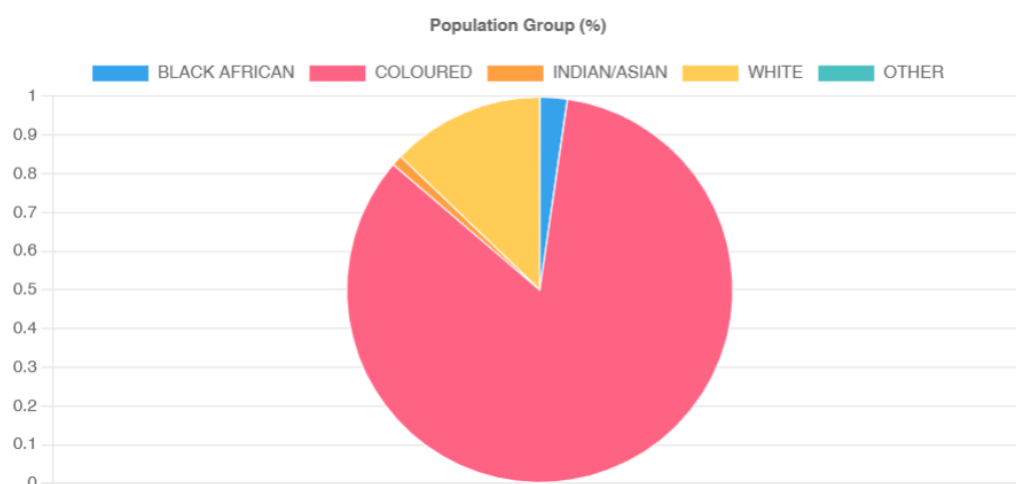


Table 2: Population by group type, 1996-2022

	1996	2001	2011	2016	2022
Coloured	9 865	8 348	9 934	10 319	9801
White	2 290	1 866	1 832	2 616	1502
Black African	98	285	694	88	274
Indian or Asian	1	13	83	46	109
Other	-	-	45	-	5
Unspecified	133	-	-	-	-
Total	12 387	10 512	12 588 (12 514)	13 069	11 691

Table 2 summarises the number of people by population group from 1996 to 2022.

The figure below outlines the percentage distribution of the population of Karoo Hoogland in 2022, where the Colored population group accounts for 83.8% of the population of the municipality, followed by the White, Black African and Indian/Asian population groups.

**Table 2. Poverty, inequality and human development levels in Karoo Hoogland (2000-2017)**

	2000	2005	2010	2015	2016	2017
Human Development Index	0.51	0.54	0.58	0.65	0.66	0.68
Gini coefficient (Inequality)	0.63	0.62	0.58	0.57	0.56	0.58
Poverty rate (%)	0.74	0.61	0.34	0.34	0.35	0.34

Source: Global Insight

Table 3 shows the contribution levels of different sectors to formal employment in the Karoo Hoogland LM. Agriculture, community service, and trade are among the main contributors to formal employment in the municipality. As shown on Table 3, the proportion of agricultural employment had declined from 53.08% in 2000 to 32.96% in 2016, representing a decrease by 20.12 percentage points. There was an increase in the proportion of the population employed in the community service sector from 10.72% in 2000 to 30.61% in 2016, representing an increase by 19.89%.

Table 3: Highest level of education for persons aged 20 years and above, 1996-2016

	No schooling	Some Primary	Complete Primary	Some Secondary	Grade 12/Std 10	Higher	Total
Number							
1996	3 632	2 989	792	2 070	746	604	10 833
2001	2 273	2 868	684	2 116	956	532	9 429
2011	1 617	3 579	827	2 643	1 337	659	10 663
2016	1 161	1 227	734	2 264	2 298	1 008	8 692
Percent (%)							
1996	33.5	27.6	7.3	19.1	6.9	5.6	100.0
2001	24.1	30.4	7.2	22.4	10.1	5.6	100.0
2011	15.2	33.6	7.8	24.8	12.5	6.2	100.0
2016	13.4	14.1	8.4	26.1	26.4	11.6	100.0

*Excludes "do not know" and "unspecified"

Table 3 shows an improvement in the level of education in Karoo Hoogland over the period 1996 to 2016, where there was a decline in the number and percentage of persons aged 20 years and above with no schooling (from 33.5% to 13.4%). There is an improvement in the number and percentage of persons with a higher education, from 5.6% in 1996 to 11.6% in 2016. There is also a significant increase observed in the proportion of persons who have Grade 12/Standard 10.

According to Census 2022 the School attendance and Highest level of Education are depicted below : (See NC066 : Karoo Hoogland)

South Africa, province, district and local municipality	SCHOOL ATTENDANCE			HIGHEST LEVEL OF EDUCATION (aged 20+)					
	0-4 years		5-24 years	No Schooling		Matric		Higher Education	
	2022	2011	2022	2011	2022	2011	2022	2011	2022
NW382 : Tswaing	40,1	72,5	71,7	22,9	12,0	15,8	28,0	5,4	4,7
NW383 : Mahikeng	46,7	76,5	74,9	10,3	7,0	26,2	34,6	12,2	13,6
NW384 : Ditsobotla	43,0	69,9	72,0	14,7	9,7	20,2	32,7	6,5	6,5
NW385 : Ramotshere Moiloa	46,6	74,3	74,8	20,7	13,7	21,3	33,9	6,1	6,1
Dr Ruth Segomotsi Mompoti	45,0	74,5	75,6	21,4	13,1	17,3	27,5	5,2	5,1
NW392 : Naledi	40,9	67,0	72,6	16,6	9,8	22,5	31,5	8,9	8,5
NW393 : Mamusa	47,5	72,6	74,1	24,9	14,9	17,4	28,3	4,5	4,4
NW394 : Greater Taung	50,1	78,7	76,9	19,2	11,2	15,8	26,9	4,6	4,9
NW396 : Lekwa-Teemane	41,0	69,0	74,7	17,9	11,4	20,9	27,9	4,9	5,0
NW397 : Kagisano/Molopo	39,4	75,1	76,0	28,6	18,5	14,1	25,2	4,4	4,0
Dr Kenneth Kaunda	50,4	71,6	72,7	10,0	6,9	27,1	35,5	9,1	9,2
NW403 : City of Matlosana	49,4	70,9	72,6	7,9	5,7	28,7	37,3	8,6	9,4
NW404 : Maquassi Hills	39,4	70,4	74,5	23,5	14,8	19,1	27,6	4,5	3,3
NW405 : JB Marks	57,9	73,2	72,0	9,4	6,3	27,0	35,1	11,6	11,0
Northern Cape	43,3	69,3	70,3	11,3	6,6	22,9	30,7	7,2	7,1
John Taolo Gaetsewe	42,3	75,0	78,1	14,6	10,1	21,1	31,2	7,9	5,5
NC451 : Joe Morolong	39,0	79,3	82,6	22,8	15,0	13,6	22,5	3,9	2,4
NC452 : Ga-Segonyana	42,1	75,0	74,7	9,7	6,3	24,0	37,6	9,5	6,5
NC453 : Gamagara	61,2	63,0	68,4	10,5	7,2	27,8	37,7	11,3	12,2
Namakwa	35,8	64,5	64,2	6,6	3,1	19,1	26,2	7,1	6,2
NC061 : Richtersveld	35,5	65,1	68,7	2,5	1,5	19,2	23,3	6,9	6,0
NC062 : Nama Khoi	37,1	67,5	63,3	2,2	1,2	20,3	27,1	7,5	6,2
NC064 : Kamiesberg	49,5	67,7	65,4	5,2	3,0	16,6	22,9	4,1	3,9
NC065 : Hantam	28,6	62,4	62,9	14,4	7,2	18,9	27,5	8,0	7,8
NC066 : Karoo Hoogland	29,5	64,5	62,8	18,4	12,0	17,0	26,0	8,5	7,7
NC067 : Kh+di-Ma	37,1	54,3	61,0	3,9	1,2	18,5	30,6	5,3	4,6
Pixley ka Seme	42,3	68,0	67,6	14,6	8,3	20,6	28,4	5,9	6,6
NC071 : Ubuntu	47,9	62,3	67,7	16,4	9,6	18,8	27,2	5,9	7,7
NC072 : Umsobomvu	54,4	71,4	70,6	16,3	9,2	23,2	29,6	6,2	7,0
NC073 : Emthanjeni	49,7	71,5	67,7	11,0	5,9	24,9	32,5	6,4	6,9
NC074 : Kareeberg	23,0	64,2	64,9	18,0	8,1	17,7	24,3	5,5	5,2
NC075 : Renosterberg	57,3	69,2	67,0	16,0	13,7	22,0	32,4	6,4	7,5
NC076 : Thembelihle	46,8	64,7	68,7	15,1	9,2	20,0	27,8	6,5	7,6
NC077 : Siyathemba	36,9	64,9	64,8	11,5	7,1	18,1	25,6	5,2	6,3
NC078 : Siyancuma	29,9	68,1	67,3	16,7	8,6	17,0	26,3	5,3	5,6
ZF Mgcawu	38,3	64,0	66,5	9,5	5,0	21,9	29,6	6,0	5,4
NC082 : Kai Igarib	37,5	52,3	65,7	9,0	4,4	15,6	23,8	3,8	3,5
NC084 : IKheis	39,6	69,8	66,0	13,5	9,6	14,1	23,0	4,4	2,7
NC085 : Tsantsabane	40,4	64,4	66,0	13,7	6,0	25,6	34,8	6,0	5,1

Census 2022 Municipal fact sheet, Report 03-01-82

NC066 : Karoo Hoogland	29,5	64,5	62,8	18,4	12,0	17,0	26,0	8,5	7,7
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Table 4: Highest level of education by population group for persons aged 20 years and above, 2016

	No schooling	Some Primary	Complete Primary	Some Secondary	Grade 12/Std 10	Higher	Total
Number							
Black African	24	40	23	-	-	-	88
Coloured	2 029	3 104	840	2 814	1 225	121	10 132
Indian/Asian	-	26	19	-	-	-	45
White	105	263	81	126	1 155	887	2 616
Percent (%)							
Black African	27.7	45.7	26.6	-	-	-	100.0
Coloured	20.0	30.6	8.3	27.8	12.1	1.2	100.0
Indian/Asian	-	57.5	42.5	-	-	-	100.0
White	4.0	10.0	3.1	4.8	44.1	33.9	100.0

*Excludes "do not know" and "unspecified"

Table 4 shows that 27.7% of the Black Africans in Karoo Hoogland municipality have no schooling when compared to other population groups, followed by the Colored population group (20%). It shows that the White population group is better educated compared to other population groups probably because they were somewhat privileged.

The average population growth rates between 2001 and 2010 are as follows:

- Northern Cape Province (0.3%)
- Namakwa District Municipality (-0.1%)
- Karoo Hoogland Local Municipality (-1.7%) And from 2010 – 2016 (1,8% growth)

Karoo Hoogland Local Municipality population growth rate from 2011 – 2022 = - 0,7%

For comparison purposes from 2011 to 2022 to see the overall population growth :

	2022	2011
South Africa's total population:	62 027 503	51 770 560
Northern Cape Total population:	1 355 945	1 145 861
Namakwa District Total population:	148 935	115 842
Karoo Hoogland Total population:	11 691	12 514

The Karoo Hoogland Local Municipality in the Northern Cape has experienced a population decline (-0.7%) in the past ten years which is largely attributed to push factors such as limited economic opportunities in the area and better economic opportunities in neighboring municipalities.

ITEM	NUMBER BY 2016 and 2022
POPULATION	12 588 (2011 Census outcome) 12 514 (2011 population according to Census 2022) 13 069 (community survey in 2016) 11 691 (Census 2022 outcome) 11 986 (estimated amount as per formal households)
Young (0-14 age)	25,5%
Working age (15 – 64)	64,7%
Elderly (65 +)	9,7%
Dependancy Ratio	60,5%(2011) → 54,4% (2022)
POPULATION GROWTH OF KAROO HOOGLAND	1,7% (according to Census from 2001 - 2011) -0,7% (according to Census from 2011 – 2022)
Unemployment rate	14,6%(2016)
Youth unemployment rate	20% (2016)
No Schooling aged 20 +	18,4% (2011) → 12% (2022)
Higher education aged 20 +	8,5% (2011) → 7,7% (2022)
Matric aged 20 +	17% (2011) → 26% (2022)
School Attendance (0-4 years)	29,5% (2022)
School Attendance (5 -24 years)	64,5% (2011) → 62,8% (2022)
HOUSEHOLDS (TOWNS & RURAL)	3109 (2022/2023) (2209 + 900)
Number of agriculture households	+/- 900 (862 statssa)
AVERAGE HOUSEHOLD SIZE	3.3 (2011) 4.1(Census 2022)
RESIDENTIAL HOUSES IN TOWNS	2211 (2023/2024)
HOUSEHOLDS LEVIED FOR SANITATION	2211 (2023/2024)
Nr of Indigents registered as at 30 June 2023	1090
Nr of Indigents registered as at 30 June 2024	1210
Female headed households	52,7%
Formal Dwellings	96,2%
Flush toilet connected to sewerage	+/- 1032 households of 2211 = 47%
Sanitation - TOILET FACILITIES (2023/2024)	Total sanitation accounts levied : 2211 Flush Toilets connected : 707 + 140 + 185 = 1032 Flush toilet with septic : 798 UDS Toilet : 579 serviced by Municipal EPWP Part time

	employees and they became less from April 2024 - only 394 as at 30 June 2024 During 2022/2023 about 127(140) UDS toilets were replaced with Flush toilets in Williston During 2023/2024 185 UDS toilets were replaced with flush toilets in Fraserburg by April 2024
REFUSE DISPOSAL – weekly refuse removal	Refuse Removed by local authority/Private : 2211 (2023/2024)
WATER (2023/2024)	Piped water inside dwelling : 2211 Access to water : All households- 2211 Municipal boreholes : 21 (water sources for towns)
Electricity - not ESKOM - directly by KHM	Amandelboom (Suburb of Williston) – Only ESKOM Sutherland - Only ESKOM Fraserburg - Electricity from KHM Part of Williston – Electricity from KHM
ALL HOUSEHOLDS HAVE ACCESS TO WATER, SANITATION AND ELECTRICITY	100% According to Census 2022 these percentages fluctuate: Flush Toilet 81% UDS : 19% Weekly Refuse removed +/- 96% Piped water on Site +/- 99,5% Electricity +/- 94%

COMMENT ON BACKGROUND DATA:

Demographic information constitutes the bedrock of all socio-economic planning. The collection, analysis and dissemination of accurate demographic information enable policy makers to plan for the future development of a country. Issues such as the future size of the labour market, unemployment, job creation, poverty and environmental degradation are intrinsically linked to demographic processes. It is therefore important to base future development policies and programmes on the most accurate demographic information available.

2011 Census Data and Customer Survey 2016 Data : Population data and also STATSSA data has been used. All the information from STATSSA cannot be used as the amount of households for 2011 as per their website are incorrect and outdated, therefore the amount of Households have been extracted from the municipality's financial system. The current population figures from STATSSA are being used. However the average amount of people per household from STATSSA cannot be used and was recalculated as per the current population and households being used. The Total Indigent population are being calculated as follows: All the registered indigent households plus the housing backlog – then that figure are being multiplied with the average amount of people per household to get the total indigent population. As per the IDP document of 2009 – 2011 there were a few backyard dwellers and those people are also being added to the figure calculated above.

Census 2022 limited outcome released at the end of 2023 was used where possible.

Note that the Population figures differ according to the 2011 and 2022 Census releases. In 2011 the Population figures was captured as 12588 in 2011 and now in the 2022 Census the population figures are captured as 12 514 for 2011.

1.2.3 VISION & MISSION

VISION (2023/2024)

New Vision approved by Council in the IDP during a General Council meeting on 6 June 2023:

Our vision is to be an economic node in the Northern Cape earmarked by community service delivery.

MISSION (2023/2024)

New Mission statement approved by Council in the IDP during a General Council meeting on 6 June 2023:

Our mission is to renew our communities through reinventing the economy, reviving the environment, reintegrating the region, releasing human potential and having respectable governance with recurring democracy.

SPATIAL DEVELOPMENT VISION [2019/2024]

VISION

"By 2040 the Karoo Hoogland Local Municipality will be a spatially efficient, socially equitable and environmentally sound economic hinterland of the greater Karoo Region by unlocking the unique astronomical, agricultural and environmental resources of the region to all"



CORE BUSINESS, FUNCTIONS AND OBJECTIVES

In terms of its category B status the Karoo Hoogland Municipality has been empowered to perform the following functions as bestowed upon it by the Constitution in terms of section 156(1) and the division of powers and functions as per Schedule 4 part B and Schedule 5 part B:

- Water provision
- Waste Water(Sanitation)
- Electricity provision
- Waste management
- Free basic services
- Road transport
- Waste water and storm water drainage
- Community and Social Services
- Museums
- Cemeteries
- Environmental Protection
- Health Services
- Sport and Recreation
- Library
- Municipal Buildings and assets
- Building Regulations
- Fire Fighting services

Furthermore, the business of Karoo Hoogland municipality comes from legislation which capsulates the following also to be able to deliver proper services:

- the collection of rates levied;
- proper asset management;
- supply chain management to procure goods and services;
- contract management and monitoring
- proper record keeping;
- policy formulation and implementation
- human resource management
- project management
- infrastructure management and maintenance
- grant management
- local economic development
- spatial planning and development
- performance management
- good governance

OBJECTIVES FOR LOCAL GOVERNMENT

- To provide democratic and accountable government for local communities.
- To ensure the provision of sustainable services to communities.
- To promote social and economic development.
- To promote a safe and healthy environment.
- To encourage the involvement of communities and community organisations in matters of local government.

STRATEGIC OBJECTIVES OF KAROO HOOGLAND

- Provide Quality living human settlements with basic infrastructure for all residents
- Create economic centres that provide an enabling environment for business growth job creation and SMME opportunities
- Improve financial viability and sustainability through efficient budget processes financial systems and legislative requirements
- Promote skilled labour force through education and training to improve employability
- Promote employee wellness by implementing various programmes
- Ensure responsive and accountable governance
- Ensure an informed community through implementation of communication strategies
- Promote community participation through local government structures



1.2.4 MUNICIPAL CHALLENGES

With our vision and the above as guidelines, the input and needs of the inhabitants as a base and the background information, which the Council already has, the following prioritized areas of potential have been identified for developments in the Municipal area:

- ❖ Karoo Hoogland Municipality must make a positive contribution to the sustainable growth and development within its boundaries with special reference to economic and social youth development.
- ❖ To further enhance the current infrastructure with special reference to basic services and roads.
- ❖ The promotion of a safe and tourism friendly environment should be furthered in order to promote tourism and investor interest in the region. (Tourism, i.e. eco-tourism, agri-tourism and astro-tourism)
- ❖ The promotion of human resources within the organisation through apprenticeships and skills development.
- ❖ To better the involvement of social organisations and churches.

The following general challenges are experienced by the Municipality:

Challenges	Actions to address
Absence of master plans and crucial strategies	Source funding and budget for drafting of master plans for water, electricity, roads, etc. as well as crucial strategies
Municipality mainly dependent on grant funding to implement capital projects	Alternative ways of generating revenue to implement capital projects from own funding
High unemployment rate and poverty levels throughout municipal area (pension/welfare are the only reliable source of income)	Promoting a conducive environment for economic growth and economic opportunities that can create sustainable job opportunities Promote and support local SMME's to become sustainable Investigate and Identify more economic opportunities
The number of indigent households - on average, more than 30% of all households in the municipal area	Creation of inducive environment for job opportunities
IDP projects identified by communities which are the responsibility of sector departments (e.g. Primary Health, Housing, Youth Development, Social Challenges, Safety & Security, etc.)	Ongoing stakeholder engagements to facilitate identified IDP projects with the relevant departments Engagement with CWP Administrators to request assistance with identified projects
Poor conditions of gravel access and inter-connecting roads to and between Sutherland, Williston and Fraserburg	Grading/tarring of road by the Department of Public Works and regular grading of gravel roads
New Township establishments and poor living conditions - Sutherland and Williston and Fraserburg	Department of Rural Development to prioritise township establishment for Sutherland
Payments of service accounts of sector departments	Ongoing engagements with relevant departments and implementation of Debt Collection Policy
Support and assistance to local SMME's	Secure building/office space to establish business hub in Williston/Sutherland to support SMME's in Karoo Hoogland to grow the economy Inclusion of clause in tenders to give preference to local SMME's (already done, but not enough)
Community Buildings not maintained	Budget for the maintenance and prevention of future vandalism plan to be

	in place
Outdated infrastructure	Replacement of outdated infrastructure over multi years
Outdated IT Infrastructure	Budget for upgrade of IT Infrastructure of the entire Municipality – per Tender
Old water and electricity meters	Upgrade water and electricity meters (SMART meters)
Waste management challenge (weighbridges, wheelie bins, recycling projects, etc.)	Source funding from the Department of Economic Development and Environment and Nature Conservation for the implementation of recycling project and provision of weighbridges Inclusion of procurement of wheelie bins in multiyear budget if viable
Wi-fi and cellular phone reception	Liaise with investors and businesses in KHM to help address challenge
Dilapidated buildings	Legal opinion and action should be implemented
Vandalism	Actions to address should still be discussed - community policing forums establishment and stakeholder meetings with SAPD to get solutions
Landfill Site Fencing – Williston	Seek funding from Departments to acquire the correct vehicles/machinery to effectively maintain the sites as well as addressing access control
Cemeteries vandalised	Actions to address should still be discussed - community policing forums establishment and stakeholder meetings with SAPD to get solutions
Vandalism of buildings not frequently used	Actions to address should still be discussed - community policing forums establishment and stakeholder meetings with SAPD to get solutions
Availability of land for housing	Identify land for different land use in all towns in KHM
Informal Housing and shacks as well as backyard dwellers	Actions to address should still be discussed – Residents should be encouraged to apply on the NHNR for houses and Residents should be educated on the procedures
Land Grabbing	Preventative measures to ensure that it does not occur and develop enough erven to house the population
Serviced Erven/sites not utilised (150 Erven Williston)	Registration of applicants on the NHR so that allocation of erven can be done and houses can be built so that backlog can be reduced
Registration of applicants for housing on the National Housing Needs Register	Capturing of applicants on National Housing Needs Register
Increasing housing backlog	Provision of houses and serviced sites by COGHSTA to applicants on National Housing Register
Lack of environmental management	District official to perform function
Lack of Building Control Skilled Capacity	District official to perform function – Shared Service Agreement in place
Lack of Town Planning Skilled Capacity	Request assistance from Professional Town Planner to address needs and future planning
Lack of sewage network which have impact on sewage truck having to work harder at high cost	Need action
Fraserburg Electrical Network Dilapidated and outdated - need urgent upgrade	Submitted a business plan for grant funding
Lack of vehicle fleet	Seek funding

1.3 SERVICE DELIVERY OVERVIEW

1.3.1 INTRODUCTION

The Municipality deliver the following basic services to its communities which include the towns of Williston, Sutherland, Fraserburg:

- Water
- Sanitation
- Electricity
- Refuse Removal

WATER

All households, including the informal settlements, in the Karoo Hoogland Municipal area have access to water within their dwellings. However, the municipality has been experiencing extreme water crises in Williston and Sutherland which fluctuates between rain seasons.

ELECTRICITY

The Municipality supplies electricity to Fraserburg and a part of Williston. A part of Williston (called Amandelboom) as well as Sutherland and the rural areas are serviced by ESKOM directly.

SANITATION

- All households in the Karoo Hoogland Municipal area have access to basic sanitation.
- Some of the erven in all three towns are connected to a waterborne sewerage system.
- Some erven are still equipped with sewerage drains and the sewerage is removed with sewerage removal vehicles.
- The balance of the erven has dry sanitation toilets (UDS). These UDS toilets are also serviced/cleaned by the municipality, however these UDS' are a very unhygienic option for basic sanitation as it is being used incorrectly and should be eradicated. About 140 UDS in Williston and 185 UDS in Fraserburg have been eradicated and connected to the sewage network in the past two years. Only Sutherland still has dry sanitation toilets.

REFUSE REMOVAL

- The Municipality delivers solid waste services to the residents of Karoo Hoogland Municipality.
- All residents receive the service once a week and a refuse bag system are being implemented for the removal of all solid waste.
- All households are responsible for their own refuse bags after the first free refuse bag.

The Municipality delivers solid waste services to the residents of Karoo Hoogland Municipality. All residents receive the service twice a week, once for the removal of household refuse and then again for the garden refuse. The black bag system is being implemented for the removal of all household waste. All households receive a maximum of two packs of black bags per year.

ROADS

- The Municipality is only responsible for the maintenance of certain secondary roads in the three towns.
- The main roads in the three towns as well as the roads in the rural area are provincial proclaimed roads.
- The tar roads are not in a good condition and will have to be resealed in the future.
- One of the major challenges experienced by the Municipality is the ongoing maintenance of potholes due to insufficient funds to do proper maintenance.
- In the previous financial year many gravel roads have been replaced with pavers.

LANDFILL SITE

The Municipality has three (3) landfill sites of which Fraserburg have a Waste Permit and Sutherland and Williston have Waste licenses. Although these sites are fully functional and in use, illegal dumping of waste in the municipal area remains a major challenge. All these sites need to be upgraded in the near future to comply with all regulations and to all the specific conditions of the licences. The licensing of the Williston and Sutherland landfill sites were done and received in 2016/2017 year. The conditions in the licenses will need to be adhered to in 2024/2025. To curb illegal dumping, it is recommended that Council consider or explore a recycling program. The fencing is being vandalised or stolen which results in papers and bags being blown all around the area. This contributes to additional costs to clean and manage the landfill sites.

It is recommended that Karoo Hoogland Municipality together with the Department of Environmental Affairs and the District Municipality should source funding to implement the Integrated Waste Management Plan after it has been reviewed and approved.

INDIGENT HOUSEHOLDS:

The Municipality deliver services to indigent households. Community members can apply for subsidies on a continuous basis throughout the year as their financial positions and situations fluctuates.

Indigents as at 30 June 2021: **874**
Indigents as at 30 June 2022: **897**
Indigents as at 30 June 2023: **1090**
Indigents as at 30 June 2024: **1210**

1.3.2 BASIC SERVICE DELIVERY HIGHLIGHTS

PROJECTS PROGRESS 2023/2024

Upgrading of the Das Louw Sport Facility









Installation of kerbs to athletics track/ Irrigation system in progress



Refurbishment of tennis clubhouse



Finishing works in ablutions in cloakroom



Finishing works in cloakroom



Guardhouse and perimeter fence



Finishing works in guardhouse



Finishing works in cloakrooms

Eradication of 185 UDS toilets and connecting them to the Sewerage system : Fraserburg



Fully assembled and connected pre-cast toilet structures



Excavation of Wastewater Pump Station sump at Fraserburg



Completed excavation of pump station sump and concrete floor



Trench excavations across paved streets for house connections





Completed and backfilled wastewater rising main to Fraserburg WWTP



Construction of sewer lines in Blossom Street, Fraserburg



Construction of Wastewater Pump Station sump cnr of Prins and Commercial Streets, Fraserburg



Construction of Wastewater Pump Station sump cover slab completed



Completed Wastewater Sump for pump station



Erection of shutters for casting of pump station sump walls



Completed repairs to Commercial Street road surface after sewer



Completed Wastewater Pump Station sump



Reinstatement of kerbs and drainage gutters in Commercial Street



Motor Control Centre for the WW Pump Station

Fraserburg : Municipal workers grading the gravel streets and fixing potholes



1.3.3 BASIC SERVICE DELIVERY CHALLENGES FACED BY THE MUNICIPALITY

- With reference to the provision of basic services (water, electricity and sanitation) the municipality does face challenges regarding bulk water in Sutherland and Williston because of the drought.
- Fraserburg internal electrical network has exceeded its lifespan and its due for an upgrade. The eradication of UDS toilets is needed urgently these units now have to be cleaned by the Municipality by hand and the infrastructure was not design for this and are depleting, making it a health and safety risk.
- The major challenge is to address the **housing backlogs** as well as the backyard dwellers in all three towns as well as the road infrastructure. Also some informal structures were erected and need urgent attention.
- With the aftereffects of the 9 year drought situation it is inevitable to try and source new water resources and find new viable boreholes with possible funding when the drought are declared a disaster.
- Monitor and capture correct readings at water pump stations, reservoirs and system output pipes to calculate the correct percentage for water losses.

SERVICE	CHALLENGE
HOUSING	
Housing	Backlog
Serviced Erven	No serviced erven
Transfer of Title deeds	Title Deeds not all transferred
Squatters	Squatters on municipal property
ELECTRICITY	
Fraserburg Internal Electrical network	Outdated
Electricians	Lack of qualified people
HUMAN RESOURCE	
Implementation of Regulation 890 and guidelines 891	The Municipality has started with the different components for the implementation of this Regulation.
Work study	Funding is required to fill these vacant positions
Law Enforcement Officers	Funding and training
FLEET & VEHICLES	
Infrastructure Vehicles reparations	Funding
New Grader Machine	Funding
Sewage Trucks	Funding
Vehicles to use at Landfill Sites Bulldozer	Funding
INFRASTRUCTURE	
Municipal Graveyards & cemeteries	Vandalism and theft, space
Municipal Property	urgent maintenance needed
Municipal Halls and Sport facilities	Vandalism and theft
Road signs	Vandalism and theft
Municipal Museums	Vandalism and theft
Municipal Commonage	Infrastructure need reparations
WATER	
Service Delivery	Scarce water resources – due to drought

SANITATION	
Informal settlements in the municipal area	Squatters and Informal housing - It is a constant battle for the Municipality to connect every household in the municipality on sewer network or drainage system due to budget constraints
UDS eradication	In progress
EQUIPMENT	
Infrastructure Equipment/Machinery	Lack of equipment
ROADS	
Storm water channels	A lot of our roads are gravel roads in the municipal area, erosion leads to a lot of unwanted material including dirt to assemble, and stuck in the middle of stormwater pipes where the eye can't always see, which leads to blocking of the stormwater channels.
Connection Roads between towns not fully tarred	

1.4 FINANCIAL HEALTH OVERVIEW

1.4.1 INTRODUCTION

The past few financial years were years of growth and good recovery in the financial accountability of the municipality. The municipality maintained its unqualified audit opinion for the 2022/2023 financial year, however in 2023/2024 regressed to a qualified opinion.

The debtors are growing at an alarming rate and the indigent households in the municipality are also growing. The liquidity puts the service delivery at risk and result in low maintenance levels. The municipality is reliant on grants to finance expenditure due to the limited revenue raising capacity.

1.4.2 FINANCIAL VIABILITY HIGHLIGHTS

FINANCIAL VIABILITY HIGHLIGHTS

HIGHLIGHTS	DESCRIPTION
Annual financial statements (AFS)	Completed the AFS with assistance of Mubeko on CaseWare Software for 2021, 2022,2023 and 2024 inhouse review by our Audit committee. Submitted the statements to the Auditor-General (AG) by the legislative deadline
Completed Ring Fenced Agreement Payment for outstanding monies to Auditor General by 30 June 2022	The AG account is up to date and only current invoices are outstanding.
Budget related policies	All budget related policies were approved by Council at legislative deadline
Standard operating procedures (SOP's)	Standard operating procedures were implemented for revenue, expenditure and Supply Chain Management – however it need to be finalised still
Grants Performance	Approved Roll over of R 6.2 million of MIG grant funding for the completion of the Das Louw sport facility in Williston. All other grants were spent during the 2023/2024 financial year. Unspent MIG to the value of R 8 429 076 which include the R 6.2 Mil approved Roll-over.

1.4.3 FINANCIAL VIABILITY CHALLENGES

FINANCIAL VIABILITY CHALLENGES

SECTION	CHALLENGES
Non-payment	
Poor payment	Non-payment of service accounts by economic active consumers lead to cash flow challenges Correct register of indigent households to ensure correct equitable share allocation.
Aging Infrastructure	Budget allocations for the MTREF 2023 and 2024 need to adjust to replace and repair deteriorating assets
mSCOA	Implementation of mSCOA as a whole, asset and payroll modules needs to be implemented
Consultants	In-house GAP Analysis should be done, and the lack of skills transfers should be assessed Some Professional services cannot be done in house and to employ such a professional full time would be very costly.

1.4.4 FINANCIAL OVERVIEW

The table below shows the financial overview of the Municipality for 2022/2023 financial year:

Financial Overview – 2022/2023			
Details	Original budget	Adjustment Budget	Actual
Income			
Grants	66,011,000	66,006,000	57,861,508
Taxes, Levies and tariffs	35,448,000	36,236,000	34,011,236
Other	2,302,000	4,729,000	1,262,844
Sub Total	103,761,000	106,971,000	93,135,588
Less Expenditure	80,781,000	81,824,000	97,244,812
Net Total*	22,980,000	25,147,000	-4,109,224
* Note: surplus/- deficit			

Operating Ratios		Actuals
Detail	%	
Employee Cost	26%	25,753,172
Remuneration of Councillors	5%	4,782,517
Depreciation	12%	11,589,652
Repairs & Maintenance	2%	1,392,064
Finance Charges	4%	4,217,702
Impairment	22%	21,461,400
Bulk Purchase	10%	10,252,583
General Expenses	19%	17,795,722
TOTAL expenditure		97,244,812

Financial Overview – 2023/2024			
Details	Original budget	Adjustment Budget	Actual
Income			
Grants	37,768,000	37,768,000	55,941,178
Taxes, Levies and tariffs	38,750,000	36,868,000	33,182,666
Other	3,047,000	3,502,000	3,584,969
Sub Total	79,565,000	78,138,000	92,708,813
Less Expenditure	87,049,000	86,260,000	91,695,084
Net Total*	-7,484,000	-8,122,000	1,013,729
* Note: surplus/- deficit			

Operating Ratios		Actuals
Detail	%	Rand value
Employee Cost	30%	27,961,021
Remuneration of Councillors	5%	5,073,621
Depreciation	12%	10,227,149
Repairs & Maintenance	3%	2,801,215
Finance Charges	5%	4,336,517
Impairment	10%	9,113,712
Bulk Purchase	13%	12,185,754
General Expenses	22%	19,996,095
TOTAL expenditure		91,695,084

1.4.5 TOTAL CAPITAL EXPENDITURE

The table below shows the total capital expenditure for the last three financial years:

Details	2020/2021	2021/2022	2022/2023	2023/2024
	R			
Original Budget	R 8 065 000	R 18 276 000	R 30 562 000	R 22,333,000
Adjustment Budget	R 8 065 000	R 18 276 000	R 30 562 000	R 30,004,000
Actual	R 8 980 000	R 24 313 706	R 24 313 706	R 21,574,924
Variance from Adjustment Budget (overspend)	- R 915 000	-R 6 037 706 (Extra allocation during March 2022)	R 6 248 294	R 8,429,076

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

1.5.1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT HIGHLIGHTS

The following highlights were achieved by the Municipality regarding municipal transformation and organisational development:

Highlights	Description
Organogram	Approved in June 2022. The review process started in Q4 of 2022/2023 with the assistance of the NDM Date of new Organogram approved : 5 December 2023 and 12 January 2024 & 14 June 2024
Financial Interns	Appointed during 2023/2024
HR and Admin WIL Interns	WIL students received opportunity to learn from Staff

1.5.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT CHALLENGES

The following general challenges are experienced by the Municipality regarding municipal transformation and organizational development:

Section	Challenges
RECORD MANAGEMENT & IT	
IT System	Budget Constraints
Limited Space for record management (Physical space)	Budget Constraints
Automated Record Management System	Need to be investigated and if needed budgeted for
File Plan not approved by Prov Archivist	Old File Plan approved in 2018, but not yet after amendments
Procedures to ensure recording of documents not always followed	No evidence of some documents sent out Awareness sessions to all staff
HUMAN RESOURCE MANAGEMENT	
Work-study	Need to be done every five years
Compliant Automated performance management system	Need to go out on tender for a compliant PM system – Ignite was appointed in June 2024
Performance Management Development System and Cascading to all levels	The process should be started to ensure implementation by 1 July 2023 – Still in progress
Vacant Positions	22
Job Description	Review must be done once the Staff Establishment has been approved. In Progress
Performance evaluation measures and controls of all personnel	Will be addressed with new PMS Officer
COUNCIL SECRETARIAT SERVICES	
System of Delegations	Need to be personalized and approved so segregation of duties and of different roles and responsibilities can be done and implemented effectively
Resolution Register for all meetings	In Place for Council Meetings

KEY ROLE VACANCIES

CFO	Acting CFO until May 2023 – Position Filled as at 30 June 2023 and 30 June 2024
Municipal Manager	Vacant since 1 July 2022 and Acting MMs, Appointed a MM from November 2023
Vacancy rate	+/- 20%. Very high vacancy rate – work-study needed to see if all posts are needed

1.5.3 MFMA Competencies

In terms of Section 83(1) of the MFMA, the accounting officer, senior managers, chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the MFMA. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007. In order to assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes based NQF level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted to 30 September 2015 in terms of Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations." The table below provides details of the financial competency attainment levels amongst financial and supply chain management officials as required by the regulation:

FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT* 2023/2024

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials	3			
Accounting officer	1	0	1	1
Chief financial officer	1	1	1	1
Senior managers	1	1	1	0
Any other financial officials	0			
Supply Chain Management Officials	0			
Heads of supply chain management units	1			
Supply chain management senior managers	0			
TOTAL	7	2	3	2

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

T4.5.2

1.6 AUDITOR GENERAL REPORT

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. In short, the Auditor-General checks the spending of public money by looking at whether it has been used ideally and for the purposes intended. This is done by annually checking all government spending.

The Auditor-General's annual audit examines 3 areas:

- Fair presentation and absence of significant misstatements in financial statements
- Reliable and credible performance information for predetermined objectives
- Compliance with all laws and regulations governing financial matters

There can be 5 different outcomes to an audit, once the municipality has submitted their financial statements to the Auditor-General, which can be simply defined as follows:

- **A clean audit:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation
- **Unqualified audit with findings:** The financial statements contain material misstatements. Unless a clean audit outcome is expressed, findings will be raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects
- **Qualified audit opinion:** The financial statements contain material misstatements in specific amounts, or there is insufficient evidence to conclude that specific amounts included in the financial statements are not materially misstated
- **Adverse audit opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements
- **Disclaimer of audit opinion:** Insufficient evidence was provided in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements

1.6.1 AUDITED OUTCOMES : 2018/2019 & 2019/2020 & 2020/2021, 2021/2022 & 2022/2023 & 2023/2024

For 2018/2019 the municipality regressed to a qualified audit opinion due to the following:

The Municipality has converted to the new mSCOA financial system from Sebata FMS to Sebata EMS. The methodology on the property rates from FMS differs substantially from EMS as on EMS the system do not provide for the capital portion on **Property Rates**. On FMS the municipality billed property rates once a year namely August of each year on the capital of property rates. The system then writes automatically each month's property rates to the current portion and simultaneously decrease the capital amount of each month's portion. However EMS do not provide for this. On EMS property rates are levied on a monthly basis having the effect that property rates for the last six months were billed twice as the Municipality only went live on EMS during December 2018. Sebata officials are currently working on this to get the issue resolved in this financial year. Corrections will then be passed in this financial year to correct the qualification.

For the 2023/2024 financial year the municipality received a Qualified opinion. Two items were qualified namely service charges and property rates -valuations. The Municipality is however committed to ensure that these qualifications are addressed and resolved for the 2024/2025 financial year.

The table below illustrates the audit outcomes for the past financial years for the Municipality:

Year	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Status	Qualified Opinion	Unqualified Opinion with findings	Qualified Opinion	Unqualified Opinion with findings	Unqualified Opinion with findings	Unqualified Opinion with findings	Unqualified Opinion with findings	Qualified Opinion

1.7 STATUTORY ANNUAL REPORT PROCESS

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	December
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	January - March
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	

T 1.7.1

CHAPTER 2 : GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.1 GOOD GOVERNANCE

Chapter 3, Section 18, of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) provides that:

- Municipalities must have a municipal council.
- A municipal Council must meet at least quarterly.
- A municipal council consists of a number of councillors determined by the MEC of Local government and traditional affairs in the province concerned by notice in the government gazette.
- A municipality has the power to designate councillors determined by the MEC for Local government and traditional affairs as full time. An MEC's determination must be in accordance with policy framework as determined by the Minister after consulting the MECs for Local government and traditional affairs.

Chapter 3, Section 19(2), of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) states that a municipality must annually review:

- (a) the needs of the community;
- (b) its priorities to meet those needs;
- (c) its processes for involving the community;
- (d) its organisational and delivery mechanisms for meeting the needs of the community; and
- (e) its overall performance in achieving the objectives referred to in subsection (1).

Chapter 7, Section 152(1) of the Constitution of the Republic of South Africa, 1996, states the following objects of local government:

- To provide **democratic and accountable** government for local communities.
- To ensure the provision of **sustainable services** to communities.
- To promote **social and economic** development.
- To promote a **safe and healthy** environment.
- To encourage **the involvement of communities and community organisations** in matters of local government.

Section 19(3) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) determines that a council must develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers.

The Municipal Demarcation Board annually undertakes capacity assessments of all local authorities in South Africa and makes recommendations to the Provincial MEC of Local Government with regard to the capacity of each municipality to perform its functions in terms of the Municipal Structures Act. The powers and functions of KHM were not adjusted for the year under review. The municipality still performs 21 functions which is more than the average of 20 in our province.

a) HIGHLIGHTS : GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following highlights have been achieved by the Municipality with regards to good governance and public participation:

HIGHLIGHTS	DESCRIPTION
Council meetings rotation	The Council meetings were held on a rotational basis in all three towns
Ward Committee meetings	After Establishment in February and April 2022, Ward Committee meetings were held on a monthly basis in at least 4 of the 6 wards
Election	Elections took place on 1 November 2021 across the country
Facebook page	Improved notification and informed community members Sharing of information Cost containment measures
WhatsApp group communication	Effective way of communication information to the public

b) CHALLENGES : GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following general challenges are experienced by the Municipality with regards to municipal good governance and public participation:

DESCRIPTION OF CHALLENGE	ACTION TO ADDRESS
Poor conditions of roads affect the regular Public Participation meetings	Upgrading of roads / funding
Limited involvement of local sector departments and Stakeholders in terms of IDP and other processes	Continuous liaison is needed for effective services delivery and reaching the responsible departments. SAPD must assist with enforcing and patrolling of by-laws
Poor cellular phone connectivity No cellular phone connectivity along certain routes that link towns	Improvement of Cellular phone and radio signals through SKA project Interventions of investors to assist with funding to improve connectivity
No wi-fi hotspots	Action Plans to address the challenge
Limited nr of capable SMME's	Action Plans to address the challenge
Virtual Meetings requiring strong and better internet connectivity	Action Plans to address the challenge
Ward Report back meetings	Training on the procedures of reporting back and a speakers forum needs to be done

2.2 POLITICAL GOVERNANCE STRUCTURE

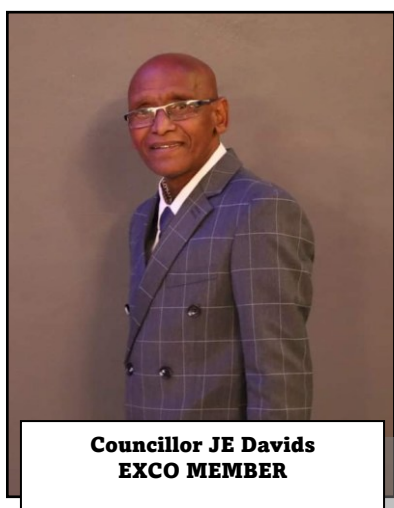
Chapter 7, Section 151 of the Constitution of the Republic of South Africa, 1996, defines the status of municipalities as follows:

- (1) *The local sphere of government consists of municipalities, which must be established for the territory of the republic.*
- (2) *The executive and legislative authority of a municipality is vested in this municipal council.*
- (3) *A municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provided for in the constitution.*
- (4) *The national and provincial government may not compromise, impede a municipality's ability or right to exercise its powers or perform its functions.*

Section 151(3) of the Constitution (above) states that the Council of a municipality has the right to govern, on its own initiative, the local government affairs of the local community. Council as political governance performs both legislative and executive functions. Council focuses on decision-making to formulate policy and to play an oversight and participatory role.

Apart from their functions as policy makers, councillors are actively involved in community works and the various social programmes in the municipal area.

EXCO MEMBERS



Councillor JE Davids
EXCO MEMBER



Councillor JJ v/d Colff
EXCO MEMBER



Councillor AS Mietas
EXCO MEMBER

SECTION 80 COMMITTEES

The legislative function of the Council is vested within the full Council with the Speaker as its chairperson. Council also established **Section 80 Committees** within specific functional areas of the municipality. The Audit Committee is an independent advisory body that advises the municipal Council, political office-bearers, Accounting Officer and management staff of the Municipality on financial control, risk management, accounting policies, performance management and effective governance.

SECTION 79 COMMITTEES/OVERSIGHT COMMITTEES

In terms of section 79 of the Local Government: Municipal Structures Act, a municipal council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the committee, the municipal council may determine the functions of the committee as well as the duties and powers to be delegated. Council appointed MPAC members to do the oversight function and another ad-hoc committee to address land and erven matters. The Municipal Public Account Committee (MPAC) fulfils the duty of an **oversight committee**, and comprises of nonexecutive councillors, with the specific purpose of providing Council with comments and recommendations on the annual report. The Oversight Committee's

report is published separately in accordance with MFMA guidelines. The MPAC investigates fruitless, wasteful and unauthorized expenditure and makes recommendations to Council. During the 2022/2023 financial year, two MPAC meetings were held during May 2023. Training from the District municipality was requested and commenced during September 2023. Training will be a continuous challenge as legislation changes.

Dates of meetings:

16.08.2023
20.09.2023
14.11.2023
22.02.2024
28.02.2024
29.02.2024
20.03.2024
23.05.2024



**Councillor VC Wentzel
MPAC Chairperson**

The members of the MPAC were appointed by Council and are as follows as at 30 June 2024:

- Cllr. VC Wentzel
- Cllr. SA Muller
- Cllr. AE Steenkamp
- Cllr. EC Olyphant

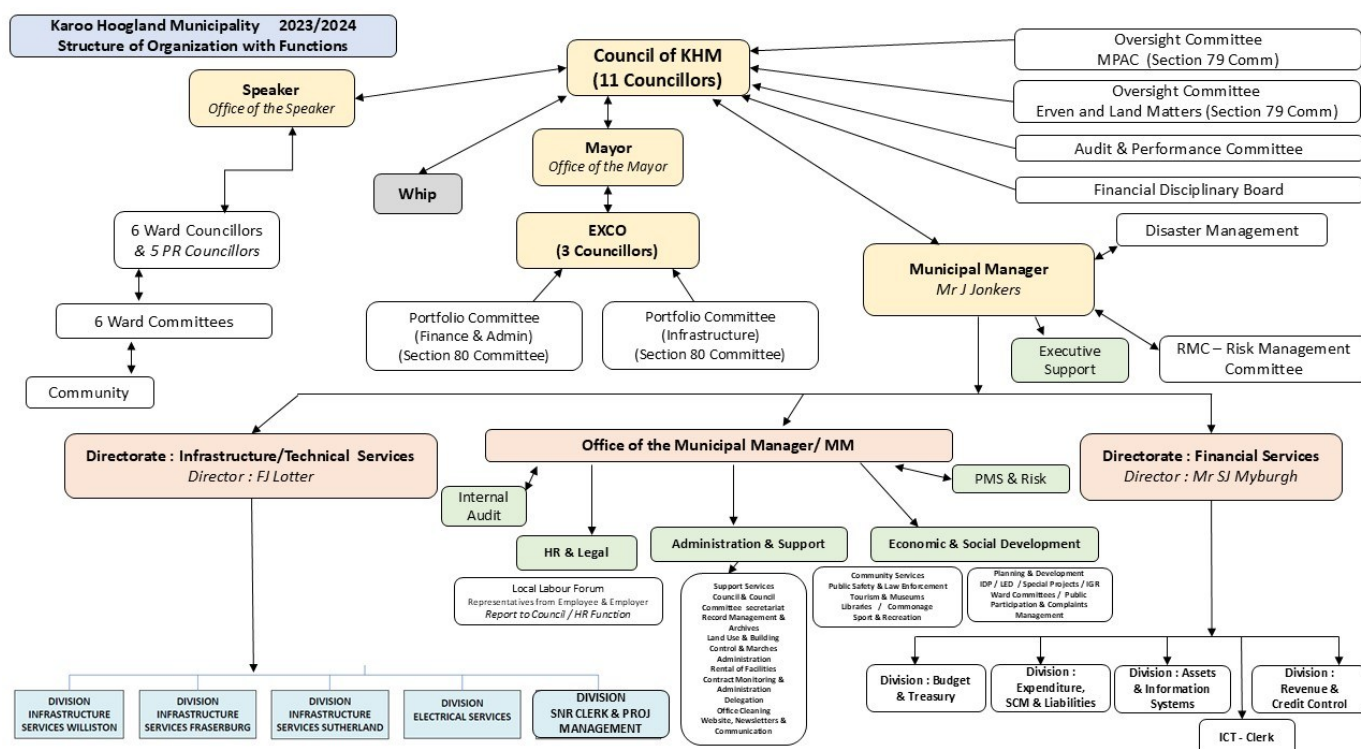


Figure above shows the reporting lines from Council, committees, Municipal Manager and other structures as at 30 June 2024

2.2.1 COUNCIL

Karoo Hoogland's Municipal Council consists of 11 councillors (ward and proportional representatives (PR)). The ANC has five councillors, the DA three councillors, the VF Plus has one Councillor and the PA has two Councillors. Therefore, according to Section 9(b) of the Amended Structures Act, since 1 November 2021, Karoo Hoogland Municipality has a Collective Executive Councillor system. (Collective Executive System with a ward participatory system)

6 Ward Councillors and 5 Proportional Councillors. The Mayor and Speaker are currently full-time Councillors of the Municipality.

Mayor and Speaker as at 30 June 2024:

**Left to Right: Councillor VT Opperman(Speaker),
Councillor AS Mietas(Mayor)**



Back row – From left to Right : JJ van der Colff (DA), R VDM Geel (VF +), VT Opperman (ANC) (Speaker), **AS Mietas (PA) (Mayor)**, MJ Chadow (PA) (Whip), VC Wentzel(ANC), EC Oliphant(ANC), SA Muller (ANC), CG Steenkamp (DA)

In Front - From left to Right : JE Davids(ANC), AE Steenkamp (DA)

Photo taken on 22 November 2021

Below is a table that categorises the councillors within their specific political parties and wards after the municipal elections held in 01 November 2021 and for the year under review:

WARD	COUNCILLOR	CAPACITY	POLITICAL PARTY	WARD / PR	GENDER
Ward 1	Cllr. AE Steenkamp	Ordinary Councillor	DA	Ward	Male
Ward 2	Cllr. VT Opperman	Elected as Speaker on 30 June 2023	ANC	Ward	Male
Ward 3	Cllr. JJ van der Colff	Member of the Executive	DA	Ward	Male
Ward 4	Cllr. SA Muller	Ordinary Councillor	ANC	Ward	Female
Ward 5	Cllr. CG Steenkamp	Ordinary Councillor	DA	Ward	Female
Ward 6	Cllr. EC Oliphant	Representative at District Municipality	ANC	Ward	Female
Proportional	Cllr. R VDM Geel	Ordinary Councillor	FF +	PR	Male
Proportional	Cllr. JE Davids	Member of the Executive Committee From 07 July 2023	ANC	PR	Male
Proportional	Cllr. MJ Chadow	Ordinary Councillor Whip since 7 July 2023	PA	PR	Female
Proportional	Cllr. AS Mietas	Member of the Executive Committee Elected as Mayor on 30 June 2023	PA	PR	Male
Proportional	Cllr. VC Wentzel	MPAC Chairperson	ANC	PR	Female

Below is a table which indicates Council meeting attendance for the 2022/2023 & 2023/2024 financial year:

Type of Meeting	Dates of Meetings	Percentage Council meeting attendance	Percentage apologies for non-attendance
General Council Meetings 2023/2024	31.08.2023 31.10.2023 05.12.2023 30.01.2024 27.02.2024 28.03.2024 23.05.2024 14.06.2024	90%	10%
Special Council Meetings 2023/2024	07.07.2023 17.08.2023 23.10.2023 12.01.2024 09.02.2024 12.04.2024 19.04.2024 29.04.2024 14.06.2024	90%	10%
Special In-Committee Council Meetings 2023/2024	19.09.2023 (unconstitutional) 17.10.2023	90%	10%
Urgent Special Meetings 2023/2024	-		
Executive Committee Meetings (EXCO) 2023/2024	29.08.2023 01.12.2023 27.02.2024 11.03.2024	85%	15%

2.2.2 COUNCIL COMMITTEES

Committees for 2023/2024 since 17 August 2023

COMMITTEES	COUNCILLORS	MEETING DATES
Finance & Admin (Social - & Economic Development Committee combined with this one)	Cllr. AS Mietas (Chairperson) Cllr. RVDM Geel Cllr. EC Oliphant	27.11.2023 15.03.2024
Infrastructure	Cllr. JE Davids (Chairperson) Cllr. JJ van der Colff Cllr. MJ Chadow	14.11.2023 12.03.2024
Local Labour Forum	Cllr. AS Mietas Cllr. SA Muller Cllr. CG Steenkamp	29.08.2023 30.11.2023 28.02.2024 26.04.2024
MPAC	Cllr. VC Wentzel (Chairperson) Cllr. SA Muller Cllr. AE Steenkamp Cllr. EC Oliphant	16.08.2023 20.09.2023 14.11.2023 22.02.2024 28.02.2024 29.02.2024 20.03.2024 23.05.2024
Ad Hoc Committee : Land Audit	Cllr. SA Muller (Chairperson) Cllr. CG Steenkamp Cllr. JE Davids Cllr. R VDM Geel	03.04.2024 22.04.2024 06.05.2024 07.08.2024

2.2.3 POLITICAL DECISION TAKING

Apart from their functions as policy makers, Councillors are actively involved in community work and the various social programmes in the municipal area.

Section 53 of the Municipal Systems Act (MSA)(Act 32 of 2000) stipulates inter alia that the respective roles and areas of responsibility of each political structure and political once bearer of the municipality and of the municipal manager must be defined. The section below is based on the Section 53 role clarification that must be approved by Council.

MUNICIPAL COUNCIL

- Governs by making and administering laws, raising taxes and taking decisions that affect people's rights
- Tax authority that may raise property taxes and service levies
- Primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political once bearers, individual councillors or officials
- Delegate responsibilities and duties for the purposes of fast and effective decision making
- Strive towards the constitutional objects of local government
- Consult the community with respect to local government matters
- Only decision maker on non-delegated matters such as the approval of the Integrated Development Plan (IDP) and budget

MAYOR AND EXECUTIVE COMMITTEE

- Political leader of the Municipality and is in this capacity supported by the Executive committee
- Social and ceremonial head of the Municipality
- Identify the needs of the Municipality and must evaluate progress against key performance indicators in support by the Executive committee
- The defender of the public's right to be heard
- Responsibilities with respect to the annual budget, the budget process, budget control and various other financial matters
- Performs the duties and exercise the responsibilities that were delegated to him by the Council

COUNCIL RESOLUTIONS

The Administration under the leadership of the Municipal Manager, are requested to advise Council accordingly and executive decisions as taken.

The table below provide an analysis of the council resolutions taken and implemented during the 2022/2023 and 2023/2024 years:

2022/2023

Number of Council resolutions taken during the year	Number of council resolutions implemented during the year	Number of resolutions not implemented during the year, which await finalisation
132	129	3
98% of resolutions implemented which was taken during 2022/2023		

2023/2024

Number of Council resolutions taken during the year	Number of council resolutions implemented during the year	Number of resolutions not implemented during the year, which await finalisation
163	162	1
99% of resolutions implemented which was taken during 2023/2024		

Outstanding resolutions as at 30 June 2024:(Extract)

017	28-03-24	21.1	ESKOM LISENSIES	BESLUIT DAT : a) Die Raad die mandaat aan die Munisipale Bestuurder gee om ESKOM te nader om die Fraserburg en Williston se Elektrisiteitslisensies oor te neem dat ESKOM self direk die krag verkope doen. (ondersoek oor moontlike afstand doen van elektrisiteitslisensies)	IN PROSES - WAG VIR TERUGVOER OOR ESKOM
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2.3 ADMINISTRATIVE GOVERNANCE

In terms of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) Section 60 the Municipal Manager of a municipality is the **Accounting Officer** of that municipality for the purposes of the Act and must provide guidance on compliance with the Act to political structures, political officer bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

In accordance with the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) Section 61 (1) a Municipal Manager must:

- “(a) act with fidelity, honesty, integrity and in the best interest of the municipality in managing its financial affairs;*
- (b) disclose to the municipal council and mayor all material facts which are available to the accounting officer or reasonably discoverable, and which in any way might influence the decisions or actions of the council or mayor;*
- (c) seek, within the sphere of influence of the accounting officer, to prevent any prejudice to the financial interest of the municipality.”*

By law, a Municipal Manager is the **head of the administration as well as the accounting officer** of Karoo Hoogland Municipality and provides the link between the political and administrative arms of the Municipality.

Section 66 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) states the following:

“66(1) a municipal manager within a policy framework, determine by the municipal council and subject to any applicable legislation, must

- (a) develop a staff establishment for the municipality and submit the staff establishment to the municipal council for approval.”*

The organisational compilation of the office of the Municipal Manager is as follows:

- Office of the Mayor
- Office of the Municipal Manager

MUNICIPAL MANAGERS OF KAROO HOOGLAND

Mr A Gibbons (Acting : 1 July 2023 – 31 October 2023)

Mr J Jonkers (Appointed from 1 November 2023 - current)

A municipal manager is, amongst others, responsible:

- for the formation and development of an economical, effective, efficient and accountable administration;
- to ensure that the municipal “machine” operates efficiently, that the organisational structure is able to perform the various tasks and exercise the necessary controls;
- to fulfil a leadership role in the administration; this is of utmost importance to influence the actions of staff and to inspire and persuade them to work together to realise the Municipality’s goals;
- for the implementation of the Municipality’s IDP, and the monitoring of progress with implementation of the plan; and
- for the financial responsibilities as accounting officer as determined by the MFMA.

The Municipal Manager is the chief adviser of the Municipality and must advise the political structures and political office-bearers of the Municipality. The Municipal Manager must see to the execution of the decisions of the political structures and political office-bearers of the Municipality. The Municipal Manager must facilitate participation by the local community in the affairs of the Municipality and must also develop and maintain a system whereby community satisfaction with municipal services is assessed. The Municipal

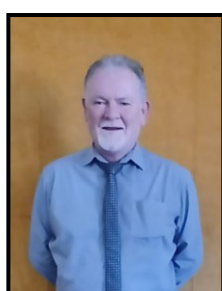
Manager entered into performance agreements with both the directors. The Municipal Manager is assisted by his senior management team, whose structure is outlined in the table below:

Macro-structure: Directorates

- Directorate Corporate Services (No Director) (*Outcome of the Work Study Investigation(2013-2015) whether such a small municipality can afford this position*) – Changed to Office of the Municipal Manager
- Directorate Financial Services
- Directorate Infrastructure Services



Mr J Jonkers
Municipal Manager



Mr SJ Myburgh
Director : Finance



Mr FJ Lotter
Director : Infrastructure

CHIEF FINANCIAL OFFICER

MR SJ MYBURGH

(Appointed as CFO for a five year term from 1 June 2023 – 31 May 2028)
1 July 2023 – 2 April 2024 (then he was suspended until 19 August 2024)

Mr AC Haas

(Acting CFO from 15 April 2024 until 28 June 2024)

HEAD OF INFRASTRUCTURE SERVICES

Mr FJ Lotter

(Appointed permanently as Director: Infrastructure from June 2016)

The Municipal Manager is assisted by his executive management team.

Name of Official	Department	Performance Agreement Signed for 2023/2024
		(Yes/No)
A Gibbons	Acting Municipal Manager	YES
J Jonkers	Municipal Manager	Yes - From 1 November 2023
SJ Myburgh	Director : Finance	YES
FJ Lotter	Director : Infrastructure	YES

FINANCIAL DISCLOSURE OF SENIOR MANAGERS

The table below indicates the financial disclosure made by the Senior Managers for the year under review:

Name of Official	Department / Designation	Signed
A Gibbons	Acting Municipal Manager	Yes
SJ Myburgh	Director : Finance	Yes
AC Haas	Acting Director : Finance	Yes
FJ Lotter	Director : Infrastructure	Yes
J Jonkers	Municipal Manager	Yes

COMPONENT B : INTERGOVERNMENTAL RELATIONS

It is the intention of Karoo Hoogland Municipality's Administration and Council to ensure that the community derives maximum benefit from its participation in intergovernmental forums and meetings.

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Note: MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution section 41.

The municipality participate actively in all Co-Operative Governance Relations with stakeholders in its area of jurisdiction which include Square Kilometer Area Telescope, Roggeveld Wind Farms, Soetwater Karusa Windfarms, South African Astronomical Observatory.

The municipality participate actively in the followings Intergovernmental Forums;

- Namaqua District Intergovernmental Forums
- MunMec
- Provincial Intergovernmental Forum
- District IDP Rep Forum
- CFO Forums
- SALGA Municipal Managers Forums

2.4 INTERGOVERNMENTAL RELATIONS

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another, inform and consult one another on matters of common interest, coordinate their actions, adhering to agreed procedures and avoid legal proceedings against one another.

NATIONAL INTERGOVERNMENTAL STRUCTURES

The Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) states that the role of the National Intergovernmental Forums is:

- To raise matters of national interest within that functional area with provincial governments and, if appropriate, organized local government and to hear their views on those matters
- To consult provincial governments and, if appropriate, organized local government on-
 - The development of national policy and legislation relating to matters affecting that functional area.
 - The implementation of national policy and legislation with respect to that functional area.
 - The co-ordination and alignment within that functional area of strategic and performance plans and priorities, objectives and strategies across national, provincial and local governments.
 - The co-ordination and alignment of the strategic and performance plans and priorities, objectives and strategies of the provincial government and local government in the province

The municipality participated in the District Development Model and Special Economic Zone development meeting for the Namaqua District Municipality on 4 July 2023.

The Special Economic Zone will ensure major development for the district and B municipalities and will impact municipalities in terms of infrastructure and economic development.

The meeting was hosted by the Deputy Minister of the Department of Trade and Industry.

The following Technical IGR meetings were attended by the Municipal Manager:

- Namakwa District IGR Forum

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

As stated by Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005), the role of the Provincial Intergovernmental forums are:

- The implementation in the province of national policy and legislation affecting local government interests.
- Matters arising in the Presidents co-coordinating council and other national intergovernmental forums affecting local government interests in the province.
- National policy and legislation relating to matters affecting local government interests in the province.
- The co-ordination of provincial and municipal development planning to facilitate coherent planning in the province as a whole.

The municipality attended the Premiers Intergovernmental Forum meeting and the MunMec meetings to report and participate on issues of service, compliance and development. These meeting are chaired by the Premier Dr. Z Saul and MEC B Vass.

At the Premiers Intergovernmental Forum challenges on service delivery and was discussed and it includes;

- Housing
- Roads
- Electricity
- Eskom
- Mega Development Projects

At the MunMec for municipalities the following challenges was discussed

- Filling Vacancies of Senior Manager and the Legislative requirements
- Housing projects
- Implementation of the MSA

DISTRICT INTERGOVERNMENTAL STRUCTURES

According to the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005), the role of the District Intergovernmental forums is:

- to serve as a consultative forum for the district municipality and the local municipalities in the district to discuss and consult each other on matters of mutual interest including-
- ✓ Draft national and provincial policy and legislation relating to matters affecting local government interests in the district.

The municipality attends the District IGR, Technical and political and the District IDP Rep Forum to ensure intergovernmental planning. CFO Forums are also attended by the municipality as per invitation as well as the Municipal Managers Forum. Both the IDP and Budget are submitted to the District, COGTHA and Provincial Treasury.

The municipality do have a Shared Service Agreement with the district municipality to assist with matters related to service delivery and policy development.

The municipality benefitted from the **Adopt A District Programme** that focus on Infrastructure Development, Revenue Enhancement and Local Economic Development.

2.4.1 INTERGOVERNMENTAL STRUCTURES

To adhere to the principles of the Constitution the Municipality participates in the following intergovernmental structures:

CURRENT STRUCTURES IN PLACE

Meetings and interactions on the following levels are regularly attended to enhance the Municipality regarding National and Provincial Government Policies and practices.

- Work closely with District Municipality, Provincial Government and SALGA to finalize the Provincial Urban Development Framework.
- Rollout of National Local Government anti-corruption strategy to all Municipalities and coordinate the implementation of the strategy at a local level.
- Support regarding implementation of the Municipal Property Rates Act.
- Support Municipality to comply with MFMA priority areas for implementation.
- The Provincial IDP engagement process and ensure alignment with LED strategies of Municipalities and PGDS.
- Alignment of all sector plans with the PGDS and IDP's and the NSDP so as to meet service delivery targets.
- District to align sector plans i.e Housing and MIG and Municipalities IDP.

Name of Structure	Members	Outcomes of engagements and topics discussed
IGR District Forum	District Municipality; GOGHSTA Regional Office; Mayors and Municipal Managers other sector departments	District based
SALGA Northern Cape Governance Structure	Councillors and SALGA	Provincial based initiative
Quarterly & Mid-year Budget Engagements	Northern Cape Provincial Treasury; Finance & IDP/PMS officials	Provincial based initiative
District IDP Representative forum	District Municipality; COGHSTA Regional Office; IDP/LED Officials other sector departments	District based
Local Government Municipal Improvement Model (LGMIM) Assessments	COGHTA and Namakwa District municipalities	National and regional based initiative
SALGA Karoo Small Town Regeneration Working Group	South African Local Government Association (SALGA), Mayors, Municipal Managers, Town Planning- and IDP/LED officials	National based initiative

2.4.2 JOINT PROJECTS AND FUNCTIONS WITH SECTOR DEPARTMENTS

All the functions of government are divided between the different spheres namely national, provincial and local. The Municipality therefore share their area and community with other spheres of government and their various sector departments and has to work closely with national and provincial departments to ensure the effective implementation of various projects and functions.

COMMUNITY DEVELOPMENT WORKERS

- CDW's deployed.
- There are 3 CDW's in KHM. One in Fraserburg, one in Sutherland and one in Williston.
- There is a fairly good relationship with them and they are mainly being utilized to promote communication between Council and the public.

COMPONENT C : PUBLIC ACCOUNTABILITY AND PARTICIPATION

MSA Section 17(2) and 15(b): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16(i): states that a municipality must develop a system of municipal governance that compliments 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.

Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- preparation of the municipal budget.

2.5 PUBLIC MEETINGS

Procedures for community participation processes as set out in legislation adhered to by timeously giving out meeting notices. The Council had meetings on the various towns with community meetings the previous night with before the Council meetings.

PUBLIC PARTICIPATION

COUNCIL MEETINGS, OPERATIONAL MEETINGS AND LEGISLATED PUBLIC ENGAGEMENTS

There are various instructions in local government legislation for the internal functioning of municipal councils, in order to guide decision-making concerning the exercise of all the powers and the performance of all the functions of the municipality.

As the highest decision-making body within the municipality, a municipal council is required to:

- (i) In terms of Section 18(1) of the Municipal Structures Act, must meet at least quarterly;
- (ii) As directed by the Municipal Finance Management Act, Section 16(2), consider the draft annual Budget at least 90 days before the start of the financial year (by end March); and
- (iii) Section 24(1), at least 30 days before the start of the financial year (by end June) consider the approval of the annual Budget.

Furthermore as part of consultation, there are various instructions in local government legislation for municipalities to actively seek the community's participation, input and/or comments on matters such as the Municipal Systems Act, Section 16(1) Public Participation Processes, which includes:

- (a) Preparation, implementation and review of the Integrated Development Plan (IDP);
- (b) Preparation of a budget;
- (c) Implementation and review of the performance management system; and
- (d) Monitoring and review of municipality's performance (based on the Service Delivery and Budget Implementation Plan (SDBIP)).

The municipality's public participation process was conducted through its ward committees to ensure compliance with the regulations. Each ward committee member represents a constituency.

The municipality has made special efforts to enhance communication with the general public through various organized structures. The relationship with organized NGO's such as local ratepayer's associations has improved drastically during the past four financial years and regular meetings are being held to discuss matters of mutual interest.

Council has endeavored to meet its legal obligations with regarding public participation with special reference to the following meetings which were held:

- IDP meetings & Budget meetings
- Ward Committees were established and held regular meetings; however, not all ward committees met every month.

Functionality of Ward Committees: 2023/2024

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	Cllr. AE Steenkamp	Yes	11	11	No quarterly meetings – Feedback given during IDP/Budget Public participation meetings and Council meets the People meetings
2	Cllr. VT Opperman	Yes	9	9	
3	Cllr. JJ v/d Colff	Yes	6	6	
4	Cllr. SA Muller	Yes	11	11	
5	Cllr. CG Steenkamp	Yes	12	12	
6	Cllr. EC Oliphant	Yes	8	8	

WARD COMMITTEE CHALLENGES REPORTED 2023/2024 PER WARD

Ward	Challenges Reported	Report to Speaker (Notes)
1	<ul style="list-style-type: none"> ➤ Informal housing/ shacks ➤ SMME's ➤ Commonage policy ➤ Plots ➤ Projects ➤ Public Toilet ➤ Fencing of Landfill site ➤ Jan Simpson Sport grounds and buildings (need to be utilized differently) 	<ul style="list-style-type: none"> ➤ Housing project in Williston (150) ➤ SMME forum should be established ➤ Policy was workshopped with farmers: May 2024 ➤ Applications for plots still in process with section 79 committee ➤ Toilets open for public ➤ Landfill site fencing was budgeted for ➤ Currently rented out (under contract) & sport ground maintenance to be budgeted for
2	<ul style="list-style-type: none"> ➤ Refuse removal problematic due to transport issues ➤ Sales point for electricity in Ammerville ➤ Fencing of graveyard ➤ Electricity problem in Uitsig and Valley area ➤ Pot holes of streets in town ➤ Gravel road upgrade in dust roads ➤ Fencing need to be done behind the Ammerville hall 	<ul style="list-style-type: none"> ➤ Await new vehicle fleet (Truck & Bakkie) ➤ New service provider will be appointed after July 2024 ➤ Still in process ➤ Will be addressed with the new Electricity upgrade project 2024/2025 ➤ Budget: Tar need to be ordered ➤ No Grader in Municipality currently ➤ Budget for fencing
3	<ul style="list-style-type: none"> ➤ Repair of Landfill site Williston ➤ Commonage ground: Appointment of Official ➤ Refuse Removal: Notice of time table /dates ➤ Repair of Fraserburg Museum Roof 	<ul style="list-style-type: none"> ➤ - ➤ Organogram need to be revised - no post currently ➤ - ➤ Time table developed and advertised

	<ul style="list-style-type: none"> ➤ Trees in Fraserburg Sportsground need to be sawed/trimmed ➤ Radio signal very bad in KHM ➤ Dirt/gravel roads in towns need to be worked on ➤ Farmworkers assistance with registration for RDP houses 	<ul style="list-style-type: none"> ➤ No Trained Chain saw Personnel member in Fraserburg ➤ Due to change to Digital from analogue ➤ - ➤ Newsletter and Community awareness drive for NHNR registration
4	<ul style="list-style-type: none"> ➤ Cleaning of Towns dams ➤ Street names ➤ Public Toilets need to be open for public ➤ Streetlights not working ➤ Roads ➤ Stray Dogs 	<ul style="list-style-type: none"> ➤ - ➤ - ➤ Toilets were vandalised ➤ Awaits Eskom ➤ No grader in Town ➤ Law Enforcement officer need to be appointed
5	<ul style="list-style-type: none"> ➤ Landfill Fencing ➤ Potholes in streets ➤ Marking of streets with white lines ➤ Commonage contracts ➤ Removal of refuse ➤ Stray dogs ➤ Upgrading of Museum 	<ul style="list-style-type: none"> ➤ Fencing was budgeted and will commence ➤ Potholes repaired ➤ Still needs to be done ➤ Feedback to be given on contracts ➤ Notice will be issued to community in 2024/2025 ➤ Newsletter(Quarter 2) is issued to community/ Law enforcement Officer appointed during 2024 ➤ Museum was upgraded during 2024
6	<ul style="list-style-type: none"> ➤ Garden waste all over ward ➤ Broken toilet doors and slabs ➤ Live Stock in residential areas ➤ Plots ➤ Roads & stormwater system ➤ Street lights (none) ➤ Community Members throwing urine and Human faeces in streets ➤ Illegal dumping sites all over Sterreland 	<ul style="list-style-type: none"> ➤ - ➤ - ➤ Law enforcement officer need to be appointed to address all contraventions of by-laws ➤ Section 79 committee address issue ➤ - ➤ Eskom need to repair lights ➤ Law Enforcement By-law needs to be enforced ➤ Law Enforcement By-law needs to be enforced

Accountability was enhanced by circulating more newsletters as well as public notices to keep the community informed.

- Timeous distribution of Council agendas resulting in more than 70% attendance of scheduled meetings.
- It is a priority to implement an Electronic Document Management System to track and monitor Council resolutions for effective communication. (currently done manually in MS Excel)
- The Old Municipal website focused on tourism and in June 2015 in the 2014/15 financial year a new website was developed where all required documents are being uploaded like the Budget, IDP, AFS, SDBIP, Policies etc.
- The New Municipal website (www.karoohoogland.gov.za) are being maintained by KHM personnel with assistance from Web Ateljee (Service Provider) and 100% of the required documents were placed on the website during the year under review as per report from Provincial Treasury.

Accountability and community participation were enhanced by engagements through the following:-

- ✓ Messages on municipal accounts/bills
- ✓ Local Newspaper: Die Noordwester & Die Burger
- ✓ Pamphlets handed out at houses
- ✓ Posters put up at strategic places in towns
- ✓ Whats-app Group notices per Town
- ✓ Community Development Workers (COGTA)
- ✓ E-mails to Ward Committee Chairpersons
- ✓ Municipal Website
- ✓ Emailing of Newsletters

Since March 2020 the Karoo Hoogland Municipality started their Facebook page to engage with the community and also to distribute information on more platforms. The number of members as at 30 June 2024 was 909 members.

Herewith the newsletters distributed during the 2023/2024 year:

NUUSBRIEF
KAROO HOOGLAND MUNISIPALITEIT
DATUM VAN UITGAWE: DESEMBER 2023 (bl.1)

KAPITALE BEGROTING 2023/2024

Kapitale Begroting: R 21 733 000

Williston WWTW	R 8 733 000
Fraserburg Sewage	R 13 000 000

BEGROTING 2023/2024

Totale operasionele inkomste:	R 79 565 000
Totale operasionele uitgawes:	R 76 649 000
(Uitgesluit Depressiasie (R 10 400 000) op Bates)	

Uitgawes 2023/2024:

Salaris Uitgawes beloop:	R 29 574 000
Raadslede Vergoeding:	R 4 781 000
Depressiasie(Waardevermindering):	R 10 400 000

Salarisse as % van Operasionele Uitgawes **39%**

Onderhoud op Munisipale Bates as % van Operasionele Uitgawes **3%**

****Kapitale Begroting word gefinansier deur Toekennings van Nasionale Tesourie**

Die Begroting asook die GOP vir 2023/2024 is beskikbaar op die munisipale webblad: www.karoohoogland.gov.za
By die volgende skakel:
ANNUALLY UPDATED DOCUMENTS

VERKEERS-DEPARTEMENT BESOEK DATUMS

WILLISTON
9 & 26 Jan
6 & 23 Feb
5 Maart
9 & 26 April

FRASERBURG
10 Jan
7 Feb
6 Maart
10 April

SUTHERLAND
11 Jan
8 Feb
7 Maart
11 April

TARIEWE 2023/2024

Vanaf 1 Julie 2023 het tariewe met slegs 5,3% gestyg, behalwe elektrisiteitstariewe wat met 15,1% gestyg het die jaar

Die volledige tariewe lys asook die grondgebruikssoek-tariewe is beskikbaar op ons webblad by **INFORMATION → TARIFFS**
Of kan op versoek aan u ge-epos word

NUWE NOMMER

053 285 0998
info@karoohoogland.gov.za

Karoo Hoogland Municipality

BYSTAND-NOMMERS

Williston	066 056 2678
Fraserburg	066 077 5922
Sutherland	066 056 2811

AANMELD VAN KLAGTES

Die publiek word versoek om enige klagtes **skriftelik** aan te meld. Die **Klagteboek** is by elke Kassiere beskikbaar of u kan direk u klagte aan die Munisipale Bestuurder ng indien dit ernstiger is. Daar is ook 'n vorm op ons webblad waar u klagtes kan aanmeld. Dringende klagtes soos waterprobleme of kragprobleme kan direk by die bystandnommers rapporteer word.

VANDALISME EN DIEFSTAL

Die gemeenskap word versoek om paraat te wees tydens die Desember en Januarie vakansie tye wanneer vandalisme en diefstal gevalle weer meer raak. Hou jul huise en hekke gesluit. Waar moontlik, probeer ligte saans aanskakel sodat enige ongewenste karakters dadelik gesien kan word. Indien u weggaan, vra 'n vriend om gereeld by u woning 'n draai te maak sodat enige vandalisme, diefstal en inbrake dadelik aangemeld kan word.

NUUSBRIEF
KAROO HOOGLAND MUNISIPALITEIT
DATUM VAN UITGAWE: DESEMBER 2023 (bl.2)

KERSBOODSKAP

2023 lê op sy rug... Dit merk nou al twee jaar sedert November 2021 wat die Raad van Karoo Hoogland, waarvoor u gestem het aan bevind is. Vele hoogtepunte wat gevier kan word. Ook laagtepunte wanneer 'n mens dink aan geleides wat nou nie meer met ons is nie. Mag elkeen wat 'n geleide verloor het, vertroosting vind.

Elke jaar en elke seisoen bring sy eie uitdagings en vreugdes. Elkeen beleef en ervaar dit anders, maar aan Onse Vader al die eer dat Hy ons steeds dra elke oomblik van ons lewens.

REGISTRASIE VIR NASIONALE BEHUISINGREGISTER (NHR)
Deurlopende registrasie daaglik vanaf 14:00 – 16:00 kan gedoen word by die volgende persone by die onderskeie kantore van Dinsdae tot Donderdae:

- Eleda Skippers (Williston)
- Alistar Gibbons (Sutherland)
- Donovan Louw (Fraserburg)

Bring asb die huidige huishouding se ID's.

U word 'n vrolike en geskende Kersfees toegewens.

Vir die wat op die paai gaan, reis veilig! Wees versigtig en paraat. Rus uit en kom ons begin die nuwe jaar met nuwe lewenslus en idees om Karoo Hoogland Munisipaliteit vorentoe te neem as 'n plek waar ieders en elke se insake belangrik geg word. 'n Plek waar ons mekaar respekteer en benoedig! Die plek waar almal WIL woon!

Mag u almal 'n vreedsame tyd saam met familie en vriende deurbring die feestyd. Voorspoed vir 2024 en mag ons die jaar voortbou op ons suksesse en leer uit ons foute.

Boodschap van Karoo Hoogland se Burgemeester, Raadslid AS Mietas



Raadslid AS Mietas
BURGEMEESTER



Help asseblief om ons dorpe skoon te hou! Gooi vullis in ASDROMME en sit die swartsakke slegs uit op die dae wanneer vullisverwydering plaasvind. Rapporteer dit by die bystandnommers indien u hope vullis in die dorpe sien rondle!!

NUUSBRIEF
KAROO HOOGLAND MUNISIPALITEIT
DATUM VAN UITGAWE: DESEMBER 2023 (bl.3)

AANDAG : AGTERSTALLIGE MUNISIPALE REKENINGE OORHANDIGINGSPROSES

'n Proses van **oorhandiging** van alle agterstallige rekeninge sal **begin vanaf 22 Januarie 2024**. Die gemeenskap word dus 'n twee maande tydperk gegun om reëlings vir afbetalings te tref. Dis 'n eenmalige aanbod en word u dus versoek om NOU aansoek te kom doen vir vereffening van agterstallige rekeninge of ooreenkomste te kom tref tot 21 Januarie 2024.

HOEKOM SAL IEMAND DIT WIL DOEN: (eenmalige incentive)

Ten volle vereffening van rekening voor 21 Januarie 2024 :
-40% van totale uitstaande rek.
Afbetaal met getekende ooreenkoms vir maksimum 1 jaar:
-25% van totale uitstaande rek.

Indien u nie van die geleentheid gebruik maak nie, sal u agterstallige rekening oorhandig word op 22 Januarie 2024 en ook vir al die regskostes verantwoordelik wees.

U kan **deurlopend** enige van die **munisipale kantore** besoek vir afbetalingsreëlings of volle vereffening.

WATER UITSLAE E.Coli

	JULIE	AUG	SEPT
WILLISTON	<1	<1	<1
SUTHERLAND	<1	<1	<1
FRASERBURG	<1	<1	<1

E.Coli norm = < 1

OKT NOV

	OKT	NOV
WILLISTON	<1	<1
SUTHERLAND	<1	<1
FRASERBURG	<1	<1

E.Coli norm = < 1

Die watermonsters word ook getoets vir die volgende :
Conductivity, pH Value, Turbidity, Disinfectant residuals (free chlorine), Heterotrophic Plate Count

Uitslae word by die munisipale kantore opgeleak vir enigiens om te besigtig.
(Water Quality Monitoring)

DOEN DEURLOPEND AANSOEK VIR DEERNIS KORTINGS/SUBSIDIES

Die publiek word ernstig beroep om aansoek te doen vir subsidies (deernis kortings) vir die 2023/2024 finansiële boekjaar.

Vorms is verkrygbaar by al die munisipale kantore asook by u wyksraadslede en CDW's.

Gaan vind nou uit of u dalk vir 100% of dalk 50% subsidies kwalifiseer !!

Deernis aansoek se perke is as volg : 100% subsidie (< R 4 220 per maand) en dan vir 50% subsidie (> R 4 220 en < R 6 330 per maand)

AFSKRYWINGS: U word ook hiermee aangemoedig om die munisipale kantore te besoek met afskrifte van doodsertifikate van familie-lede wat munisipale rekeninge op hul naam gehad het sodat skuld moontlik vir die afgestorwenes afgeskryf kan word tot met die datum van hul afsterwe.

U word ook verder ingelig dat u maandeliks soos u finansiële situasie verander aansoek kan doen en dat bogenoemde "aansoek vir subsidie" nie 'n jaarlikse aansoekproses is nie.

NUUSBRIEF
KAROO HOOGLAND MUNISIPALITEIT
DATUM VAN UITGAWE: DESEMBER 2023 (bl.4)

WERKSAAMHEDE VAN DIE MUNISIPALE WERKERS EN HULP VAN ANDER WERKSPANNE AANGESTEL DEUR DEPT. OMGEWINGSKE ASOOK DIE FRASERBURG TOETSBAAN PROJEC



NUUSBRIEF

KAROO HOOGLAND MUNICIPALITEIT
DATUM VAN UITGAWE: DESEMBER 2023 (bl.5)



Geezix kontrakteurs in Williston besig met die opgradering van die Das Louw Sportgronde Projek in Williston. Geezix is aangestel in Maart 2023 as kontrakteur op die projek. Die Provinsiale MIG kantoorspan het die projek op 8 November 2023 besoek.



MUNISIPALE KANTORE : SLUITINGS-TYE

Die Munisipale Kantore sal Woensdag, 20 Desember 2023 om 12:00 sluit en weer op Maandag 8 Januarie 2024 open. Alle noodsaaklike dienste sal steeds verrig word in die tydperk.

NUUSBRIEF

KAROO HOOGLAND MUNICIPALITEIT
DATUM VAN UITGAWE: DESEMBER 2023 (bl.7)

SONERING VAN ERWE

Alle inwoners word herinner daaraan dat in terme van Karoo Hoogland se Skemaregulasies, erwe verskillend gesoneer is, wat verskillende gebruike toelaat op erwe.

Jy mag byvoorbeeld nie 'n besigheid bedryf van 'n residensiële erf sonder die korrekte toestemming of vergunningsgebruik, hersonerings-aansoek/goedkeuring nie.

Hiermee herinner ons alle inwoners wat besigheids bedryf asook gastehuse bedryf of woonstelle uitverhuur - dat jul sal seker maak dat jul erf korrek gesoneer is.

Boetes sal voortaan gehê word indien u gebruike toepas op erwe wat nie daarvoor soneer is nie.

Kontak Christelle Viljoen of Elideda Skippers vir die korrekte aansoekvorms en prosesse.

****Klagtes in die verband kan by die Munisipale Bestuurder aangemeld word.**

VOEDSELVOORBEREIDING

Inwoners word versoek om aansoek te doen vir 'n geskikheidsertifikaat indien hul enigsnis voedsel of gebak in hul huise of op hul persele voorberei en verkoop. U mag nie vanaf persele voedsel voorberei indien die perseel nie geskik is en inspekteer is nie.

LOUDIT OPINIE 2022/2023

Karoo Hoogland Munisipaliteit se oudit deur die Ouditeur Generaal het vanaf Augustus tot November 2023 geduur. Die Ouditeur Generaal se Opinie is op 30 November 2023 ontvang. Dit is met groot waardering vir die amptenare se harde werk gedurende 'n moeilike jaar wat verby is asook gedurende die oudit tydperk dat die oudit opinie nie verswak het nie, maar steeds **ongekwalifiseerd** bly. Baie geluk aan alle amptenare wat bygedra het tot die uitkoms.

NETHEID VAN ERWE

Klagtes word deurendelend ontvang van vuil erwe asook klagtes oor rommel, voertuig-wrakke en ander afvalmateriaal wat by verskeie erwe versamel word en ophoop. Dit is onniet en teen bestaande Wetgewing. Inwoners wat hul hieraan skuldig maak, word versoek om hul erwe skoon te maak. Indien u sou versuim, sal daar opgetree word.

INLIGTING & VERSOEKE

- Alle winkel- en huiswinkelselaars word versoek om hul eiendom binne en buite skoon en higiënies te hou.
- Geen persone mag hout maak of bome afmaak op die dorpsmeent of enige ander munisipale eiendom nie, tensy hul skriftelike toestemming het van die Munisipale Bestuurder.
- Versoek dat inwoners let op wat in hul rioolreine afgegooi word. Groot skade word aangerig aan die pompe en motors as daar lappe, besems en ander items in die dreine beland.
- **WATER moet spaarsamig gebruik word in Williston, Sutherland and Frasersburg.**
- **SWARTSAKKE** moet korrek gebruik word en uitgesit word sodat die vullis nie in die strate rondwaai nie. Besigheidselaars asook huiswinkelselaars, moet nie hul vullis net in die dromme stort nie.
- **SUG VAN VROT PUTTE TE FRASERBURG:** Hierdie versoek moet slegs by die munisipale kantoor gemaak word en slegs daar by die kantoor die fool betaal (R750). Geen elenaar moet enigsnis geld aan enige ander werker betaal vir enige diens nie. Dit is bedrog en kan die persoon asook die amptenaar van KHM aangekla word.

NUUSBRIEF

KAROO HOOGLAND MUNICIPALITEIT
DATUM VAN UITGAWE: DESEMBER 2023 (bl.6)



South African citizens 16 years and older can register to vote online at any time at registertovote.elections.org.za as long as they have a valid SA ID.

Be on the lookout for Voter Registration Weekends during 2024 !!

There are some 500 000 ID documents waiting to be collected at Home Affairs offices. It's our Constitutional mandate to ensure that every eligible voter has a valid ID to exercise their right to vote and participate in the elections next year!



**COLLECT YOUR ID AT HOME AFFAIRS
REGISTER ONLINE AS A VOTER**
registertovote.elections.org.za



BOUPLAN AANSOEKE

Dit is wetgewing dat **geen persoon 'n argitekture-planne** mag teken as hulle nie by **SACAP** geregistreer is nie. Die Munisipaliteit mag ook nie planne goedkeur van iemand wat nie deur 'n geregistreerde persoon geteken is nie. Geen persoon mag op eie risiko voortgaan met bouwerk nie.

Indien enige persoon dit sou doen, sal hul 'n kans staan om deur die Munisipaliteit beboet te word vir onwettig bou. Die Munisipaliteit moet die veiligheid van die publiek in ag neem en doen 'n beroep op die inwoners om nie die wet te oortree nie en om persone wat hul daaraan skuldig maak te rapporteer sodat daar opgetree kan word.

Ons wil graag 'n veilige omgewing vir alle inwoners skep en bevorder.

Die Munisipaliteit beskik oor kontakpersone wat wel geregistreer is vir bogenoemde doeleindes en wat u behulpzaam kan wees met planne teken. Aansoekvorms vir bouplanne is beskikbaar by ons kantore in harde kopie asook elektronies op ons webblad of op aanvraag per epos.



DATUMS VAN VOLGENDE ALGEMENE
RAADSVERGADERINGS

30 Januarie 2024
27 Februarie 2024
27 Maart 2024



NUUSBRIEF

KAROO HOOGLAND MUNICIPALITEIT
DATUM VAN UITGAWE: DESEMBER 2023 (bl.8)

BELANGRIKE NOMMERS

BYSTAND-NOMMERS

Williston 066 056 2678
Fraserburg 066 077 5922
Sutherland 066 056 2811



MUNISIPALITEIT
053 285 0998
info@karoohoogland.gov.za
www.karoohoogland.gov.za

NOODNUMMER
087 759 2153

ESKOM FOUTE
0860 037 566

PUBLIEKE DEELNAME PROSESSE

Onthou asseblief om u insette te gee tydens die Jaarverslagproses (Februarie – Maart 2024), GOP-proses en die begrotingsproses (Februarie-Mei 2024).

Alle insette kan per epos gestuur word aan die Munisipaliteit en sal vandaar na die korrekte persone versprei word.
info@karoohoogland.gov.za

U kan ook kontak maak met u wyksraads lid vir u insette.

WYKSRAADSLEDE

Wyk 1	Raads lid AE STEENKAMP Political Affiliation: DA	Wyk 4	Raads lid SA MULLER Political Affiliation: ANC
Wyk 2	Raads lid VT OPPERMAN Political Affiliation: ANC	Wyk 5	Raads lid CG STEENKAMP Political Affiliation: DA
Wyk 3	Raads lid JJ VAN DER COLFF Political Affiliation: DA	Wyk 6	Raads lid EC OLIPHANT Political Affiliation: ANC

MUNISIPALE KANTORE : SLUITINGSTYE

Die Munisipale Kantore sal Woensdag, 20 Desember 2023 om 12:00 sluit en weer op Maandag 8 Januarie 2024 open. Alle noodsaaklike dienste sal steeds verrig word in die tydperk.

NUUSBRIEF

KAROO HOOGLAND MUNISIPALITEIT

DATUM VAN UITGAWE: MAART 2024 (bl.1)



PUBLIEKE DEELNAME PROSESSE 2024/2025

Onthou asseblief om u insette te gee tydens die GOP-proses en die begrotingsproses. Vergaderings begin 17:00

Wye	Plek
25 Maart 13 & 5	Amandelboom CDC
26 Maart 2, 3 & 5	Ammerville Saal Fraserburg
27 Maart 4 & 6	VGK saal Sutherland

U kan ook kontak maak met u wyksraadslid vir u insette.

Help asseblief om ons dorpe skoon te hou! Gooi vullis in ASDROMME en sit die swartsakke slegs uit op die dae wanneer vullisverwydering plaasvind. Rapporteer dit by die bystandnommers indien u hope vullis in die dorpe sien rondle!

WATER UITSLAE E.Coli

	DES '23	JAN '24	FEB '24
WILLISTON	<1	<1	<1
SUTHERLAND	<1	<1	<1
FRASERBURG	<1	<1	<1

E.Coli norm = <1

Die watermonsters word ook getoets vir die volgende: Conductivity, pH Value, Turbidity, Disinfectant residuals (free chlorine), Heterotrophic Plate Count

(Water Quality Monitoring)

VERKEERS- DEPARTEMENT BESOEK DATUMS

WILLISTON

9 & 26 April

7 & 24 Mei

11 & 28 Junie

FRASERBURG

10 April

8 Mei

12 Junie

SUTHERLAND

11 April

9 Mei

13 Junie

053 285 0998

info@karoohoogland.gov.za

Karoo Hoogland Municipality

BYSTAND-NOMMERS

Williston 066 056 2678

Fraserburg 066 077 5922

Sutherland 066 056 2811



DOEN DEURLOPEND AANSOEK VIR DEERNIS KORTINGS/SUBSIDIES

Die publiek word ernstig beroep om aansoek te doen vir subsidies (deernis kortings) vir die 2023/2024 finansiële boekjaar. Vorms is verkrygbaar by al die munisipale kantore asook by u wyksraadslede en CDW's. Gaan vind nou uit of u dalk vir 100% of dalk 50% subsidies kwalifiseer !!

Deernis aansoek se perke is so volg: - 100% subsidie (< R 4 220 per maand) en dan vir 50% subsidie (> R 4 220 en < R 6 330 per maand)

AFSKRYWINGS: U word ook hiermee aangemoedig om die munisipale kantore te besoek met afskrifte van doodsertifikate van familie-lede wat munisipale rekeninge op hul naam gehad het sodat skuld moontlik vir die afgestorwenes afgeskryf kan word tot met die datum van hul afsterwe.

U word ook verder ingelig dat u maandeliks soos u finansiële situasie verander aansoek kan doen.

AANMELD VAN KLAGTES

Die publiek word versoek om enige klagtes skriftelik aan te meld. Die **Klagteboek** is by elke Kassiere beskikbaar of u kan direk u klagte aan die Munisipale Bestuurder rig indien dit ernstiger is. Daar is ook 'n vorm op ons webblad waar u klagtes kan aanmeld. Dringende klagtes soos waterprobleme of kragprobleme kan direk by die bystandnommers rapporteer word.

NUUSBRIEF

KAROO HOOGLAND MUNISIPALITEIT

DATUM VAN UITGAWE: MAART 2024 (bl.2)



PROJEC VAN JVZ CONSTRUCTION : SEWAGE RETICULATION PROJEC : FRASERBURG



NUUSBRIEF

KAROO HOOGLAND MUNISIPALITEIT

DATUM VAN UITGAWE: MAART 2024 (bl.3)



WERKSAAMHEDE VAN DIE MUNISIPALE WERKERS EN HULP VAN ANDER WERKSPANNE AANGESTEL DEUR DEPT. OMGEWINGSKE ASOOK DIE FRASERBURG TOETSBAAN PROJEC



NUUSBRIEF

KAROO HOOGLAND MUNISIPALITEIT

DATUM VAN UITGAWE: MAART 2024 (bl.4)

BELANGRIKE NOMMERS

BYSTAND-NOMMERS

Williston 066 056 2678

Fraserburg 066 077 5922

Sutherland 066 056 2811

NOODNOMMER 087 759 2153
ESKOM FOUTE 0860 037 566

KAROO HOOGLAND MUNISIPALITEIT



053 285 0998

info@karoohoogland.gov.za

Karoo Hoogland Municipality

www.karoohoogland.gov.za

INLIGTING & VERSOEKE

REGISTRASIE VIR NASIONALE BEHUISINGSREGISTER (NHR)

Deurlopende registrasie daaglik vanaf 14:00 – 16:00 kan gedoen word by die volgende persone by die onderskeie kantore van Dinsdae tot Donderdae:

- Eleda Skippers (Williston)
- Allistar Gibbons (Sutherland)
- Donovan Louw (Fraserburg)

Bring asb die huidige hulshouding, se ID's.

Operasie vergaderings rakende bogenoemde en hulp in die verband vind plaas op al drie dorpe elke middag 14:00 op die volgende datums:

25 Maart Williston Amandelboom CDC
26 Maart Fraserburg Ammerville Saal
27 Maart Sutherland VGK Saal

- Alle winkel- en huiswinkelseienaars word versoek om hul eiendom binne en buite skoon en higiënies te hou.
- Versoek dat Inwoners let op wat in hul nooddreine afgepool word. Groot skade word aangerig aan die pompe en motors as daar lappe, besems en ander items in die dreine beland.
- **WATER moet spaarsamig gebruik word in Williston, Sutherland and Fraserburg.**
- **SWARTSAKKE** moet korrek gebruik word en uitgesit word sodat die vullis nie in die strate rondwaai nie. Besigheidselenaars asook huiswinkelseienaars, moet nie hul vullis net in die dromme stort nie.
- **SUIG VAN VROT PUTTE TE FRASERBURG:** Hierdie versoeke moet slegs by die munisipale kantoor gemaak word en slegs daar by die kantoor die fooi betaal. Geen elenaar moet enigins geld aan enige ander werker betaal vir enige diens nie. Dit is bedrog en kan die persoon asook die amptenaar van KHM aangekla word.

DATUMS VAN VOLGENDE ALGEMENE RAADSVERGADERINGS

28 Maart 2024
Sutherland

2.5.1 WARD COMMITTEES

The purpose of a ward committee is:

- to get better participation from the community to inform Council decisions;
- to make sure that there is more effective communication between the Council and the community; and
- to assist the ward councillor with consultation and report-backs to the community.

Ward committees are nominated and elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councillor, who makes specific submissions directly to Council. These committees play a very important role in the development and annual revision of the IDP of the area.

Ward committees support the ward councillor who receives reports on development, participates in development planning processes and facilitates wider community participation. To this end, the Municipality constantly strives to ensure that all ward committees function optimally with community information provision, convening of meetings, ward planning, service delivery, IDP formulation and performance feedback to communities. The table below provides information of the ward committee meetings held during the 2023/2024 financial year:

Ward committee meetings 2023/2024	Dates of meetings	Nr of Monthly meetings	Councillors
Ward 1: Williston	06.07.2023 03.08.2023 13.09.2023 05.10.2023 10.11.2023 08.12.2024 12.01.2024 09.02.2024 08.03.2024 12.04.2024 07.06.2024	11	1
Ward 2: Fraserburg	04.07.2023 03.08.2023 05.09.2023 10.10.2023 09.11.2023 08.02.2024 07.03.2024 04.04.2024 09.05.2024	9	1
Ward 3 : Rural Areas	02.08.2023 02.10.2023 13.11.2023 18.01.2024 05.04.2024 06.05.2024	6	1
Ward 4: Sutherland	06.07.2023 08.08.2023 06.09.2023 11.10.2023	11	1

	13.11.2023 07.12.2023 11.01.2024 13.03.2024 09.04.2024 14.05.2024 11.06.2024		
	11.07.2023 03.08.2023 12.09.2023 10.10.2023 07.11.2023 04.12.2023 09.01.2024 06.02.2024 05.03.2024 02.04.2024 07.05.2024 13.06.2024		
Ward 5: Williston		12	1
	12.07.2023 06.09.2023 11.10.2023 15.11.2023 07.12.2023 11.01.2024 04.04.2024 19.06.2024		
Ward 6: Sutherland		8	1

2.5.2 FUNCTIONALITY OF WARD COMMITTEES

The table below provides information on the composition and functionality of ward committees as follows:

- Ward committee meetings held during the year include scheduled meetings between Ward Councillors and committee members, including IDP/Ward Committee engagements as part of the IDP process for the 2023/2024 planning year. Currently the number of ward committee meetings are one per month as per council resolution and the approved Ward Committee Policy.
- Minutes of Ward Committee meetings are submitted to the Speaker, after each meeting. These minutes are distributed internally to Senior Management to address service delivery issues highlighted in the minutes. The minutes and reports are submitted to COGHSTA on a regular basis.
- Ward Committee reporting was included as a standing item on the Council meeting Agenda to allow for feedback and communication of service delivery issues.
- Functionality of ward committees is determined by the active engagements of ward committees with communities on public platforms and direct interactive sessions to improve or create better communities.

2.5.3 IDP PARTICIPATION AND ALIGNMENT

The MSA requires that local government structures prepare IDP's. The IDP serves as a tool for the facilitation and management of development within the municipal area. The function for the preparation of the IDP is under the Office of the Municipal Manager and the authority for the preparation of the IDP is delegated to an official. In terms of the alignment of the IDP, there is still challenges that will be addressed in the new financial year.

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 multi-year targets?	YES
Are the above 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 and National KPIs on the NDP 2030 Outcomes?	Yes
Were the indicators communicated to the public?	YES
Were the four quarterly aligned reports submitted within stipulated time frames?	YES
* Section 26 Municipal Systems Act 2000	

T 2.5.1

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Municipalities must exercise their executive and legislative authority within a system of co-operative government as outlined in Section 41 of the Constitution.

The corporate governance component is clearly identified and prescribed in the Municipal Systems Act as well as the Municipal Financial Management Act.

Corporate governance is the set of processes, practices, policies and laws affecting the way an institution is directed, administered or controlled. Corporate governance also includes relationships among many stakeholders involved and the goals by which the institution is governed.

The following sub-components are highlighted:

2.6 RISK MANAGEMENT

In terms of Section 62(1)(c)(i) and Section 95(c)(i) of the MFMA, No. 56 of 2003, it requires the accounting officer to ensure that the municipality and municipal entities, if any, have and maintain effective, efficient and transparent systems of risk management. The main reason for risk management is that the service delivery environment and the public sector's interface with stakeholders have become far more demanding and volatile than before.

Risk management is a systematic and formalised process instituted by the Municipality to identify, assess, manage, monitor and report risks ensuring the achievement of objectives.

The objective of the Risk Management Policy is to assist management and Council to make informed decisions which will:

- Improve the Municipality's performance on decision making and planning
 - Provide a sound basis for integrated risk management and internal control as components of good corporate governance
 - Assist management in ensuring more effective reporting and compliance with applicable laws, regulations and other corporate governance requirements
 - Foster a culture of good governance, ethical conduct, discourage inefficiencies and counter fraud and corruption
- Historical ways of doing things are no longer effective as evidenced by several service delivery and general failures.

Benefits from risk management are:

- more efficient, reliable and cost effective delivery of services;
- minimised waste and fraud; and
- more reliable decision making

For the 2023/2024 financial year Mr. Marlon Baxter (September 2023) was appointed to the position of performance and risk officer. Since January 2024, two organizational risk assessments were conducted and reported to the Audit Committee for the 2023/2024 financial year. During these assessments, the Risk Register was updated where the risk officer looked at the existing controls within the municipality. The Internal Auditor was present during all these assessments providing assurance on the actions to improve the risk.

2.6.1 TOP FIVE RISKS

The top five risks of the Municipality for the 2023/2024 financial year are the following :

- Inadequate recovery of outstanding debtors
- Underspending of grants
- Lack of EAP
- Loss of income
- Inadequate insurance covers

2.6.2 ACTION PLAN TO ADDRESS THE TOP FIVE RISKS

The table below provides the actions implemented/that will be implemented to address the top five risks: (Risk Action implementation)

No.	Risk No.	Risk description	Existing controls	Action Implementation
1	R32	Inadequate insurance covers	Only critical assets are insured	None because of budget constraints
2	R9	Underspending of grants	Monitor the grant expenditure on a monthly basis to ensure spending is in line as per the budget.	Engagement with Provincial
3	R4	Inadequate recovery of outstanding debtors	Credit Control Policy Section 71 Reports Monthly Age-Analysis report Monthly Outstanding debtors report	Monthly Debtors ageing Outstanding debtors report Door to Door visits to register the indigents. Quarterly Credit Control Meetings to occur
4	R2	Loss of income	Credit control policy Indigent Policy & Register Prepaid water and electricity meters Prepaid Recovery	Involvement of ward councillors and cdw's for the registration of indigents, Raise the recovery percentage (review the credit policy). Door to Door visits to register the indigents.
5	5	Lack of EAP	No controls in place	No Action

2.6.3 APPROVED RISK POLICIES AND STRATEGIES

Name of Strategy / Policy	Developed Yes / No	Date accepted / reviewed
Risk Management Policy	Yes	23 May 2024
Risk Management Strategy	Yes	23 May 2024

2.7 ANTI-CORRUPTION AND ANTI-FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, Section 112(1)(m)(i) identifies supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

2.7.1 DEVELOPED STRATEGIES

The municipality has a Fraud and Anti-Corruption Policy in place which was tabled and adopted by Council in 2018 and will be revised every three years. A Strategy should also be developed going forward.

2.7.2 DISCIPLINARY BOARD ESTABLISHMENT

The processes of this board were explained to management and Council on several occasions by Mr Ezra Tantsi. Mr Tantsi from NCPT conducted several workshops at KHM on Financial Misconduct (Chapter 15 of the Municipal Finance Management Act 56 of 2003 provides the legal framework for financial misconduct and financial offences and the purpose of this act is to set out processes and procedures to effectively deal with all allegations of financial misconduct. Subsequent to that, on 30 May 2014 National Treasury issued regulation 37699 on Financial Misconduct procedures and criminal proceedings), System of Delegations, the Financial Management Capability Maturity Mode (FMCMM) Reviews and Website Compliance issues.

The Disciplinary Board was established to deal with financial misconduct in the 2019/20 financial year. The Disciplinary Board however did not have any meetings before the financial year under review.

The Disciplinary Board was re-established on 30 January 2024, when Council appointed new members per Council decision. Herewith the extract:

17.4 APPOINTMENT OF MEMBERS TO SERVE ON THE DISCIPLINARY BOARD ON FINANCIAL MISCONDUCT

RESOLVED THAT:

- a) Council take note that in terms of the Municipal Regulations of Financial Misconduct Procedures and Criminal Proceedings a disciplinary board was established;
- b) Council take note that Council already approved the Terms of reference in August 2022;
- c) The members to serve on the disciplinary board be as follows:
 - i. Mr Denzil Rooi; (Internal Auditor at KHM)
 - ii. Mr FE van den Heever; (A member of the Audit Committee)
 - iii. Mr L Mitchell – Legal;
 - iv. Mr E Skiffers – Other [Reg 4 (6)(e)];
 - v. Provincial Treasury – co-opted in advisory capacity;
- d) Council take note that the above changes will be made to the Terms of Reference.

Proposed by : Councillor AS Mietas

Seconded by : Councillor MJ Chadow

Date of meeting of Disciplinary Board

- 24 April 2024

2.8 AUDIT COMMITTEE

Section 166(2) of the MFMA states that an Audit Committee is an independent advisory body which must:

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to:

- internal financial control;
- risk management;
- performance management; and
- effective governance.

2.8.1 FUNCTIONS OF THE AUDIT COMMITTEE

The Audit Committee has the following main functions as prescribed in Section 166(2)(a-e) of the MFMA, 2003 and the Local Government Municipal and Performance Management Regulation:

- To advise council on all matters related to compliance and effective governance
- To review the annual financial statements to provide council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation
- Respond to council on any issues raised by the Auditor-General in the audit report.
- To review the quarterly reports submitted to it by internal audit
- To evaluate audit reports pertaining to financial, administrative and technical systems
- To review the performance management system and make recommendations in this regard to council
- To identify major risks to which council is exposed and determine the extent to which risks have been minimised
- Review the plans of the internal audit function and in so doing, ensure that the plan addresses the high-risk areas and ensure that adequate resources are available
- Provide support to the internal audit function
- Ensure that no restrictions or limitations are placed on the internal audit section
- Evaluate the activities of the internal audit function in terms of their role as prescribed by legislation

2.8.2 MEMBERS OF THE AUDIT COMMITTEE

Currently the municipality makes use of the shared service from the district municipality. Regular meetings are usually held each financial year as required.

The Audit Committee had the following meetings or engagements for 2023/24:

Audit Committee Member	Number of meetings/engagements attended	Meetings held	Nature of meeting/engagement
FE van den Heever	9	2023/08/23 2023/10/24 2023/10/31 2023/12/05 2024/01/25 2024/03/05 2024/04/24 2024/04/24 2024/06/27	AFS Review AC Quarterly Review Council Meeting Council Meeting Annual Report Review SM Performance Review FDB AC Quarterly Review AC Quarterly Review
F Rootman	8	2023/08/23 2023/09/14 2023/10/05 2023/10/19 2023/11/23 2023/10/24 2024/01/25 2024/04/24	AFS Review Audit Steering Audit Steering Audit Steering Audit Steering AC Quarterly Review Annual Report Review AC Quarterly Review
Ms J van Wyk	2	2024/04/24 2024/06/27	AC Quarterly Review AC Quarterly Review
Ms E van Wyk	1	2023/08/23	AFS Review

The Draft AFS for 2023/2024 was tabled at the Audit Committee meeting on 23 August 2024 and positive inputs received from the members.



Members: From left to right

FJ Rootman, FE van den Heever (Chairperson), E van Wyk, Jolene van Wyk

Ms Elzanne van Wyk was appointed as a member of the Audit Committee on June 1, 2022 and resigned effective September 1, 2023.

The term for Mr Rootman ended, effectively April 30, 2024.

Ms Jolene van Wyk was appointed as a member of the Committee, effective February 1, 2024.

The Audit Committee was able to have comply as far as possible with the responsibilities arising from its Charter, including legislated requirements.

The table below indicates the members that serve on the Audit Committee :

Name & Surname	Role	Appointment date	Termination Date
Mr. Frank van Den Heever	Chairperson	19 August 2022	18 August 2025
Mr. Fredrick Rootman	Audit Committee Member	1 May 2021	30 April 2024 (term ended)
Ms E van Wyk	Audit Committee Member	01 June 2022	1 September 2023 (resigned)
Me Jolene van Wyk	Audit Committee Member	1 February 2024	31 January 2027

2.9 PERFORMANCE AUDIT COMMITTEE

The Regulations require that a PAC is comprised of a minimum of three members. Section 14(2)(b) of the Regulations further stipulates that the PAC must include at least one person who has expertise in performance management. It is also a requirement of the Regulations in Section 14(2)(d) that the Council of a municipality designate a member of the PAC who is neither a councillor nor an employee of the municipality as the chairperson of the committee.

Section 14(3)(a) of the Regulations requires that the PAC of a municipality must meet at least twice during each financial year. However, additional special meetings of the PAC may be called for by any member of the committee, where sufficient justification exists in terms of Section 14(3)(b) of the Regulations.

FUNCTIONS OF THE PERFORMANCE AUDIT COMMITTEE

In terms of Section 14(4)(a) of the Regulations the PAC has the responsibility to:

- review the quarterly reports produced and submitted by the internal audit process;
- review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and
- at least twice during each financial year submit a performance audit report to the council of the municipality.

MEMBERS OF THE PERFORMANCE AUDIT COMMITTEE

The functions of the PAC are fulfilled by the Audit Committee.

2.10 INTERNAL AUDITING

Section 165(2)(a)(b) and (c) of the MFMA requires that:

The internal audit unit of a municipality must:

- (a) Prepare a risk-based audit plan and an internal audit program for each financial year
- (b) Advise the accounting officer and report to the AC on the implementation of the internal audit plan and matters relating to:
 - (i) Internal audit;
 - (ii) internal controls;
 - (iii) accounting procedures and practices;
 - (iv) risk and risk management;
 - (v) performance management;
 - (vi) loss control; and
 - (vii) compliance with this act, the annual DoRA and any other applicable legislation
- (c) Perform such other duties as may be assigned to it by the accounting officer

2.10.1 RISK REGISTER AND THREE-YEAR STRATEGIC PLAN

The Risk-Based Audit Plan (RBAP) for 2023/2024 was approved by the Audit Committee in August 2023. The risk assessment was done during the 2023/2024 financial year.

The internal audit unit is independent and Internal audits are performed in terms of the approved Internal Audit Methodology of Namakwa District Municipality absorbed by Karoo Hoogland Municipality.

2023/2024

The position was advertised during March 2023 and the position was only filled in the 2023/2024 financial year from September 2023. Mr Marlon Baxter was appointed as the Performance and Risk Officer in September 2023.

2.11 SUPPLY CHAIN MANAGEMENT

Supply Chain Management (SCM) is necessary to ensure a sustainable and accountable supply chain that promotes black economic empowerment and local economic development. The drafting and implementation of both an SCM policy and procedures have ensured that the processes are fair, equitable, transparent, competitive, environmentally friendly and cost effective, in accordance with the rules and regulations from the different spheres of government.

Section 110-119 of the SCM Regulations 2005 and relevant MFMA circulars, stipulate the required processes and guidance to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimise opportunities for fraud and corruption. The Municipality's SCM Policy was reviewed and approved by Council on 30 May 2021 for the 2022/2023 year. Reports on the implementation of the SCM Policy are submitted monthly and quarterly to the Accounting Officer. These reports are tabled in Council meetings which are open to the public. During the 2022/2023 financial year some regulations were adjusted by Government during November 2022 and the SCM Policy was adjusted and approved from 16 January 2023 as well as a new Policy - Preferential Procurement Policy was developed for this purpose.

During 2023/2024 further legislative changes came into effect and the SCM Policy was revised and updated accordingly.

The municipality is currently operating a centralized SCM unit meaning that all procurement processes are dealt by the supply chain unit, which will promote and enhance an open and fair quoting and tendering process to all suppliers, regardless of the particular communication media that they may have access to. This system will level the playing field for all suppliers and also ensure that the amount of irregular expenditure will be minimized.

SUPPLY CHAIN MANAGEMENT UNIT (STAFF ESTABLISHMENT)

Tenders / Orders / Quotations

1 x Manager : Supply Chain Management

1 x Senior Clerk : Supply Chain Management

1 x Supply Chain Management Clerk

REVISED PREFERENTIAL PROCUREMENT REGULATIONS REPORTING

Reports of all awards made above R100 000 have been submitted to National Treasury, Provincial Treasury and CoGHSTA in terms of SCM circular no 19 of 2008 by form of the Back 2 Basics Reporting done each month since October 2014. It is also being uploaded onto National Treasury's website. (www.treasury.gov.za)

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

The SCM policy is implemented. The SCM policy is reviewed annually.

The quarterly reporting on the Implementation of the Supply Chain Management Policy for 2023/2024 were done and will be attached to this document as Volume XI. All SCM reporting since July 2018 have been tabled to Council and mostly uploaded to the website.

The procurement processes consists of the following components:-

- Contract management – Completed by the respective department, depending on the type of service that is requested
- Advertising – Formal quotations (R30 001 to R 199 999) are advertised on the notice boards and website of the Municipality for seven days and formal tenders are advertised for a minimum of three weeks on the website and in the local newspapers as contemplated in the SCM Regulations as well as on eTender when necessary and on the CiDB when applicable.
- Specification – Bid Specification Members have been appointed.
- Evaluation – The evaluation of formal quotations and tenders are done on the respective principles of 80/20 and 90/10 (as prescribed in the Preferential Procurement Policy Framework Act 5 of 2000 and the Preferential Procurement Regulation, 2017 and as amended in 2022), depending on the type of services that was requested. The report of such evaluation is forwarded to the Adjudication Committee with a recommendation
- Adjudication – This committee accepts the proposals of above standing committees or refer the proposal and report back to the Evaluation Committee if additional information is needed regarding the proposed contractor.
- Approval of the recommendation from the Bid Adjudication Committee by the MM for all awards of tenders.

BID/TENDER COMMITTEES AND MEMBERSHIP

Any possible conflicts of interest are declared at all bid committee meetings, by means of a signed register and a declaration form.

Bid Committee members from 30 June 2023 – 30 June 2024:

OPENING OF TENDERS:

Finance	Income Clerk (J Vlok)
Finance	Clerk: Expenditure and SCM (HG Louw)
Finance	Credit Control Officer (LA Januarie)
Administration	Senor Clerk : Admin (EMS Skippers)

KHM

Member list

Per Internal Memo from MM dated								
		01 June 2023	3 November 2023	11 December 2023	13 December 2023	2 April 2024	23 April 2024	10 May 2024
Bid Specs Committee								
G Vermeulen		Chairperson	Chairperson	Chairperson	Chairperson	Chairperson	Member	Member
MV Baxter		-		Member	Member	Member	Chairperson	Chairperson
HG Louw		Secretary	Secretary	Secretary	Secretary	Secretary	Secretary	Secretary
A Erasmus		Member	Member	Member	Member	Member	Member	Member
AC Haas		-						Member
FJ Lotter		Member	Member	Member				-
SJ Myburgh		Member	Member	Member	Member	Member		-
C Viljoen		Member	Member	Member				-
D Malan		Member	Member	Member				
A Gibbons					Member	Member	Member	

Per Internal Memo from MM dated							
Bid Evaluation Committee	01 June 2023	3 November 2023	11 December 2023	13 December 2023	2 April 2024	23 April 2024	10 May 2024
SJ van Schalkwyk	Chairperson	Chairperson	Chairperson	Chairperson			-
AM Louw	Member	Member	Member				-
A Gibbons	-						Chairperson
LA Januarie	Secretary	Secretary	Secretary	Secretary	Secretary	Secretary	Secretary
C Viljoen	-			Member	Member	Member	Member
C Erasmus	Member	Member	Member	Member	Member	Member	Member
AC Haas	Member	Member	Member	Member	Chairperson	Chairperson	
DM Malan				Member			

Per Internal Memo from MM dated							
Bid Adjudication Committee	01 June 2023	3 November 2023	11 December 2023	13 December 2023	2 April 2024	23 April 2024	10 May 2024
SJ Myburgh	Chairperson	Chairperson	Chairperson	Chairperson	Chairperson		-
FJ Lotter	Member	Member	Member	Member	Member	Member	Member
A Gibbons		Member	Member	Member	Member	Chairperson	-
AC Haas							Chairperson
MV Baxter				Member	Member	Member	Member
G Vermeulen	Member	Member	Member	Member	Member	Member	Member
EMS Skippers	Secretary	Secretary	Secretary	Secretary	Secretary	Secretary	Secretary
DM Malan	Member	Member	Member				-

	The bid committees processed 3 tenders (2020/2021) for awards The bid committees processed 5 tenders (2021/2022) for awards The bid committees processed 5 tenders (2022/2023) for awards The bid committees processed 7 tenders (2023/2024) for awards				
NO	Tenders Processed	2023/2024	2022/2023	2021/2022	2020/2021
1	Tenders Awarded	7	5	5	3
2	Contracts Awarded	7	5	5	3
3	Number of appeals received	1	1	2	1
4	Number of successful appeals	1 (resolved with re-advertising after mediation process)	0 (unresolved however no further action)	0 (unresolved however no further action)	0 (unresolved however no further action)

2022/2023

Bid Nr	Bid Name	Date of Bid Specifications Committee	Date Advertised	Closing date	Bid Evaluation Committee date	Bid Adjudication Committee date	MM Approval date	Date letter send to bidders	Date Issuing the letter of Award	Days from Advertised to letter of award	final Appointment letter	Successful Bidder	Any Appeals lodged within 14 days	Approved Contract Amount (Vat Incl)
KHM T002/06/2022	WILLISTON - UPGRADE OF STREETS - PHASE 3	28-Jun-22	30-Jun-22	29.07.2022	26.08.2022	29.08.2022	1-Sep-22	02.09.2022	27-09-22	89	27.09.2022	JVZ Construction	YES	R7,000,000.00

KHM T001/06/2022	WSIG : SEWAGE RETICULATION FOR 127 STANDS IN WILLISTON	28-Jun-22	30-Jun-22	29.07.2022	15.09.2022	29.08.2022	1-Sep-22	02.09.2022	27-09-22	89		JVZ Construction	no	R 6,769,207.03
SCM/T5293	PROFESSIONAL SERVICES NEEDED FOR TWO SPLUMA APPLICATIONS IN WILLISTON AND SUTHERLAND: SUBDIVISION AND REZONING OF +/-41 ERVEN IN SUTHERLAND AND SUBDIVISION & REZONING OF +/- 7 ERVEN IN WILLISTON	Task derived from Committee Meetings and Council Decision in August 2022	13-Sep-22	30-Sep-22	31-Jan-23	2-Feb-23	6-Feb-23	08-02-23	22-02-23	162	22-02-23	Macroplan	reasons was requested by other bidder	R 239,545.00
KHM T 001/11/2022	Williston Upgrading of Sport Facilities Apply for roll-over 2023/2024		4-Nov-22	25-Nov-22	30-Jan-23	2-Feb-23	7-Feb-23	09-02-23	03-03-23	119	End of February 2023	Geezfix		R8,146,999.60
T001/04/2023	Appointment of A Service Provider for the Preparation of Caseware and Grap Compliant Asset Register for a Period of Three (3) Year 2022/23-2024/25	28-Mar-23	11-Apr-23	3-May-23	29-May-23	7-Jun-23	8-Jun-23	08-Jun-23				Mubeko Africa		R884,293.00

2023/2024

Bid Nr	Bid Name	Date of Bid Specifications Committee	Date Advertised	Closing date	Bid Evaluation Committee date	Bid Adjudication Committee date	MM Approval date	final Appointment letter	All bidders	Successful Bidder	Approved Contract Amount (Vat Incl)
KHM T002/05/2023	WSIG : SEWAGE RETICULATION FOR 165 STANDS IN FRASERBURG	22-Jun-23	3-Jul-23	3-Aug-23	1-Sep-23	08.09.2023	11.09.2023	27-09-23	ASLA Construction Geezfix Weird Industries Phambili Civils Sky Construction Ruwacon Zavana Ntando Thando JVZ Construction	JVZ Construction	R 15,010,616.82
T001/007/2023	Supply and delivery of Prepaid Water Meters	18-Jul-23	20-Jul-23	7-Aug-23	23-Aug-23	23-Aug-23	5-Sep-23	13-Dec-23	Tangastep PTY Ltd Elster Kent Metering Smart Metering Solutions PPD Engineering & Hardware Lesira-Teq Sakhikhaya Suppliers	Smart metering Solutions	
KHM T001/12/2023	Finance : PMS	12-Dec-23	12-Dec-23	26-Jan-24	26 & 27 February 2024 - 04 April 2024 - 29 April 2024	19 March 2024 - 02 May 2024	6-May-24	22-May-24	Business Connection Ignite Advisory Inzalo EMS (Pty) Ltd	Ignite	
KHM T001/02/2024	Supply, deliver, installation, maintenance and servicing of new printers for a period of three (3) years. On a lease agreement.	2-May-24	6-May-24	24-May-24	30 & 31 May 2024	24-Jun-24	25-Jun-24	28-Jun-24	CJJ Business Solutions EDK Besigheidsmasjiene	EDK	R 7580.00 per maand

BID KHM T003/04/2024:	TENDERS ARE INVITED FOR THE PROVISION AND ADMINISTRATION OF SHORT-TERM INSURANCE FOR KAROO HOOGLAND MUNICIPALITY FOR A PERIOD OF THREE YEARS (36 MONTHS)	2-May-24	6-May-24	24-May-24	30 & 31 May 2024	24-Jun-24	25-Jun-24	28-Jun-24	Opulentia Financial Services Kunene Makopa Risk Solutions Mpumelelo 314 (Pty) Ltd Lateral Unison	Mpumelelo 314	R 690 445.08
KHM T003/05/2024	Infrastructure : Appointment of Consulting Engineers for various Municipal Infrastructure and Building projects for a period of three years	20-May-24	11-Jun-24	2-Jul-24	24 July 2024 - 31 July 2024						
KHM T001/05/2024	WILLISTON LANDFILL SITE - SUPPLY AND DELIVER OF FENCING MATERIALS	2-May-24	6-May-24	24-May-24	10 & 11 June 2024	24-Jun-24	25-Jun-24	28-Jun-24	Maboka Investment Capitel Namku Projects Williston Vleiskoop BPK Lutak Consulting Mdiba Logistics Ronald Accessories Brainwave Projects	Lutak Consulting	R 530 391.50
KHM T002/05/2024	Supply deliver and registration of one 3 - 5 ton drop side truck	20-May-24	22-May-24		20-Jun-24	9-Jul-24	9-Jul-24		Shorts Nissan CC Ann Mitt Financial Services Williams Hunt	Williams Hunt	R 790 434.20

IMPLEMENTATION OF MBD DOCUMENTS

All municipal bid documents (MBDs) are in place in compliance with MFMA Circular 25 and include specifications and evaluation criteria as recommended by the specification committee. All tenderers must complete MBD 4, MBD 6.1, MBD 6.2(local content where necessary) – Form expired after changes in Preferential Procurement Regulations in November 2022, MBD 8 and MBD 9 and must be registered on the CSD.

CHALLENGES IN SCM

Challenges: Service providers not completing all municipal bid documents and quoting not according to the specifications.

Proposed Actions to address the challenge: Educate service providers on the importance of completion of municipal bid documents by holding workshops in 2023/2024 and in the coming years.

Challenges: Not enough suppliers registered on the CSD that deliver services and goods to our vast outlying area.

Proposed Actions to address the challenge: Advertise via e-Tender, CIDB and our website as well as other websites for suppliers outside of KHM's area of jurisdiction. Amend the policy to elaborate on the deviations. And also on Facebook page of Karoo Hoogland.

Challenges: Not enough staff on current personnel structure to adhere to Regulations prescribing the amount of members per bid committee. Karoo Hoogland Municipality cannot afford to appoint an extra senior manager for the sole purpose of complying with the bid committee regulations.

Proposed Actions to address the challenge: Karoo Hoogland will apply to the AG to accept our necessary steps taken to adhere as far as possible to comply with correct awarding of tenders due to a shortage in personnel.

Challenges: All Staff not fully aware of correct SCM Processes and Appeal authority and appeal process

Proposed Actions to address the challenge: The Policy should be workshopped with all personnel and a clear set of Standard operating Procedures should be developed and available for all personnel and for auditors.

Challenges: Deviations in terms of sole suppliers due to geographic distances in rural municipality

Proposed Actions to address the challenge: Annually tenders can be advertised to curb irregular expenditure and deviations

TRAINING

With the implementation of the new centralised unit, workshops were organized for all SCM personnel as well as all directorates by the Provincial Departments in 2018/2019. However, continuous training will be inevitable as legislation and regulations changes almost annually. Training will also commence in the other towns of Karoo Hoogland as this has been identified as a need. Legislation changes constantly and thus policies need to be adapted and changed and all changes must be communicated and workshopped.

CSD

No vendor may be used if they are not registered on the Central Suppliers Database and their registration documents must be provided to the SCM unit. Training have been given to vendors and to personnel to assist with registration on the CSD. The municipality annually advertises to encourage the local service providers to register on the CSD.

All deviations from the SCM Regulations were recorded and tabled to Council in 2023/2024.

2.12 BY-LAWS & POLICIES

Section 11 of the MSA gives municipal councils the executive and legislative authority to pass and implement by-laws and policies.

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ Revised	Date adopted	Public Participation conducted prior to adoption of policy (YES/NO)	Resolution number
Property Rates Policy	23 May 2024	YES	Item 16.1.2
Tariff Policy	23 May 2024	YES	Item 16.1.2
Credit Control Policy, Customer Care and Bad Debt	23 May 2024	YES	Item 16.1.2
Indigent Policy	23 May 2024	YES	Item 16.1.2
Supply Chain Management Policy	23 May 2024	YES	Item 16.1.2
Virement Policy	23 May 2024	YES	Item 16.1.2
Fraud Prevention Policy	23 May 2024	YES	Item 16.1.2
Subsistence and Traveling Policy	23 May 2024	YES	Item 16.1.2
Principles and Policy on Cash Management and Investment and Borrowing of Funds	23 May 2024	YES	Item 16.1.2
Risk Management Policy & Strategy	23 May 2024	YES	Item 16.1.2
Budget Implementation and Management Policy	23 May 2024	YES	Item 16.1.2
Write Off Policy	23 May 2024	YES	Item 16.1.2
Gift & Reward Policy	23 May 2024	YES	Item 16.1.2
Unauthorized, Irregular, Fruitless & Wasteful Expenditure Policy	23 May 2024	YES	Item 16.1.2
Petty Cash Policy	This policy was ended as no Petty cash will be utilized for the 2023/2024 financial year	YES	Item 16.1.2
Performance Management Policy	23 May 2024	YES	Item 16.1.2
Performance Management Framework	23 May 2024	YES	Item 16.1.2
Information and Communication Technology Corporate Governance	23 May 2024	YES	Item 16.1.2
Contract Management Policy	23 May 2024	YES	Item 16.1.2
Consequence Management Policy	23 May 2024	YES	Item 16.1.2
Asset Management Policy	23 May 2024	YES	Item 16.1.2
Cost Containment Policy	23 May 2024	YES	Item 16.1.2
Preferential & Procurement Policy	23 May 2024	YES	Item 16.1.2

BACKGROUND ON BY-LAWS

Only one by-law was adopted by Council during the 2016/2017 financial year.

The Municipality have various **policies** in place. However, to date only few policies have been promulgated as by-laws. Various policies were revised during the 2016/2017 financial year with the view to promulgate them as by-laws. However processes take long and community input are being obtained.

The **Keeping of Dogs By-law** was promulgated on 7 November 2016 after the full community participation process were done.

The following By-Laws were promulgated and advertised during 2021/2022:

- ✓ Keeping of animals March 2022
- ✓ Law Enforcement March 2022

- LUMS May 2022

No new by-laws were promulgated during the 2023/2024 financial year.

CHALLENGES:

Law-Enforcement is becoming a major problem and it seems that a workable relationship should be established or re-established between the SAPD and the municipality.

2.13 WEBSITES: www.karoohoogland.gov.za

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Section 21A and B of the MSA as amended.

The website should serve as a mechanism to promote accountability and transparency to communities and therefore information posted should be accurate and timeously updated.

The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. It is a communication tool that should allow easy and convenient access to relevant information. The municipal website should serve as an integral part of the Municipality's communication strategy.

The Municipal website was developed in June 2015 in the 2014/2015 financial year to be compliant to upload compulsory documents requested by legislation for the community to view and comment on. During the 2015/2016 financial year a lot of effort was put into getting the municipal website compliant to legislation.

COMMENT ON MUNICIPAL WEBSITE: CONTENT AND ACCESS

www.karoohoogland.gov.za

The following documentation was uploaded on the Municipal Website with reference to documents pertaining to the 2016/2017, 2017/2018, 2018/2019, 2019/2020, 2020/2021, 2021/2022, 2022/2023 and 2023/2024 financial year:

- Budget
- Annual Financial Statements
- IDP
- SDBIP
- SDF 2019
- LUMS (May 2022)
- Policies
- Notices

- Advertisements
- Vacancies
- News
- Land Use Application Forms
- Standard Forms to the Public
- Bidding documentation together with all mandatory forms to be completed by all suppliers
- Reports on expenditure and tenders
- By-Laws – Keeping of Dogs and SPLUMA, Credit Control and Property Rates
- Building application forms
- Accommodation and Tourism
- Performance Agreements
- Long Term Contracts
- PAIA Manual
- Quarterly Newsletters
- Projects
- Dates of Council meetings as well as minutes of Council meetings
- AG Report for 2015/2016, 2016/2017, 2017/2018, 2018/2019, 2019/2020, 2020/2021, 2021/2022, 2022/2023
- Awards made to suppliers/tenderers – in the SCM reports
- Valuation Roll
- All Notices for tenders and Quotations were uploaded
- SCM Reports and Statutory Information

KAROO HOOGLAND MUNICIPALITY: WEBSITE REPORT (APRIL 2024)

During March 2015 the Municipality requested quotations for the design and maintenance of a new website complying with all required documents. The tender closed in April 2015 and tender committees sat during May 2015. Web Ateljee in Upington was awarded the tender for design. In July 2015 the new website www.karoohoogland.gov.za went live.

The table below gives an indication about the information and documents that are published on our website.

Information uploaded on the website as required by NC Provincial Treasury's Questionnaire

QUESTION / INFORMATION	YES / NO	IF NO, REASON :
Is the Draft Annual Budget published on the website?	YES, and Final	
Are the updated budget related policies published on the website?	YES	
Is the Annual Report published on the website?	YES	
Is the SDBIP published on the website?	YES	Yes and revised versions as well
Is the revised IDP published on the website?	YES	
Is the list of disposed assets published on the website?	YES, old list	The new list will be published as soon as assets are disposed and approved by Council in the new year
Are the long-term borrowing contracts published on the website?	Yes	DBSA
Are the SCM contracts published on the website?	Yes	SEBATA // Website : Webateljee //Mubeko // Nexia SA B&T // Van de Wall as well as total contract register and tender award register

Contracts to which section 33 apply, subject to subsection (3) of that section? PPP	NONE, Not applicable	The municipality do not have PPP
Are the S52(d) reports published on the website?	YES	All Financial reports are on the website
Accommodation list	YES	
Necessary Policies	YES	
Financial Reports // Sec 71 & Sec 72	YES	On request
FINANCIAL INFORMATION (SECTIONS 53, 75, 79 AND 81(1) OF THE MFMA)		
Draft Budget 2023/2024	YES	
Approved Budget 2020/2021, 2021/2022, 2022/2023, 2023/2024	YES	
Adjusted Budget 2023/2024	YES	
Financial Policies for 2023/2024	YES	
Reviewed IDP 2023/2024	YES	
Summary of IDP 2023/2024	YES	
IDP/Budget Process Plan (Schedule of Key Deadlines)	YES	
SDBIP 2023/2024	YES	
Top Layer SDBIP 2023/2024& Revised	YES	
Annual Report 2022/2023	YES	
Oversight Report 2019/2020	YES	
Oversight Report 2020/2021 & 2022/2023	YES	
Mid year Assessments for Budget and Performance	YES	
Quarterly Financial reports and SCM Quarterly reports	YES	
Dates of Council Meetings	YES	
Contact details of MM, CFO and other staff	YES	
Full Council details	YES	
Physical and Postal address of Municipality	YES	
Tariffs	YES	
Vision & mission	YES	
PAIA Manual – updated Dec 2023	YES	
Supply Chain Management Policy	YES	
Tender Information - Opening registers and all bidders and awards	Yes	
Public invitations for tenders and formal price quotations	YES	
Notices & Newsletters & Vacancies	YES	
Performance Agreement of MM and Directors	YES	
Personnel Forms and Information	YES	
Complaints Page/Form	YES	
Valuation Roll	YES	
Annual Financial Statements	Yes	On request

2.14 COMMUNICATION (incl. Social Media)

The Municipality has an outdated Communication policy.

	Yes/No	Date Approved
Communication Policy	Yes	2007
Revised Communication Policy	No	To be done 2024/2025
Communication Strategy	No	To be drafted 2024/2025
Public Participation Policy	No	To be drafted 2024/2025
Functional Complaint Management System	Yes	Since 2014
Customer Satisfaction Surveys	Not for the year under review	

Communication Unit : No dedicated unit

One person designated to perform communication related functions within the IDP/LED Unit

HIGHLIGHTS	DESCRIPTION
Facebook page	Improved interaction from community on posts Regular posting and sharing of information Provides platform that allows for communicating and reporting of service delivery issues
Virtual meeting platforms as a result of COVID-19 regulations and restrictions	Saving time and costs for the Municipality in terms of travel & accommodation expenses of officials to meetings in the Province and District
WhatsApp group communication	Effective way of communicating information to members of the community Utilization of WhatsApp groups to communicate to staff members since the implementation of National lockdown

CHALLENGES	ACTION TO ADDRESS
Poor or No cellular phone connectivity along routes that link towns in KHM	Improvement of cellular phone and radio signals through SKA's project
No wi-fi hotspots or broadband for community who cannot afford to install	Installation of wi-fi hotspots and broadband
Virtual meetings requiring strong internet connectivity	
No Communication strategy/plan	To be drafted
Outdated Communication Policy	To be reviewed
Customer Satisfaction Surveys	To be done at least annually

2.15 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The Municipality has difficulty with the maintenance of the following services due to lack of sufficient funds to attend to all the necessary maintenance:-

- Electricity
- Water supply
- Road maintenance
- Littering

The addressing of these four topics will reduce the amount of complaints by the general public. The maintenance of the tar roads is currently not done sufficiently and is still a concern of the community at this stage. Roads are being paved but the maintenance of the existing roads need urgent attention.

The littering is also quickly becoming an issue. Due to Williston's landfill Site not being fenced the litter and garbage are spreading into the nearby fields. Urgent funding for the fencing will be needed.

COMPLAINTS REGISTER

A Complaints Register has been instituted at all three towns' offices where the public can write down their complaints and which are being addressed accordingly on a weekly basis. On the website the community as well as other people can also make complaints or requests which are received as emails and are acted upon within a week of receipt. It is being followed up regularly.

SUMMARY OF COMPLAINTS RECEIVED & RESOLVED:

Ward	Town	Top Type of complaints / Services complaining about	Nr of Complaints received for the year	Nr of Complaints resolved for the year	Nr of Complaints Unresolved	Nr of Complaints referred to other Depts
1	Williston	Rubbish next to Old Age home piling up weekly, broken electricity box, broken stopcock, water leakages, no water, broken water pipe, broken toilet, faulty water meter, stray dogs, stray dogs bite sheep on commonage, stray dogs out of control, sheep and goats walking around in town,	52	50	2	-
2	Fraserburg	Littering, water leakages, broken stopcock, water pipe broken, streetlights, potholes, faulty elec meter, drain water in manhole, UDS not cleaned timeously, potholes on tar and gravel roads are out of control, Roads traffic signs and road markings need attention, no electricity, faulty electrical pole, stormwater ditches need cleaning, stray dogs, Museum have broken toilet bowl and damage to brick wall	44	42	1	1
3	Farms	Report complaints through ward committee meetings				
4	Sutherland	Faulty water meter, water leakages, trees need trimming, drain overflow, streets need cleaning, littering, repair broken toilet, potholes, graveyard need cleaning and maintenance, garden waste must be removed, illegal dumping, garden waste must be removed, hole in main street need repairing, no water, stray dogs, dead dogs need to be removed, need health awareness sessions, illegal parking of caravans and heavy trucks, streetlights need repairing, neighboring refuse problematic	98	94	2	2
5	Williston	Water pipe broken, streetlight out, potholes, streets need repairing, bad gravel roads, rocks and piles of sand on pavements need to be removed, no water on commonage, broken stopcock, no water meter reading for 2 months, Removal of rubbish behind post office, request meter readings, stray dogs	16	15	1	
6	Sutherland	Water meter leakages, broken and faulty stopcock, streetlights out, waste to be removed, littering, unhygienic areas need awareness sessions, stray dogs	18	16	1	1

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

(PERFORMANCE REPORT PART I)

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 individual 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 on 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.

Some of the legislative precepts include: Section 152 of the Constitution of the Republic (1996), section 152 local government to be "democratic and accountable government". Section 195 (1) of the Constitution requires the following from local government, 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 Municipal Systems Act (MSA), 2000 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 and the Budget Implementation Plan (SDBIP).

In terms of section 46(1)(a) of the Municipal Systems Act a Municipality must prepare for each financial year a performance report reflecting the Municipality's 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.

PERFORMANCE MANAGEMENT OVERVIEW AND PROCESS

(Starting from this Section - all the information are directly extracted from the Annual Performance report)

Performance management is prescribed by Chapter 6 of the MSA, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the aforementioned 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, organised and managed, including determining the responsibilities of the different role players.”** This framework, inter alia, reflects the linkage between the IDP, budget, Service Delivery Budget Implementation Plan (SDBIP) and individual and service provider performance. Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organisation as well as the external service providers and the municipal entities.

In order to improve on performance planning, implementation, measurement and reporting, the institution implemented the following actions.

- Departmental operational plans were developed for monitoring and reporting operational programmes;
- An electronic performance management system is operational within the Municipality. The same system forms the basis of performance evaluations of the Directors (senior managers) and Municipal Manager;
- The Municipality endeavoured during the development of the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) as well as with the development of the Departmental SDBIP that the “SMART” principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were relevant, specific and time bound, thus making it measurable.
- The Integrated Development Plan (IDP) was developed for 2022 - 2027 and was reviewed, during the 2022/2023 and 2023/2024 Financial year and approved by Council on 6 June 2023. The Top Layer SDBIP was compiled during May 2023 and approved by the Mayor on 29 June 2023 and tabled to Council on 31 August 2023
- In September 2023 a PMS Officer was appointed.
- On 31 October 2023 a Revised Top Layer SDBIP for 203/2024 was approved by Council.
- Care has been taken to ensure that the mSCOA regulations are adhered to at all times.

	Performance Policy & Performance Management Framework	All MSA s57/56 Performance contracts signed	Audit Committee	Performance Audit/Management Committee	Municipal Public Accounts Committee (MPAC)	Quarterly Performance Reporting to Council	Mid-Year Performance Reporting to Council	Annual Reporting to Council
In place?	√	√	√	The AC to perform these duties	√	√	√	√

TABLE 4:1 Performance Management System Checklist

The Municipal Scorecard (Top Layer SDBIP) consolidate service delivery targets set by the Council/Senior Management and provide an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities.

Components of the Top Layer SDBIP included:

- One-year detailed plan, but should include a three year capital plan;
- The 5 necessary components includes:
 - Monthly projections of revenue to be collected for each source
 - Expected revenue to be collected NOT Billed
 - Monthly projections of expenditure (operating and capital) and revenue for each vote
 - Section 71 format(Monthly budget statements)
 - Quarterly projections of service delivery targets and performance indicators for each vote
 - Non financial measurable performance objectives in form of targets and indicators
 - Output NOT input /internal management objectives
 - Level and standard of service being provided to the community
 - Ward Information for expenditure and service delivery
 - Detailed Capital project plan broken down by ward over three years

Top Layer KPI's prepared based on the following:

- KPI's identified during the IDP processes and KPI's that need to be reported to key municipal stakeholders.
- KPI's to address the required National Agenda, priorities and minimum reporting requirements.
- KPI's to give effect to the Strategic Objectives and to the Budget for Implementation thereof.
- National KPI set through legislation (Regulation 10)

It is important to note that the MM needs to implement the necessary systems and processes to provide the PoE's for reporting and auditing purposes.

THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The organisational performance is evaluated by means of a Municipal Scorecard (Top Layer SDBIP) at organisational level and through the Service Delivery and Budget Implementation Plan (SDBIP) at directorate and departmental levels.

ORGANISATIONAL PERFORMANCE

The organisational performance is monitored and evaluated via the Municipal Scorecard (Top Layer SDBIP) and through the Service Delivery and Budget Implementation Plan (SDBIP) at directorate and departmental levels. The performance process can be summarised as follows:

- ☐ The Top Layer SDBIP 2023/2024 was approved by the Mayor on 29 June 2023.
- ☐ The Municipality used a manually performance management system for the year under review.
- ☐ The first quarter Top Layer SDBIP assessment report was submitted and tabled to Council on 31 October 2023
- ☐ The Section 72 Mid-year Report(Performance) in terms of the MFMA, was submitted to

Council on 30 January 2024.

- ☐ The third quarter SDBIP report was submitted to Council on 14 June 2024.
- ☐ The Internal Audit Unit reviews the performance measurements of the Municipality on a continuous basis as prescribed by relevant legislation, which includes submission of reports on a quarterly basis to the Municipal Manager and Audit Committee.
- ☐ The Q4 Performance Report (Included in the Annual Performance Report) will be submitted to Council on 29 August 2024 as some KPI's measurements/calculations only take form after the submission and development of the AFS.
- ☐ The Annual Performance Report (APR) forms part of the Annual Report as Chapter 3 and 4

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the Municipality are implemented. It also allocates responsibility to Departments to deliver the services in terms of the IDP and Budget.

The MFMA Circular No.13 prescribes that:

- **The IDP and budget must be aligned;**
- **The budget must address the strategic priorities;**
- **The SDBIP should indicate what the municipality is going to do during next the 12 months; and**
- **The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.**

The Departmental SDBIP of each Directorate was approved by the Municipal Manager after the Budget was approved.

The overall assessment of actual Quarterly and annual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

INTERPRETATION OF TRAFFIC LIGHTS REFLECTED IN THIS REPORT		
Colour	Explanation on SyStem	Category Meaning
BL	Outstanding/Far Exceeds Target (167% and Above)	KPI Extremely Well Met
T	Achieved/Exceeded Target (133% - 166.9%)	KPI Well Met
G	Achieved target (100% - 132.9%)	KPI Met
Y	Below Target (66% - 99.9%)	KPI Almost Met
R	Unsatisfactory (0% - 65.9%)	KPI Not Met
P	TARGETS NOT MEASURED	KPI Not Yet Measured (Not applicable for the Quarter/ No target for the quarter)

All KPI's are linked to the IDP as the IDP informs them, Projects/Activities in the Budget and the Approved SDBIP.

INDIVIDUAL PERFORMANCE (DEPARTMENTAL SCORECARD)

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 S57-employees and that performance agreements be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the 2023/2024 financial year for the Municipal Manager was signed on 28 November 2023, Director Infrastructure Services (Senior Manager: Technical Services) and Director Financial Services (Senior Manager Finance) was signed in July 2023. The mid-year performance assessments were not done in person with the Senior Managers and Municipal Manager, but the Mid year performance assessment report were extracted and tabled to Council to see the progress on the performance at that stage for the 2023/2024 financial year for which these Senior managers are responsible, and that was used as the mid-year performance assessment for the MM and the directors.

b) Mid-level Managers

The Municipality is still in the process of cascading Performance to lower levels of staff. It commenced with staff having certain responsibilities which link to KPI's on the Departmental SDBIP. Mid Level Managers will be responsible for departmental KPI's.

KPI's were developed for Council, the office of the MM and for each directorate. The KPI's:

- **Address the Top Layer KPI's by means of KPI's for the relevant section responsible for the KPI**
- **Include Capital Projects KPI's**
- **Address the key departmental activities**
- **Each KPI have clear monthly/quarterly/annual targets and are assigned to the person responsible to do the work and submit the evidence, the person who are the actual custodian.**

The PMS was operated manually. Municipal performance was measured quarterly in terms of reporting to the MM and to Council as well as in the Mid-year assessments.

Overall Corrective Measure: All Baseline Information and supporting (documents) evidence should receive attention in the 2024/2025 financial year.

Reporting periods

- **Quarter 1 (July to September);**
- **Quarter 2 (October to December);**
- **Quarter 3 (January to March); and**
- **Quarter 4 (April to June).**

In terms of Section 46(1)(a) of the MSA, a municipality must prepare a performance report for each financial year that reflects the municipality's and any service provider's performance during the financial year. The report must furthermore indicate the development and service delivery priorities, the performance targets set by the municipality for the following financial year, and measures that were or are to be taken to improve performance.

THE IDP AND THE BUDGET

The IDP and the budget for 2023/2024 was reviewed and approved on **30 May 2023 and 6 June 2023**. The IDP and performance management processes 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.

STRATEGIC SDBIP / PERFORMANCE

Strategic Performance indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that services delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation thereof. When resources such as financial resources and human resources are allocated, that KPI can be measured in terms of times or due dates set to reach a goal within a specific timeframe which are relevant and specific to the Strategic objectives. The implementation must be monitored on an ongoing 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 highlight strategic performance in terms of the Municipality's Top Layer SDBIP, high level performance in terms of the NKPA's, performance on the NKPI's prescribed in terms of Section 43 of the MSA, 2000 and an **overall summary of performance** on a functional level. Details regarding specific basic service delivery targets, achievements and challenges will be included in the Annual Report of the Municipality.

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. The SDBIP is the Municipality's strategic plan and shows the strategic alignment between these different documents. (IDP, budget and performance agreements).

In the tables which follows, the KPI's are set in the approved SDBIP per functional area, including actual performance for the 2023/2024 financial year. Actual detailed performance can be seen attached at ***Volume IX: Annual Performance report for 2023/2024***

This section of the Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP.

NON FINANCIAL PERFORMANCE INFORMATION / SERVICE DELIVERY PERFORMANCE

PLANNED TARGETS VS ACTUAL RESULTS FOR THE 2023/2024 FINANCIAL YEAR

This section of the Annual Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. An overview of the Municipality's actual performance linked to the National KPA's are depicted in Table 6.1 and performance against the National KPI's in point 6.2 below.

MUNICIPAL PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA AND MUNICIPAL KPA

2022/2023

	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TOTAL	
Outstanding/Far Exceeds Target (167% and Above)				1			2.7%
Achieved/Exceeded Target (133% - 166.9%)							
Achieved target (100% - 132.9%)	5	1	10	4	4	24	64.86 %
Below Target (66% - 99.9%)	3		3	1	1	8	21%
Unsatisfactory (0% - 65.9%)			1	2	1	4	10.81%
Total TOP LAYER	8	1	14	8	6	37	100%

Above Tables: Municipal performance against the NKPA's – comparison with 2022/2023 vs 2023/2024

2023/2024

	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TOTAL	
Achieved/Exceeded Target (133% - 166.9%)		3	1		1	5	4%
Achieved target (100% - 132.9%)	10	19	23	15	20	87	64%
Below Target (66% - 99.9%)		1	2		1	4	3%
Unsatisfactory (0% - 65.9%)	12	1	13	4	9	39	29%
Total TOP LAYER	22	24	39	19	31	135	100%

OVERALL PERFORMANCE OF THE MUNICIPALITY

	TOTAL TL SDBIP KPI's	
Achieved/Exceeded Target (133% - 166.9%)	5	5%
Achieved target (100% - 132.9%)	87	64%
Below Target (66% - 99.9%)	4	2%
Unsatisfactory (0% - 65.9%)	39	29%
Total	135	100%

Annual Achievement 2023/2024 - The overall performance of the organisation on strategic level is = **69% Achieved.**

Thus Corrective Measures need to be implemented for the KPI's which was Below target and Unsatisfactory. **31% was not achieved** for which corrective measures will be implemented which will mean to ensure that management oversees the supporting evidence and will be addressed when certain vacancies are filled.

SUMMARY PER MUNICIPAL KPA QUARTER 1

	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TOTAL
Achieved/Exceeded Target						
Achieved target	6	5	7	4	12	34
Below Target		1				1
Unsatisfactory	2			1	5	8
Total TOP LAYER	8	6	7	5	17	43

SUMMARY PER MUNICIPAL KPA QUARTER 2

	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TOTAL
Achieved/Exceeded Target		1	1		1	3
Achieved target	2	4	6	2	7	21
Below Target						
Unsatisfactory	1				3	4
Total TOP LAYER	3	5	7	2	11	28

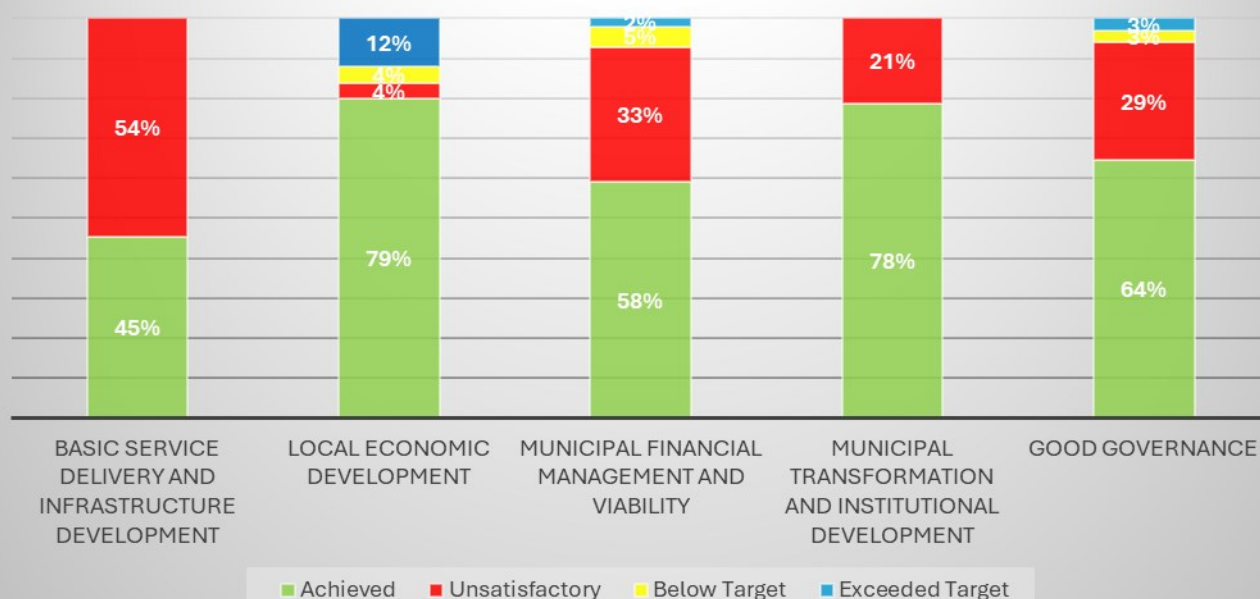
**SUMMARY PER MUNICIPAL KPA
QUARTER 3**

	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TOTAL
Achieved/Exceeded Target	0	0	0	0	0	0
Achieved target	1	5	8	4	11	29
Below Target	0	0	1	0	0	1
Unsatisfactory	3	0	1	1	0	5
Total TOP LAYER	4	5	10	5	11	35

**SUMMARY PER MUNICIPAL KPA
QUARTER 4**

	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TOTAL
Achieved/Exceeded Target	0	2	0	0	0	2
Achieved target	1	5	2	5	9	22
Below Target	0	0	2	0	1	3
Unsatisfactory	5	1	12	2	1	21
Total TOP LAYER	6	8	16	7	11	48

Strategic objectives



Ref	KPI	Unit of Measurement	Ward	Performance for 2023/2024					
				Targets					
				Q1	Q2	Q3	Q4	Annual	Actual
	Review and update the Disaster management Plan and submit to Council by 31 March 2024	Number of Disaster Mangement Plans Developed by 31 March 2024	ALL			1		1	1
	Review the Spatial Development Framework and Submit to Council by 31 March 2024	Number of SDF reviewed and submitted to Council by 31 March 2024	ALL			1		1	0
	95% Spend of the Total Operational Expenditure Budget excluding non-cash items by 30 June 2024	% of total operational budget spend excluding non financial cash items by 30 June 2024	ALL				95%	95%	51%
							Staff Challenges was experienced. 2024/2025 Financial year full expenditure is expected		
	Submit monthly Section 71 Report to Council	Number of Submission of Sec 71 Reports showing the Remuneration % as a percentage of the total budget	ALL					12	12
	Spend 100% of the municipal capital budget on projects as at 30 June 2024	Percentage of capital budget spend	ALL				100%	100%	57%
							Full expenditure is expected for 2024/2025 financial year. Controls are in place to monitor projects and expenditure.		
	Submit Quarterly report to Council on the progress on the implementation of the Municipal Staff Regulations	Number of reports submitted to Council on Municipal Staff regulations	ALL			1		1	1
	Submit Section 52 to Council Quarterly	Number of Section 52 Reports submitted to Council	ALL	1	1	1	1	4	4
	Ensuring performance by the timeous development and signing of the S57 performance agreements in adherence to the Performance Framework	Number of performance agreements signed by 31 July 2023	ALL				3	3	3
	Final Top Layer SDBIP 2024/2025 approved by Mayor within 28 days after approval of IDP/Budget	Number of Top layer SDBIP submitted	ALL				1	1	1
	Prepare the Mid-year performance part of the report in terms of s72 of the MFMA to submit to PT & NT and Mayor by 25 January 2024	Number of Reports drafted and submitted by the 25 January 2024	ALL			1		1	1
	Develop the Risk Based Audit Plan for 2024/25 and submit to the Audit Committee by 30 May 2024	Number of Risk Based Audit Plans submitted to the Audit Committee by 30 May 2024	ALL				1	1	1

Submission of Audit Committee Reports to Council	Number of Audit Committee reports submitted to Council	ALL	1	1	1		3	3
Submit audit Action Plan to PT and the AG by 30 January 2024 annually to address the issues raised in the Audit report for the relevant financial year	Nr Of Audit Action Plan submitted to PT & the AG by 30 January 2024	ALL			1		1	1
Ensure 100% of the Councilors declare their financial interest by 31 August 2023	Percentage of total nr of councillors who declared the financial interest before 31 December 2023	ALL		100%			100%	100%
20% Reduction of Irregular expenditure by 30 June 2024	% of UFW expenditure reported against total budget (capex and opex)	ALL				20%	20%	20%
Audited AFS and Audit report submitted to Council by 31 January 2024	Number of Audited AFS and Audit Report to Council by 31 January 2024	ALL			1		1	1
Submit IDP Process Plan for 2024/2025 Budget to Council for approval by 31 August 2023	Number of IDP Process Plans submitted to Council	ALL		1			1	1
Submit the draft Annual Report to Council by 31 August 2023	Number of Draft Annual Reports submitted to Council by 31 August 2023	ALL		1			1	1
Submit the Oversight Report on the Annual Report to Council by 31 March 2024	Number of Oversight Reports to Council	ALL			1		1	1
Table Annual Report (Final Audited Consolidated) to council within seven months after the end of the financial year (before 31 January 2024)	No of Annual Reports to Council	ALL			1		1	1
Review the IDP and table Draft IDP to Council by 31 March 2024	Number of Reviews of the IDP, Draft IDP table to Council by 31 March 2024	ALL			1		1	1
Submit the Final IDP to Council and get Council approval by 31 May 2024	Number of Final reviewed IDP tabled and approved by Council by 31 May 2024	ALL			1		1	1
Submit Quarterly a Risk Management report to the Municipal Manager	Number of Risk Management Reports submitted to MM by 30 June 2024	ALL	0	1	1	1	4	3
Prepare and submit quarterly progress reports to the Audit Committee on the implementation of the Risk Based Audit Plan (RBAP) and progress made with the proposed corrective actions in	Number of reports to Audit Committee	ALL		1	1	1	3	4

	internal audit reports by the applicable sections by 30 June 2024								
	Submit the organisational risk register to Council by 30 June 2024	Number of Strategic Risk Registers submitted to Council by 30 June 2024	ALL					1	0
								Late Submission. Risk Register will be submitted next early for next financial year	
	Report waste collection and disposal on the national SAWIS portal quarterly	Nr of quarterly reporting of waste collection on the National SAWIS portal	ALL					4	0
								Could not register on Network. Submission was done via email	
	Limit unaccounted for electricity to less than 15% by 30 June 2024 ((Number of Electricity Units purchased - Number of Electricity Units sold) / Number of Electricity Units Purchased) * 100)	Percentage unaccounted for electricity by 30 June 2024	ALL					< 15%	18.18%
								Lack of proper controls. Controls will be put in place and monitored	
	100% spend on the MIG grant allocation by 30 June 2024 [(Actual expenditure/total grant allocation received) x 100]	% of the allocation spend [(Actual expenditure/total grant allocation received) x 100]	ALL					100%	64%
	100% spend on the WSIG grant allocation by 30 June 2024 [(Actual expenditure/total grant allocation received) x 100]	% of the allocation spend [(Actual expenditure/total grant allocation received) x 100]	ALL					100%	100%
	Limit unaccounted for water (Non Revenue water) to less than 15% by 30 June 2024 (((Numbr of Kiloliters Water at measured at System Output at Reservoir - Number of Kiloliters Water Sold) / Nr of kiloliters Water at Measured at System Output of Reservoir) x 100)	Percentage lost during distribution (Non Revenue Water)	ALL					< 15%	21.12%
								Lack of proper controls. Controls will be put in place and monitored	
	Number of MIG Annual reports submitted to CoGHSTA before 15 Aug 2023	Nr of MIG Annual Report submitted to COGHSTA before 15 August 2023	ALL	1				1	1
	Report quarterly to the Municipal Manager on the performance of appointed suppliers / service providers & consultants	Number of Quarterly report to the Municipal Manager on performance of appointed suppliers/service providers and consultants	ALL	1	1	1	1	4	3
	Conduct annual asset verification by 30 June 2024	Number of asset verifications conducted	ALL					1	1

	Submit a Report to Council on Creditors paid within 30 days	Number of Reports submitted to Council on Creditors paid within 30 days	ALL	1	1	1	1	4	3
	Financial viability measured in terms of the available cash to cover fixed operating expenditure at 30 June 2024 (Cash and cash equivalents - unspent conditional grants – overdraft + short term investment/ monthly fixed operational expenditure excluding (depreciation, amortization and provision of bad debts, impairment and loss on disposal of assets(cost coverage ration)	Number of months it takes to cover fix operating expenditure with available cash Norm 1 - 3 months as per MFMA Circular 71	ALL				1-3 months	1 – 3 months	1,88
	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]	% of debt coverage [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue] Norm 45%	ALL					45%	9.19%
								Debt coverage was low. Controls to improve debt coverage will be implemented	
	Spend 100% of the Library Grant by 30 June 2024	% of the allocation spend [(Actual expenditure/total grant allocation received) x 100]	ALL				100%	100%	100%
	Submit the Mid-year budget performance report in terms of s72(1)(a)(i); s72(1)(b) subsection (2) and (3) of the MFMA to the MM and PT and NT by 25 January 2024	Number of Mid-year Budget Report submitted to MM and PT and NT by 25 January 2024	ALL			1		1	1
	Spend 7% of the municipality's operating budget spent on indigent relief for free basic services as at 30 June 2024	Allocation for FBS = 7 % of operating budget (- Debt impairment and - Depreciation)	ALL					7%	8.69%

	Provide free basic services(water, electricity, refuse and sanitation) to all registered indigent households (% of indigent households, earning less than the threshold, with access to free basic services	% of indigent households, earning less than the threshold with access to free basic services [number of indigent households earning less than threshold that received services/total number of indigent households earning less than threshold) x 100]	ALL				100%	100%	100%
	Submit the adjustments budget for approval to Council by 28 February 2024	Number of Final budget submitted to Council by 28 February 2024	ALL			1		1	1
	Submit the Annual Financial Statements by 31 August 2023 to the Office of the Auditor General	Number of Annual Financial Statements submitted to AGSA by 31 August 2023	ALL	1				1	1
	Submit the draft budget to Council by 31 March 2024	Number of Draft budget submitted to Council by 31 March 2024	ALL			1		1	1
	Submit the final budget for approval to Council by 31 May 2024	Final budget submitted to Council by 31 May 2024	ALL				1	1	1
	% of Operating revenue budget raised/collected [(actual revenue/budgeted revenue) x 100] by 30 June 2023	% of Operating revenue budget raised/collected [(actual revenue/budgeted revenue) x 100](total Revenue - Capital grants}	ALL					95%	90%
	Achieve a debtor payment percentage of 75% at 30 June 2024 ((Gross debtors opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue) X 100	Debtor payment percentage [((Gross debtors opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue) x 100] Collection Rate	ALL					75%	67,64%
	Financial viability measured in terms of the outstanding service debtors as at 30 June 2024 (Total outstanding service debtors, including property rates/ Revenue received for services, including porperty rates and rental from fixed assets) x 100	% of Total outstanding service debtors, including property rates/ Revenue received for services, including porperty rates and rental from fixed assets x 100	ALL					25%	22.85%

	Submit a quarterly report to the Municipal manager on resolved ICT incidents	Number of quarterly reports submitted to municipal manager on resolved ICT incidents	ALL	1	1	1	1	4	1
								No IT official. KPI will be removed from TOP Layer to Departmental	
	Implement 2 Transversal programmes in term of mainstreaming with respect to HIV/Aids, GBV, Disabled, Woman and Children Rights, elderly and moral regeneration	Nr of Transversal Programmes implemented by 30 June 2024	ALL				2	2	4
	Conduct 2 youth programmes by 30 June 2024	Nr of Youth Programmes conducted by 30 June 2024	ALL				2	2	2
	Create 14 temporary job opportunities calculated in terms of FTE's by 30 June 2024	Nr of FTE's (nr of jobs x days /230 = FTE's)	ALL					14	No POE
								FTE's are not responsibility of the Municipality.	
	Submit MPAC quarterly reports to Council by 30 June 2024	Nr of MPAC reports submitted to Council	ALL	1	1	1	1	4	3
	Number of municipal newsletter developed per quarter and distributed per website, facebook and Email by 30 June 2024	Nr of newsletters developed and distributed	ALL	1	1	1	1	4	3
	Develop a communication strategy and submit to council by 31 December 2023	Number of developed communication strategies and submitted to Council	ALL					1	0 No Strategy was developed
								Roles will be finalised. Communication strategy will be developed for KHM	
	Percentage of formal residential properties with access to basic level of water, sanitation, electricity and solid waste removal as at June 2024	% of formal residential properties with access to basic level of water, sanitation, electricity and solid waste removal [(number of formal residential properties with access to basic services/total formal residential properties with access to basic services) x 100]	ALL				100%	100%	100%
	Report on the number of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with Karoo Hoogland's Employment Equity plan by 30 June 2024	Number of Reports from ee target groups employed (newly appointed) reported on Q2 and Q4 by 30 June 2024	ALL				3	3	3

Review the Workplace Skills Plan(WSP) in accordance with Human Resource needs and submit the Plan to LGSETA by 30 April	WSP Submitted to LGSETA by 30 April	ALL				1	1	1
Spend 1% of personnel budget on training and education of employees by 30 June 2024 (Actual total training expenditure / total personnel budget) x 100	% of the personnel budget actually spent on implementing the workplace skills plan [(Actual amount spent on training/total personnel budget) x 100]	ALL				1%	1%	No expenditure
							HR Manager was suspended. Expenditure is expected for 2024/2025	
Facilitate the quarterly meeting of the LLF (excluding December and January)	Nr of quarterly LLF Meetings held	ALL	1	1	1	1	4	4
Submission of Employment Equity Report to Dept of Labour by 15 Jan 2024	Nr of EE Reports submitted	ALL					1	0
							HR Manager was suspended. Remove kpi from TL to Departmental	
% of Administrative Staff who have declared their financial interest		ALL				100%	100%	100%
Number of community safety forum meetings held	Nr of Community Safety forum meetings held	ALL	1	1	1	1	4	1
							Coordination lies with other stakeholders. KPI removed from TL.	
Average time taken to finalise business licences	Number of days to finalise business license	ALL		Within 10 days	Within 10 days	Within 10 days	Within 10 days	No applications received
Average time taken to finalise informal trading permits	Number of days to finalise trading permits	ALL		Within 10 days	Within 10 days	Within 10 days	Within 10 days	No applications received
Develop a clear Standard Operating Procedure(Policy) for receiving applications for business licences and issue of permits	Nr of S O P /Policies developed	ALL	1				1	No SOP developed
							Business license SOP will be developed for 2024/2025	
Develop a clear Standard Operating Procedure/ By-Law on Informal Trading	Nr of S O P /Policies developed	ALL	1				1	No SOP developed
							SOP will be developed for 2024/2025	
Full Revision of the outdated LED Strategy by 31 December 2023	Nr of LED Strategy revised and approved by Council by 31 December 2023	ALL		1			1	1
Number of Businesses Formal Trading Licences issued	Nr of Business Licences issued	ALL	20	40	60	100	100	No license issued no new bussiness
Number of SMME's and Cooperatives capacity building workshops Trainings held - LED	Number of SMME's and Cooperatives capacity building workshops Trainings held - LED	ALL	3	3	3	3	12	11

	Create 350 work opportunities through public employment programme (CWP)	Number of work opportunities created (CWP participants)	ALL				350	350	2730
	Number of initiatives held to promote library facilities	nr of events /initiatives held	ALL	3	3	3	3	12	18

NATIONAL KEY PERFORMANCE INDICATORS : BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT

The following table indicates the municipality's performance in terms of the National KPI required in terms of the LG: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA.

KPA & Indicators	2021/2022	2022/2023	2023/2024
Basic Service Delivery			
The number of households with access to basic level of water	2209	2209	2211
The number of households with access to basic level of sanitation	2209	2209	2211
The number of households with access to basic level of electricity	2209	2209	2211
The number of households with access to basic level of solid waste removal	2209	2209	2211
Local Economic Development			
The number of jobs created through municipality's LED initiatives including capital Projects – actual amount of temporary jobs created**	112	228	70
*Represents the number of households that were billed as at 30 June 2022 and 30 June 2023 and 30 June 2024			

FREE BASIC SERVICES AND INDIGENT SUPPORT

Due to the level of unemployment and subsequent poverty in the local municipal area, there are households that are unable to pay for normal municipal services. The Municipality therefore adopted an Indigent Management Policy and procedures to ensure that these households have access to at least all basic municipal services and was guided in the formulation of this Policy by the National Government's Policy in this regard.

All households who qualify in terms of the said policy, receives a subsidy on property rates as well as other service charges such as water, refuse and electricity (50kWh of electricity per month free of charge as well as 6000 liters water per household per month (appr. 200 liters of water/ day))

Free Basic Services To Low Income Households

	Number of households									
	Total	Households earning less than R 5300 per month								
		Total	Free Basic Water		Free Basic Sanitation		*Free Basic Electricity		Free Basic Refuse	
			Access	%	Access	%	Access	%	Access	%
2020/2021	2209	874	874	100%	874	100%	441	20%	874	100%
2021/2022	2209	946	946	100%	946	100%	467	21%	946	100%
2022/2023	2209	1090	1090	100%	1090	100%	512	23%	1090	100%
2023/2024	2211	1210	1210	100%	1210	100%	622	28%	1210	
									T3.6.3	

*Free basic Electricity is split between municipal and what Eskom provides.

Only households where the accountholder or property owner has registered as indigent in terms of the municipality's annual registration program and whose registration has been approved and entered into

the register of indigents qualify for the above concessions. These registers are submitted each month per town to the Performance Management System as well.

The subsidies on rates and the specified service charges will be determined as part of each annual budget and in terms of the Municipality's Policies on property rates and tariffs.

Currently there are **1210 (30 June 2024)** households that are receiving indigent support on a monthly basis. However this amount varies each month as the indigents need to apply monthly as we found that household situations differ each month.

LOCAL ECONOMIC DEVELOPMENT

Municipalities have a Constitutional Mandate to promote Local Economic Development (LED). Section 153 of the Constitution of the Republic of South Africa, 1996 states that: *"A municipality must structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the Community."*

Economic development can be defined as an **"activity that seeks to improve the economic well-being and quality of life for a community, by creating and/or retaining jobs"**.

Circulate local generated money and money received via value chain and local procurement in the local community to increase the number of times profit can be added to an ever growing bigger volume of local currency that will subsequently grow the economy and create local ownership and employment. This require that local resources are added value to and exported. Furthermore local residential, commercial and industrial demands are supplied by locally owned enterprises, thus circulating local currency and obtaining external currency to grow the local GDP.

Karoo Hoogland Municipality has a Local Economic Development Strategy which will be revised and Implemented in 2023/2024 financial year.

JOBS CREATED THROUGH EPWP

During 2019/2020	47 jobs were created
During 2020/2021	53 jobs were created
During 2021/2022	112 jobs were created
During 2022/2023	228 jobs were created
During 2023/2024	70 jobs were created

A target was set for 50 FTE's in terms of jobs created for 2022/2023. It was not reached and was not the intention of the KPI. As the KPI's intention is to measure as per the Regulation - the jobs created and not FTE's. However the target for the EPWP's are only 14 FTE's per annum as per the five year service level agreement.

Total jobs created in 2022/2023 = 228 jobs

EPWP Incentive Grant received: R 1 073 000

EPWP 2023/2024

Total jobs created in 2023/2024 = 70 jobs

EPWP Incentive Grant received: R 796 000

SERVICE PROVIDER STRATEGIC PERFORMANCE FOR THE 2023/2024 FINANCIAL YEAR

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the Municipality has entered into a service delivery agreement.

A **service provider**: means a person or institution or any combination of persons and institutions which provide to or for the benefit of the local community

External service provider means: an external mechanism referred to in section 76(b) which provides a municipal service for a municipality

Service delivery agreement: means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality.

During the year under review the Municipality did not appoint any service providers who provided municipal services to or for the benefit of the local community on behalf of the Municipality and therefore this report contains no such details. **All other contract appointments are regularly monitored by the appointed Project Manager who oversees the project/contract.**

DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2023/2024

Chapter 3 and 4 of the Annual Report reflects and elaborates on the Annual Performance Report Information for 2023/2024. A Performance Management System was introduced at the Municipality during the 2018/2019 Financial Year and this has been audited and a qualification has been issued. Reports are being extracted directly from the system as it forms part of the EMS system which is an integrated system. However not integrated with the financial system. Moving forward the system is being refined to ensure that all reporting deadlines are met in terms of section 52 and section 71 and section 72 of the MFMA. All the Municipal KPI's as approved by council will be contained in the system and all managers have been issued with their respective SOP's/Mutual agreements in terms of their job descriptions so that Performance Management can be properly evaluated moving forward from the 2023/2024 financial year.

The main development and service delivery priorities for 2023/2024 forms part of the Municipality's Top Layer SDBIP for 2023/2024 and are indicated in the Top Layer SDBIP for 2023/2024 as attached.

MUNICIPAL FUNCTIONS & SHORT OVERVIEW

The Karoo Hoogland Municipality was established in 2000. Karoo Hoogland is a **category B municipality** as determined in terms of Municipal Structures Act (1998). **In terms of Section 9 of the Local Government: Municipal Structures Act (No. 117 of 1998) (as amended) KHM is a Category B municipality with a collective executive system combined with a ward participatory system.**

The establishment of the municipality fulfilled the local government transformation process as articulated by the White Paper on Local Government, 1998. The White Paper envisaged the form and nature of new local government structures in the country. The new local government structures are mandated to improve the quality of life of their citizens and residents.

ANALYSIS OF FUNCTIONS

The powers and functions performed by local authorities in South Africa are defined primarily in Section 156 and 229 of the Constitution (Act 108 of 1996). The Local Government Municipal Structures Act (117 of 1998), read together with the Local Government Municipal Structures Amendment Act (33 of 2000), divides the powers and functions, as set out in the Constitution between district and local municipalities (Section 84). The Act, together with the Amendment Act, Section 85(1), allows the Member of Executive Council (MEC) for COGHSTA to further adjust the division of certain of these functions between district and local municipalities. Section 84(3)(a) allows only the Minister for Provincial and Local Government to authorize a local municipality to perform these functions.

In terms of its category B status the Karoo Hoogland Municipality has been empowered to perform the **following functions** as bestowed upon it by the Constitution in terms of section 156(1) and the division of powers and functions.

Municipal Functions/District		
Constitution Schedule 4, Part B functions:		
Municipal Functions	Function Applicable To Municipality	District
Water Provision	✓	
Waste Water (Sanitation)	✓	
Electricity Provision	✓	
Waste Management	✓	
Housing Administration	✓ (with funding from CoGHSTA)	
Free Basic Services	✓	
Road Transport	✓	
Community Social Services	✓	
Museums	✓	
Cemeteries	✓	
Environmental Protection	✓	
Health	✓	
Health Inspections and Abattoir		✓
Security and Safety		✓
Sport and Recreation	✓	
Disaster Management		✓
Air pollution		✓
Building regulations	✓ (No capacity inhouse)	✓
Firefighting services	✓ (Assistance from NDM)	✓

Municipal Functions/District		
Municipal Functions	Function Applicable To Municipality	District
Local tourism	✓	
Municipal planning	✓	
Trading regulations	✓	
Control of public nuisances	✓	
Fencing and fences	✓	
Licensing and control of undertaking that sell food to the public	✓	
Municipal Parks	✓	
Waste Water Storm Water Drainage	✓	

OVERVIEW OF PERFORMANCE AND CAPITAL PROJECTS 2023/2024

ALL WARDS

This section provides a high level overview of capital and cash flow performance. Financial Performance will be reported in more detail in Chapter 5 as well as in the AFS.

CAPITAL PROJECT PERFORMANCE

The Following projects commenced in 2021/2022 & 2022/2023 & 2023/2024 for which funding have been secured for:

CAPITAL PROJECTS 2021/2022					
No	Project name and Detail	Start Date	End Date	Total Value R	
1	Williston Water Network Upgrade	September 2021	February 2022	R 13 788 780.71	
2	Sutherland Emergency Bulk Water : Civil	February 2022	June 2022	R 4 635 033.49	
3	Sutherland Emergency Bulk Water : Mechanical & Electrical	February 2022	June 2022	R 2 125 431.32	

CAPITAL PROJECTS 2022/2023				
No	Project name and Detail	Start Date	End Date	Total Value R
1	Sewage Reticulation for 127 Stands in Williston	27 Sept 2022	April 2023	R 6 769 207,03
2	Williston Upgrading of Sport Facilities Apply for roll-over 2023/2024	March 2023	June 2023 Extended to October 2023	R 8 146 999.60
3	Williston Upgrading of Streets – Phase 3	27 Sept 2022	March 2023	R 7 000 000

CAPITAL PROJECTS 2023/2024				
No	Project name and Detail	Start Date	End Date	Total Value R
1	Sewage Reticulation for 165 Stands in Fraserburg	October 2023	September 2024	R 16 272 966.90
2	Williston Upgrading of Sport Facilities Apply for roll-over 2023/2024	March 2023	June 2025	R 8,146,999.60

CASH FLOW PERFORMANCE

Financial Year	Revenue				Operating Expenditure			
	Budget	Actual	Difference	%	Budget	Actual	Difference	%
	R'000	R'000	R'000		R'000	R'000	R'000	
2018/2019	58378	55329	3049	94.78%	58323	65323	-7000	112.00%
2019/2020	58556	57438	1118	98.09%	64017	69196	-5179	108.09%
2020/2021	70581	75 139	-4558	106%	71515	76780	-5265	107.36%
2021/2022	65125	66576	-1451	102%	83 401	87 461	-4060	104%
2022/2023	106 971	93 135	13 836	87%	81 824	97 136	-15 312	118%
2023/2024	105 206	92 708	12 498	88%	86 849	91 695	-4846	105%

2022/2023

'000

Revenue

Opex

Capex

Approved Budget (A-Schedule)	Adjusted Budget (B-Schedule)	Actuals (C-Schedule)
R 103 761	R 106 971	R 93 136
R 81 539	R 81 824	R 97 244
R 30 562	R 30 562	R 22 357

2023/2024

'000

Revenue

Opex

Capex

Approved Budget (A-Schedule)	Adjusted Budget (B-Schedule)	Actuals (C-Schedule)
R 101 898	R 108 142	R 92 708
R 79 565	R 78 138	R 74 285
R 22 333	R 30 004	R 18 423

COMPONENT A : BASIC SERVICES

Karoo Hoogland Municipality delivers on its core functions as prescribed by the Constitution. Performance targets for basic services were set, taking into account the financial position of the Municipality and the availability of resources. The focus was on delivering basic services to the community to the best of its ability within limited resources and finance. The Municipality delivers the following basic services to its residents:

- Water provision
- Sanitation provision
- Electricity
- Solid waste management
- Municipal roads and stormwater
- Free basic services and indigent support

National Key Performance Indicators : Basic Service Delivery and Local Economic Development

The following table indicates the municipality's performance in terms of the National KPI required in terms of the LG: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA.

KPA & Indicators			2020/2021	2021/2022	2022/2023	2023/2024
Basic Service Delivery						
The number of households with access to free basic water			874	897	1090	1210
The number of households with access to free basic electricity			441	472	564	622
The number of households with access to free basic sanitation			874	897	1090	1210
The number of households with access to free solid waste removal			874	897	1090	1210
The number of households with access to basic level of water			2209	2209	2209	2211
The number of households with access to basic level of sanitation			2209	2209	2209	2211
The number of households with access to basic level of electricity			2209	2209	2209	2211
The number of households with access to basic level of solid waste removal			2209	2209	2209	2211
The number of temporary jobs created through municipality’s LED initiatives including capital Projects*			53	112 jobs	228 jobs	70
Basic Services Provision 2023/2024						
Detail		Water	Sanitation	Electricity*	Refuse	Housing
Formal households		2211	2211	2211	2211	
Informal households						
Total Households		2211	2211	2211	2211	
Houses completed in year					0	
* Informal households supplied with electricity by Eskom and the amount of households given includes electricity from ESKOM and the municipality						

3.1 WATER PROVISION/ WATER SERVICES

The residents in the municipal area have 100% access to water services. The Municipality has been experiencing an extreme water crisis. Karoo Hoogland Municipality was declared drought disaster area since 2015.

The Municipality is dependent on underground water resources and a system of borehole pumps and pipelines are upgraded and (in the year under review) in place to feed the reservoirs in the three towns from where it is further reticulated to all households. During the previous years under review new reservoirs were built in Fraserburg, specifically to increase the storage capacity to ensure sufficient availability during power failures.

NATURAL RESOURCES OF WATER: 100% from Boreholes

Karoo Hoogland Municipality has 21 Production Boreholes + 1 Recharge Borehole :

Fraserburg : 5 Boreholes / 1 Reservoir

Williston : 12 Boreholes + 1 Recharge Borehole / 3 Reservoirs

Sutherland : 4 Boreholes / 2 Reservoirs

WATER SERVICE DELIVERY LEVELS

Water is the most fundamental and indispensable of natural resources. It is fundamental to life, the environment, food production, hygiene and power generation, without water, humanity cannot survive.

Poverty reduction and improved water management are inextricably linked. Section 4B of the Constitution lists water and sanitation services, limited to potable water supply systems and domestic waste water and sewerage disposal systems, as a local government function.

Definition : Basic water is defined as 6 kiloliters of potable water per month supplied within 200 meters of a household.

Access to potable water is the norm in Karoo Hoogland Municipality. All dwellings/households now have access to water in their dwelling.

HOUSEHOLDS : WATER SERVICE DELIVERY LEVELS

All households have an acceptable level of water

Water Service Delivery Levels		
Description	2022/2023	2023/2024
	Households	
Water : (above min level)		
Pipe water inside dwelling	2209	2211
Pipe water inside yard (but not in dwelling)		
Using public tap (within 200m from dwelling)		
Other water supply within 200m		
Minimum Service Level and Above sub-total	2209	2211
Minimum Service Level and Above percentage	100%	100%
Below minimum level of water supply		
No water supply		
Total number of households	2209	2211

Total Use of Water by Sector (cubic meters)

	Agriculture	Forestry	Industrial	Billed Water Consumption	Domestic (Input Water)	Unaccountable water losses	% water losses
2021/2022				290758	272179	18579	6.39%
Sutherland				77738	73059	4679	
Fraserburg				103153	98022	5131	
Williston				109867	101098	8769	
2022/2023				300777	273216	27561	9.16%
Sutherland				79816	71350	8446	
Fraserburg				114992	105223	9769	
Williston				105969	96643	9326	
2023/2024							33.65%
Sutherland				*	*	*	
Fraserburg				*	*	*	
Williston				*	*	*	

Notes to the Annual Financial Statements

Figures in Rand

2024

2023

50. Additional disclosure in terms of Municipal Finance Management Act (continued)**Other material losses****Electricity distribution losses**

Units purchased (Kwh)	5,296,497	5,191,570
Units lost during distribution (Kwh)	941,874	547,346
Percentage lost during distribution	17.78 %	10.54 %
Rand value of loss	1,807,418	1,080,927

Water distribution losses

Kiloliters raw water input	367,270	300,777
Kiloliters lost during distribution	123,583	27,561
Percentage lost during distribution	33.65 %	9.16 %
Rand value of loss	738,658	154,725

The electricity energy losses can be classified into non-technical losses during the 2023/2024 financial year.

The entity's non-technical losses increased to 17.78% from 10.54%. The non-technical losses are attributable mainly to the following:

- Theft and bypass of meters;
- Illegal decalibration of meters;
- Damaged meters and faulty voltage and current transformers; and
- Customers without meters
- Decrease in purchases due to increase in load shedding

HIGHLIGHTS AND GOOD PRACTICES : WATER SERVICE DELIVERY LEVELS

The implementing of prepaid water meters has been recognized as a Good Practice by Karoo Hoogland Municipality in the 2019/2020 financial year. Karoo Hoogland Municipality were also able to increase credit control measures with the implementation of these prepaid meters in areas where the public do not buy their electricity from directly from the municipality. In 2019/2020 KHM replaced all broken water meters.

Extra MIG Funding were allocated through the DoRA to spend on the Williston Internal Water Network Upgrading in the 2020/2021, but due to appeals during the Bidding Process the municipality had to apply for a Roll-over of the funds. A Contractor (JvZ Construction) was however appointed for this project

in September 2021, but the Roll-over application was unsuccessful. The municipality put out a tender for 300 Smart Water meters to address the water losses issue and to replace old meters. The tender was awarded during 2023/2024.

CHALLENGES EXPERIENCED – WATER SERVICES

The **drought** is currently the biggest challenge as water levels need to be monitored constantly and very low levels of water in Williston and Sutherland brought about water restrictions and water supply for only certain hours of the day. This was done in coordination with DWS.

The drought is affecting the provision of water to Williston and Sutherland.

Challenge	Corrective Actions
Water Losses Calculations and water readings at boreholes (water system input readings daily at extraction point at borehole and at reservoir)	To be addressed Better Technical Description of how and where water is metered and measured to calculate the losses
Problematic Water meters /Faulty meters	To be addressed in Procurement Plan during 2024/2025
Informal settlements squatters	To be addressed

EMPLOYEES – WATER SERVICES

The Municipality does not have separate personnel attending to this function alone, as there is a general working team who attend to all infrastructure matters including the provision of water. A portion of the total salary budget is allocated to water services.

Job Level	2021/2022	2022/2023				2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%	No.	No.	No.	%
0 - 3	1	1	1	0	0	1	1	0	0
4 - 6	3	3	3	0.5	16.67%	3	3	0.5	16.67%
7 - 9	6	6	6	1.5	25.00%	6	6	1.5	25.00%
10 - 12	7	7	7	1	14.29%	7	7	1	14.29%
13 - 15	9	9	9	2.2	24.44%	9	9	2.2	24.44%
16 - 18	11	11	11	0.9	8.18%	11	11	0.9	8.18%
19 - 20	18	18	18	1	5.56%	18	18	1	5.56%
Total	55	55	55	7.1	12.91%	55	55	7.1	12.91%

FINANCIAL PERFORMANCE 2023/2024: WATER					
Detail	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	11,509,637	5,873,346	5,456,247	5,313,042	-143,205
Expenditure:					
Employee Costs	-27,754	1,216,278	1,243,243	156,524	-1,086,719
Depreciation and Amortization	2,897,413	1,438,140	1,438,140	3,593,900	2,155,760
Others	826,502	2,174,123	2,465,401	2,879,069	413,668
Total Operational Expenditure	3,696,161	4,828,541	5,146,784	6,629,493	1,482,709
Surplus /(Deficit)	7,813,476	1,044,805	309,463	-1,316,451	

CAPITAL EXPENDITURE – WATER SERVICES

The table below indicates the amount that was actually spent on water services projects for the 2021/2022 financial year:

CAPITAL PROJECTS 2021/2022				
No	Project name and Detail	Start Date	End Date	Total Value R
1	Williston Water Network Upgrade	September 2021	February 2022	R 13 788 780.71
2	Sutherland Emergency Bulk Water : Civil	February 2022	June 2022	R 4 635 033.49
3	Sutherland Emergency Bulk Water : Mechanical & Electrical	February 2022	June 2022	R 2 125 431.32

No Capital Projects for Water during 2023/2024

3.2 WASTE WATER (SANITATION) PROVISION

All households in the Karoo Hoogland Municipal area have access to basic sanitation. Some of the erven in all three towns are connected to a waterborne sewerage system. Some erven are still equipped with sewerage drains and the sewerage are removed with sewerage removal vehicles. The balance of the erven has dry sanitation toilet (bucket systems), which are also serviced by the municipality. All three towns have oxidation ponds.

The following projects form part of the multiyear strategic projects in the IDP.

- Eradication of UDS Toilets - 145 Williston + 185 Fraserburg eradicated
- Installation of full waterborne sewer system
- To ensure proper operation and maintenance of existing infrastructure and equipment
- Replace individual septic tanks with full waterborne sewer system
- Upgrading of oxidation ponds (completed)

Business plans was submitted to COGHSTA and Department of Water and Sanitation for the installation of sewerage networks and the eradication of the UDS toilets in all three towns.

CHALLENGES EXPERIENCED : SANITATION SERVICE DELIVERY LEVELS

- The Bucket system need to be eradicated in full and proper operation and maintenance of existing infrastructure and equipment need to be done.
- All our staff working at the oxidation ponds need training as process controllers.
- Necessary equipment for staff to use for proper record keeping must be put in place.
- Lack of Blue and Green Drop due to not properly trained staff and lack of record keeping at oxidation ponds and water facilities.

SANITATION SERVICE DELIVERY LEVELS

Below is a table that specifies the distribution of households by type of toilet facility

SANITATION SERVICE DELIVERY LEVELS : HOUSEHOLDS			
Description	2021/2022 Actual No	2022/2023 Actual No	2023/2024 Actual No
Sanitation / Sewerage (above minimum level)	2209	2209	2211
Flush toilet (connected to sewerage)	707	834	1021
Flush toilet with septic tank	798	798	798
Other Toilet Provisions (above minimum service level) (UDS)	704	577	392
No toilet provision (temporary ablution)			
Total households	2209	2209	2211

EMPLOYEES SANITATION SERVICES

The Municipality does not have separate personnel attending to this function as there is a general working team who attend to all infrastructure matters including the provision of sanitation. A portion of the total salary budget is allocated to sanitation services.

FINANCIAL PERFORMANCE 2023/2024: SANITATION					
Detail	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	12,763,976	5,074,336	4,500,001	4,477,073	-22,928
Expenditure:					
Employee Costs	1,642,368	2,493,722	2,496,959	2,022,062	-474,897
Depreciation and Amortisation	2,897,413	1,974,212	1,974,212	4,056,972	2,082,760
Others (Incl Repairs & Maintenance)	786,318	1,921,883	871,300	723,551	-147,749
Total Operational Expenditure	5,326,099	6,389,817	5,342,471	6,802,585	1,460,114
Surplus /(Deficit)	7,437,877	-1,315,481	-842,470	-2,325,512	

CAPITAL PROJECTS 2022/2023							
No	Project name and Detail with initial Value R	Start Date	End Date	Budget	Adjustment Budget	Actual Expenditure	Variance From original budget
1	Williston Eradication of 127 UDS - Sewage reticulation	September 2022	April 2023	R6 769 207.03	R 9 889 664.55 (Extension on Project)WSIG	R 9 889 664.55	R 3 120 457.52

A Capital project for the Sewage Reticulation System in Fraserburg including the eradication of 165 UDS toilets already commenced in 2023/2024.

CAPITAL PROJECTS 2023/2024							
No	Project name and Detail with initial Value R	Start Date	End Date	Budget	Adjustment Budget	Actual Expenditure	Variance From original budget
1	Fraserburg Eradication of 165 UDS - Sewage reticulation	October 2023	June 2024	R15 010 616.82	R16 272 966.90	R15 459 318.54 + Retention : R813 648.34	No Variance / Contract Adjustment due to hard rock

3.3 ELECTRICITY PROVISION

The Municipality supplies electricity to Fraserburg and part of Williston(Electricity and Street Lighting). The other part of Williston(Amandelboom) as well as Sutherland and the rural areas are serviced by ESKOM.

The electricity losses for 2020/2021 were determined at **8,9 %**.

The electricity losses were determined at **9,89 %** for the 2019/20 financial year compared to **11,97 %** for the 2018/19 financial year. This increase in the % losses is due to faulty meters, electricity theft and points of supply that are not being metered.

2021/2022 Electricity losses : 9.49%

2022/2023 Electricity losses : 10.54%

2023/2024 Electricity losses : 17.78%

The table below give a brief description of the highlights for Electricity service delivery during the 2023/2024 financial year:

HIGHLIGHTS AND GOOD PRACTICES :

- No Major outages occurred.
- Regular follow ups on incidents of possible electricity theft
- Electricity losses not within the acceptable range.
- Switched from Night Save Rural to Ruraflex due to cheaper tariffs charged by ESKOM

CHALLENGES EXPERIENCED :

- Electrical reticulation throughout Fraserburg is mainly by means of overhead 11kV and low voltage. The age of these networks is in excess of 40 years and have degraded to such a state that normal maintenance and refurbishment is not adequate anymore to ensure safe and reliable operation.
- Funding for the upgrade of the network in Fraserburg (MV and LV)(Funding from the Department of Energy to upgrade networks through INEP)
- The regular reading of meters
- High cost of electricity
- Due to ESKOM providing the electricity directly to Sutherland, it hampers credit control .
- A lot of complaints with regard to streetlights not working and not maintained by ESKOM from Sutherland community.

ELECTRICITY SERVICE DELIVERY LEVELS

Description	2021/2022	2022/2023	2023/2024
	Actual No	Actual No	Actual No
Energy (at least minimum service level) conventional meters			
Electricity – pre-paid (min service level)	2209	2209	2211
Minimum Service Level and Above sub-total			
Minimum Service Level and Above percentage	100%	100%	100%
Total number of households	2209	2209	2211

All households have access to electricity, however not all are directly supplied by the municipality. Sutherland and a part/suburb of Williston called Amandelboom receive their electricity directly from ESKOM.

Cost of bulk electricity for KHM : R 12,185,754
 Revenue / Sales of electricity : R 12,263,597
 Gross Profit : R 77,843

Viable to deliver this service : The municipality is operating at a deficit for electricity services if all other expenses for the provision of electricity is added to the bulk purchases

Cost of supply - Such a study was performed and Nersa indicated that our tariffs should increase with 29%. However we only applied a 12.75% increase due to the **affordability** to our consumers, which will not be able to afford such an increase.

TOTAL EMPLOYEES : ELECTRICITY SERVICES

The following posts are approved on the organogram and are budgeted for :

- **Electrician (1)**
- **General Worker Electrical (1)**

There was no capital expenditure on Electricity Services in the 2020/2021, 2021/2022 and 2022/2023 and 2023/2024 financial years.

FINANCIAL PERFORMANCE 2023/2024: ELECTRICITY					
Detail	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	17,233,640	16,191,412.00	14,624,700.00	16,435,843.00	1,811,143.00
Expenditure:					
Employee Costs	274,924	459,393	447,832	948,667	500,835
Depreciation and Amortisation	2,897,413	5,942,648	5,942,648	698,715	-5,243,933
Others(incl Repairs & Maintenance)	10,998,643	17,547,647	16,811,200	15,495,446	-1,315,754
Total Operational Expenditure	14,170,980	23,949,688	23,201,680	17,142,828	
Surplus /(Deficit)	3,062,660	-7,758,276	-8,576,980	-706,985	

3.4 WASTE MANAGEMENT (Refuse Collections, Waste Disposal, Street Cleaning and recycling)

Solid waste can be defined as any garbage, refuse, sludge or other discarded material resulting from industrial, commercial, institutional and residential activity. The Municipality delivers solid waste services to the residents of Karoo Hoogland Municipality. All residents receive the **service once a week** and a **black bag system** is being implemented for the removal of solid waste.

The Municipality has an **Integrated Waste Management Plan 2014/2018** in place which was compiled by the District Municipality. The Municipality awaits the new IWM Plan from the District as due to Covid since April 2020 no progress was recorded.

According to the IDP the following strategies and objectives were set in terms of short term and long term goals:

5TH GENERATION INTEGRATED DEVELOPMENT PLAN 2022/2027 NC066

Programme 8: Waste Management


Programme/Function	Waste Management
Programme Objective Outcome	To provide all communities with and effective waste collection and disposal management system that is environmentally compliant and raises public awareness about minimising waste generation and effective waste recycling. Promote healthy living and working environments.
Short Term Strategies (1-2 Years)	Review Integrated Waste Management Plan Audit waste collection methods and development of recycling strategy Maintain existing facilities Awareness campaigns
Medium Term Strategies (3-4 Years)	Establishment and formalization of landfill sites
Long Term Strategies (5 Years)	Minimise illegal dumping Maintain existing facilities Establishment and formalization of landfill sites

Refuse Removal:

The Municipality has a refuse removal team in each of the three towns. These teams are responsible for the collection, removal of domestic as well as business refuse and the final disposal of waste at municipal waste disposal sites. The teams each comprises of a tractor driver and general workers and the refuse are collected manually and transported to the landfill sites in each town.

Black bags are available to the public at the municipality in which refuse must be placed for removal. The municipality must ensure proper operation and maintenance of existing infrastructure and equipment through licensing and upgrading of landfill sites.

A schedule is set up to ensure that all communities are serviced:

KAROO HOOGLAND			
MUNISIPALITEIT / MUNICIPALITY			
WILLISTON	FRASERBURG	SUTHERLAND	
<p>Alle korrespondensie moet gerig word aan die: MUNISIPALE BESTUURDER All correspondence to be addressed to: MUNICIPAL MANAGER Navrae / Enquiries : Ref: 17.5.B</p>		<p>Postbus 165 / P.O.Box 165 WILLISTON 8920 053 285 0998 Info@karoohoogland.gov.za Web: www.karoohoogland.gov.za</p>	
VULLISVERWYDERINGSKEDULE			
	WILLISTON	FRASERBURG	SUTHERLAND
MAANDAE	Besighede & Dorp Huishoudings (Wys)	Alle wonings & alle besighede	Besighede
DINSDAE	Huiswinkels & Amandelboom Strate: Uys, Berg, Vygie & Spangenberg		Alle wonings in Woonbuurte
WOENSDAE	Vulliskampies & Betaalde Tuinvullis versoeke	Slegs besighede	Skoffel vullis & Munisipaliteit se tuinvullis
DONDERDAE	Amandelboom Strate : Bailey, Alwyn, Skool, Schroeder, Sterrenberg, Kureebom & Geland & Engelbrecht	Alle wonings en alle besighede	Betaalde Tuinvullis versoeke op erwe
VRYDAE	Besighede in Dorp, SAPD, Hospitaal & Skole		Skoffel vullis van strate
**Vullis word vanaf 07:30 soggens verwyder op die dae soos aangedui			
DREINE		TUINVULLIS VERWYDERING	
Meld daaglik voor 11:00 by munisipale kantore aan. Indien na 11:00 sal dit oorstaan na volgende dag of na ure tarief indien die drein dieselfde dag nog getrek moet word. Gedurende sluitingstye kan dreine per Whatsapp aan die Bystandnommer gestuur word.		Slegs op versoek en met vooraf betaling	
AANMELD VAN KLAGTES		BOUROMMEL VERWYDERING	
Slegs by die munisipale kantore.		Geen privaat bourommel word tans deur die munisipaliteit weggevoer.	
SWARTSAKKE		ASDROMME BY BESIGHEDE	
2 pake swartsakke per jaar (1 elke 6 maande) word gratis per huishouding verskaf en kan by die munisipale kantore aangevra word.		Alle besighede is self verantwoordelik vir die aanskaf van asdromme op hul persele vir hul eie vullis.	
Die straat-asdromme is nie vir besighede se vullis en kartonne bedoel nie, maar vir algemene vullis wat in die straat rondwaai en vir inwoners wat daar verby beweeg.			
BYSTAND-NOMMERS WILLISTON 066 056 2678 FRASERBURG 066 077 5922 SUTHERLAND 066 056 2811			

Dumping Sites/Landfill Sites:

The Municipality has 3 landfill sites : Williston, Fraserburg and Sutherland. Only Fraserburg's landfill site has a permit and the other two have licenses. Requests for the change have been submitted already. Although these sites are fully functional, illegal dumping of waste in the municipal area remains a major challenge. To curb illegal dumping, it is recommended that Council consider a recycling program.

HIGHLIGHTS AND GOOD PRACTICES :

- Regular removal of refuse
- Fencing of Fraserburg Landfill Site took place
- CWP and Thuma Mina participants helped out with cleaning up of municipal dumping sites where the black bags were sabotaged by illegal dump dwellers/pickers
- Waste Management Officer was appointed but need training on SAWIS system

CHALLENGES EXPERIENCED :

- Eradication of small garden refuse areas: The Removal of some small garden waste camps/areas in Williston brought about some issues because the community still dumps their garden refuse where the sites were. The community should be educated in this regard and alternative procedures should be developed.
- Illegal dumping (Corrective measures: Fines (law enforcement program) will be imposed on the public which participates in these illegal activities, as the Municipality has communicated with all towns communities via Face book, newsletters and the website.
- Corrective measure : Educational programmes to educate communities about their role to play by taking ownership by keeping our towns clean and the Landfill Sites and reporting illiegal activities)
- Cleaning of dumping sites
- The Williston Landfill Site is not fenced and the papers/garbage and bags are blown all over and closer to town. This results to additional costs to clean and manage the landfill sites. It is **recommended** to request funding to fence this landfill Site.
- No Waste management By-laws or policies
- Integrated Waste Management Plan need to be developed - outdated 2014-2019
- Training on SAWIS to be able to work properly
- Condition of waste management sites and Landfill sites are challenging

Solid Waste Service Delivery Levels – Nr of Households

Description	2021/2022	2022/2023	2023/2024
	Actual	Actual	Actual
	No	No	No
Solid Waste Removal: (Minimum level)			
Removed at least once a week	2209	2209	2211
Minimum Service Level and Above sub-total	2209	2209	2211
Minimum Service Level and Above percentage	100%	100%	100%
Solid Waste Removal: (Below minimum level)			
Removed less frequently than once a week			
Using communal refuse dump			
Using own refuse dump			
Other rubbish disposal			
No rubbish disposal			
Below Minimum Service Level sub-total			
Below Minimum Service Level percentage			
Total number of households	2209	2209	2211

TOTAL EMPLOYEES : REFUSE SERVICES

The Municipality does not have separate personnel attending to this function as there is a general working team who attend to all infrastructure matters including the removal of refuse and solid waste disposal. A portion of the total salary budget is allocated to sanitation services as indicated in the table below. The Municipality has a refuse removal team in each of the three towns. These teams are responsible for the collection, removal of domestic as well as business refuse and the final disposal of waste at municipal waste disposal sites. The teams each comprises of a tractor driver and general workers and the refuse are collected manually and transported to the landfill sites in each town.

FINANCIAL PERFORMANCE 2023/2024: REFUSE					
Detail	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	11,128,205	6,942,877	2,800,000	2,475,076	-324,924
Expenditure:					
Employee Costs	1,881,557	1,475,238	1,541,979	2,336,068	794,089
Depreciation & Amortisation	2,897,413	0	0	197,943	197,943
Others(incl Repairs & Maintenance)	1,528,178	2,151,199	1,368,000	1,150,938	-217,062
Total Operational Expenditure	6,307,147	3,626,437	2,909,979	3,684,949	774,970
Surplus /(Deficit)	4,821,058	3,316,440	-109,979	-1,209,873	

3.5 HOUSING

The Municipality does not have a specific staff component to deal with housing matters as the provision of housing was a Provincial function. When a housing project is approved the services of Consulting Engineers and Contractors are procured through prescribed SCM Principles. An objective of the municipality is also to enhance sustainable service delivery through infrastructure development with reference to the eradication of the housing backlog of **670 (2019/2020) houses by 2030**.

This backlog does not include the backyard dwellers which are found being reported through the IDP. About 215 (2019/2020) backyard dwellers are found in all three towns and this amount varies through the years as people move around and leave town for work in other towns as well as move here when construction work arises. Through the **National Housing Needs Register** it is being predicted that the backyard dwellers and people with a need for housing increases annually.

Housing unofficial waiting list per town:

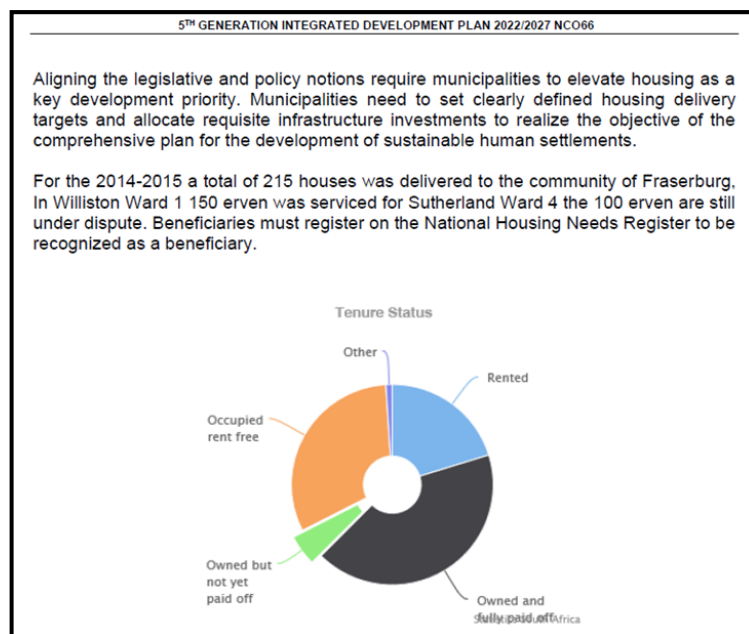
Town	2021/2022	2022/2023	2023/2024
Williston	300	300	300
Fraserburg	130	130	130
Sutherland	240	240	240
Rural areas(Farms)	45	50	50
Informal Structures	45	60	67
Backyard Dwellers	225	225	250

Total unofficial housing backlog : +/ - 1037

The Municipality embarked on visits to all towns in Karoo Hoogland during 2018/19 to register new applications on the Unofficial Housing waiting list after the approval of the new Spatial Development Framework 2018/23. Training on the National Housing Needs Register could however only commence from 2021/2022 due to administrative issues. Council identified areas per town for future housing development projects.

Housing is **not a function** of the Municipality and therefore no municipal resources are allocated towards Housing. Housing is managed by Northern Cape CoGHSTA.

Extract from the IDP:



Although Housing is not a function it is a **clear need** which must be addressed and stressed for attention at all levels of government.

At the end of 2019/2020 the then Municipal Manager gave specifications for erven to be subdivided in Williston to assist some of the people on the backlog who will possibly not qualify for FLISP or other Housing Subsidies. Thus, a Tender was put out in June 2020 for a Surveyor. The contract could however not be finalized due to an EIA which the Municipality still have to do and appoint a service provider for that for the SPLUMA process of the 60 erven to be concluded and approved by the Municipal Planning Tribunal.

During the 2014/15 financial year it was announced that 150 new erven will be planned and developed in Williston. The Planning phase commenced in 2015/2016 for these 150 erven. The SPLUMA applications was submitted in 2016/2017 for the Williston 150 erven and it is also when the EIA process commenced. Due to a delay in approval from certain national departments and the final RoD from Environmental Affairs the Town Planning application was only approved by the Municipal Planning Tribunal on 13 September 2018. The municipality is busy applying for the funding for the internal services and bulk services as well as the top structures. The building of top structures can only commence when the sites are serviced by the different service providers which in this case are ESKOM and the municipality. The municipality await the approval of the business plans which was submitted in August 2018.

During 2013/2014 an outstanding 15 new houses should have been built on the previous 225 Fraserburg Housing Project. Due to lack of competent contractors this project would only be completed in 2017/2018. However this project was not completed in 2017/2018. This project were taken over by CoGHSTA Regional in Springbok to finalize. 10 of the 15 Houses were completed during the 2019/2020 financial year and the outstanding 5 were completed during 2020/2021 bringing the total households of Karoo Hoogland to **2209 as at 30 June 2021**.

During the 2015/16 a total housing project for all three towns was submitted to address the housing need and identify areas where possible residential erven could be developed.

In 2016/2017 two new housing projects were registered and approved and the town planning processes commenced:

- 150 Erven Williston (Town Planning application successful during September 2018)
- 100 Erven Sutherland (Town Planning application not yet successfully submitted)

A **Housing Sector Plan** were being developed in 2017/2018 in partnership with Namakwa District Municipality. This plan will adhere to the Housing Needs of the Municipality in the future. The Plan was however not concluded and the process continued in the 2018/2019 year. Due to Covid the progress of this Housing Sector Plan was not reported.

SITE IDENTIFICATION FOR KAROO HOOGLAND LOCAL MUNICIPALITY

<u>TOWN</u>	<u>NHNR</u>	<u>PROPERTY DISCRIPTION</u>	<u>SERVICED SITES/ERVEN</u>
• WILLISTON	• 249	• Portion of Erf 255	• Williston 150
• FRASERBURG	• 231	• Erf 825 Portions of Erf 608: • Erf 1269 & Erf 1355 (Infill)	• None
• SUTHERLAND	• 255	• Erven 451 – 456 • A portion of erf 210	• None

2021/2022 & 2022/2023 :

The National Housing Needs Register (NHNR) enables households to register their need for adequate shelter. Three municipal officials of each town within the municipal area had the training to register applicants on NHNR.

Progress made in terms of capturing through the 2022/2023 and 2023/2024 financial years :

Town	Total of Applicants Registered on the NHNR as at 30 June 2024	Total of Applicants Registered on the NHNR as at 30 June 2023	Beginning of 2022/2023
Williston	387	369	249
Fraserburg	253	252	231
Sutherland	297	297	255

It is worth mentioning that the captured applicants on the NHNR are not an exhausted list. The housing backlog and demand for surveyed and serviced erven are far bigger than what is captured.

TITLE DEEDS

The Municipality submitted a business plan to transfer Title Deeds which are still in the name of the Municipality for old housing projects. The status as at 30 June 2024 as no deeds were transferred during the past three financial years:

		2016/2017		2017/2018	
	Total Outstanding Targets	Target	Actuals	Target	Actual
Williston	226	0	0	226	0
Sutherland	0	81	81	0	0
Fraserburg	0	205	205	20	20

Attorneys have been appointed by COGHSTA to deal with outstanding deeds not transferred yet. The status of this project are still uncertain. The outstanding transfers must be categorized and prioritised before commencement. The kick off meeting was February 2024.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

Due to the level of unemployment and subsequent poverty in the local municipal area, there are households that are unable to pay for normal municipal services. The Municipality therefore adopted an Indigent Management Policy to ensure that these households have access to at least all basic municipal services and was guided in the formulation of this Policy by the National Government's Policy in this regard. All households who qualify in terms of the said policy, receives a subsidy on property rates as well as other service charges such as water, refuse and electricity (50kWh of electricity per month free of charge as well as 6000 liters water per household per month (appr. 200 liters of water/ day))

Only households where the accountholder or property owner has registered as indigent in terms of the municipality's annual registration programme and whose registration has been approved and entered into the register of indigents qualify for the above concessions.

The subsidies on rates and the specified services charges will be determined as part of each annual budget and in terms of the Municipality's Policies on property rates and tariffs.

Below is a comparison of registered indigents in the Namakwa District Area under which Karoo Hoogland Municipality falls :

Table 33: Number of households benefiting from indigent support system, 2016

Namakwa District Municipality	Indigent households registered with municipalities	Benefitting			
		Water	Electricity	Sewerage and sanitation	Solid waste management
Hantam Municipality	1 452	1 452	1 229	1 452	1 452
Kamiesberg Municipality	1 276	1 276	1 201	205	1 226
Karoo Hoogland Municipality	944	944	944	944	944
Nama-Khoi Municipality	5 045	5 045	5 045	5 045	5 045
Richtersveld Municipality	1 068	1 068	1 033	1 068	1 068
Khâi-Ma Municipality	1 752	1 752	1 353	1 751	1 751
Total	11 537	11 537	10 805	10 465	11 486

Source: Non-financial census of municipalities, 2017

Table 33 shows that the number of indigent households registered in the Namakwa district for the year 2016 is 11 537 units with Nama-Khoi municipality having the highest number of such households at 5 045 units, followed by Khâi-Ma, Hantam, and Kamiesberg municipality with 1 752, 1 452 and 1 276 indigent households registered as indigent respectively. The municipalities with the least number of indigent households are Karoo

Only households where the accountholder or property owner has registered as indigent in terms of the municipality's annual registration program and whose registration has been approved and entered into the register of indigents qualify for the above concessions. These registers are submitted each month per town to the Performance Management System as well. The subsidies on rates and the specified service charges will be determined as part of each annual budget and in terms of the Municipality's Policies on property rates and tariffs. Currently there are **1210 (30 June 2024)** households that are receiving indigent support on a monthly basis. However this amount varies each month as the indigents need to apply monthly as we found that household situations differ each month. Each month a Free Basic Services Report are being submitted to CoGHSTA in Springbok as well as to the Namakwa District Municipality and Provincial Treasury. Karoo Hoogland Municipality is frequently monitoring the indigent and free basic services.

COMPONENT B: ROAD TRANSPORT

This component includes: Roads, transport and stormwater drainage.

The Municipality is responsible for the normal maintenance, re-gravel and reseal of roads. One of the major challenges experienced by the Municipality is the ongoing maintenance of potholes due to insufficient funds. The district municipality is responsible for maintenance, repairing, protecting and management of the proclaimed provincial roads in the area.

The Municipality's waste water (stormwater) systems consist of channels, pipelines and open trenches with piped road crossings.

3.7 ROADS

Williston, Fraserburg and Sutherland have tar roads and gravel and paved roads. The Municipality must submit projects to MIG for the upgrading of roads regularly. The tar roads are currently in a poor condition with potholes occurring all over the roads. The Municipality endeavors to arrange training for its personnel to repair potholes and also purchase the necessary equipment and material to do the work in the future.

The Municipality however does not have the **financial capacity** to budget for the repair of all the potholes. The Municipality submitted a business plan to MIG to pave the roads in Williston, Fraserburg and Sutherland during 2015/2016. Not only will this improve the infrastructure but also the health of the community to curb the dust in the dry Karoo.

During the 2018/2019 **1,8 km** of gravel roads were paved in Williston.

During the 2020/2021 a further **2,1 km** of gravel roads were paved in Williston.

During the 2022/2023 a further **2,842 km** of gravel roads were paved in Williston.

Annexure 1 – Williston Upgrading of Streets - Phase 3 (Portion 1) Layout

All Upgrading of streets projects have been put on hold from July 2023 until 2027 due to the backlog on Water and sanitation which need to be prioritized.

The following projects form part of the multiyear strategic projects in the IDP:

- ♣ Surfacing of existing gravel roads
- ♣ Surfacing of internal gravel roads using labour intensive methods
- ♣ Manufacturing paving blocks on site using local labour
- ♣ Surfacing of roads with concrete paving blocks
- ♣ Cross cutting Infrastructure : Upgrading of all major routes
- ♣ Fabrication of stones
- ♣ Safety of streets (Speed bumps)
- ♣ Fencing of BNG Houses
- ♣ Upgrading of Community Halls
- ♣ Signage : Street names and Numbers
- ♣ Upgrading of pedestrians routes
- ♣ Multipurpose center
- ♣ Driver License Testing Centre Fraserburg

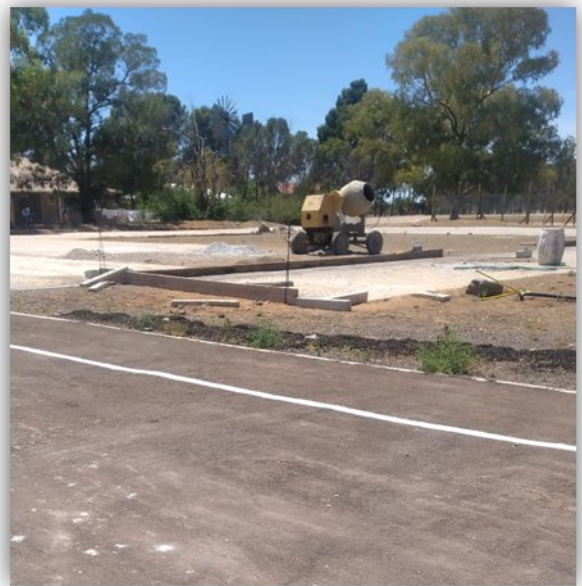
Driver License Testing Centre : Fraserburg (Project) Progress as at June/July 2024**AMPTELIKE GOEDKEURING VAN
FRASERBURG TOETSBAAN 18 JULIE 2024**

Foto van links na regs : Johannes Hendricks, Neil Oerson, Raadslid JE Davids, Raadslid VT Opperman (Speaker), Japie Mbele, John Jors, Johannes Jonkers (Munisipale Bestuurder), Raadslid AS Mietas (Burgemeester), Albert van Wyk, Jacobus Jooste

EMPLOYEES ROAD SERVICES

The Municipality does not have separate personnel attending to this function as there is a general working team who attend to all infrastructure matters including road services. A portion of the total salary budget is allocated to road services.

FINANCIAL PERFORMANCE 2023/2024: ROADS					
Detail	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,073,000	950,000.00	950,000.00	796,000.00	83.79
Expenditure:					
Employee Costs	5,739,607	3,801,671.00	3,856,395.00	3,419,034.00	88.66
Depreciation and Amortisation	-	1,045,000.00	1,045,000.00	-	-
Others(including Repairs & Maintenance)	435,959	530,600.00	539,854.00	1,779,937.00	329.71
Total Operational Expenditure	6,175,566	5,377,271.00	5,441,249.00	5,198,971.00	95.55
Surplus /(Deficit)	-5,102,566	4,427,271.00	4,491,249.00	-4,402,971.00	98.03

HIGHLIGHTS AND GOOD PRACTICES :

- ☐ Paving of gravel Roads in Williston took place in 2020/2021 to the value of R8 980 898 and during 2022/2023 to the amount of R 7 000 000.
- ☐ Finalisation on the Fraserburg Vehicle's Testing Facility to be done by July 2024

CHALLENGES EXPERIENCED :

- ☐ Lack of funding to upgrade and maintain streets properly
- ☐ Prioritising of water projects by Departments halts all road or paving projects
- ☐ Lack of equipment to maintain gravel roads
- ☐ Well skilled operators/staff in all the towns in the Municipality

3.8 WASTE WATER (STORM WATER DRAINAGE)

Storm water drainage forms an integral part of road infrastructure. Due to the fact that the road infrastructure in the three towns is not up to standard it results in poor storm water drainage during times of heavy rain. The maintenance and construction of storm water structures will only be addressed once the municipality receives funds for the upgrading of its road infrastructure.

Stormwater remains one of the **main challenges** to the area due to the gravel roads which do not have stormwater channels. During the rainy season gravel roads washes away and the maintenance to these roads need to be done at high costs for the Municipality.

The Municipality does not have separate personnel attending to this function or a budget in this regard.

3.9 TRANSPORT(Including Vehicle Licensing)

The Municipality does not have a Transport Plan for any of the three towns due to the lack of any major form of transport. The majority of the community does not have the means to pay for the transport and as the current statistics indicate various other methods is used for transport. Transport is **not a function** of the Municipality, however, there is potential to expand this industry, particularly the provision of public transport through economic development.

The majority of the Karoo Hoogland Local Municipality's population (82.3%) travel to school or to work by foot. Around 6.7% of the Karoo Hoogland population make use of public transport (i.e. the bus, train, taxi, or lifts with other people); while 1.6% make use of bicycles and 9.4% use their own private transport. Donkeys and horses as well as donkey/horse carts are also widely used in the area.

Significant portions of Karoo Hoogland's population are living in small, dispersed settlements and have limited transport capacity to travel the often significant distances between urban centres. As many of these households are also living in poverty, the lack of transport adds to the so-called "poverty trap", as these people are less able to conduct, for example, informal activities to alleviate their circumstances.

Williston, Fraserburg and Sutherland have tar and gravel roads. The municipality must submit projects to MIG for the upgrading of roads regularly. The tar roads are currently in a poor condition with potholes occurring all over the roads. The municipality endeavors' to arrange training for its personnel to repair potholes and also purchase the necessary equipment and material to do the work in the future. **Provincial routes need to be resealed.** The current conditions have a very negative impact on the local economy as easy access is not available for potential investors and tourists.

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes two service delivery priorities namely planning and development. Planning consists of land use and building control and development consist of Local Economic Development (LED). LED is built around a commitment to develop a climate in which economic development and growth can prosper.

3.10 PLANNING AND SPLUMA

The Municipality does not have a Planning department for the purposes of specific town planning matters, the municipality procures the services of a Professional Town planner.

The municipality does have a SPLUMA compliant Land Use Management Scheme (Scheme Regulations, 2022) as well as a revised Spatial Development Framework(Aug 2019) and all matters in this regard are handled by the Corporate Services Directorate.

Funding to implement the LUMS was a challenge to the Municipality. The Municipality could not reach the deadline date of 30 June 2020. Subsequently an application for postponement was referred to the Minister and was then granted. A funding application was sent to the Department of Rural Development and was approved. The Revision of the LUMS was completed by May 2022. The Department of Rural Development assisted the municipality in appointing the Consultant who revised the LUMS.

According to the MFMA, low cost housing development and associated services as planning and surveying is not a municipal function (with regard to financing of the project) and therefore no capital projects in this regard could be provided for, as no housing project has been approved by province during the past year. No other township establishment projects have been undertaken during the past year. Please refer to 3.5 Housing.

HISTORY AND BACKGROUND OF SPLUMA

During the 2014/2015 year the Spatial Land Use Management Act was passed by Parliament and all future land use management matters will be dealt with in terms of the new provisions of this Act. The municipality received assistance from Dept of Rural Development to gazette their new By-Law in the 2015/2016.

The Local Government Planning and Performance Regulations (2001) stipulate the content of the SDF. In terms of Section 4 of Regulations the SDF is required to.

- Give effect to principles contained in Chapter 1 of the Development Facilitation Act, 1995
- Set out objectives that reflect desired spatial form of the Municipality
- Contain strategies and policies regarding the manner in which to achieve the objectives which must:
 - Indicate the desired pattern of land use
 - Indicate the direction of growth
 - Provide strategic guidance in respect to location and nature of development
- Set out basic guidelines for land use management system
- Set out a capital investment framework for development programmes
- Incorporation a strategic assessment of the environmental impact land within the Municipality
- Identify programmes and projects for development of land within the Municipality
- Be aligned with neighboring municipal SDF's
- Provide visual representation of the desired spatial form which

- Must indicate areas in which the intensity of land development could be either increased or reduced
- Must indicate desired and undesired utilization of land in an area
- Indicate conservation of both the built and natural environment
- Must indicate where public private land development and Infrastructure investment should take place
- May delineate the urban edge
- Must identify where priority spending is required

Gazette where By-Law was published 19 October 2015 (Notice 154 of 2015)
<http://www.gpwonline.co.za/Gazettes/Pages/Provincial-Gazettes-Northern-Cape.aspx>

A new By-Law was promulgated in November 2015. In a previous Annual Report of 2015/2016 a full SPLUMA Report with all preparations done and Council Decisions taken were attached. Karoo Hoogland Municipality now form part of the District Municipality's Municipal Planning Tribunal who decides on applications after the full process have been completed.

The above Planning By-law was included as Annexure A in the Revised LUMS in May 2022 with some minor amendments.

SPLUMA administrators at Karoo Hoogland appointed by Council and council decision:

- Municipal Manager & Manager : Administration

Municipal Planning Tribunal active since March 2016

The Executive Committee of Council serves as the SPLUMA Appeal Authority.

The focus of planning is on the approval and issuing of rezoning applications, sub-divisions and consolidation and application of the regulations in terms of building control and the approval of building plans.

MPT MEETINGS ATTENDED WHERE APPLICATIONS FROM KHM SERVED

- September 2023
- November 2023
- February 2024
- May 2024

HIGHLIGHTS : PLANNING

Municipal Planning Tribunal (NDM) – Fully Functional with necessary Council delegations

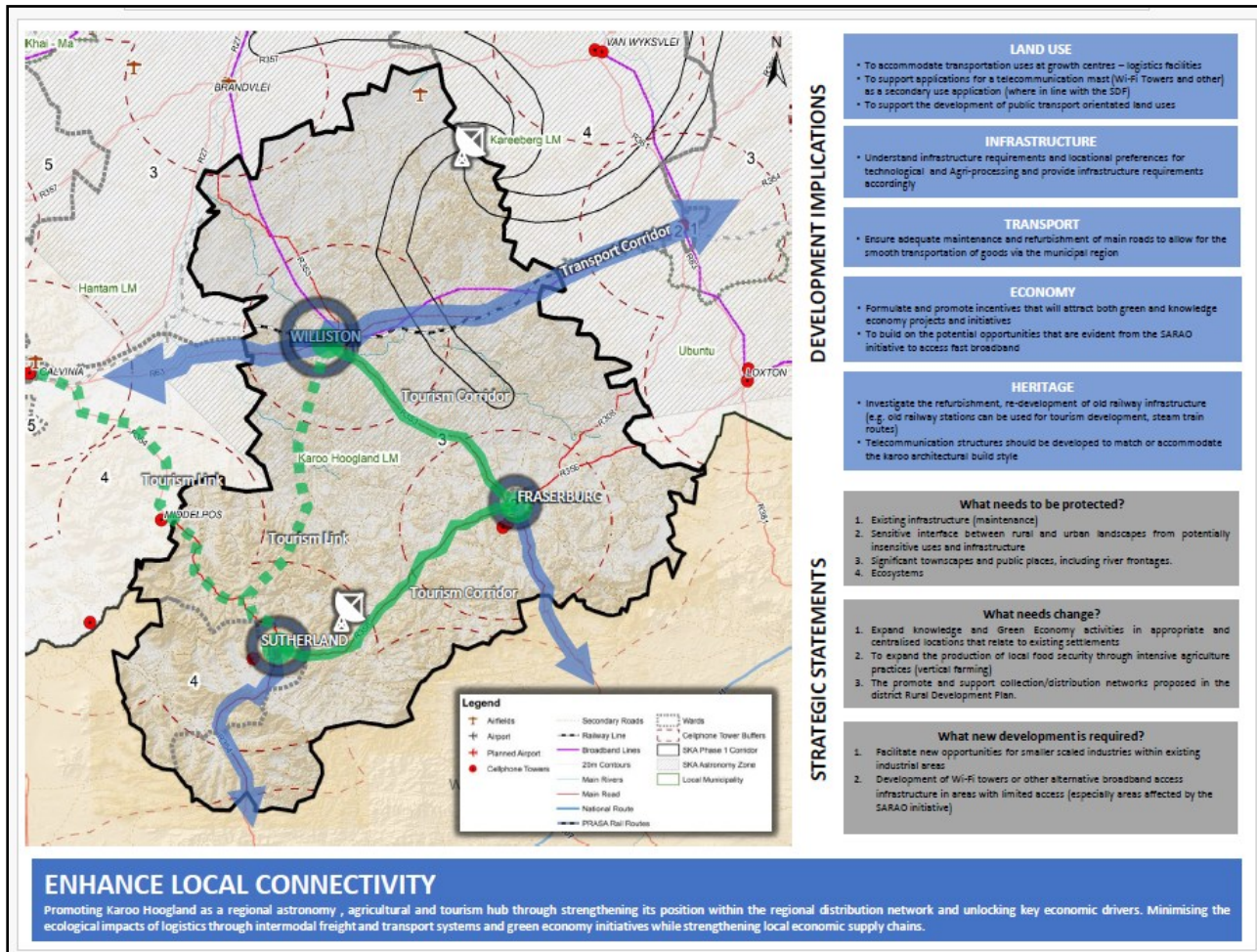
SPLUMA Compliant SDF (2019/2024) in place

SPLUMA Compliant LUMS, May 2022

Planning for revision of the SDF during 2024/25

CHALLENGES: PLANNING

Challenges	Corrective Action
Limited available space for graves	Establishment of new cemeteries and identification of land
Complaints from communities regarding the vandalism at cemeteries	Law Enforcement
Complaint from communities regarding landfill sites	Implementation of recycling project and establishment of recycling facilities Fencing of sites
Housing provision challenge and availability of land for housing development	EIA and subdivisions of erven for RDP and middle income houses
Identification of land for housing and Bulk Services to be installed and lack of town planning capacity	Appointment of professional service providers to do EIAs, Geotech as well as subdivisions for township establishment and Bulk Services need to be applied for
Drought and impact of climate change	Drought relief funding from National Government
Scarcity of water resources such as boreholes and reservoirs	Drought relief funding from National Government, as well as water and sanitation programme
Poor and outdated infrastructure and buildings	Improvement in revenue collection to maintain infrastructure and buildings
Lack of sufficient support for emerging farmers including after care of projects	Interventions from the Department of Agriculture, Rural Development and Land Reform to assist emerging farmers
Outdated LED Strategy	Revision of the LED Strategy <i>Assistance from SALGA/Department of Economic Development and Tourism</i>
Lack of knowledge in community on planning & Development	Training and Development for Unemployed Youth and Graduates
Lack of knowledge in community on planning & Development	<i>Assistance from Department of Rural Development and Land Reform (National Rural Youth Services Corps)</i> <i>Local Government SETA</i>



BACKGROUND OF REVISION OF SDF DURING 2018/2019

With the SPLUM Act and Regulations the SDF must be revised before 2020 and a request for assistance was sent to the Department of Rural Development and Land Reform in this regard. The Department concluded the Terms of Reference for the tender process during November 2017. The current SDF was developed and approved by Council in 2010/2011 and must be revised before 2019 to include new legislation. SKA proposed to sponsor the revision of the SDF as this is a very expensive project. The tender for a consultant to do the revision of the SDF commenced in 2017/2018 during Feb 2018 – April 2018. In June 2018 a Consultant Ditsamai was appointed and the process commenced in July 2018. The process of revision was done and concluded in March 2019. Final approval by Council was done on 30 August 2019. Karoo Hoogland Municipality now have a Revised and SPLUMA Compliant SDF. Please visit our website for the result of which we are very proud. See extract of the Macro Strategies:

KAROO HOOGLAND SPATIAL DEVELOPMENT FRAMEWORK



MACRO STRATEGIES

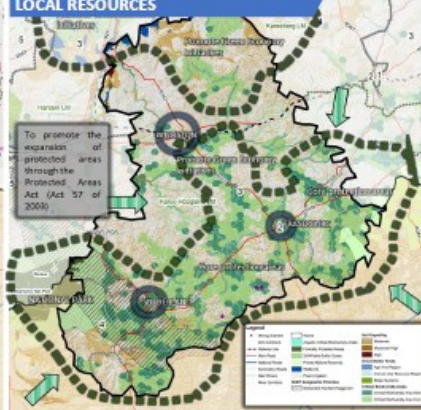
SPATIAL STRATEGIES

ENHANCE LOCAL CONNECTIVITY



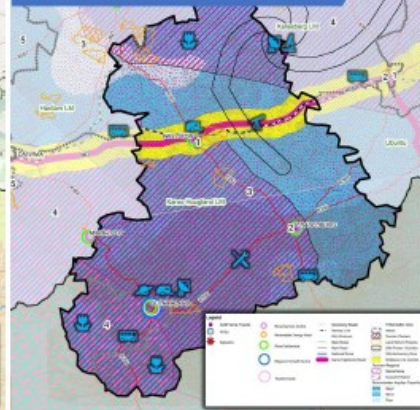
Promoting Karoo Hoogland as a regional astronomy , agricultural and tourism hub through strengthening its position within the regional distribution network and unlocking key economic drivers. Minimising the ecological impacts of logistics through intermodal freight and transport systems.

PROTECTING AND CONSERVING LOCAL RESOURCES



Recognizing and strengthening the role of natural assets in ecosystem functioning, ecosystem goods and services, the local and regional economy and the livelihood of Karoo Hoogland's residents. Managing and reducing natural and man-made disaster risks.

URBAN AND RURAL DEVELOPMENT

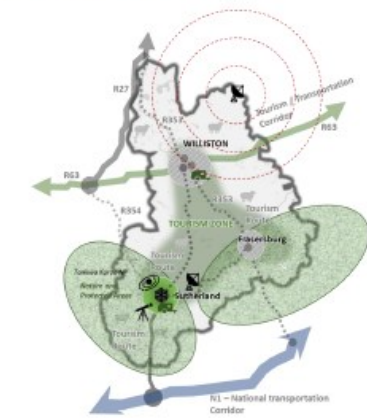


Facilitating smart growth of Karoo Hoogland's settlements in accordance with their role and potential. Promoting social development, community livelihoods and safety through the sustainable delivery of social facilities, public open space, recreational opportunities and housing.

INFRASTRUCTURE DEVELOPMENT



Capitalising on existing transportation infrastructure and activities to strengthen the and diversify the local economy while eradicating services backlogs and creating an environment where all communities are well serviced.



SPATIAL VISION



MICRO STRATEGIES



SUTHERLAND



WILLISTON

Challenges and Planning&Development issues which need attention in the following financial years:

- Building Control capacity - shared service Level Agreement with NDM
- Time taken to approve building plan applications need attention and a Standard Operating Procedure
- Zoning certificates are developed as requested
- Lums & Planning By-law SPLUMA compliant since 2022 – However there are adjustments that need to be added
- SDF Revision 2018
- SDF Revision 2024 – to be funded
- Windfarms - dedication from Windfarms to fund projects from the IDP – need more commitment
- EIAs for development and housing and erven for housing backlog
- Lack of Town planning capacity
- 58 Erven in Williston need Internal Services
- Newly developed erven in Sutherland need Internal Services
- Land Use Audit
- Churches, Industrial, Erven for towers, erven for housing, erven for business purposes and public spaces
- Dilapidated buildings - need attention and legal proceedings

3.11 LOCAL ECONOMIC DEVELOPMENT

Municipalities have a Constitutional Mandate to promote Local Economic Development (LED). Section 153 of the Constitution of the Republic of South Africa, 1996 states that: *"A municipality must structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the Community."*

Economic development can be defined as an **"activity that seeks to improve the economic well-being and quality of life for a community, by creating and/or retaining jobs"**.

Circulate local generated money and money received via value chain and local procurement in the local community to increase the number of times profit can be added to an ever growing bigger volume of local currency that will subsequently grow the economy and create local ownership and employment. This require that local resources are added value to and exported. Furthermore local residential, commercial and industrial demands are supplied by locally owned enterprises, thus circulating local currency and obtaining external currency to grow the local GDP.

The goal of the LED Strategy Document :

To assist and support the Karoo Hoogland Local Municipality within the Namakwa District Municipality to generate a LED Strategy to ensure incorporation of the most recent development changes in the Local economy as well as the alignment with Provincial and National initiatives and to develop implementation plans. The LED study forms part of the IDP process and is one of the milestones toward achieving Local economic development within the Karoo Hoogland LM area. The purpose of the LED is for Karoo Hoogland Local Municipality to create the enabling environment to allow economic development to occur.

The following actions were undertaken to prepare the LED:

- Updated socio-economic and demographic information for the Karoo Hoogland Local Municipality through the use of secondary information (existing data bases)
- To take Undertake an in-depth analysis of the real (but latent) development opportunities in the key economic sectors in the study area
- Capacity building of Local LED officials
- Identify practical sectoral programmes that could be used as basis for pro-active economic development initiatives
- Undertake focused analysis of key sectors taking cognizance of the first and second economy constraints and opportunities
- To promote an inclusive, participatory process that integrates strategic planning, community participation, sustainability and good decision making with Local economic development
- Emphasise Local job creation, alleviation of poverty and redistribution of opportunities and wealth
- Focus explicitly on opportunities for SMME development in all economic sectors
- Promote the creation of an enabling environment conducive for economic development by addressing human resource development and an institutional framework as key components of programmes and projects
- Ensure that the development opportunities have a definite geographic and spatial orientation to provide guidance in terms of sustainable future spatial development planning
- Ensure that the strategy aligns with and add value to the existing policies, strategies and private sector initiatives
- To provide a strategic framework for implementation of LED initiatives

- Develop viable LED projects as per the revised strategy (carry out individual project development projections)

The draft LED Strategy, which was compiled during 2011 by the Department of Economic Development, Namakwa District Municipality and Urban Econ, was approved by Council in 2011. The Provincial Department of Economic Development will assist with the review of the Strategy once the necessary capacity becomes available. The LED Strategy is built around commitment to develop a climate in which economic development and growth can prosper and growth is shared. The primary role of local government is to create a climate that is conducive to local economic development hence we can only achieve this goal with the assistance and support of all our relevant stakeholders.

Karoo Hoogland Municipality has a Local Economic Development Strategy which have been implemented since 2019/2020 however it is outdated and need revision.

JOBS CREATED THROUGH EPWP

In the 2023/2024 financial year, Karoo Hoogland Municipality created **70 EPWP jobs** through projects funded by MIG.

During 2021/2022	112 jobs were created
During 2022/2023	228 jobs were created
During 2023/2024	70 jobs were created

Community Works Program

The Community Work Programme (CWP) was established to provide an employment safety net to eligible members of target communities by offering them a minimum number of regular days of work each month. The programme targets unemployed and underemployed people. The stipends participants receive supplement their existing livelihood means and provide them with a basic level of income security. They also assists those whose livelihood activities are insufficient to lift them out of abject poverty. The CWP is an innovative offering from government to provide a job safety net for unemployed people of working age. It provides a bridging opportunity for unemployed youth and others who are actively looking for employment opportunities. The programme provides them with extra cash to support them in their search for full-time or part-time employment. Programme participants do community work thereby contributing to improvements that benefit all community members.

The rationale for availing 8 days of work a month in the CWP was in order to allow participants to engage in other income generating activities for the remainder of the month. The idea was that most unemployed people would not normally sit and do nothing while unemployed. Instead they would find some "piece jobs," take up part-time or casual employment or self-employment.

The plan for Karoo Hoogland LM will focus on Local Economic Development in all the wards the key development issues to be address by the CWP anchor sector is;

- Economic Tourism and Environment
- Economic Job Creation
- Education
- Health and Social

JOBS CREATED THROUGH CWP

3LDevelopment was appointed as the new implementing agent for the Community Works Programme in Karoo Hoogland from 1st April 2019. The total amount of participants in the programme is at 239 out of site that need to have 500 beneficiaries. Registration on this programme is continuously as beneficiaries leave the programme for better employment opportunities.

The municipality actively participate in the **Northern Cape Economic Development Forum** to report and ensure that economics changes are implemented on a local level.

UNEMPLOYMENT DATABASE

Karoo Hoogland Municipality compiled a registration process for unemployed jobseekers to complete a formal registration form of their employment status, the application form is available on the website of the municipality for jobseekers that have access to internet facilities to download the form and complete and send it back via the municipal's e-mail address, the application form is also available at the offices of the Community Development Workers (CDW's) and at the offices of the municipality.

Jobseekers get employed according to the criteria of the municipality and needs of the individual. They get employed through the EPWP projects, CWP, Sector Departments and the municipality.

In 2018/2019 through the assistance of Nordex Energy South Africa an unemployment databases was created for job seekers in **Sutherland**.

Unemployment Rate according to the IDP : 12,1%

LED Vision (From 2023/2024 IDP)

The LED vision of Karoo Hoogland Local Municipality is: " *To create a safe, healthy and economically sustainable environment where all the residents of the Karoo Hoogland LM benefits from basic service provision and adequate social infrastructure.*"

LED is an approach to sustainable economic development that encourages residents of Local communities to work together to stimulate Local economic activity that will result in an improvement in the quality of life for all in the Local community.

LED aims to increase standards of living create more and better jobs, advance skills and build sustained development for the future. LED is not a wish list but rather a practical understanding of what the Local area does well and what it has to offer, what its weaknesses and gaps lie as well as where threats and opportunities exist considering the wants and needs of the Local area.

The characteristics of an LED are as follows:

- Attraction of both outward and inward investment
- Investment in both hard and soft infrastructure
- Making the business environment more conducive to business
- A participatory approach to LED
- Public Private Partnerships (PPPs)
- A move towards community based LED

The LED goals for Karoo Hoogland Local Municipality are as follows:

- Poverty relief through effective basic service delivery and job creation,
- Assist with economic interventions in sector development (agricultural, tourism and renewable energy,
- Facilitate education, literacy, skills development and capacity building within the Local economy
- Promote business and investment attraction and retention,
- Enhance sustainable service delivery through infrastructure development

COMPONENT D : COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums, arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes.

3.12 LIBRARIES, ARCHIVES, MUSEUMS, COMMUNITY FACILITIES AND OTHER

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES (LIBRARIES, ARCHIVES, MUSEUMS, GALLERIES, COMMUNITY FACILITIES, OTHER THEATRES, ZOOS ETC)

LIBRARIES

The Municipality has three Libraries that render services to the communities of Williston, Ammerville (suburb in Fraserburg) and Sutherland.

Service Statistics for Libraries

Type of Service	2020/2021	2021/2022	2022/2023	2023/2024
Libraries				
Number of Libraries	3	3	3	3
Library members	1598	1644	1693	1468
Books Circulated	13285	14398	14101	13945
People visiting	1321	1374	3246	3241
Internet users - number of computers	291	633	1885	1679
Children Programmes	0 Due to covid	26	32	22
Visits by school groups and creches	44	42	100	33
Book group meetings for adults	7	23	46	24

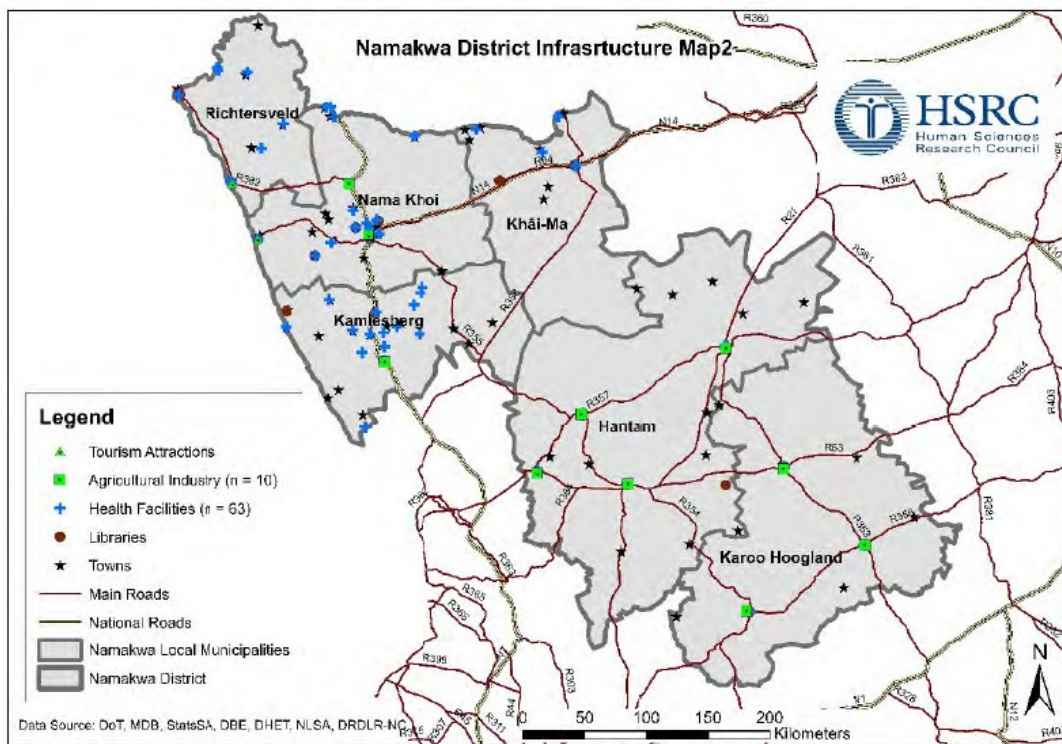


Figure 4. Innovation infrastructure of the Namakwa district- Map 2

MUSEUMS

The Municipality operates and maintains two museums, one each in the towns of Williston and Fraserburg. The Municipality also budgeted for financial support to the privately owned Museum, NP van Wyk Louw Museum, in Sutherland in the 2016/2017 financial year, however they did not claim it. The Williston Museum is in a very bad condition and will need serious maintenance urgently.

COMMUNITY FACILITIES

The municipality has a community hall in Williston and two in Fraserburg. The one in Amandelboom (Williston) is totally vandalized and have been out of use for the past eight years. The two in Fraserburg are frequently being used for dances, community meetings and other events. The Municipality also makes the Community Hall in Ammerville (Fraserburg) available for grant payouts. The Councillors also make use of the community halls for community and ward committee meetings. This is quite a headache when organizing IDP and Budget meetings in Williston and Sutherland as we have to rent facilities, usually the Sneeuwlokkie hall in Sutherland and the Nico Bekker Hostel Hall in Williston (which has now been fully vandalised and squatters have taken over). Williston also has the Church hall and a big hall owned by the "Landbougenootskap" which also have catering facilities. New Supply Chain regulations makes the renting of venues very difficult as more than three quotations should always be obtained. **During the 2023/2024 year the following halls were used :**

Fraserburg Ammerville and Fraserburg Community Halls (Owned by KHM)

Williston Amandelboom CDC (KHM not the owner)
Williston Municipal Boardroom & Library Hall (Owned by KHM)
Church Hall (KHM not the owner)

Sutherland El Nora Hall (KHM not the owner)
Church Hall (KHM not the Owner)
Old Tourism Building (Owned by KHM)

MUNICIPAL/COMMUNITY FACILITIES : SUTHERLAND

LIBRARY	COMMUNITY HALLS	SPORTS FIELDS/FACILITIES	Other	BUILDINGS RENTED FOR OFFICE SPACE	MUSEUMS	MUNICIPAL HOUSES
Sutherland Erf 209	Kammamas building	New sportgrounds	Shooting range	Erf 59 (tourism building)	Privately owned	Erf 58
			Airfield	Erf 181 – A		Erf 60
			Mortuary	Erf 181 – B		
			Golf course	Erf 443 (shared space E-Natis)		
			Commonage			
			LandFill Sites			
			Oxidation Ponds			
			Cemetery			

MUNICIPAL/COMMUNITY FACILITIES : WILLISTON

LIBRARY	COMMUNITY HALLS	SPORTS FIELDS/FACILITIES	Other	BUILDINGS RENTED FOR OFFICE SPACE	MUSEUMS	MUNICIPAL HOUSES
Williston	Jan simson sport grounds building	Jan simson sport grounds, erf 376	Shooting range	Municipal boardroom building (cwp & coghsa cdw)	Williston museum	Erf 270
	Municipal Board Room Building	Das Louw Sport facility, Part of Erf 255	Airfield	Part of Workshop Erf 348 – rented for storage		Erf 277
	Library Hall(small)		Mortuary	Erf 857 – vacant industrial erf in main street		Erf 278
			Golf course & Golfclub	Erf 93, Municipal Offices shared with E-Natis		
			Commonage			
			Caravan Park			
			Tennis courts & Tennis- clubhouse			
			Cemeteries			
			Land Fill sites			
			Oxidation ponds			

MUNICIPAL/COMMUNITY FACILITIES : FRASERBURG

LIBRARY	COMMUNITY HALLS	SPORTS FIELDS/FACILITIES	Other	BUILDINGS RENTED FOR OFFICE SPACE	MUSEUMS	MUNICIPAL HOUSES
Ammerville Library	Ammerville Community Hall	Erf 825 (dilapidated)	Mortuary & Crematorium	Municipal boardroom building (E-Natis) Office space	Fraserburg Museum	Erf 234 Kraaines 2
	Municipal Board Room		Golf course & Golfclub	Erf 205 (Old Standard Bank building)		Erf 246 Kraaines 1
	Fraserburg Townhall		Commonage	Erf 226 (Behind Absa)		Erf 329 – A Big
			Old Caravan Park	Erf 329, Old Library Hall		Erf 329 – B Small
			Townhall Garage	Erf 329, Old Library Building		Erf 333, Adjacent Townhall
			Old Library Garage 1, Erf 329	Erf 599, Office 12		
			Old Library Garage 2, Erf 329	Erf 599, Office 2		
				Erf 599, Classroom		
				Erf 599, Old Clinic Building		

ARCHIVES & RECORDS MANAGEMENT

The Section Registry processes all incoming correspondence from the Community in the Incoming Correspondence Register, which are then indexed on the electronic Document Management System (MS Excel). All Transfer documentation of even is kept safely in the Registry. All payments received through the postal system are handled in a Register. Filing is done on a daily basis by one official.

The records management function is articulated according to the National Archives and Records Service of South Africa Act (Act 43 of 1996). An approved filing plan from National Archives are being used. A duplication service is rendered for the Municipality in general as well as a messenger service for delivery of documents and mail. During 2020/2021 the records management department's policies, resources, responsibilities, training, strategic plan, classification system, procedures and storage as well as update the File Plan was prioritized. (also for Electronic Document Management). An Action Plan was drafted and attended to with regular input and assistance from Internal Audit and the District Municipality. A few outstanding policies still need to be revised and developed. The registry position was also vacant for almost a year and a half. An appointment was made during November 2020 for a Clerk operating in this department.

During 2017/2018 the Archive/Registry email also became more active and weekly emails are being distributed via email from info@karoohogland.gov.za – It is however not possible to give the correct amount of emails as emails are received on all email addresses and about 30% of emails received are junk emails. Correspondence must be distributed within 3 days and 80% of the time that is achieved. No poor performance was reported. Archive Awareness are also being done quarterly.

CHALLENGES

1. Deterioration of current Infrastructure (Off-site registry) needs urgent attention and can be addressed by proper maintenance
2. Institutional Needs : SALGA and Prov Archivist need to Approve File plan
3. Disposal plan can only be put in place after File Plan approval
4. Too little space for all sites and storage areas
5. Lack of Security
6. Backlog in the filing area
7. Challenge to deal with the Switchboard as well – time consuming
8. Need training & Assistance/guidance

HIGHLIGHTS 2023/2024:

1. Commencement of new archive area
2. Attendance of SALGA Provincial Records & ICT Forum meeting

Policy changes/amendments to be done in 2023/2024:

1. Registry Records Procedure Manual
2. Promotion of Access to Information Manual during December 2023

Library Grant 2020/2021 received :	R 1 400 000
Library Grant 2021/2022 received :	R 1 500 000 + R 37 706 (Capital)
Library Grant 2022/2023 received :	R 1 200 000
Library Grant 2023/2024 budget :	R 1 252 000 (received only R 626 000)

Financial Performance 2022/2023: Libraries; Archives; Museums; Galleries; Community Facilities; Other

R'000				
Details	2022/2023			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,221,455	1,206,995	1,356,533	149,538
Expenditure:				
Employees	1,165,900	1,165,900	1,063,733	-102,167
Repairs and Maintenance	-	-	-	
Other	75,009	98,305	183,256	84,951
Total Operational Expenditure	1,240,909	1,264,205	1,246,989	
Net Operational Expenditure				
Surplus /(Deficit)	-19,454	-57,210	109,544	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.				T3.52.5

Financial Performance 2023/2024: Libraries; Archives; Museums; Galleries; Community Facilities; Other

R'000				
Details	2023/2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	26,157	24,700	24,991	291
Expenditure:				
Employees	1,125,004	1,125,017	1,171,816	46,799
Repairs and Maintenance	11,806	11,000	6,675	-4,325
Other				
Total Operational Expenditure	1,136,810	1,136,017	1,178,491	42,474
Net Operational Expenditure				
Surplus /(Deficit)	-1,110,653	-1,111,317	-1,153,500	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.				T3.52.5

3.13 CEMETERIES AND CREMATORUIMS

The Municipality has more than one cemetery in each of the towns which are maintained by municipal workers. The Municipality does not have any crematoriums operated by municipal personnel however the municipality owns a few mortuaries which are being rented for free for that purpose. There are 5 cemeteries in the Karoo Hoogland area that resort under the jurisdiction of the Municipality and 1 additional Old English cemetery.

Adequate provision is made for cemeteries in all three wards.
Priority will be given to investigate new sites for future generations.

The Municipality does not have separate personnel attending to this function or a budget for it.

The following project has been identified in the IDP:

- Environmental Impact assessment with the view to expand current cemeteries in Williston and Fraserburg

The municipality also issue **grave plots** to applicants.

	2021/2022	2022/2023	2023/2024
Graveplots/burials :	209	165	146

CHALLENGES EXPERIENCED :

- Vandalism - Law Enforcement need to be addressed and the By-law need to be promulgated
- Identifying new areas for cemeteries in Fraserburg and Williston (urgent)
- Budgeting for the layout and landscaping and fencing of the new cemeteries

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The Municipality does not provide this service as it is a Provincial function. Although by law it is a function of the municipality it is not affordable and the municipality does not budget for this function. However the Department of Social Development did establish a pre-school (crèche)(Early Childhood Development Centre) in Williston on erven that the municipality made available. Further schools will be developed in Fraserburg and Sutherland in the future.

The Williston Drop In Centre received a grant to build a new Multi-Purpose Centre. They requested land from the municipality to build this Centre and an area was identified. The Spatial Planning processes for this centre commenced in 2016/2017. The centre was built during 2017/2018 and the transport of the erven was delayed and commenced in 2020/2021 only. It must still be done in 2024/2025.

There are currently two old age homes in Williston for the community, one in Fraserburg and one in Sutherland. These old age homes are administered by NPO's called ACVV. It must be stressed that these old aged homes do struggle to survive financially.

The aim of social programmes is to: -

- ☐ Address problems and poverty identified in the community
- ☐ Commemorate special public days
- ☐ Enhance good communication

COMMUNITY PARTICIPATION

The medium for communication includes Municipal newsletters, Annual Report, local and National Newspapers, Ward committee system, Community Development workers (CDW's), as well as through our Facebook Page and Whatsapp groups.

The Local Municipality has been incrementally increasing public participation, however there is a need to increase the number of residents and communities attending the meetings. The present reliance on the intermitted and often fragmented processes of consultation and participation orchestrated through IDPs and budgeting processes are inadequate. The municipality should be revising its public participation and communication strategies. The municipality sustained a good relationship with its internal and external stakeholders.

COMMUNITY PARTICIPATION CHALLENGES

- Lack of budget for communications due to Cost Containment
- Shortage of communication personnel
- Lack of working resources- branding material
- Capacity building
- Not enough coverage of municipal good news- units do not submit for both newsletter, website, print media in general

COMPONENT E : ENVIRONMENTAL PROTECTION

The function is currently residing at the District Municipality, who is the designated licensing authority, issuing licenses to premises or industries. The Karoo Hoogland Municipality has however a monitoring function in this regard. Pollution control forms part Environmental Health, in the absence of a section dedicated to Pollution control, solely. Namaqua District Municipality remains responsible for the enforcement of Pollution Control.

According to Section 156(2) of the Constitution, a municipality may make and administer by-laws for the effective administration of matters that it has the right to administer. Air pollution is listed as a matter in which local government has authority and national and provincial government may not compromise or impede a municipality's right to exercise its powers or perform its functions.

Protecting the Natural Environment is a priority for Karoo Hoogland taking in consideration with specific reference to global warming which contribute to climate change.

ENVIRONMENTAL PROTECTION

The municipality does not provide these services as it is a provincial function and services are provided by Namakwa District Municipality.

3.15 POLLUTION CONTROL

The Municipality does not provide this service as it is a Provincial function and services are provided by Namakwa District Municipality.

INTRODUCTION TO POLLUTION CONTROL

Pollution Control form part of Environmental Health and there is no separate section for pollution control.

Environmental Pollution consists of:

1. Dirty or unsightly conditions

- a) Accumulation of refuse, debris, including glass, paper, rags, tins, trash, ash and coal.
- b) Overgrown weeds and long grass, existence of thicket, shrub or any poisonous plants.
- c) Accumulation of wreck, chassis, engine or other part of a motor vehicle which is unsightly and may pose a health nuisance.
- d) Offensive smells from any activity on premises.
- e) Stagnant water and dumping or littering of waste on premises.
- f) Breeding of flies or mosquitoes.
- g) Harbourage of rodents or other vermin on the premises.

2. Littering, dumping and burning of waste

- a) Dumping, throwing or littering of waste, including rubbish, glass, tins, paper, car wrecks or parts of motor vehicles, dead animals, waste water or flushing water or other litter or waste, whether liquid or solid, on or in a street, road, bridge, thoroughfare, open space, vacant stand, public place or any watercourse.
- b) Burning or permitting of burning of any waste material, including tyres, rubbish, garden refuse, paper or other material on any premises in such a way as to create a health nuisance or health hazard.

SERVICE STATISTICS FOR POLLUTION CONTROL

Inform the community via pamphlets and radio talks, door to door campaigns, workshops, regarding alternative measures to be taken such as the boiling of water, the adding of a disinfectant like bleach when water do not comply with safety standards. With regards to the 2023/2024 financial year, no failures occurred in terms of safe drinking water. When failures would occur, the community are alerted immediately as to the said precautionary measures.

AIR POLLUTION

Service delivery priorities:

At local level our function is only to observe and monitor air pollution and also react on complains from the community if a nuisance occur in the jurisdiction of the local municipality, we either serve a notice to rectify the problem immediately or refer it to the district municipality for further investigations and where necessary, legal steps deemed. The District Municipality, Namakwa, is also the licensing authority in terms of premises or industries, requiring licences for their respective activities. An investigation into the use of Asbestos housing and the usage of coal inside the houses to prepare food has commenced in 2014/2015. A report in this regard was received in 2015/2016 and business plans to address the problems identified followed in 2016/2017. The Final Provincial Plan/Strategy for Air Quality Management has been compiled by the Department of Environmental Affairs and implementation commenced in 2018/2019 and progress updates are awaited.

The impact:

Air pollution in general has a detrimental effect on the inhalation system of the body which can cause sinusitis or even lung disorders if exposed over long periods.

Measures taken to improve:

If a nuisance occurs in the jurisdiction of the local municipality, we either serve a notice to rectify the problem immediately or refer it to the district municipality for them to withdrawn the licence of the premise if applicable.

ENVIRONMENTAL POLLUTION:

Service delivery priorities:

- Waste removal from households is done once every week and from the business sectors twice every week.
- Daily observations for illegal dumping and handling of refuse complaints.
- Delivering of black plastic bags to all the households in the jurisdiction to minimize illegal dumping.
- Medical Waste is being collected and removed from the hospitals and clinics by private companies who specify in this field.

The impact:

Environmental pollution causes economical restrains for the tax payers and illegal dumping leads to unhygienic conditions.

Measures taken to improve:

Complaints about illegal dumping which could not be traced to a specific person are rectified every Friday by the Refuse Removal Section. If a person, responsible for the illegal dumping could be identified, a notice is given which grants him/her five working days to rectify the problem otherwise it will be done by the refuse removal services at cost to the polluter.

Indoor air quality is a major determination of personal exposure to pollutants in today's world. Many people spend much of their time in numerous different indoor environments.

The ambient air quality of South Africa is regulated by the National Environmental Management Air Quality Act 39 of 2004 governed by the constitution which states that everyone has the right to an environment that is not harmful to their health or well-being. One way to characterize indoor air quality is to examine typical residences for levels of pollutants that are commonplace. Another way is to examine energy efficient residences to determine which pollutants if any are at increased levels.

Sutherland is a town with about three thousand inhabitants in the Northern Cape Province it lies in the western Roggeveld Mountains in the karoo. Sutherland is the coldest town in South Africa with an average yearly temperature of 11.3 degree Celsius and an annual minimum temperature of 2.8 degree Celsius snowfall is common in winter. The coldest temperature recorded in Sutherland was – 16.4 degree Celsius on 12 July 2003 the climate in the region is semi-arid.

3.16 BIO-DIVERSITY (INCLUDING CLIMATE CHANGE)

Climate Change is currently emanate and is increasing faster than it was anticipated by scientists. Climate Change is effected mostly by the increasing of the average global temperature due to the increased greenhouse gasses emissions in the atmosphere. The effect of the changing climate has an impact on people's livelihoods as well as on our wildlife and the environment.

The level of the impact of climate change depends on the rate of increasing earth temperature. Climate change will cause some regions to become wetter and others warmer, while some regions will be more at risk of heat waves, drought, flooding and natural disasters. Climate change could ruin food chains and ecosystems, putting whole species at risk of extinction. Taken into account the above a look at Karoo Hoogland and its bio-diversity and the effect on it, we are in the need of some urgent planning for the future in this region.

Karoo Hoogland is home to wide variety of bulbs, riverine rabbit, monkey beetles, bees and wasps. This biodiversity can contribute to the future socio economic well-being of the inhabitants.

Taken the above in account the effect of climate change could influence the community's livelihoods especially the poor communities reliant on agriculture and farming. The further risk of climate change in increased intensity of drought will lead to complete desertification and further water scarcity. Fire will be a constant risk due to hot winds and dead or dry vegetation. Subsistence farmers will suffer the most and are likely to lose their livelihood to the encroaching desert.

There is a need for collaboration amongst all stakeholders and the Northern Cape Government needs to play a leading role in this regard. The municipality try to attend all forums with regard to Climate Change and have already submitted business plans to DENC. However it was unsuccessful in the 2015/2016 year. The municipality is fully aware of the impact Climate Change has and the indirect effect on the environment as 2014/2015, 2015/2016 and 2016/2017 were very dry years where most of the municipal rural areas still have a harsh drought. Water restrictions have been implemented as per request from Department of Water Affairs since October 2015.

Action Plans and projects were drafted to address these eminent issues since 2018/2019 and 2019/2020 and 2020/2021 and precautionary measures must still be set in place in the 2024/2025 financial to minimize the risk of having less and less water in the future.

Namakwa District Municipality compiled a District Climate Change Vulnerability Strategy (after a full scale assessment was done) for implementation by all seven municipalities within the District. The ideal would be that all future developments must adhere and align to this Strategy.

Partner a District project will also address climate change issues.

Climate

“Climate change” refers to any change in climate over time, whether due to natural variability or as a result of human activity. Current climate change, often referred to as global warming, is caused by the emission of large amounts of Greenhouse Gases and is a direct result of human industrial activities. The United Nations Framework Convention on Climate Change (UNFCCC) defines climate change as “a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods.”

Rainfall

Rainfall in the Namakwa District is already very variable, and very low compared with the rest of South Africa. There are already noticeable water constraints that impact on the ability of municipalities to deliver water services effectively. Median and worst-case scenarios predict a decrease in rainfall for Namakwa’s winter rainfall areas, with average annual rainfall projected to decrease by up to 30% along the west coast by 2100. This drying trend is particularly strong towards the end of the rainy season. Changes in weather patterns in the summer rainfall areas can be expected as a result of climate change and the Namakwa District is likely to experience some combination of the two rainfall impacts. A best case scenario to 2050 indicates there may some early increase in rainfall, followed by drying later as frontal systems shift southwards. There are likely to be more frequent and more intense rainfall related extreme weather events such as droughts and storms. The NDM is already drought prone, and while little change is projected in the immediate future, droughts are expected to increase in frequency and severity by up to 50% towards the end of the century.

Temperature

The Karoo Hoogland LM is already a hot place, with summer day-time temperatures regularly reaching the high into the 30s Celsius. Climate scientists predict a rise in average temperatures as a result of climate change. A significant trend for increasing temperatures is already shown by weather stations in the Northern Cape tacking temperature data from 1960-2003. Under a relatively unmitigated scenario for future climate change, the Namakwa District can expect a 1-3°C increase in temperature along the coast by 2050, rising to a 3-4°C increase in temperatures by 2100. The interior can expect greater increases in temperature, between 3-6°C increased in temperatures by 2100.

Coastal Processes

According to the IPCC (2007), sea levels are projected to rise globally by 15 to 95cm by 2100. The coastline may be impacted by ‘storm surges’ and rising sea levels. The town of Port Nolloth, for example, has been affected by storm surges in the past (most recently in 2009) and may be at risk from the same in the future. Although overall vulnerability to these processes is fairly low due to a steep, rocky coastline evolved in response to historical big swell and wave action, there are nodes of vulnerability around towns, fishing fleets, and estuaries.

Impacts Analysis

A combination of increasing temperatures and reduced and/or more variable rainfall could have severe negative impacts for the Namakwa District. The municipality is characterized by fairly high levels of poverty and inequality, isolated communities, and a large geographical area, which results in a vulnerable population. Large numbers of people, both private and communal, are also directly

dependent on agriculture, and therefore on functioning ecosystems and water regimes, for their livelihoods. These are sensitive to climate change. Water quality and availability will likely be the greatest area of impact in the Karoo Hoogland.

Conclusion

Climate change threatens food security, poverty alleviation and sustainable socio-economic growth, core mandates of the municipality. Climate change will impact persons and groups that are already vulnerable. Policy decisions taken in the next decade will largely determine the dimension of the impact of climate change. Eco-systems-based adaptation approaches, using nature and biodiversity to help people cope with and respond to the negative impacts of climate change, will have an important role to play in the Karoo Hoogland.

Local government is in the front line of implementation and service delivery, and thus local government needs to pursue adequate mitigation and adaptation strategies, which should include participation from the public sector, the private sector and NGOs. There is a need for collaboration amongst all stakeholders. It is also necessary that progressive planning and risk assessment must be done to minimize the effects of climate change. In the case of the Karoo Hoogland municipality these risk assessments have already been completed in the Disaster Management Plans for each municipality and the Climate Change Vulnerability Assessment for the District.

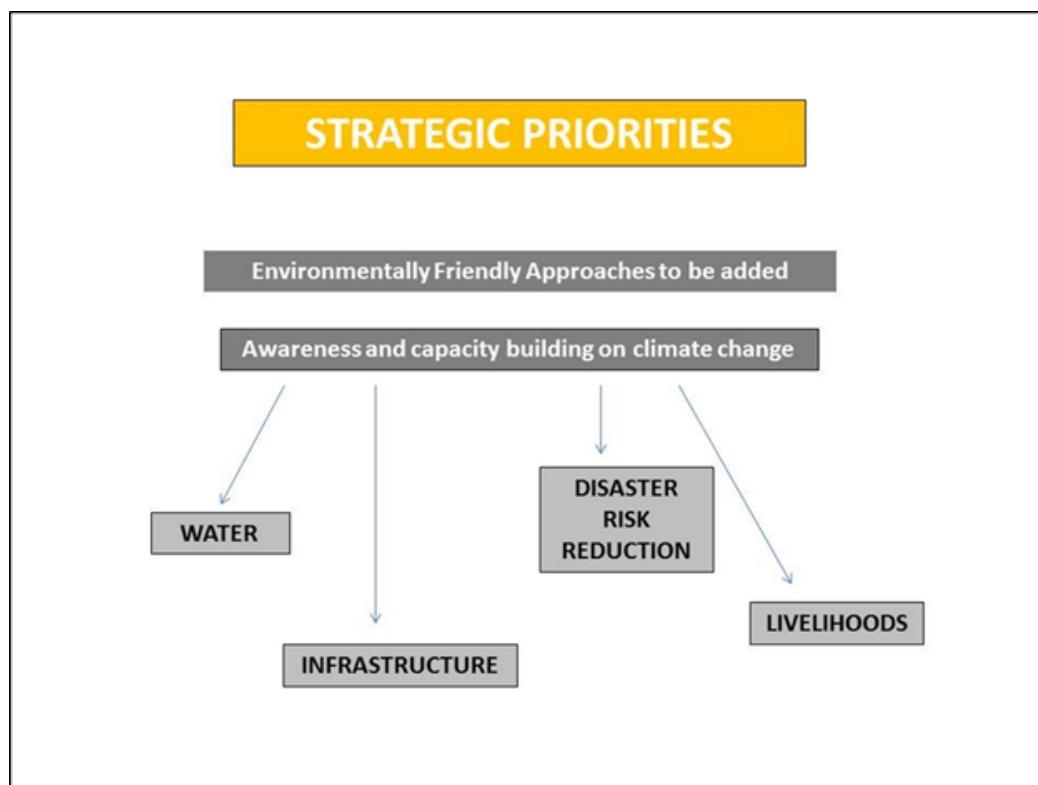
Planning can include:

□ **Over the short term:** Disaster risk reduction and disaster relief preparedness, early warning systems for adverse weather, pest and disease occurrence; adequate support for vulnerable groups; equitable disbursement of financial assistance; and the identification and prioritised sustainable management of ecosystems (including agricultural lands) that provide critical ecosystem services such as water retention and flood protection, and their restoration where these are damaged or compromised.

□ **Over the medium term:** Develop an enhanced understanding of longer term climate variability and change and use this to devise adequate disaster management for affected regions; develop sector-specific strategies to cope with variability as a precursor for adaptation to long term climate trends. This could include working with farmers to test and adopt best practices for land and nature resource management in order to quantify the benefits and overcome the challenges of adaptation approaches, restoration and maintenance of key ecosystem services (grazing land, rivers, and wetlands).

□ **Over the long term:** Significant investments in new adaptation tools, technologies and techniques in conserving, rehabilitating and restoring natural ecosystems to continue to improve the ability of people and society to withstand the adverse impacts to climate variability and climate change at all time frames.

While the short term planning needs can be easily addressed in IDP processes, medium and longer term processes should be incorporated into a climate change response plan linked to the Northern Cape Climate Change Response Strategy.



BACKGROUND: The purpose of the Karoo Succulent Ecosystem Programme (SKEP) is to provide for the conservation of the biome known as the Succulent Karoo. This biome covers approximately 116 000km² and stretches from the south-west to the north-west of South Africa and southern Namibia. It is considered an international biodiversity hotspot, comprising a diverse range of flora, reptiles and invertebrates, many of which are endemic to the region. However, Only 3, 5% of this biome falls under formal conservation areas and there is pressure on the environment from humans in the form of mining, crop agriculture, and ostrich farming. Overgrazing, illegal collection of fauna and flora, and climate change. In response to these threats, the SKEP programme was developed.

One of the outcomes of the programme was the delineation of nine geographic priority areas with the Succulent Karoo biome. The delineation process undertaken was as follows, "These areas were delimited based on agglomerations of high irreplaceability planning units (few components of key ecological processes. Where the priority areas bordered one another the boundaries were defined on the basis of biotic discontinuities, e.g fundamental differences between the biota of the sandy coastal plain compared to the granite Namaqualand uplands. Within each of these geographic priority areas, fine scale conservation planning will be required to guide local land-use planning and decision-making and for reserve design."

These 9 geographic regions are listed as follows:

- Bushmanland Insebergs
- Central Breede Valley
- Central Little Karoo
- Central Namaqualand Coast
- Greater Richtersveld
- Bokkeveld-Hantam-Roggeveld
- Knersvlakte
- Namaqua Uplands
- Spergebiet

A portion of the Karoo Hoogland is covered by the Bokkeveld-Hantam-Roggeveld geographic priority area and must be considered in terms of planning and conservation initiatives.

It is important to ensure that long term environmental sustainability is promoted through the planning process. The biodiversity principle and land use guidelines proposed for Karoo Hoogland in terms of the Namakwa District Biodiversity Sector Plan 2008 are therefore supported with regard to long term sustainable planning.

The Biodiversity Sector Plan, 2008 identifies Critical Biodiversity Areas (CBA's) in terms of the landscape terrestrial and aquatic features that are critical for retaining biodiversity. The categories and recommended land use activities are briefly discussed hereunder.

At present, these are broad advisory statements to guide planners and provide better informed Spatial Development Frameworks and Integrated Development Plans. The situation on the grounds should still be verified by an ecologist before a decision on land use taken.

Water Conservation

A water Conservation and Water Demand Management strategy must be implemented to reduce water losses in all three towns. Rain water harvesting can potentially benefit individual household and Municipality by reducing the strain on the existing ground water resources. Re-use of effluent from the waste water treatment works must be investigated against the cost and technical requirements.

Water bodies

Dams and rivers that form part of the Water Supply system, or any water resource, should be managed in a sustainable way, especially when development or change in land use is envisaged. Compliance with the requirements of the Department of Water Affairs, when developing around dams, alongside rivers or when crossing rivers or streams, is a prerequisite. Proposed watercourses crossing must be placed in areas where the impact on the watercourse will be minimal.

In terms of the National Water Act 1998, no development shall be permitted below the 1:100 year flood line, to be determined by professional engineer. A 100m buffer for rivers was demarcated for non-perennial rivers due to the absence of flood line calculations. Wetlands and perched water tables need to be identified and protected from being encroached on by development.

Heritage

National Heritage Resource Act, 1999 (Act 25 of 1999), provides for the establishment of the South African Heritage Resource Agency (SAHRA), and a Provincial Heritage Resource Authority in each province, which replaced the National Monuments Council (NMC). The Northern Cape Heritage Resources Authority is Ngwao Boswa Kapa Bokoni (Heritage Northern Cape), commonly known as Boswa. SAHRA and Boswa are obliged to identify those places that respectively have special national and or provincial significance in terms of heritage assessment criteria. A heritage resource is protected by law from certain actions (alteration, subdivision, and change in land use) without the necessary contents from relevant authority.

In terms of types of protection of heritage resources, the well-known category of national monument has replaced or modified by a category of provincial heritage site for sites of outstanding national importance. The new scope of the act allows members of the public to identify places with qualities that are of special national or provincial significance to be declared national or provincial heritage sites.

In Karoo Hoogland are several identified heritage sites with one heritage house identified in Sutherland. Fraserburg has a heritage grid in the town which consists largely of heritage houses and Parsonga Church. Williston has in excess of 10 houses identified with heritage characteristics and the bulk of these are the corbelled houses which are unique to this area.

The availability and accessibility of resource (natural or human) determines the potential for economic development of a specific area. The Main economic sectors of the Karoo Hoogland Municipality are agriculture and tourism.

The largely area of the Karoo Hoogland is characterized by sheep farms and small towns with agriculture forming the backbone of the Karoo Hoogland economy.

With the amalgamation of the three towns of Williston, Fraserburg and Sutherland into one municipal area, a strategy has to be devised to link these towns economically and to ensure an integrated approach in the economic rejuvenation of these towns.

Historically, this area is dominated by farming, in particular sheep farming, with the climate, vegetation and large tracts of grazing land ideally suited to this economic pursuit. Large areas of this municipal area are still dedicated to sheep farming and, as a result, the towns are characterized by limited infrastructure development, low population density and large scale poverty due to limited employment opportunities.

Kruisrivier : Reburial - 2018/2019 and onward

The University of Cape Town under the leadership of Professor Loretta Feris about human remains that was unethically obtained in 1920's. These remains were donated by a farmer Cornelius Coetzee from Kruisrivier Sutherland.

The remains of 11 people of which 9 is from Sutherland area. To restore the injustice caused by the illegal removal of the human remains and to return it to the descendants in Sutherland and drive the process of re-burial consultation took place with the families other stakeholders, leadership as well as the broader public.

At a council meeting Karoo Hoogland nominated Mayor VC Wentzel, Councillor Jeremy Davids and Mr Allistar Gibbons to be part of task team that will ensure the process of reburial will be done according to the law. The reburial took place during the 2023/2024 year and was attended by Councillor AS Mietas as well.

3.17 SKA & SALT

SAAO

A document SALT Collateral Benefits Plan was compiled in July 1999 outlining the benefits SALT will have for South Africa specifically in terms of astronomy technology industrial and educational empowerment.

Parallel to these developments the SAAO and the previous Council of Karoo Hoogland Municipality signed a partnership (twinning) agreement. A range of joint projects were identified through a series of community workshops and LED funds were granted in 1999/2000 to kick start the projects under the auspices of the mentioned partnership agreement.

The Main thrust of the agreement is that SALT provide opportunities to alleviate poverty in the region through the SALT collateral benefits Plan. Education, Economic Development and Tourism are addressed through this agreement and a dedicated department has been established. SALT itself is a major tourism destination but remains predominantly a research facility. To expose the public and especially children to astronomy is part of their future goals.

SALT Astro Tourism has become a main contributor to economic growth in the Municipality. Through SALT Astro Tourism is popular among South Africans and a total number of 10 000 tourists visit the facility annually.

SKA

The Karoo Array Telescope (MeerKAT) project involves the construction of a world class radio telescope which is being built by the Department of Science and Technology and National Research Foundation near the towns of Carnarvon and Williston.

The construction of the SKA is expected to cost about 1.5 billion euros. The operations and maintenance of a large telescope normally cost about 10% of the capital costs per year. This means the international SKA consortium will be spending approximately 100 to 150 million Euros per year on the telescope.

Karoo Hoogland Municipality envisage an agreement between them and Kareeberg Municipality for the purpose of this twining agreement is to ensure that the local communities benefit from the economic opportunities that will come from the construction of the SKA.

SKA also funded the revision of the SDF in 2018/2019 and 2019/2020 as mentioned earlier.

3.18 COMMONAGE

The Municipality has four Farms on which emerging farmers farm on and benefit on. However the one, Verjaagsfontein, is still registered in the District Municipality's name. Rural Development and Land Reform promised to assist with projects to address the current veld Detorization situation in 2015/2016 and 2016/2017 and 2017/2018 and 2018/2019 and 2019/2020 and 2020/2021, however no assistance was given. We look forward to 2024/2025 for assistance and better working relationships.

The municipality also has historic commonage areas close to the towns where farming activities are accommodated. The Commonage policy enjoyed attention during 2017/2018 to be aligned with national and provincial strategies and vision. It was approved by Council during May 2018.

The municipality revised its commonage policy for better cooperation between the municipality and small scale farmers as from 1 December 2018 the commonage land of the municipality is 100% occupied by emerging farmers. However the municipality need assistance in terms of infrastructure and maintenance of these farms and commonage land as Verjaagsfontein's Deed is still in the name of the District municipality and we await the transfer thereof. Furthermore, Karoo Hoogland Municipality also has 4 Common Farms - but only 3 of the 4 farms are currently registered in Karoo Hoogland's name and one (Verjaagsfontein) is still registered in the name of the Namakwa District Municipality.

1. **Verjaagsfontein (Between Williston and Fraserburg)**
2. **De Riet (Between Williston and Brandvlei)**
3. **Klipfontein (Fraserburg)**
4. **Kuilenburg (Sutherland)**

Traditional and Additional Commonland in the Karoo-Highland Municipal area:

Town	Traditional /Historic Commonage around towns	Additional Commonage Farms
Sutherland	3343 hectare	Kuilenburg: 7567.1682 hectare
Fraserberg	14 829 hectare	Klipfontein: 5187. 5646 hectare
Williston	7000 hectare	Verjaarsfontein: 4639. 0642 hectare De Riet: 10973. 9707 hectare
Totale grond	25 172 hectare	28 368. 3455 hectare

TOTAL : 53 540.3455 hectare

3.19 APPLICATIONS AS WELL AS ENVIRONMENTAL IMPACT ASSESSMENT NOTIFICATIONS RECEIVED FOR DEVELOPMENTS OF RENEWABLE ENERGY & MINERAL MINING

WINDFARMS & RENEWABLE ENERGY

KARUSA & SOETWATER WINDFARM // ENEL GREENPOWER (HIDDEN VALLEY)

- EIA completed
- A post for a stakeholder manager has been advertised for the communities of Sutherland, Laingsburg and Matjiesfontein that will benefit from this project
- Construction commenced
- 13 Farm Portions
- SPLUMA Applications approved and extended until November 2026

ROGGEVELD WINDFARM // SAVANAH ENVIRONMENTAL

SPLUMA Application approved and extended and effective

SUTHERLAND RIETRUG RENEWABLE ENERGY FACILITY //ROODE & ASSOCIATES

SPLUMA Applications approved and extended until November 2026

140MR BRANDVALLEY WIND ENERGY SOLAR FACILITY //G7 ENERGIES

SPLUMA Applications approved and extended until November 2026

KARREEBOSCH WIND ENERGY SOLAR FACILITY //G7 ENERGIES

SPLUMA Applications approved and extended until November 2026

RONDEKOP AND KUDUSBERG WIND FARMS

SPLUMA Applications approved and extended until November 2026

PROPOSED KOMSBERG EAST AND WEST WIND ENERGY FACILITY //EIMS

Applications submitted and approved 2020/2021 – extended until December 2026

MARALLA EAST & MARALLA WEST

Approved in Nov 2021 and Extended until December 2026

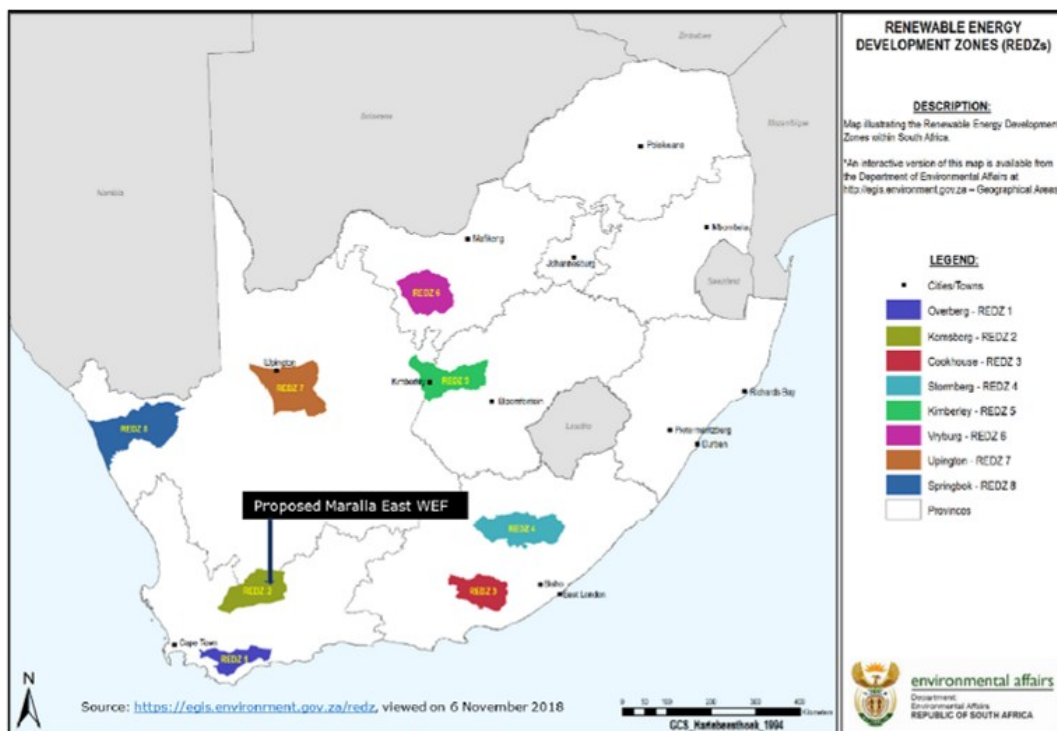
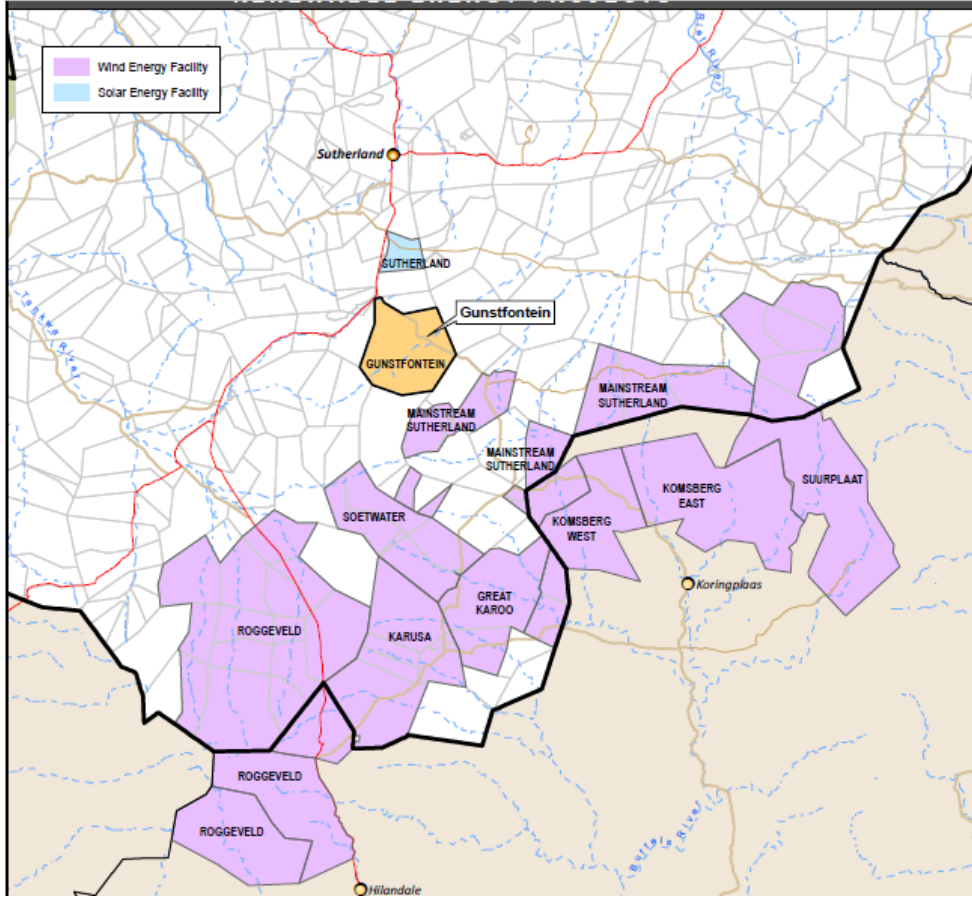
GUNSTFONTEIN WEF

SPLUMA Applications approved and extended until November 2026

GREAT KAROO WEF

SPLUMA Applications approved and extended until November 2026

Map to show the orientation of all the wind farms in the Komsberg RED Zone with Sutherland as guidance:



Map 5: Renewable energy development zones

MINERALS/MINING PERMIT APPLICATIONS

APPLICATION FOR MINING PERMIT BY POWER CONSTRUCTION (EDMS) LTD

Portion 3 of Farm 99 Jakhals Valley (Sutherland)

APPLICATION FOR MINING PERMIT BY SITE PLAN CONSULTING

Farm 209 Remainder (Sutherland)

STRATEGIC ENVIRONMENTAL ASSESSMENT FOR SHALE GAS BY CSIR AND OTHER DEPARTMENTS (2015/2016)

Study Area : Eastern Cape, Northern Cape and Western Cape and includes 27 local municipalities encompassing 171 811km²

APPLICATION FOR PROSPECTING RIGHT (PROPOSED PROSPECTING OF URANIUM AND MOLYBDENUM BY SARMCO GROUP (PTY) LTD) WEALTH-AGE HOUSE OF CAPITAL

Includes about 29 farms in the Fraserburg Area within Karoo Hoogland Municipality

Applications for Borrow Pits and Quarry : Sutherland were also approved during 2019/2020 to deliver material to the KARUSA and SOETWATER windfarms for construction.

3.20 OCCURRENCE OF NATURAL PHENOMENA'S

It is clear when you take the above into account that climate change is happening. In October 2012 an earthquake of about 3.6 on the scale occurred in Williston. In the 2015, 2016 and 2017 year, the Northern Cape as well as South Africa experienced a drought and lowest average rainfall since 110 years. Flooding usually occurs every 13 years in our municipal area. In April 2001 and in 1988 flooding occurred. All statistics and weather reporters warns about El Nino and La Nina every now and then on the news. Natural phenomena's are occurring more and more unpredictably and even the seasons are changing. Winters starts later and lasts longer and the same with summer.

Karoo Hoogland need to plan for these changing times in 2024/2025 as well as prepare contingency plans for when disaster may strike.

COMPONENT F : HEALTH

This component includes: clinics; ambulance services; and health inspections.

3.21 CLINICS

This is a **Provincial function** and provided by the Department of Health. The service is however not satisfactory due to the shortage of doctors, ambulances as well as inferior conditions of the road infrastructure between the towns.

Williston, Fraserburg and Sutherland each have a hospital with limited services rendered at these facilities. The function to provide Health Services is the Provincial Government Department of Health's respectively. A new Community Health Centre has been planned to be constructed in Williston since 2010 but the project is currently on hold. The 6 Staff houses which has been build have been fully vandalised. The services at the current facility are not always satisfactory due to the shortage of medical personnel and limited ambulance services. Patients in the rural areas are dependent on ambulance services and the gravel roads are not in a suitable condition.

3.22 HEALTH & AMBULANCE SERVICES

Health and ambulances are **provincial functions** and provided by the Department of Health. The service is however not satisfactory due to shortage of doctors ambulances as well as inferior conditions of the road infrastructure between the towns.

There are a total of 3 clinics in the municipal area. According to CSIR planning standards there should be 1 hospital per 25 000 people and 1 clinic per 5 000 people.

Because of the distance of the clinics communities have requested for mobile unites to serve them but also to assist those living in the rural areas.

The services at the current facility are not always satisfactory due to the shortage of medical personnel and limited ambulance services. Patients in the rural areas are dependent on ambulance services and the gravel roads are not in a suitable condition.

3.23 HEALTH INSPECTIONS; FOOD & ABATTOIR LICENSING & INSPECTION



In each of the three towns there are abattoirs that are privately owned. The Municipality cannot afford to appoint an Environmental Health Inspector and is this service rendered and financed by Namakwa District Municipality on a contract base to the Municipality.

All food and abattoir property owners have to apply to the municipality for inspections where after, if they are found to be suitable, they receive an Inspection Certificate.

INTRODUCTION TO HEALTH INSPECTIONS; FOOD & ABATTOIR LICENCING AND INSPECTIONS

Health inspections are done by the Environmental Health Practitioner (EHPs) and she is concerned with the administration, inspection, monitoring, education and regulation as prescribed in environmental health legislation. She act as a public arbiter of environmental health standards, maintaining close contact with the community.

They develop professional standards and apply them in environmental health and the main functions can be described as:

1. Ensure safe food:
 - a. All food handling premises must be in possession of COA's (Certificate of Acceptability) - which implies that health requirements are met in terms of R962 (Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act 54 of 1972).

All Food handlers were reached and educated through health awareness campaigns and visits.

2. Ensure safe water through continues sampling. Assisted By our municipality.
3. Ensure safe medical waste disposal. Maintain a compliance ratio of 95% through the year.

4. Accommodate informal trading by implementing minimum health standards and equip informal food handlers with health education.

Safe Water:

Actual samples taken by this division in 2023/2024 which includes quality and compliance monitoring was 108 (9 per town per month x 12) water samples in all three towns with a population ratio of approximately 13069 people (including the rural areas).

During 2023/2024 all three towns water samples were done per month and reported on a quarterly basis for the e.coli and other measurements taken. A Full SANS was done on the water during 2022/2023 and was also done in 2023/2024 again.

Water Sampling are being done by Municipal officials and then send to the lab on a monthly basis whereby reports are received and evaluated and reported on, to Council so that they can be informed about the quality of the water.

COMPONENT G : SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

It is critical that the municipality galvanizes community structures to assist the police services to prevent and combat crime. At the local level Karoo Hoogland LM should focus on the development of effective by-laws including whistle-blowing on corruption and fraud and encouraging the participation of council and residents in Community Policing Forums and other activities aimed at eliminating criminal tendencies.

3.24 POLICE

Each town in Karoo Hoogland has a Police Station. No Municipal police

3.25 FIRE / DISASTER MANAGEMENT

Fire Services is currently a function which the Namakwa District Municipality is assisting Karoo Hoogland, however the Municipality do have a water truck and fire units for emergencies to attend to. The compiling of a Disaster Management Plan is currently a responsibility of Namakwa District Municipality who assists us with it.

The present budget constrains also impacts on the purchase of much needed equipment and hampers service delivery to the community and businesses. The risks are increasing with the present local economic growth and preventative/rehabilitative measures needs to be put in place in order to ensure a safe living environment for all communities.

In 2022/2023 some fires occurred where houses burnt down in Williston where the District Municipality assisted the municipality. Two veld fires also occurred in our area during 2022/2023. During 2020/2021 about 10 fires occurred during the Covid times and the drought as well. About 8 veld fires were reported during the 2021/2022 year. During 2023/2024 5 veld fires occurred and four houses burned down.

A Shared Services Agreement for this service has been in place with the District Municipality since 2023.

3.26 OTHER DISASTER MANAGEMENT

Annual drills are held by the District Municipality to assess competency with volunteers and all involved stake holders e.g. SAPS, Department of Health, EMS, ACSA, SANDF, Provincial Traffic and other government departments are involved. No drills that we are aware of took place during 2023/2024.

A project where the community could voluntarily apply for their problem animals to be put down was completed by the Department of Veterinarian Services of Calvinia and Environmental/Municipal Health Services as well as by the Fraserburg Offices of this Department during 2019/2020 & 2021/2022 & 2022/2023. No project of this kind was launched during 2023/2024. Stray dogs are a huge problem in the residential areas of all three towns as well as on the commonage.

COMMUNICATIONS AWARENESS

- Posting of Statistics & information on the Municipal Website and Facebook Page of the Municipality and on WhatsApp Communications
- Distribution of Information Pamphlets to the Ward Committees
- Working hours of staff and opening of municipal offices was published in the Noordwester, Notice Boards and Facebook as well as WhatsApp Groups

3.27 LAW ENFORCEMENT OF BY-LAWS/POLICING

The enforcement of by-laws are very difficult as the municipality does not have Law Enforcement Officers or a Security Unit who can enforce the laws. Only one by-law was gazetted in 2016/2017 and the need for a Law Enforcement Officer must be addressed. The Keeping of Dogs was promulgated on 7 November 2016 and a few more to follow in 2021/2022. Unfortunately no new by-laws could be promulgated during 2019/2020 or 2020/2021 due to budget constraints, but the need for by-laws became evident in 2019/2020 and 2020/2021 as well as the enforcement of these by-laws.

During 2021/2022 two new By-Laws were promulgated - see Chapter 2.

A Law Enforcement Officer was appointed in April 2024.

COMPONENT H : SPORT AND RECREATION

This component includes:

- Community halls
- Swimming pools
- Caravan park
- Nature reserve
- Sport grounds

Community halls are maintained and available in Williston and two in Fraserburg.

Cleaning and minimum maintenance are done at the Fraserburg community halls. These halls are used by the community for gatherings and social activities with friends and family. The Fraserburg Townhall have been maintained nicely.

The Williston Community hall have not been used for a few years and have been vandalised. Material for repairs to the Williston Community Hall have been received as a donation from SKA during 2019/2020. During 2021/2022 an application were received for the letting of the Williston Community Hall and to use it as a Sport and Recreational facility for the public and sport clubs. Due to Vandalism and ESKOM not connecting the electricity it is problematic for the lessee.

CHALLENGES : COMMUNITY HALLS

Vandalism of buildings and fencing (Corrective Action to be taken into account : Possible installation of Security Cameras or security services or better fencing, monitored Regularly and reported on)

Maintenance of community halls is lacking (Due to the lack of personnel, the upkeep and maintenance of the halls are lacking)

3.28 SPORT AND RECREATION

The Municipality has sport grounds in Williston, Fraserburg and Sutherland which are maintained by municipal staff.

Williston (Rugby, Swimming Pool, Tennis courts, Golf Club, Caravan Park)

- The current sport facility is more than 40 years old.
- During 2013/2014 financial year the Council spend R300 000 to maintain and repair the pavilion in order for it to be safe. The wooden seats were removed, steel welding repaired and the wooden seats replaced.
- All the schools and the local rugby clubs make use of this facility.
- The sports ground is in walking distance and no previous complaints have been received in this regard.
- Due to the absence of a proper fence and a secure entrance the normal vandalism take place.
- The municipality does have personnel there during the day time that irrigates the grass and so small repairs.
- The local rugby club plays all their matches there and the community attends the matches.
- The municipality cannot afford more than one sport facility and do budget each year for maintenance.
- Currently due to the drought, the grass is diminishing but water is available at the sport grounds.
- The sport facility is also as such included in the approved Spatial Development Plan of the Municipality.

- The Tennis court is also nearby the sport ground and is utilized by the community and has also had its fair share of vandalism. There is no fencing as fencing get stolen.
- The sport ground is named after Mr JA Louw (Das Louw Stadium) who died at the age of 100 years in 2014. Mr JA Louw established the sport facility and the swimming pool years back in his term as Mayor of Williston Municipality.
- The swimming pool are in operation each year from November till March. However due to water restrictions the swimming pool did not open again after 2015's water restrictions.
- Vandalism of sport grounds and buildings a challenge.
- The Golf Course are let to the local Williston Golf Club Association in terms of a long term lease. They are responsible for the maintenance and upkeep of the Golf Course and associated buildings.
- The Caravan Park in Williston is lacking maintenance but it has however not been used much during 2020/2021, 2021/2022 and 2022/2023. Only six bookings occurred during the 2023/2024 year.

Fraserburg (Rugby, Tennis Courts, Caravan Park)

- The sport facility also need an adequate fence and entrance to keep it safeguarded and protected from vandalism which occurs frequently.
- There is only one sport facility and it's being utilized by all the schools and the local rugby club.
- There are boreholes and enough water and the grass is in a good condition due to the stable water supply.
- The sport ground does not have a specific name at this stage.
- The tennis courts are also nearby situated.
- The sport facility is mostly utilized by the disadvantaged community.
- Maintenance is also done within the budget limits.
- The Caravan Park in Fraserburg are not in use at the moment and fully vandalised.
- The Golf Course and related buildings are let to the local Golf Club in Fraserburg who maintain the course and the buildings in terms of their long term lease.

Sutherland (Rugby and athletic (sport) stadium)

- There was no sport facility for the community, only a rugby field at the school which is in a poor condition.
- The municipality assists each year with maintenance so that athletics tournaments could be held.
- The proposed site for 2016/2017 of the sport facility was at Rebelskop. This project planning phase commenced in 2015/2016 and the phase 1 construction commenced in 2016/2017. Construction of a new sport facility for the community continued in 2017/2018 and was finalized in 2018/2019.
- It is a challenge to budget for the funds for the maintenance.
- No Community Hall or Swimming pool or caravan parks are in Sutherland.

The municipality has sufficient parks in the urban and suburban areas for local residents to use for relaxation and recreation. There is however a shortage of parks in the peri-urban and rural areas of the municipality. This shortage is slowly being attended to through development of additional parks in these neighbourhoods.

FINANCIAL PERFORMANCE 2023/2024: SPORT AND RECREATION					
Detail	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	19,648	1,960	2,000	475	-1,525
Expenditure:					
Employee Costs	616,462	650,305	650,305	662,642	12,337
Depreciation and Amortisation					
Repair and Maintenance (Other)	282,487	145,140	30,000	10,950	-19,050
Total Operational Expenditure	898,949	795,445	680,305	673,592	-6,713
Surplus /(Deficit)	-879,301	-793,485	-678,305	-673,117	

CAPITAL PROJECTS 2022/2023 && 2023/2024				
No	Project name and Detail	Start Date	End Date	Total Value R
1	Williston Upgrading of Sport Facilities Apply for roll-over 2023/2024 & 2024/2025	March 2023	TBA	R 8 146 999.60

Applied for roll-over to be used during 2023/2024 – successfully. The project was not finished and another application for roll-over was submitted.

PROGRESS ON CAPITAL PROJECT COMMENCED IN 2022/2023 (SEE ABOVE)						Spend during 2022/2023	Spend during 2023/2024	Total spend – Contract not completed
Williston Upgrading of Sport Facilities Rolled Over	R 8,146,999.60	Still in Construction Phase - to be completed in 2024/2025	APPROVED AND CONTRACTED	Geez fix	78%	2,345,357.96	3,722,454.52	6,067,812.48

Also see Commitments register and Tender register and AFS for correct figures.

COMPONENT I : CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes:

- Executive and Council
- Financial Services
- Corporate Services and HR
- ICT Services
- Property Services

3.29 EXECUTIVE AND COUNCIL

Executive and Council includes the:

- Mayor
- Speaker
- Executive Committee
- Councillors
- Office of the Municipal Manager

The Municipal Council consists of 2 full time Councillors (Mayor and Speaker) and 9 part time councillors. The Municipal Manager is the Chief Executive Officer of the Council and also the Accounting Officer in terms of the MFMA.

The main priorities of Council are outlined in the Key Performance Areas as contained in the IDP.

HIGHLIGHT	DESCRIPTION
OVERSIGHT AND POLICY MAKING	
Approval of policies	A total of +/-50 policies were reviewed/developed during 2023/2024 and tabled to Council for approval which include financial/budget policies, HR Policies, IT policies, Record Management, Social Media, Spaza Shop Application Procedures, Sport Management Plan, Contract Management, Consequence Management and Performance related frameworks and policies as well as the preferential procurement policy
Functionality of Council Committees	<p>The following committees held meetings during 2020/2021, 2021/2022, 2022/2023 and 2023/2024</p> <ul style="list-style-type: none"> ▪ Municipal Public Accounts Committee (MPAC) ▪ Infrastructure Committee ▪ Finance and Admin Committee ▪ Local Labour Forum (LLF) ▪ Employment Equity ▪ Training Committee ▪ IDP and Budget Steering Committee ▪ Audit Committee ▪ Ad Hoc Committee wrt Land/Property ▪ Performance Evaluation Panel for S56 and S57

	<p>Managers performance (Dec 2020 & Feb 2021 & Nov 2022)</p> <ul style="list-style-type: none"> ICT Steering Committee
COUNCIL	
Council Meetings	<p>9 General Council Meetings</p> <p>10 Special Council Meetings</p>
Council Meet the People engagements	2
Stability of Council	<p>All councillors mostly attend Council- as well as committee meetings and are robustly participating in discussions on the agenda impacting Karoo Hoogland's communities</p> <p>Decisions of Council are mostly made in consensus between the political parties at the best interest of the communities</p>
Functional ward committees	<p>Ward committees of three wards are fully functional and regular meetings are held – Ward 3 – the rural ward however do not hold formal meetings due to the distance of travelling. Thus virtual meetings are held.</p> <p>Ward Committees still need training on their mandate and the formulation of recommendations to be made to Council</p> <p>Ward Committees to provide annual Ward based Plans per ward per financial year</p>
INFRASTRUCTURE PROJECTS	
Spending of grant funding allocated to Karoo Hoogland Municipality	<p>All Grants were received and not all grants was spent at year end for the 2023/2024 financial year :</p> <p>Equitable Share – Subsidise of all free basic services</p> <p>FMG – Financial Management support</p> <p>WSIG – Water Services Infrastructure Grant</p> <p>MIG - Municipal Infrastructure Grant</p> <p>EPWP Incentive Grant - Expanded Public Works</p> <p>Library Services Grant - Library Operational grant</p>
Water and Borehole Monitoring	<p>Due to Drought the water levels are a challenge in Williston and Sutherland and have been monitored weekly and monthly to activate mitigating measures where necessary.</p>
FINANCE	
Timeous approval of budget and IDP	<p>All budgets were timeously approved as per the legislation requirements including all adjusted budgets</p>
HUMAN RESOURCES	
Section 57 managers	<p>During 2022/23 an Acting MM was appointed and a seconded CFO from Provincial Treasury. The Acting MM and the Director Infrastructure had signed performance agreements as well as the CFO. A new MM was appointed in November 2023 who also signed a performance agreement.</p>
New appointments made	<p>See register at 3.31 for all new appointments during 23/24</p>
Vacancies to be filled	<p>See register at 3.31 for all vacancies during 23/24</p>
Suspensions	<p>See register at 3.31 for all suspensions and disciplinary proceedings</p> <p>3 Officials was suspended during the year</p>

Organisational structure	Approval of organisational structure by Council on 29 June 2022 Concept Organogram approved 5 Dec 2023 & 12 January 2024 & 14 June 2024
Job descriptions	To be drafted and finalised during 2024/2025
Positions declared redundant	None
Acting Allowance for certain positions where no incumbent have been appointed	Policy in place
Staff Regulations Implementation progress on route for 30 June 2024 (percentage) show outstanding issues or subjects as at 30 June 2024	Progress - about 30% of all tasks completed
CHALLENGES	CORRECTIVE ACTIONS
Revenue and debt collection	Municipal account holders can make arrangements with the Municipality to pay off their arrear accounts – no interest were levied. Recovery on prepaid sales of 25%
Collection of government debts	Interact through Intergovernmental Relations Forum on a regular basis
Regular requests from communities to assist with funding for social programmes, bursary applications, school uniforms, etc.	Requests are channelled to investors who has a role to play in terms of social responsibility contributions to communities of Karoo Hoogland
High unemployment and poverty	A clause was included in Tenders of the Municipality to utilise local SMME's/contractors for projects implemented in Karoo Hoogland Local SMME's are given support with registration of their businesses and to obtain the necessary documentation to enable them to participate in tender processes to make them more sustainable

FINANCIAL PERFORMANCE 2022/2023: COUNCIL

Detail	2022/2023			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue Council	2,828,000	2,828,000	2,024,151	-803,849
Total Operational Revenue MM	42,080	42,080	98,498	56,418
Total Operational Revenue	2,870,080	2,870,080	2,122,650	-747,430
Expenditure:				
Employee Costs	6,322,231	5,881,362	4,606,630	-1,274,732
Remuneration Councillors	3,580,109	2,477,154	4,782,517	2,305,363
Depreciation and Amortisation	-	-	-	-
Others	1,064,200	2,543,206	2,542,938	-268
Total Operational Expenditure	10,966,540	10,901,722	11,932,084	1,030,362
Surplus /(Deficit)	- 8,096,460.00	- 8,031,642.00	-9,809,434.06	

FINANCIAL PERFORMANCE 2023/2024: COUNCIL

Detail	2023/2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue Council	3,186,693	3,529,383	2,151,486	-1,377,897
Total Operational Revenue MM	164,714	187,250	210,358	23,108
Total Operational Revenue	3,351,407	3,716,633	2,361,844	-1,354,789
Expenditure:				
Employee Costs	1,304,483	1,879,840	1,181,110	-698,730
Remuneration Councillors	4,780,666	5,100,134	5,073,621	-26,513
Depreciation and Amortisation	0	0	0	0
Others	3,611,654	4,209,977	3,543,087	-666,890
Total Operational Expenditure	9,696,803	11,189,951	9,797,818	-1,392,133
Surplus /(Deficit)	-6,345,396	-7,473,318	-7,435,975	

3.30 FINANCIAL SERVICES

Financial services include:

- Budget and treasury office
- Income management (revenue and credit control)
- Supply Chain Management & Expenditure Management
- Asset Management

Sound financial management practices are essential to the long-term sustainability of the Municipality. It underpins the process of democratic accountability. The key objectives of the MFMA is to modernise municipal financial management in South Africa to lay a sound financial base for the sustainable delivery of services. The management of key financial and governance areas is achieved by focussing on reducing the levels of outstanding debt owed to the Municipality, to assist with service delivery spending and maintaining a healthy cash flow and maintaining an unqualified audit for the Municipality by resolving audit findings and improving financial governance.

This section is being dealt with in detail in Chapter 5.

DEBT RECOVERY						
R' 000						
Details of the types of account raised and recovered	2022/2023			2023/2024		
	Billed in Year	Actuals for accounts billed in year	Proportion of accounts value billed that were collected %	Billed in Year	Actuals for accounts billed in year	Proportion of accounts value billed that were collected %
Property Rates	7,277,664	5,574,691	76.60	8,031,187	7 474 323	93%
Electricity - Basic						
Electricity - Consumption	10,806,901	10,804,740	99.98	12,263,597	11 478 823	94%
Water	5,397,564	3,621,226	67.09	5,736,571	3 654 688	64%
Sanitation	4,870,226	3,443,737	70.71	5,120,696	3 249 883	63%
Refuse	4,034,572	2,346,910	58.17	4,321,789	2 768 710	64%
Advanced Payments						
Other	1,358,879	281,414	20.07	1,394,693	309 866	22%
	33,745,806	26,072,718	77.26		28 936 293	78%
B- Basic; C = Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.(Water and Electricity)						T3.70.2

FINANCIAL PERFORMANCE 2022/2023: FINANCIAL SERVICES					
Detail		2022/2023			
		Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		13,305,864	13,713,898	12,716,540	-997,358
Expenditure:					
Employee Costs		8,857,754	8,242,621	8,391,895	149,274
Depreciation and Amortisation					
Others (Debt Impairment ??)		12,802,000	11,422,818	15,989,692	4,566,874
Total Operational Expenditure		21,659,754	19,665,439	24,381,587	
Surplus /(Deficit)		-8,353,890	-5,951,541	-11,665,047	
FINANCIAL PERFORMANCE 2023/2024: FINANCIAL SERVICES					
Detail		2023/2024			
		Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		10,889,843	12,215,723	10,846,142	-1,369,581
Expenditure:					
Employee Costs		9,909,847	9,436,892	9,330,680	-106,212
Depreciation and Amortisation		0	0	1,401,060	1,401,060
Others (Debt Impairment ??)		6,358,164	4,486,920	6,313,228	1,826,308
Total Operational Expenditure		16,268,011	13,923,812	17,044,968	3,121,156
Surplus /(Deficit)		-5,378,168	-1,708,089	-6,198,826	

HIGHLIGHTS

The table below gives a brief description of all the highlights for financial services during the 2021/2022 & 2022/2023 & 2023/2024 financial year:

- ✓ Standard operating procedures Implemented within the financial year and to be finalise within 2024/2025
- ✓ Annual tenders implemented – Procurement Plan adopted and reported on
- ✓ Creditors Arrangements was made with SALGA and AG
- ✓ AG paid off completely in June 2022
- ✓ SALGA– Down Payment commenced
- ✓ Supply Chain Policies reviewed and updated and strictly adhered to all new relevant regulations and guidelines

CHALLENGES

The table below gives a brief description of the financial services challenges during the 2022/2023 and 2023/2024 financial year:

Outstanding debtors - Outstanding debt was handed over to lawyers and dealt with accordingly. It needs more attention in 2024/2025

Cash flow - The Municipality developed and adopted a cost containment policy as prescribed by national Treasury and strict measures are put in place to reduce expenditure.

3.31 HUMAN RESOURCE SERVICES

Karoo Hoogland Municipality underwent a Work-study process to revise the organizational structure in 2013/2014 for implementation in 2015/2016 financial year. Karoo Hoogland Municipality recognized the significance and importance of the development and management of its employees in order to deliver an optimal service to the community.


The HR Unit resort under the Office of the Municipal Manager and is responsible for the following functions:

- HR Administration
- Recruitment and selection
- Legal services and labour relations
- Employment Equity
- Organisational structure and job evaluation
- Occupational Health and Safety
- Training and development
- Employee Assistance Programme (EAP)
- Staff Regulations implementation


REGISTER: VACANCIES**2023/2024 Financial Year**

1	Museum Assistants x2 - Fraserburg & Williston
2	Clerk Committees & Admin - Williston
3	Meter Reader - Fraserburg
4	Handyman Electrical - Williston
5	Officer HR - Williston
6	Law Enforcement (Examiner of vehicles/Licences/By-Laws/Traffic Control
7	Clerk: Tourism Information
8	Officer: IDP/LED/Special Projects
9	Snr Clerk: ICT - Williston
10	Technician Civil
11	Electrician
12	General Workers Sutherland x5
13	General Workers Williston x4
14	General Workers Fraserburg x3

**REGISTER: AUDITTEE'S OFFICIALS - SUSPENDED/UNDER INVESTIGATION****2023/2024 Financial Year**

Nr	Empl	Surname	Init	ID Number
1	0008	Van Schalkwyk	SJ	
2	1049	Malan	DM	
3	0098	Myburgh	SJ	

REGISTER: DISCIPLINARY HEARING

Nr	Empl	Surname	Init	ID Number
1	5036	Booyse	A	
2	5032	Slinger	T	
3	0008	Van Schalkwyk	SJ	

3.32 CORPORATE SERVICES

The Corporate Services Divisions, each resort under the Office of the Municipal Manager and is responsible for the following functions:

- HR (See 3.36)
- Administration services
- ICT services
- Record management
- Cleaning services
- Switchboard and customer care

The aim is to ensure effective and efficient administrative systems to enhance the Municipality's objectives.

HIGHLIGHT	DESCRIPTION
Redundant Position of Switchboard Operator /Customer Care	Revised and approved by Council Electronic system can guide customers
Appointment of Records Officer	Budgeted for and appointed
Social Media Policy and Facebook Page	Getting communication out to public quicker
CHALLENGES	CORRECTIVE ACTION
Limited space for records management and storage	Budget constraints is currently hampering the process. However, will budget accordingly in the 2024/2025 financial year
Backlog at Records Management	The position was vacant for more than a year and the backlog and other issues need to be addressed by new incumbent
Filling of Vacant Positions	The IDP/LED/ Community Services Manager need an assistant Performance Management Clerk will be investigated
Cascading of Performance	All personnel will need to develop and assess their Annual Work Plans and submit them to the Departmental heads so that it can be monitored

3.33 INFORMATION & COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The establishment of ICT department within Karoo Hoogland Municipality to render a service to all departments through effective, efficient and cost effective systems and equipment that enhances the performance of these departments in service delivery to inhabitants. The ICT services are being rendered by different companies. Our financial system which is called EMS is supplied by SEBATA/Inzalo EMS. Our telephone and data service are being delivered by MTN at all our municipal offices. Our email are mostly managed by each user, but the service is hosted at Web-ateljee in Upington (Contract awarded through tender process).

Council has their server on which its systems run. These systems are for financial management, document management, prepaid services and communication. E-natis vehicle registration management are done by Department Transport. Council business is conducted from different buildings spread over the whole servicing area including the three towns. Within some of the buildings a wired network connects as well as wireless network connects, the main municipal office are all connected with a shared firewall.

The IT Department support all system users, maintains equipment and is responsible for the purchasing of equipment either for replacement or new staff. Keeping track with technology changes is always challenging due to budget constraints. IT services are also being outsourced or contracted when needed as no specialized IT personnel is employed by KHM. The IT department is being supported by an ICT steering committee who is represented by each department in the Municipality.

The following policies makes out the security policies for KHM which will be reviewed annually:

- a. Change Policy and Procedure (ICT)
- b. Patch Management Policy and Procedure (ICT)
- c. Internet Acceptable Use Policy (ICT)
- d. Back-up Policy and Procedure (ICT)
- e. Physical Protection of IT Facility Policy (ICT)
- f. User Account Management Policy (ICT)
- g. IT Risk Management Policy (ICT)

Council have adopted the Corporate Governance Policies to be effective from 1 July 2019. Council is working on adopting more ICT related policies for governance purposes.

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

New Laptops, printers and back-up power were purchased in the event the equipment had become redundant or uneconomical to repair. Some was purchased for new positions as the need arose as well as some purchased to replace stolen equipment.

Our Server's and communication equipment has given us minor challenges, and most are related with power issues and connectivity issues within the area.

3.34 PROPERTY, LEGAL, RISK MANAGEMENT & PROCUREMENT SERVICES

LEGAL SERVICES

The Municipality does not have a separate division with personnel to attend to legal services. The Legal Services division/function delivers a supporting function to all directorates in the municipality. The division forms part of the Office of the Municipal Manager. This office handles all requests for legal advice and legal aid in respect of municipal matters. Some of these services are also outsourced or contracted.

This office is also responsible for the contracts of the municipality. A number of new contracts were concluded and contracts that expired were renewed. A Contract Management Register were implemented by the CFO to keep track of all Contracts and Agreements, however it need attention and should be monitored more regularly to do proper contract management.

RISK MANAGEMENT

Risk Management is the identification, assessment, and prioritization of risks through a structured and systematic process followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of risks. When properly executed risk management can provide reasonable assurance to Council and management that the municipality will be successful in achieving its objectives and goals.

Managing business risks associated within the municipality is an ongoing process involving different levels within the organisation. Even though risks identified may have a low likelihood of occurring or controls are in place mitigating the risks, a continuous approach of monitoring and testing of controls needs to be done by management supported by the internal audit function.

PROPERTY

The Council will develop a Land Disposal Policy with clear guidance in terms of legislation in 2024/2025. However, some vacant erven have been advertised in 2013/2014 and have been sold and disposed of. Only 6 erven have been transferred to the new owners in 2015/2016. The other almost 63 were done and finalised in 2017/2018. The municipality also received assistance from CoGHSTA to help home owners who cannot afford the transfer costs and who has been living in their homes for a long time now without their deeds to be transferred in their names. This process commenced in 2015/2016 and all three towns will benefit from this effort to finalise transferring of deeds to their owners. This process completion will depend on the active participation of the community.

FINANCIAL PERFORMANCE 2022/2023: PROPERTIES				
Detail	2022/2023			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	596,802	642,377	855,397	213,020
Expenditure:				
Employee Costs	751,800	801,828	609,873	-191,955
Depreciation and Amortisation	-	-	-	
Others	200,000	200,000	84,098	-115,902
Total Operational Expenditure	951,800	1,001,828	693,972	

Surplus /(Deficit)	-354,998	-359,451	161,425
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FINANCIAL PERFORMANCE 2023/2024: PROPERTIES				
Detail	2023/2024			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	657,797	506,000	542,241	36,241
Expenditure:				
Employee Costs	896,382	882,018	735,832	-146,186
Depreciation and Amortisation	0	0	278,559	278,559
Others	214,902	214,600	49,107	-165,493
Total Operational Expenditure	1,111,284	1,096,618	1,063,498	-33,120
Surplus /(Deficit)	-453,487	-590,618	-521,257	

SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

LEGAL SERVICES

Legal Advice was requested from external sources on quite a few matters. The Council used Van de Wall & Associates and GB Kempen & De Wet Nel(Changed to MD Visser Transport) in different cases and requests in the 2021/2022 year , 2022/2023 year and 2023/24 year.

COMPONENT J : MISCELLANEOUS

3.35 AIRFIELDS

Karoo Hoogland Municipality has one registered/licensed Airfield in Williston. However it was deregistered/delicensed in 2015/2016 because the maintenance cost is too high as well as the insurance. The maintenance of the airfield was privatized in 2018/2019.

Sutherland also has a privately owned airfield as well as a municipal airfield which are not registered. Sutherland municipal airfield was leased in 2018/2019 to Otto Gertholtz. A Three year Contract was in place which ended December 2022 and was fully paid.

In 2024/2025 new lessees will be explored.

COMPONENT K : ORGANISATIONAL PERFORMANCE SCORECARD AND INDIVIDUAL PERFORMANCE

This component includes: Annual Performance Scorecard Report for the current year.

3.36 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2023/2024

Chapter 3 and 4 of the Annual Report is the Annual Performance Report Information for 2023/2024. The Performance Management system was coordinated manually for the past few years, due to the system at hand not fully functional. For the financial year 2024/25 Karoo Hoogland Municipality acquired a new digital Performance Management System. All the Municipal KPI's as approved by council will be contained in the system and all managers have been issued with their respective SOP's so that Performance Management can be properly evaluated moving forward from the 2024/2025 financial year.

The main development and service delivery priorities for 2023/2024 forms part of the Municipality's Top Layer SDBIP for 2023/2024 and are indicated in the Top Layer SDBIP for 2023/2024 which is annexed at the back.

MUNICIPAL MANAGER AND MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER

The MSA, 2000 prescribes that the municipality must enter into performance-based agreements with all s56-employees and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805(August 2006). The performance agreements of senior managers for the 2023/2024 financial year were signed as prescribed. The mid-year performance appraisal of the actual performance in terms of the signed agreements took place on the 5th of March 2024. During the mid-year review a full panel was constituted to monitor the progress in terms of the performance. The Annual Performance reviews will be conducted in due process after receiving the Auditor General's report on the performance of the municipality.

3.37 B2B REPORTING

Monthly reporting on the Back 2 Basics template received from National Treasury were done regularly from 2016 until Covid19. It was replaced with quarterly reporting in 2021/2022 on a standard set of Technical Indicators as part of a pilot project as well as for 2022/2023. C88 Reporting will commence again in 2024/2025.

3.38 FREE BASIC SERVICES REPORTING

Government's Free Basic Service (FBS) commitment was borne out of numerous debates on ways to address the needs of the masses of impoverished citizens of South Africa. The right of all citizens to have at least a basic level of service is a right that is entrenched within the South African Constitution (Act 108 of 1996). This right has been actualized in government's commitment towards the provision of Free Basic

Water (FBW), Free Basic Sanitation (FBSan) and Free Basic Electricity (FBE) to economically disadvantaged communities (indigents).

The Department of Co-Operate Governance Human Settlements and Traditional Affairs (COGHSTA) is commissioning a provincial study to provide information and insight on the implementation status of municipalities, challenges experienced and support required.

A number of difficulties were highlighted in relation to the provision of FBS in existing documentation. These included the following:

- Statistics available do not provide a detailed picture of FBS at municipal level in the Northern Cape Province.
- There is a lack of information on the challenges faced by municipalities in delivering FBS.
- The impacts that FBS has on poverty is unknown.
- Information on which municipalities is experiencing difficulties and would require support in rolling out FBS is absent.

In rolling out of the study, COGHSTA require municipalities to completing the following templates monthly:

1. Municipal Free Basic Services assessment form.
2. Indigent statistical information.

Karoo Hoogland Municipality submit these monthly reporting templates regularly. Herewith an extract of the information requested in these reports and the municipalities status with reference to these questions:

POLICY DEVELOPMENT

Indigent Policy	YES, Annual revision : 23 May 2024
Free basic water policy (including assessment of free basic water in a Rural Context and Free Basic Water Implementation for Farm dwellers)	YES, included in Indigent Policy, - not a separate policy
Free Basic Sanitation Policy	YES, included in Indigent Policy, - not a separate policy
Free Basic Electricity Policy (including Free Basic Alternative Energy)	YES, included in Indigent Policy, - not a separate policy
Free basic Refuse Removal Policy	YES, included in Indigent Policy, - not a separate policy
Credit Control and Debt Collection Policy	YES, Annual revision : 23 May 2024

FREE BASIC SERVICES INSTITUTIONAL ARRANGEMENTS

Mechanisms to manage and monitor Free Basic services	Indigent Policy and monthly application forms
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REGULATION

Services bylaws with conditions as required by the acts.	Not in place - only Property Rates bylaw annually gazette	Would like assistance with regards to system monitoring and compliance
Mechanisms to ensure compliance with bylaws	Policies to ensure compliance annually revised, however still in the process of reviewing necessary bylaws	Would like assistance with regards to system monitoring and compliance
Registration of landfill sites	Fraserburg landfill registered - - Permit AECOM appointed by the Dept of Environmental Affairs to register Williston and Sutherland landfill sites. – Williston and Sutherland Landfill sites received their licenses in 2016/2017. Sector Departments to assist to fund business plans to comply with license specifications and conditions.	

WATER CONSERVATION AND DEMAND MANAGEMENT

Water conservation and demand management strategy and by-laws	Not in place	Would like some assistance in this regard
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PERFORMANCE MANAGEMENT AND MONITORING : FBS and Water service

Performance management systems with FBS kpa's	In place - monitored by provincial treasury	Training on the full operation now in progress
Water service monitoring and evaluation (M&E) system	Not in place - to review and update Water Services Development Plan in 2015 November - updating the information - was tabled to Council in March 2016 and was adopted by Council on 26 April 2016 – This plan was also captured electronically by DWS in 2016/2017 and are annually revised thereafter.	

All indigents who apply and qualify, benefit from Free Basic Services.

3.39 LGMIM

Local Government Management Improvement Model (LGMIM)

The National Development Plan (NDP) on a Capable and Developmental State envisioned that by 2030 we will have a developmental local state that is accountable, focused on citizen's priorities and capable of delivering high-quality services consistently and sustainably through co-operative governance and participatory democracy. The quality of management practices is critical to improving performance, productivity and service delivery within the public sector.

LGMIM provides an integrated and holistic view of a municipality's performance across several critical key performance areas, thus making it easier to prioritize areas that are in need of significant improvement and potential support. At the same time, LGMIM can assist sector departments and other stakeholders in identifying areas where frameworks and guidelines could be improved. During 2020/2021 no information or assistance were received on the LGMIM.

During the 2021/2022 financial year the LGMIM assessment were done during March 2022. The municipality have a very good compliance score/rating, however there are a few sections which must still be complied with. During July 2022 the outstanding actions were received in the form of an Action Plan of outstanding evidence. The Action plan wasn't fully addressed by 30 June 2024.

CHAPTER 4 : ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT INFORMATION)

INTRODUCTION

The Organisational Structure was reviewed (Work study) in January 2014 by Council to decrease the number of posts and directors to be able to have an affordable organogram but which will still provide all the functions/services applicable to a municipality. Management retained a healthy relationship with employees by meeting with recognized labour unions on the Local Labour Forum. A new Organogram was approved on 9 December 2015. Placements onto the new organogram commenced in June 2016. Subsequent Organograms were approved annually for each year. The latest organogram applicable to the 2023/2024 financial year was reviewed and approved during June 2023 and on 5 December 2023 a new Organogram was approved, however not yet fully implemented nor workshopped with staff. It is attached to this document as an annexure where it was approved by Council on 14 June 2024.

IMPLEMENTATION OF PERFORMANCE MANAGEMENT AND THE CASCADING OF INDIVIDUAL PERFORMANCE MANAGEMENT

Performance Management is the practice of linking the long-term strategic objectives of an organisation to its day-to-day performance by setting measurable key performance indicators (KPI's) and monitoring performance against those indicators. When implemented correctly, it is an essential tool to monitor whether or not a municipality is on track to meet targets or serves as an early warning system to identify areas where improvement is required to enhance service delivery and recognise excellent performance.

The SDBIP is a management, implementation and monitoring tool that will enable the Municipal Manager to monitor the performance of the Municipality and its departments. The SDBIP will only give effect to the Integrated Development Plan (IDP) and budget if the IDP and budget are fully aligned with each other. The SDBIP therefore serves as a contract between the administration, the Council and the community, expressing the objectives set by the Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. The SDBIP facilitates the process of holding management accountable for their performance. It provides the basis for measuring performance in the delivery of services.

An SDBIP enables the Municipal Manager to monitor the performance of senior managers, the Mayor to monitor the performance of the Municipal Manager, and the community to monitor the performance of the municipality. The SDBIP should therefore determine (and be consistent with) the performance agreements between the Mayor and the Municipal Manager and the Municipal Manager and senior Managers.

The SDBIP consists of two core components, the Top Layer SDBIP (TL SDBIP) which focuses on the strategy and key reporting requirements and the Departmental SDBIP that is the implementation of the TL SDBIP and measuring the departmental performance:

- Top Layer: Dealing with consolidated service delivery targets and linking such targets to top management.
- Departmental Layer: Top Management provides more detail on each output for which they are responsible for and breaks up such outputs into smaller outputs and linking these to middle-level and junior management.

Once the municipal objectives and targets have been set, it is possible to cascade these down to management and employees. The PMS is applicable to all municipal staff. It will assist in creating a performance driven organization and ensure continuous service delivery of exceptional standard.

COMPONENT A : INTRODUCTION TO THE MUNICIPAL WORKFORCE

4.1 EMPLOYEE TOTALS, TURNOVERS AND VACANCIES

The primary objective of HR management is to render an innovative HR service that addresses both skills development and an administrative function.

Employees 2023/2024				
Description	2022/2023	2023/2024		
	Employees	Approved Posts	Employees	Vacancies
	No.	No.	No.	No.
Water	5	6	5	1
Waste Water (Sanitation)	10	11	10	1
Electricity	1	1	1	
Waste Water (Refuse)	13	17	13	4
Roads	10	15	10	5
Finances	16	17	17	
Planning (Strategic & Regulatory)	2	3	2	1
Local Economic Development	0	0	0	
Community & Social Services	6	9	7	2
Sport and Recreation	4	9	4	5
Corporate Policy Offices and Other	7	10	7	3
Totals	74	98	76	22
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June 2024.				T4.1.1

NATIONAL KPI – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the Municipality's performance in terms of the national KPIs required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These KPIs are linked to the national key performance area – municipal transformation and organisational development.

KPA and Indicators	Target	Municipal achievement
	2022/2023	2022/2023
Percentage of people from employment equity target groups that will be appointed in the three highest levels of management during the 2022/2023 financial year in compliance with the municipality's approved employment equity plan	100%	No one was appointed in the 3 highest levels of management
Percentage of municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2023 ((Total Actual Training Expenditure/ Total personnel Budget)x100))	0,1%	0,8%

KPA and Indicators	Target	Municipal achievement
	2023/2024	2023/2024
Percentage of people from employment equity target groups that will be appointed in the three highest levels of management during the 2023/2024 financial year in compliance with the municipality's approved employment	100%	The MM was appointed from November 2023

equity plan		
Percentage of municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2024 ((Total Actual Training Expenditure/ Total personnel Budget)x100)	0,1%	0,7%

STAFFING AND MANAGEMENT PROFILE

The total staff complement as at 30 June 2024 was 74 permanent employees and a CFO and MM on a fixed term contract. (76 in total of the 98)

 KAROO HOOGLAND MUNICIPALITY VACANCY RATE Q2 (October 2023 to December 2023)- 2023/2024				
Category	Total Establishment	Total Employees	Vacancies	Vacancy rate
Top Management	1	1	0	0
Senior Management	2	2	0	0
Professionally Qualified & Middle Managers	8	8	0	0
Skilled Technical & Supervisors	15	10	5	33%
Semi Skilled	35	29	6	17%
Unskilled	37	26	11	30%
Total:	98	76	22	22%

EMPLOYMENT EQUITY

Description	African	Coloured	Indian	White	Total
Number of positions filled(excl MM and CFO)	2	66	0	6	74

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 the: "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 EXPENDITURE

The personnel expenditure information is attached as per the Annual Financial Statements Table SA24. The national norm of between 25% to 40% and Karoo Hoogland is : **32 %** The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. *This percentage is when you exclude Councillor remuneration. When you include it, the percentage calculate to 36%.*

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

4.2 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to managing staff. The table below shows the HR policies that was reviewed and workshopped during the 2019/20 financial year and were still applicable for 2023/2024:

HIGHLIGHT	DESCRIPTION
Organisational Structure	Revised and approved by Council (30 June 2023) Revised and concept approved - 5 Dec 2023 Final adoption of new Organogram – 12 January 2024
HR Policies approved (Reviewed)	Revised policies and approved on 19 nov 2020: <ul style="list-style-type: none"> a) Attendance and Punctuality Policy; b) Confidentiality Policy; c) Dress Code Policy; d) Education Training and Development Policy; e) Exit Management Policy; f) Incapacity due to Ill Health/Injury; g) Incapacity due to Poor Work Performance; h) Leave Management Policy; i) Occupational Health And Safety Policy; j) Overtime Policy; k) Sexual Harassment Policy; l) Smoking; m) Student Assistant Policy; n) Substance Abuse Policy; o) Succession Planning Policy; p) Transport Allowance; q) Whistle Blowing Policy r) Acting and Additional Responsibility Allowance s) Recruitment and Selection Policy t) Code of Ethics Workshopped on 28 October 2020 and approved on 19 Nov 2020: <ul style="list-style-type: none"> a) Employee Wellness Policy b) HIV/AIDS Policy c) Cellphone / Telephone Policy d) Private Work and Declaration of Interest Policy e) Danger Allowance
Employment Equity	Employment Equity Committee has been appointed and is fully functional Employment Equity Plan has been submitted to the Department of Labour in line with legislation on 14 January 2023
Succession Planning	Succession Planning Policy has been approved by Council to promote training & development as well as promotions
Recruitment and Selection Policy	New approved during February 2024
Student Assistance	New Approved during February 2024

CHALLENGES	CORRECTIVE ACTION
Job Evaluation	Job Evaluation/Benchmarking need to be finalised in the 2024/2025 financial year.

Filling of Vacant Positions	Funding is still an issue and suitably qualified applicants must be recruited
Training And Development	Funding and Skills Audit must be done

4.3 INJURIES, SICKNESS AND SUSPENSIONS

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. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

Incidents are investigated to determine whether there was any negligence involved to ensure that it is an actual injury on duty.

Total of sick leave days requested from financial department

2021/2022	460 days
2022/2023	386 days
2023/2024	502 days

COMMENT ON INJURY AND SICK LEAVE:

No fatal accidents occurred in the workplace. The municipality complied with the requirements of the Occupational Health and Safety Act. Only one injury on duty occurred.

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

Three staff members were suspended during the year under review. See the register at 3.31. At year end the cases was not concluded.

4.4 PERFORMANCE REWARDS

No system for performance rewards is in place for other levels of staff except for the CFO and the Director Infrastructure and the MM. It will receive attention in 2024/2025 if found necessary and with the implementation of the new Staff regulations.

COMPONENT C : CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The main focus for the year was compliance with the Minimum Competency Regulations for Senior and Middle Managers. However, sufficient training was not done and necessary training still need to be done. Training for Councillors, LLF members, Infrastructure personnel and training on the new EMS Financial system from SEBATA were done in 2020/2021.

Section 68(1) of the MSA states that a municipality must develop its HR capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose, the HR capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

4.5 SKILLS DEVELOPMENT/MATRIX & TRAINING & MINIMUM COMPETENCY LEVEL REPORTING

Financial Competency Development: Progress Report as at 30 June 2024

Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidate d: Total of A and B	Consolidate d: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidate d: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidate d: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	1	0	1	1	1	1
Chief financial officer	1	0	1	1	1	1
Senior managers	1	0	1	1	1	0
Any other financial officials	3	0	3	0	0	1
Supply Chain Management Officials	Supply Chain Management Officials					
Heads of supply chain management units	1	0	1	0	0	0
Supply chain management senior managers	0	0	0	0	0	0
TOTAL	7	0	7	3	3	3

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

SKILLS MATRIX 2023/2024

The table below indicates the number of employees that received training in the year under review:

Management Level	Gender	Employees in post as at 30 June 2024	Number of skilled employees required and actual as at 30 June 2024											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			Actual: End of 2023/2024	Target at end of 2023/2024	Target at end of 2022/2023	Actual: End of 2023/2024	Target at end of 2023/2024	Target at end of 2022/2023	Actual: End of 2023/2024	Target at end of 2023/2024	Target at end of 2022/2023	Actual: End of 2023/2024	Target at end of 2023/2024	Target at end of 2022/2023
	Female	0												
MM and s56	Male	3							0	1		1	0	
Councillors	Female	5							4	4				
Councillors	Male	6							2	2				
Professionally Qualified & Middle Management	Female	3							1	3	5			5
	Male	5							0	1	7			7
Skilled Technical, Supervisors & Superintendents	Female	5												
	Male	5												
Semi Skilled	Female	9	1	1					2	2				
	Male	20							4	4				
Sub total	Female	17	1	1					7	9				
	Male	33	0	0					6	8		1	0	
Total		50 + 11	1	1	0	0	0	0	13	17	12	1	0	12

*Registered with professional Associate Body e.g CA (SA)

T4.5.1

SKILLS AUDIT & SKILLS GAP ANALYSIS

The Skills Development Act (1998) and the MSA require employers to supply employees with the necessary training to develop its HR capacity. Section 55(1)(f) states that as head of the administration the Municipal Manager is responsible for the management, utilization and training of staff. Annual Skills Gap analysis are done to see where the training gaps are so that it can be addressed through the Work Skills Plan. Project Management and training for Councillors as well as skills for semi-skilled staff received attention during 2023/2024. After the Staff Regulation implementation all staff members' personal development plans will be combined to see where the needs gap lies as well as if it is related to their specific responsibilities. This will be addressed with the implementation of the Staff Regulations.

SKILLS DEVELOPMENT - BUDGET ALLOCATION 2022/2023

Total personnel budget	Total training allocated	Total Spent	% spent
R 27 197 000 (Adj Budget)	R 250 000,00	R 251 029,97	100,4 %

SKILLS DEVELOPMENT - BUDGET ALLOCATION 2023/24

Total personnel budget	Total training allocated	Total Spent	% spent
R 30 274 000 (Adj Budget)	R 250 000.00	R 123 291.00	49.3%

LGSETA requires all municipalities to submit quarterly training reports with evidence of attendance in order to ensure that actual training is taking place in terms of the Skills Development Plan submitted for the 2023/2024 financial year.

COMPONENT D : MANAGING THE WORKFORCE EXPENDITURE

Section 66 of the MSA states that the accounting officer of a municipality must report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.6 EMPLOYEE EXPENDITURE

Financial Year	Total expenditure salary and allowances (Staff & Councillors)	Total operating expenditure	Percentage
	R'000		%
2020/2021	27,560	75,992	36.27%
2021/2022	30,676	82,004	37.41%
2022/2023	30,963	81,825	37.80%
2023/2024	33,035	91,695	36,02%

Table: Personnel expenditure

Below is an analysis of the personnel expenditure for the year under review:				
Description	2020/2021	2021/2022	2022/2023	2023/2024
	Actual 7 Councillors	Actual 11 Councillors	Actual 11 Councillors	Actual 11 Councillors
	R			
Councillors (Political office bearers plus other)				
Salary	2,349,744	3,390,517	4,294,117	4,527,865
Cell phone allowance	300,900	422,344	488,400	545,765
Subtotal-Councillors	2,650,644	3,812,861	4,782,517	5,073,621
%increase/(decrease)	0.00%			
All municipal employees (excl.Councillors)				
Salary	24,209,646	23,471,824	21,632,230	22,885,379
Company contributions	2,296,958	2,434,776	3,217,751	3,750,545
Motor vehicle allowances	121,000	200,436	289,024	404,260
Housing benefits and allowances	51,618	53,675	58,418	62,516
Performance bonus	285,653	368,242	0	154,495
Overtime	595,000	333,978	555,749	703,826
TOTAL	27,559,875	26,862,931	25,753,172	27,961,021
Overall TOTAL Personnel & Councillors				33,034 642

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

None

DISCLOSURES OF FINANCIAL INTERESTS

All directors and Councillors declared their financial interests as prescribed in the performance Regulation 805 of 2006. (Appendix J)

CHAPTER 5 : FINANCIAL PERFORMANCE

COMPONENT A : STATEMENTS OF FINANCIAL PERFORMANCE

This Key Performance Area is without any doubt the most important one, since no business or organisation can fulfill its obligations without financial resources and sound financial management. The performance of Karoo Hoogland during the year under review must be benchmarked against the performance during the previous financial years.

5.1 STATEMENT OF FINANCIAL PERFORMANCE

Karoo Hoogland Local Municipality

Annual Financial Statements for the year ended June 30, 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	29,960,115	(6,160,115)	23,800,000	21,969,890	(1,830,110)	Note 52.1
Rental of facilities and equipment	654,026	(149,026)	505,000	536,608	31,608	Note 52.2
Interest received (trading)	3,780,249	(612,249)	3,168,000	3,181,589	13,589	Note 52.3
Agency services	63,000	2,000	65,000	126,874	61,874	Note 52.4
Other income	661,475	185,525	847,000	731,211	(115,789)	Note 52.5
Interest received - investment	685,082	639,938	1,325,000	1,851,886	526,886	Note 52.6
Total revenue from exchange transactions	35,803,927	(6,093,927)	29,710,000	28,398,058	(1,311,942)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	7,432,223	267,777	7,700,000	7,323,068	(376,932)	Note 52.7
Property rates - penalties imposed	971,080	(221,080)	750,000	708,119	(41,881)	Note 52.8
Surcharges and Taxes	1,485,000	715,000	2,200,000	-	(2,200,000)	Note 52.9
Transfer revenue						
Government grants & subsidies	59,501,278	(584,278)	58,917,000	55,941,178	(2,975,822)	Note 52.10
Debt surrendered	-	-	-	336,820	336,820	Note 52.11
Fines, Penalties and Forfeits	12,377	(2,377)	10,000	1,570	(8,430)	Note 52.12
Total revenue from non-exchange transactions	69,401,958	175,042	69,577,000	64,310,755	(5,266,245)	
Total revenue	105,205,885	(5,918,885)	99,287,000	92,708,813	(6,578,187)	
Expenditure						
Personnel	(29,573,587)	(700,447)	(30,274,034)	(27,961,021)	2,313,013	Note 52.13
Remuneration of councillors	(4,780,666)	(319,468)	(5,100,134)	(5,073,621)	26,513	Note 52.13
Transfers and subsidies	(86,478)	-	(86,478)	(2,202,549)	(2,116,071)	Note 52.14
Depreciation and amortisation	(10,399,996)	(4)	(10,400,000)	(10,227,149)	172,851	Note 52.15
Finance costs	(130,000)	35,000	(95,000)	(4,336,517)	(4,241,517)	Note 52.16
Debt Impairment	-	(4,187,020)	(4,187,020)	-	4,187,020	Note 52.17
Bad debts written off	(5,400,000)	4,600,000	(800,000)	(952,415)	(152,415)	Note 52.18
Collection costs	-	-	-	(153,317)	(153,317)	
Bulk purchases	(13,600,000)	1,400,000	(12,200,000)	(12,185,754)	14,246	Note 52.19
Contracted Services	(9,183,843)	(496,511)	(9,680,354)	(2,801,215)	6,879,139	Note 52.20
Water inventory consumed	(1,665,773)	(1,112,227)	(2,778,000)	(2,195,187)	582,813	Note 52.21
Water losses	(1)	1	-	-	-	
Loss on disposal of assets	(1)	1	-	-	-	
General Expenses	(12,028,839)	1,369,442	(10,659,397)	(15,445,042)	(4,785,645)	Note 52.22
Total expenditure	(86,849,184)	588,767	(86,260,417)	(83,533,787)	2,726,630	
Surplus before taxation	18,356,701	(5,330,118)	13,026,583	9,175,026	(3,851,557)	
Actual Amount on Comparable Basis	18,356,701	(5,330,118)	13,026,583	9,175,026	(3,851,557)	

Karoo Hoogland Local Municipality

Annual Financial Statements for the year ended June 30, 2024

Statement of Financial Position as at June 30, 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Inventories	3	963,821	1,060,510
Other receivables from exchange transactions	4	1,410,930	787,219
Receivables from non-exchange transactions	5	2,771,975	5,262,108
Receivables from exchange transactions	6	4,441,402	3,981,144
VAT receivable	7	3,347,503	1,650,156
Cash and cash equivalents	8	18,331,628	13,994,788
		31,267,349	26,735,925
Non-Current Assets			
Receivables from non-exchange transactions	5	19,282	-
Receivables from exchange transactions	6	66,043	-
Investment property	9	38,372,675	38,651,233
Property, plant and equipment	10	283,635,627	276,016,151
Intangible assets	11	126,592	188,374
		322,220,219	314,855,758
Total Assets		353,487,568	341,591,683
Liabilities			
Current Liabilities			
Other financial liabilities	12	271,462	258,107
Finance lease obligation	13	79,939	70,702
Payables from exchange transactions	14	12,670,496	6,998,717
Consumer deposits	15	527,301	480,045
Employee benefit obligation	16	596,000	218,000
Unspent conditional grants and receipts	17	8,429,076	6,205,254
		22,574,264	14,230,825
Non-Current Liabilities			
Other financial liabilities	12	433,359	704,811
Finance lease obligation	13	-	79,939
Employee benefit obligation	16	3,460,000	3,320,000
Provisions	18	38,950,894	36,200,788
		42,844,253	40,305,538
Total Liabilities		65,418,517	54,536,363
Net Assets		288,069,051	287,055,320
Accumulated surplus		288,069,051	287,055,320
Total Net Assets		288,069,051	287,055,320

Karoo Hoogland Local Municipality

Annual Financial Statements for the year ended June 30, 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Property rates		6,656,189	5,690,319
Service charges		14,053,321	14,356,466
Grants		58,165,000	63,914,000
Interest earned - investments		1,851,886	879,977
Interest earned - outstanding debtors		3,639,053	4,765,957
Property rates - interest received		818,134	1,035,995
Other receipts		1,397,127	747,928
		<u>86,580,710</u>	<u>91,390,642</u>
Payments			
Employee costs		(33,263,416)	(30,593,783)
Suppliers		(33,962,971)	(29,496,123)
Finance costs		(107,397)	(78,211)
Value added tax		(927,309)	(1,019,371)
		<u>(68,261,093)</u>	<u>(61,187,488)</u>
Net cash flows from operating activities	36	<u>18,319,617</u>	<u>30,203,154</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10&37	(13,604,510)	(18,551,851)
Purchase of investment property	9	-	(134,665)
Purchase of other intangible assets	11	-	(20,137)
Net cash flows from investing activities		<u>(13,604,510)</u>	<u>(18,706,653)</u>
Cash flows from financing activities			
Repayment of other financial liabilities	12	(258,133)	(245,653)
Finance costs	12&13	(49,430)	(82,797)
Finance lease payments	13	(70,702)	(126,513)
Net cash flows from financing activities		<u>(378,265)</u>	<u>(454,963)</u>
Net increase/(decrease) in cash and cash equivalents		4,336,842	11,041,538
Cash and cash equivalents at the beginning of the year		<u>13,994,788</u>	<u>2,953,250</u>
Cash and cash equivalents at the end of the year	8	<u>18,331,628</u>	<u>13,994,788</u>

Karoo Hoogland Local Municipality

Annual Financial Statements for the year ended June 30, 2024

Statement of Financial Performance for the year ended 30 June 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	19	21,989,890	20,580,910
Rental of facilities	20	536,608	852,742
Interest received (trading)		3,181,589	3,576,127
Agency services	21	126,874	150,912
Other income	22	731,211	418,969
Interest received - investment	23	1,851,886	879,977
Actuarial gains	23	-	725,425
Total revenue from exchange transactions		28,398,058	27,165,062
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	7,323,088	6,469,836
Property rates - Interest received	24	708,119	708,049
Transfer revenue			
Government grants & subsidies	25	55,941,178	57,861,508
Debt surrendered		336,820	-
Public contributions and donations		-	5,436
Fines, Penalties and Forfeits		1,570	642
Contributed assets	10	-	726,400
Services in kind	26	-	530,366
Total revenue from non-exchange transactions		64,310,755	66,302,237
Total revenue		92,708,813	93,467,299
Expenditure			
Employee related costs	27	(27,961,021)	(25,753,172)
Remuneration of councillors	28	(5,073,621)	(4,782,517)
Depreciation and amortisation	29	(10,227,149)	(10,286,071)
Finance costs	30	(4,336,517)	(4,217,702)
Impairment loss		-	(138,619)
Debt Impairment	31	(8,161,297)	9,803,314
Bad debts written off		(952,415)	(21,461,400)
Actuarial losses		(153,317)	-
Assets transferred to households	32	(2,202,549)	(2,527,430)
Bulk purchases	33	(12,185,754)	(10,252,583)
Contracted services	34	(2,801,215)	(1,392,064)
Water inventory consumed		(2,195,187)	(1,688,537)
Loss on derecognition of asset		-	(321,605)
Operating cost	35	(15,445,042)	(13,926,360)
Total expenditure		(91,695,084)	(86,944,746)
Surplus for the year		1,013,729	6,522,553

5.2 GRANTS

Grants received were all spent during the period under review. (2023/2024)

2022/2023 Grant Performance

Figures in Rand	2023	2022
25. Government grants & subsidies		
Operating grants		
Equitable share	30,429,000	25,216,102
Local Government Financial Management Grant	2,650,000	2,650,000
Expanded Public Works Program	1,073,000	-
Library Development Grant	1,352,762	1,500,000
National Treasury assistance	-	393,666
	<u>35,504,762</u>	<u>29,759,768</u>
Capital grants		
Municipal Infrastructure Grant	11,356,746	14,276,000
Library Development Grant	-	37,706
Water Services Infrastructure Grant	11,000,000	10,000,000
	<u>22,356,746</u>	<u>24,313,706</u>
	<u>57,861,508</u>	<u>54,073,474</u>
Conditional and Unconditional		
Included in above are the following grants and subsidies received:		
Conditional grants received	27,432,508	28,857,372
Unconditional grants received	30,429,000	25,216,102
	<u>57,861,508</u>	<u>54,073,474</u>
Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.		
Municipal Infrastructure Grant		
Balance unspent at beginning of year	-	3,985,102
Current-year receipts	17,562,000	14,276,000
Conditions met - transferred to revenue	(11,356,746)	(14,276,000)
Other	-	(3,985,102)
	<u>6,205,254</u>	<u>-</u>
Conditions still to be met - remain liabilities (see note 17).		
This grant was used to construct municipal infrastructure to provide basic services for the benefit of the poor households.		
Local Government Financial Management Grant		
Current-year receipts	2,650,000	2,650,000
Conditions met - transferred to revenue	(2,650,000)	(2,650,000)
	<u>-</u>	<u>-</u>

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).

2023/2024 Grant Performance

Karoo Hoogland Local Municipality

Annual Financial Statements for the year ended June 30, 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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25. Government grants & subsidies

Operating grants

Equitable share	32,820,000	30,429,000
Local Government Financial Management Grant	2,650,000	2,650,000
Expanded Public Works Program	796,000	1,073,000
Library Development Grant	1,252,000	1,352,762
	<u>37,518,000</u>	<u>35,504,762</u>

Capital grants

Municipal Infrastructure Grant	5,925,178	11,356,746
Water Services Infrastructure Grant	12,498,000	11,000,000
	<u>18,423,178</u>	<u>22,356,746</u>
	<u>55,941,178</u>	<u>57,861,508</u>

Conditional and Unconditional

Included in above are the following grants and subsidies received:

Conditional grants received	23,121,178	57,861,508
Unconditional grants received	32,820,000	30,429,000
	<u>55,941,178</u>	<u>88,290,508</u>

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

Municipal Infrastructure Grant

Balance unspent at beginning of year	6,205,254	-
Current-year receipts	8,149,000	17,562,000
Conditions met - transferred to revenue	(5,925,178)	(11,356,746)
	<u>8,429,076</u>	<u>6,205,254</u>

Conditions still to be met - remain liabilities (see note 17).

This grant was used to construct municipal infrastructure to provide basic services for the benefit of the poor households.

Local Government Financial Management Grant

Current-year receipts	2,650,000	2,650,000
Conditions met - transferred to revenue	(2,650,000)	(2,650,000)
	<u>-</u>	<u>-</u>

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).

5.3 FINANCIAL RATIOS

LIQUIDITY RATIO

The table below indicates the Municipality's liquidity ratio:

Description	Basis of Calculation	2019/2020 Audited Outcome	2020/2021 Audited Outcome	2021/2022 Audited Outcome	2022/2023 Audited Outcome	2023/2024
Current Ratio	Current assets/current liabilities	1,57	1,63	2.28	1.87	1.39
Current Ratio adjusted for aged debtors	Current assets less debtors . 90 days/current liabilities	0,31	0,33	0.34	1.17	1.05
Liquidity Ratio	Monetary Assets/Current Liabilities	1,57	1,63	2.28	1.10	1.39
Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.						

IDP REGULATION FINANCIAL VIABILITY

The table below indicates the Municipality's IDP regulation financial viability

Description	Basis of Calculation	2020/2021 Audited Outcome	2021/2022 Audited Outcome	2022/2023 Audited Outcome	2023/2024
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	1 MONTH	1 MONTH	1 Month	1 Month
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0,45	0.37	0.38	0.30
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	2%	2%	2%	2%
Full Definition and explanation of Descriptions:					
Cost Coverage - It explains how many months expenditure can be covered by cash and other liquid assets available to the municipality excluding utilisation of grants and is calculated as per the basis of calculation seen above Ratios derived from table SA8 of the MBRR					

5.4 ASSET MANAGEMENT

The Municipality had an outdated Asset Management Policy and Asset Register from about 2010 until 2015. In 2014/2015 the municipality started processes to procure a tender from another municipality to upgrade and update our Asset Management Register. The Asset Management Policy was revised during 2015/2016 and the process of updating and unbundling assets commenced in 2015/2016 and continued in 2016/2017 and 2017/2018. The process has been completed and only additions has been made. Focus was on the previous year findings and were addressed by internal staff and contracted services by Mubesko.

REPAIR & MAINTENANCE 2022/2023						
R'000						
Description	2021/2022 Actual	2022/2023 Operating Budget	2022/2023 Budget	2022/2023 Adjustment	2022/2023 Actual	Variance %
Repair & Maintenance	935	80,781	1,171	1,657	1,392	-19%

***Restatement*

REPAIR & MAINTENANCE 2023/2024						
R'000						
Description	2022/2023 Actual	2023/24 Operating Budget	2023/24 Budget	2023/24 Adjustment	2023/24 Actual	Variance %
Repair & Maintenance	1,392	87,049	1,852	1,852	2,801	51%

Asset management is undertaken in terms of the MFMA and based on a comprehensive asset management policy that was revised during 2016/2017, 2017/2018, 2018/2019 and again during 2020/2021 and 2021/2022, 2022/2023 and 2023/2024. The Asset Management Policy provides direction for management to monitor, purchase, account, control and dispose of Assets (PPE, Investment Property, Intangible Assets and Heritage Assets) to ensure that:

There is full implementation of the approved Asset Management Policy as required in terms of section 63 of the MFMA.

- * To verify assets in possession of the Council annually and during the financial year.
- * To keep a complete and balanced record of all assets in possession of the Council.
- * To ensure the report in writing of all asset losses, where applicable.
- * That assets are valued and accounted for in accordance with a statement of GRAP.
- * That assets are properly maintained and safeguarded.

SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE

The funding for the capital budget is derived from Grants. All funds received were spent.

LARGEST PROJECTS 2022/2023

WILLISTON - UPGRADING OF STREETS - PHASE 3	KHM T002/06/2022	R	7,000,000.00	Works completed	APPROVED AND CONTRACTED	JVZ Construction	106%
WSIG : SEWAGE RETICULATION FOR 127 STANDS IN WILLISTON	KHM T001/06/2022	R	9,889,664.55	Works completed - May 2023	APPROVED AND CONTRACTED	JVZ Construction	102%
Williston Upgrading of Sport Facilities	KHM T 001/11/2022	R	8,146,999.60	Applied for Roll-over	APPROVED AND CONTRACTED	Geez fix	32%

LARGEST PROJECTS 2023/2024

WSIG : SEWAGE RETICULATION FOR 165 STANDS IN FRASERBURG	KHM T002/05/2023		R 16 272 966.90	Works To be Completed Sept 2024	APPROVED AND CONTRACTED	JVZ Construction	73%
Williston Upgrading of Sport Facilities	KHM T 001/11/2022	R	8,146,999.60	Applied for Roll-over	APPROVED AND CONTRACTED	Geez fix	78%

2022/2023 Grants

MIG	R 11 356 746
EPWP	R 1 073 000
WSIG	R 11 000 000
FMG	R 2 650 000
Equitable Share	R 30 492 000
NT Assistance	-
Library	R 1 352 762

2023/2024 Grants

MIG	R 5 925 178
EPWP	R 796 000
WSIG	R 12 498 000
FMG	R 2 650 000
Equitable Share	R 32 820 000
NT Assistance	-
Library	R 1 252 000

CAPITAL EXPENDITURE 2022/2023

	'000				
Description	2021/2022 Actual	2022/2023 Budget	2022/2023 Adjustment	2022/2023 Actual	Variance %
MIG	14,276	17,562	17,562	11,356	-54 %
INEP	0				
EEDSM	0				
WSIG	10,000	13,000	13,000	11,000	-18 %
RBIG	0				

CAPITAL EXPENDITURE 2023/2024

	'000				
Description	2022/2023 Actual	2023/24 Budget	2023/24 Adjustment	2023/24 Actual	Variance %
MIG	11,356	8,733	8,733	5,925	-47%
INEP					
EEDSM					
WSIG	11,000	13,000	13,000	12,498	-4%
RBIG	0				

CASH FLOW MANAGEMENT AND INVESTMENTS**5.6 CASH FLOW****INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS**

Cash flow management is the process of monitoring, analyzing, and adjusting the municipality's cash flows. The most important aspect of cash flow management is avoiding extended cash shortages, caused by having too great a gap between cash inflows and outflows.

CASHFLOW OUTCOMES

Karoo Hoogland Local Municipality

Annual Financial Statements for the year ended June 30, 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Property rates		6,656,189	5,690,319
Service charges		14,053,321	14,356,466
Grants		58,165,000	63,914,000
Interest earned - investments		1,851,886	879,977
Interest earned - outstanding debtors		3,639,053	4,765,957
Property rates - interest received		818,134	1,035,995
Other receipts		1,397,127	747,928
		<u>86,580,710</u>	<u>91,390,642</u>
Payments			
Employee costs		(33,263,416)	(30,593,783)
Suppliers		(33,962,971)	(29,496,123)
Finance costs		(107,397)	(78,211)
Value added tax		(927,309)	(1,019,371)
		<u>(68,261,093)</u>	<u>(61,187,488)</u>
Net cash flows from operating activities	36	<u>18,319,617</u>	<u>30,203,154</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10&37	(13,604,510)	(18,551,851)
Purchase of investment property	9	-	(134,665)
Purchase of other intangible assets	11	-	(20,137)
Net cash flows from investing activities		<u>(13,604,510)</u>	<u>(18,706,653)</u>
Cash flows from financing activities			
Repayment of other financial liabilities	12	(258,133)	(245,653)
Finance costs	12&13	(49,430)	(82,797)
Finance lease payments	13	(70,702)	(126,513)
Net cash flows from financing activities		<u>(378,265)</u>	<u>(454,963)</u>
Net increase/(decrease) in cash and cash equivalents		<u>4,336,842</u>	<u>11,041,538</u>
Cash and cash equivalents at the beginning of the year		<u>13,994,788</u>	<u>2,953,250</u>
Cash and cash equivalents at the end of the year	8	<u>18,331,628</u>	<u>13,994,788</u>

5.7 BORROWING AND INVESTMENTS

No funds were borrowed under the period of review.

DBSA

Long Term Liability

BORROWING			
		'000	
Description		2022/2023	2023/2024
DBSA Non Current		704,811	433,359
DBSA Current		258,107	271,452
Finance Leases		150,641	79,939

INVESTMENTS			
		'000	
Description		2022/2023	2023/2024
Deposits Bank		13,994,788	18,331,628

OTHER FINANCIAL MATTERS

5.8 SUPPLY CHAIN MANAGEMENT

Due to the limited number of suppliers in the region it happens often that goods and services are procured from the sole suppliers. During previous periods under review the Municipal Manager appointed during those periods flaunted SCM regulations on several occasions and were contractors appointed without following the correct procedures. These transgressions were pointed out in previous Annual Financial Statements for review by the Auditor – General.

The Supply Chain Policy was revised and updated to new Regulations in this regard. The municipality has made significant strides to ensure that the policies and procedures have been adhered to. Important vacancies have been filled, and computer software has been advanced to ensure transparency within the municipality. Turnaround strategies and Action Plans have been developed to address short comings in the SCM units and regular audits are performed to address potential risk in the municipality. The municipality prides itself in complying with the MFMA Act No 56 of 2003 and the SCM policy.

No Councillors serve on any committee handling SCM Processes.

5.9 GRAP COMPLIANCE

Karoo Hoogland Municipality's Annual Financial Statements is fully GRAP compliant. The Financial Statements for 2015/2016 were compiled by the then Acting CFO Mr. SJ Myburgh with assistance from Nexia SAB&T whose services was procured from another municipality's tender processes. The 2016/2017 AFS were also compiled by the CFO, Mr SJ Myburgh (Appointed on contract from 1 July 2016) with assistance from Nexia SAB&T as well as the 2017/2018 AFS and the 2018/2019 AFS were compiled with the assistance from Mubeko. During the 2020/2021 financial year a tender were awarded to Mubeko to do the 2020/2021 AFS and 2021/2022 AFS. During the 2022/2023 a tender was awarded to Mubeko again to do the AFS of 2022/2023 and 2023/2024

GRAP is the acronym for Generally Recognized Accounting Practice. GRAP sets the rules and formats by which municipalities are required to maintain their financial accounts. Various GRAP standards have been incorporated in the Annual Financial Statements.

5.10 REPORTING ITO LEGISLATION

The Municipality is submitting all monthly, quarterly, bi-annually and annual reports as per the MFMA as well as uploading reports to the GoMuni Portal. The previous year's AFS for 2022/2023 was timeously submitted on 31 August 2023 to the Office of the AG and Provincial Treasury during the year under review. The AFS 2023/2024 was timeously submitted to the Office of the AG and Provincial Treasury on 30 and 31 August 2024 which falls in the 2024/2025 financial year.

Provincial Treasury's portal for monitoring compliance to the MFMA have been established and virtual training to all the champions within the municipality take place. Quarterly questionnaires are being populated and then champions are assigned to complete the reporting on the questionnaires. The actions on the MFMA calendar are also being done to comply and is of a great help to ensure that necessary reporting and compliance issues are addressed timeously. The Audit Action Plan was populated on the web based portal and the FMCMM reporting are also being done on this portal. The Internal Auditor drive this process.

5.11 UNAUTHORISED, IRREGULAR AND FRUITLESS EXPENDITURE REPORTING

The Municipality have appointed an investigation team that commenced investigations into all UIF expenditure during 2018/2019 and 2019/2020. However, no investigations took place during the year under review. All reporting was done in terms of legislation. The Audit Committee requested that certain items be reported to the Disciplinary Board, however they have not met yet.

The MM will determine whether officials will be kept liable for these expenses and will submit his report to the Disciplinary Board for further investigation and recommendations. The Disciplinary Board will then report back to the MM and Council on their findings. Monthly registers of UIF are kept and will be used for investigation purposes. Monthly reports on UIF are also submitted to the Provincial Treasury.

5.12 MSCOA COMPLIANCE

Various challenges with the implementation of mSCOA are experienced and the cost involved with the implementation is very high. Challenges on the billing module, SCM module, salary module and prepaid sales hamper effective administration within, mainly the finance department. Not enough training and skills transfer. The Service Provider and the municipality are working closely together to resolve these issues but obviously at a high cost. The HR module is also not implemented yet, and the salaries will be implemented by 2024/2025 to run concurrently with the income tax year. The Asset Module is also not implemented yet.

SUMMARY OF MODULE IMPLEMENTATION	
Performance Management	Not using module / IGNITE System
Planning	Implemented and in use
Billing	Implemented and in use
Ledger	Implemented and in use
Payroll	Not implemented
Assets	Not implemented
SCM	Implemented and partially in use
Inventory	Not implemented
Costing	Not implemented
CMS	Not implemented

CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A : AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS : 2023/2024

6.1 AUDITOR GENERAL REPORTS: 2023/2024 & PREVIOUS YEARS' COMPARISON

The Final Management Report and Full report of the Auditor General for 2023/2024 will be attached as Volume II.

Report of the auditor-general to the Northern Cape Provincial Legislature and the council on Karoo Hoogland Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Karoo Hoogland Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement, statement of comparison of budget and actual amounts and appropriation statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Karoo Hoogland Local Municipality as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for qualified opinion

Service charges

3. The municipality did not account for sewerage and sanitation charges as required by GRAP 9, *Revenue from exchange transactions* as sewerage and sanitation charges were not levied at the correct approved tariffs. Consequently, sewerage and sanitation charges included in note 19 to the financial statements and sewerage included in note 6 to the financial statements was understated by R1 945 931, respectively. Additionally, there was an impact on the surplus for the period.

Property rates – Valuations

4. The municipality did not have adequate systems in place to account for and properly disclose the valuation of properties in accordance with GRAP 1, *Presentation of financial statements*. Property valuation amounts were not classified in the correct categories. I was unable to determine the full extent of the misstatements of valuations included in note 24 to the financial statements, as it was impracticable to do so.

Context for opinion

5. 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.
6. 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.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Prior-year adjustments

9. As disclosed in note 41 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Bad debts written off

10. As disclosed in the statement of financial performance, material losses of R952 415 (2023: R21 461 400) was incurred as a result of a write-off of irrecoverable debtors.

Allowances for impairment – Receivable from non-exchange transactions and receivables from exchange transactions

11. As disclosed in note 5 to the financial statements, the municipality reported a material allowance for impairment of R8 787 252 (2023: R5 759 536) against receivables from non-exchange transactions.
12. As disclosed in note 6 to the financial statements, the municipality reported a material allowance for impairment of R36 705 740 (2023: R30 802 121) against receivables from exchange transactions.

Other material losses – Electricity distribution losses

13. As disclosed in note 50 to the financial statements, material electricity losses of R1 807 418 (2023: R1 080 927) was incurred, which represents 17.78% (2023: 10,54%) of total electricity purchased. Non-technical losses amounted to R1 807 418 (2023: R1 080 927) and were due to theft and bypass of meters; Illegal de-calibration of meters; damaged meters and faulty voltage and current transformers; customers without meters and decrease in purchases due to increase in load shedding.

Other material losses – Water distribution losses

14. As disclosed in note 50 to the financial statements, material water losses of R738 658 was incurred, which represents 33.65% of total water purchased.

Underspending of the conditional grant

15. As disclosed in note 17 to the financial statements, the municipality materially underspent the municipal infrastructure grant (MIG) by R8 429 076 (2023: R6 205 254).

Events after the reporting date

16. As disclosed in note 46 to the financial statements, the municipality is awaiting a final approval of the 2024-25 tariffs from National Energy Regulator of South Africa (NERSA). The detail of this is further described in the disclosure note. The matter was treated as a non-adjusting subsequent event.

Other matter

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

Unaudited disclosure notes

18. In terms of section 125(2)(e) of the MFMA, the 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

19. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and the 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.
20. 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

21. 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.

22. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page XX, forms part of my auditor's report.

Report on the annual performance report

23. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

24. I selected the following material performance indicators related to key performance area (KPA) 1: Basic Service Delivery and Infrastructure Development presented in the annual performance report for the year ended 30 June 2024. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- Review the Spatial Development Framework and Submit to Council by 31 March 2024
- Report waste collection and disposal on the national SAWIS portal quarterly
- Limit unaccounted for electricity to less than 15% by 30 June 2024 $((\text{Number of Electricity Units purchased} - \text{Number of Electricity Units sold}) / \text{Number of Electricity Units Purchased}) * 100)$
- 100% spend on the MIG grant allocation by 30 June 2024 $[(\text{Actual expenditure} / \text{total grant allocation received}) * 100]$
- 100% spend on the WSIG grant allocation by 30 June 2024 $[(\text{Actual expenditure} / \text{total grant allocation received}) * 100]$
- Limit unaccounted for water (Non-Revenue water) to less than 15% by 30 June 2024 $((\text{Number of Kilolitres Water at measured at System Output at Reservoir} - \text{Number of Kilolitres Water Sold} / \text{Nr of kilolitres Water at Measured at System Output of Reservoir}) * 100)$
- Number of MIG Annual reports submitted to CoGHSTA before 15 Aug 2023
- Number of community safety forum meetings held

25. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared

using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

26. I performed procedures to test whether:

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

27. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

28. The material findings on the reported performance information for the selected material indicators are as follows:

Number of MIG Annual reports submitted to CoGHSTA before 15 Aug 2023

29. An achievement of 1 was reported against a target of 1. However, the audit evidence showed the actual achievement to be zero. Consequently, the target was not achieved.

Number of community safety forum meetings held

30. An achievement of 1 was reported against a target of 4 but the audit evidence showed the actual achievement to be 3. The achievement against the target was better than reported.

Limit unaccounted for water (Non-Revenue water) to less than 15% by 30 June 2024
((Number of Kilolitres Water at measured at System Output at Reservoir - Number of Kilolitres Water Sold / Nr of kilolitres Water at Measured at System Output of Reservoir) x 100)

31. An achievement of 21,12% was reported against a target of less than 15%. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Various indicators

32. A comparison of the actual performance for the year against the prior year performance was not included in the annual performance report. Consequently, the reported information is not useful for evaluating progress over time and for identifying areas of improvement.
- Review the Spatial Development Framework and Submit to Council by 31 March 2024
 - Report waste collection and disposal on the national SAWIS portal quarterly
 - Limit unaccounted for electricity to less than 15% by 30 June 2024 ((Number of Electricity Units purchased - Number of Electricity Units sold) / Number of Electricity Units Purchased) * 100)
 - 100% spend on the MIG grant allocation by 30 June 2024 [(Actual expenditure/total grant allocation received) x 100]
 - 100% spend on the WSIG grant allocation by 30 June 2024 [(Actual expenditure/total grant allocation received) x 100]
 - Limit unaccounted for water (Non-Revenue water) to less than 15% by 30 June 2024 ((Number of Kilolitres Water at measured at System Output at Reservoir - Number of Kilolitres Water Sold / Nr of kilolitres Water at Measured at System Output of Reservoir) x 100)
 - Number of MIG Annual reports submitted to CoGHSTA before 15 Aug 2023
 - Number of community safety forum meetings held

Various indicators

33. Measures taken to improve performance against underachieved targets were not reported in the annual performance report. Information was thus not provided to help with understanding the actions taken by the municipality to address performance gaps and for assessing the effectiveness of strategies to improve future performance against targets.

Indicator	Target
Review the Spatial Development Framework and Submit to Council by 31 March 2024	1

Indicator	Target
Report waste collection and disposal on the national SAWIS portal quarterly	4
Limit unaccounted for electricity to less than 15% by 30 June 2024 ((Number of Electricity Units purchased - Number of Electricity Units sold) / Number of Electricity Units Purchased) * 100)	Less than 15%
100% spend on the MIG grant allocation by 30 June 2024 [(Actual expenditure/total grant allocation received) x 100]	100%
Limit unaccounted for water (Non-Revenue water) to less than 15% by 30 June 2024 ((Number of Kilolitres Water at measured at System Output at Reservoir - Number of Kilolitres Water Sold / Nr of kilolitres Water at Measured at System Output of Reservoir) x 100)	Less than 15%
Number of community safety forum meetings held	4

Missing indicators

34. In terms of the Constitution of South Africa, the municipality is responsible to ensure the provision of services to communities in a sustainable manner. However, indicators to measure performance on this responsibility was omitted from the approved planning documents. The accounting officer indicated that the reason for the omission was due to budget constraints. Consequently, the achievement of this legislative mandate was not planned or accounted for, which is likely to result in it not being delivered and undermines transparency and accountability for delivery on mandate.

Other matters

35. I draw attention to the matters below.

Achievement of planned targets

36. The annual performance report includes information on reported achievements against planned targets. This information should be considered in the context of the material findings on the reported performance information.

37. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report.

KPA 1: Basic Service Delivery and Infrastructure Development

<i>Targets achieved: 33%</i> <i>Budget spent: Unknown / undeterminable</i> <i>The budget spent is not available as the municipality's actual spending is not aligned with their key performance area.</i>		
Key indicator not achieved	Planned target	Reported achievement
Review the Spatial Development Framework and Submit to Council by 31 March 2024	1	0
Report waste collection and disposal on the national SAWIS portal quarterly	4	0
Limit unaccounted for electricity to less than 15% by 30 June 2024 ((Number of Electricity Units purchased - Number of Electricity Units sold) / Number of Electricity Units Purchased) * 100)	Less than 15%	18,18%
100% spend on the MIG grant allocation by 30 June 2024 [(Actual expenditure/total grant allocation received) x 100]	100%	64%
Limit unaccounted for water (Non-Revenue water) to less than 15% by 30 June 2024 (((Number of Kilolitres Water at measured at System Output at Reservoir - Number of Kilolitres Water Sold) / Nr of kilolitres Water at Measured at System Output of Reservoir) x 100)	Less than 15%	21,12%
Number of community safety forum meetings held	4	1

Material misstatements

38. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for KPA 1: Basic Service Delivery and Infrastructure Development. Management did not correct the misstatements and I reported material findings in this regard.

Report on compliance with legislation

39. 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.

40. 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.
41. 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.
42. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance reports and annual reports

43. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of cash flow statement and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.

Procurement and contract management

44. The preference point system was not applied to some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.
45. The performance of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. Similar non-compliance was also reported in the prior year.
46. Other SCM role player whose close family members had a private or business interest in contracts awarded by the municipality participated in the process relating to that contract, in contravention of SCM Regulation 46(2)(f).

Expenditure Management

47. Reasonable steps were not taken to prevent irregular expenditure amounting to R675 553 as disclosed in note 49 to the financial statements, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by not following the procurement process.
48. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R459 528, as disclosed in note 48 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by a purchase at an uneconomical price.
49. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R16 635 059, as disclosed in note 47 to the annual financial statements, in contravention of

section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the operating expenditure budget.

Consequence management

50. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
51. Irregular expenditure and fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Strategic planning and performance management

52. No key performance indicators were set in respect of the provision of basic water, sanitation, electricity, and solid waste removal services, as required by section 43(2) of the Municipal System Act 32 of 2000 (MSA) and municipal planning and performance management regulation 10(a).
53. The service delivery and budget implementation plan was revised during the year without approval of the council following approval of an adjustments budget, as required by section 54(1)(c) of the MFMA.
54. The performance management system and related controls were inadequate as it did not describe how the performance planning, monitoring, measurement, review, reporting and improvement processes should be conducted, organized and managed, as required by municipal planning and performance management regulation 7(1).

Human resource management

55. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA.

Other information in the annual report

56. 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 those selected KPAs presented in the annual performance report that have been specifically reported on in this auditor's report.
57. My opinion on the financial statements, the report on 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.
58. 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 KPA presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

59. 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

60. 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.
61. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
62. Management did not develop, implement and monitor sufficient and appropriate internal controls to mitigate the risk of material misstatement in the preparation of the annual financial statements and to ensure compliance with relevant laws and regulations.
63. Management did develop a plan to address internal and external audit findings, but the appropriate level of management did not monitor adherence to the plan in a timely manner to ensure that control deficiencies were adequately addressed, resulting in repeat instances of material performance information findings and non-compliance with laws and regulations.
64. Management did not have a proper record management system to maintain information that supported the reporting of performance in the annual performance report. This included information that related to the collection, collation, verification, storing and reporting of actual performance information.

Other reports

65. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

66. The Directorate for Priority Crime Investigation (Hawks) are investigating allegations of fraud and corruption. These proceedings were in progress at the date of this report.

Auditor-General

Auditor-General

Kimberley

29 November 2024



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected KPA 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	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), Sections: 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), Sections: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)

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

Herewith a summary of the past years' audit opinions and qualifications to compare and point out the major improvements:

YEAR	2020/2021	2021/2022	2022/2023	2023/2024
Opinion	UNQUALIFIED	UNQUALIFIED	UNQUALIFIED	QUALIFIED
Accumulated Surplus				
PPE				
Commitments				
Revenue Exchange				
Revenue Non-Exchange				X
Trade Receivables				
Other Receivables				
Irregular				
LT Liabilities				
Valuations				X
Other Grant Expenditure				
Unauthorised Expenditure				
Contingent Liabilities				
Cash flow				
Employee Benefits				
Fruitless				
Prior Period Errors				
Investment Property				
TOTALS				

COMPONENT B : Auditor General Opinion for 2023/2024

6.2 AUDITOR GENERAL REPORT 2023/2024

Audit Opinion for 2023/2024: QUALIFIED OPINION

During the 2023/2024 financial year the issues raised during the previous financial year by the Auditor General were addressed and can be found in the following Audit Action Plan. It was last updated during September 2024 with all the issues' progress reported. Remedial actions taken as well as progress have been reported and submitted to the relevant Provincial legislature.

The progress on the Audit Action plan of 2022/2023 during the 2023/2024 year was 83%.

The Audit Action Plan of 2022/2023 with progress of 83% as at August 2024 will be annexed to this Report.

Topic	Work	Not Work	Total
Yes	62	19	81
No	44	37	81
Total	106	56	162

EX No.	Page No.	Item / Finding Description	Detailed Finding	COMAF NO's	Financial Statement Component	Impact on Audit Report	Classification	Internal Control Deficiency	Number of times reported in previous	Target Date	Revised Date	Progress %	Responsibility	Management Comments	Auditor's Conclusion	Department within the Municipality	Remedial actions	Implemented Actions
Employee costs																		
1	4	Employee Costs - No performance evaluation system in place for staff members, including the head of SCM. (See 4)	It was noted that the municipality do not have an appropriate system and procedures in place to monitor, measure and evaluate the performance of staff, including the head of SCM. This issue was also reported in the prior year.	COA 1	Employee Related Costs	Other important matters	Non-compliance with legislation	Leadership	Year-3	30-Jun-24		100%	Municipal Manager HR Manager	Agree The municipality has a performance evaluation system in place and agreed.	Management agrees with the finding, therefore, the finding will remain and be reported upon.	Office of the Municipal Manager Corporate Services	Management should develop and implement an employee performance management system that will enable them to monitor, measure and evaluate the performance of all staff. Management should include internal control deficiency findings identified from external audits in their audit action plan, to ensure that internal control deficiencies are addressed, monitored and that they do not lead to significant issues in future.	The Municipality has only now in this financial year appointed a service provider for performance management the idea is that we
2	32	Senior management: Differences identified between Payroll and AFS (ISS.32)	The following difference was identified between the Payroll and the Annual financial statements as follows: <i>Please refer to COA 5</i>	COA 5	Employee Related Costs	Other important matters	Misstatements in financial statements	Financial and Performance management	Year -2	30-Jun-24		100%	Chief Financial Officer	Management agrees to the finding, however, the finding will remain and be reported upon.	Management comments noted. No corrections were made, therefore the issue remains unresolved.	Department Financial Services	Management should ensure that payroll is reviewed and reconciled to the Annual financial statements.	Adjustment to be made with the AFS and finding will be resolved
3	58	Not evident that training on the revised MSA was provided to the municipal staff (ISS.58)	It is not evident that the municipality provided training on the revised MSA to its staff members.	COA 9	Employee Related Costs	Other important matters	Internal Control deficiency	Leadership	Year-1	30-Jun-24		100%	Municipal Manager HR Manager	Management agrees to the finding, however, the finding will remain and be reported upon.	Management comments noted, however the training was not provided to the staff member where it was applicable, therefore the finding will remain and be reported upon.	Office of the Municipal Manager Corporate Services	Management should ensure that it provides training to employees that is directed to improving and maintaining core skills and competencies required for the municipality to deliver on its objectives.	The HR Manager is currently suspended pending disciplinary procedures
General IT controls																		
4	10	Information Systems (Prior year finding) - The SCM personnel have dual access to the system (See 10)	Based on follow up work performed on prior year IT findings, it was noted that the issue pertaining to employees having dual access to the system has not yet been addressed. It was noted that most of the SCM personnel still have access to the system as system administrators and through their respective access privileges in their roles as debtor clerk and SCM personnel. This issue was also reported in previous years.	COA 1	Information Technology	Other important matters	Internal Control deficiency	Leadership	All three previous years	30-Jun-24		100%	Accountant Assets and IT	Agree	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should implement controls to ensure personnel have access to the municipality's information system limited to their respective access privileges. The number of employees with System Administrator privileges should be limited to only the relevant delegated officials. Activation and deactivation of user accounts should be monitored on a regular basis to ensure that no unknown users are added to the system, without the knowledge of the employee responsible for IT management.	ICT and Internal Audit to schedule a session with the system provider to resolve this issue and change the internal processes of SCM.
5	9	Information Systems (Prior year finding) - No periodic reviews performed of the person responsible for granting user access (See 9)	(a) There are no periodic reviews performed of activities of the person responsible for granting users access to the network, application systems and performance reporting systems. (b) Access by the vendors to the Sabote financial system is not monitored.	COA 1	Information Technology	Other important matters	Internal Control deficiency	Leadership	All three previous years	30-Jun-24		80%	Accountant Assets and IT	Agree ICT sharing control to ensure proper monitoring of users	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that controls are in place to ensure that periodic reviews are performed of activities of the person responsible for granting users access to the network, application systems and performance reporting systems. Management should include internal control deficiency findings identified from external audits in their audit action plan, to ensure that internal control deficiencies are addressed, monitored and that they do not lead to significant issues in future.	Develop a review process for ICT and implement it on a quarterly basis.
6	5	No Disaster Recovery Plan (See.5)	A Disaster Recovery Plan that determines business continuity in terms of unforeseen events have not been developed and implemented. This issue was also reported in previous years. Management did not adequately address prior year audit findings by ensuring that a Disaster Recovery Plan is developed, approved and implemented. The above finding may result in: + the municipality having no processes and procedures in place to recover lost information in an unfortunate event of a disaster occurring. + the municipality operating within a week of total environment and not addressing IT risks when it arises due to a lack of an IT Strategic Plan, and + non-compliance with MFMA section 52(1)(c)(iii) This is a current and previous year disagreement that relates to the internal control area of the audit. The disagreement can be corrected by developing, approving and implementing a Disaster Recovery Plan and IT strategic plan.	COA 1	Information Technology	Other important matters	Internal Control deficiency	Leadership	All three previous years	30-Jun-24		20%	Accountant Assets and IT	Agree Disaster Recovery Plan not implemented	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that a Disaster Recovery Plan and IT Strategic Plan are developed, approved by Council, communicated to all relevant staff and implemented within the municipality. Management should include internal control deficiency findings identified from external audits in their audit action plan, to ensure that internal control deficiencies are addressed, monitored and that they do not lead to significant issues in future.	Draft disaster recovery plan in place to be discussed with the Municipal Manager to review and table at the next council meeting.

EX No.	Page No.	Item / Finding Description	Detailed Finding	COMAF NO's	Financial Statement Component	Impact on Audit Report	Classification	Internal Control Deficiency	Number of times reported in previous	Target Date	Revised Date	Progress %	Responsibility	Management Comments	Auditor's Conclusion	Department within the Municipality	Remedial actions	Implemented Actions
7	11	1. Internal control: Weaknesses in the ITC environment (SSS 11) (CoAF 03)	The following weaknesses were identified in the ITC control environment: (1) The municipality has does not operate on the latest operating systems and do not regularly update their operating system. (2) The municipality uses an outdated server. (3) The municipality has only one vacancy for their ICT department function to handle all IT related tasks. (4) The Head of the IT department does not have qualifications in IT and experience is insufficient.	COA 3	Information Technology	Other important matters	Internal Control deficiency	Leadership	Year 1	30-Jun-24		30%	Accountant/Systems and IT	The municipality is in the process of procuring a new server, however it will take time to implement. The municipality is also in the process of procuring a new server to replace the outdated server. The municipality is also in the process of procuring a new server to replace the outdated server.	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that all controls are corrected and implemented.	Internal Audit to speak to the Municipal Manager and resolve this issue.
Water and Sanitation and Waste Management																		
8	61	99	Water sanitation - Water Service Development Plan not updated accordingly (SSS 81)	COA 11	Compliance	Other important matters	Internal Control deficiency	Financial and performance management	Year -1	30-Jun-24		100%	Director Technical Services	Agree with finding	Management comments noted. Management agrees with the finding, therefore the finding will remain and be reported upon.	Infrastructure	Management must review and update the Water Service Development Plan to ensure that they can meet the required basic water and sanitation services.	The Plan was reviewed and approved by council on the 28 March 2024
2			Solid Waste management - Landfill sites not appropriately managed.	COA 10	Compliance	Other important matters	Internal Control deficiency	Leadership	Year -1	30-Jun-24		30%	Director Infrastructure	Management agrees with finding and will address the issues on per the nature of the findings.	Management agrees with the finding, therefore the finding will remain and be reported upon.	Infrastructure	Management should ensure that the controls are implemented to the landfill sites.	Landfill Site tender is out for Williston we are in the process of engaging Nemaqualand District Municipality Environmental Department for assistance.
SCM Procurement and Contract Management																		
10	10	Procurement and contract management: Interest in family deficiencies (SSS 18)	Payment batches inspected that relate to Slek & Slegle Payment batches inspected that relate to R&S Karoo Please refer to COA 7	COA 7	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Financial and performance management	Year -2	30-Jun-24		100%	Chief Financial Officer/Accountant SCM and Expenses	Management response noted and internal memo was submitted for audit purposes and signed on the 22 August 2022 is not sufficient to avoid the SCM process, therefore the finding will remain and be reported upon.	Management response noted and internal memo was submitted for audit purposes and signed on the 22 August 2022 is not sufficient to avoid the SCM process, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that compliance to SCM regulations and policies is adhered to and put measures in place to combat internal controls deficiencies.	Declaration of interest was completed and Mr van Schalkwyk do not approve any regulation or orders to resolve the issue and implement stronger controls.
11	25	Contract Management: Control Deficiencies (SSS 25)	The municipality does not have a system of control over contract management. The following deficiencies were identified during the audit of procurement and contract management as illustrated in the table below: (a) During the audit of contract management, the following issues were identified: Similar non-compliance was also reported in the prior year in respect of the extension or modification of contracts without the approval of a properly designated official, in contravention of SCM Regulation 5.	COA 8	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Financial and performance management	Year -2	30-Jun-24		100%	Manager Administration	No - Disagreement with finding. Management comments noted and internal memo was submitted for audit purposes and signed on the 22 August 2022 is not sufficient to avoid the SCM process, therefore the finding will remain and be reported upon.	Management Comments noted and the finding have been updated accordingly, therefore the remaining items will remain and be reported upon.	Department Financial Services	Management should identify and implement internal controls for better whistleblowing of official documents of financial affairs of the municipality including procurement documents and to ensure compliance with SCM regulations.	We have a contract register which are being monitored by the Manager-Admin

EX No.	Page No.	Item / Finding Description	Detailed Finding	COMAF NO's	Financial Statement Component	Impact on Audit Report	Classification	Internal Control Deficiency	Number of times reported in previous	Target Date	Revised Date	Progress %	Responsibility	Management Comments	Auditor's Conclusion	Department within the Municipality	Remedial actions	Implemented Actions
12	45	SCM - Questions deficiencies (ISS-49)	The following deviations from the SCM regulations were noted, resulting in irregular expenditure: The following items constitute a non-compliance with the SCM regulations: Please refer to COA 8	COA 8	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Leadership	Year-3	30-Jun-24		100%	Chief Financial Officer Accountant: SGM and Expenditure	Partly Agree SCM - Disagreed - reported to council	Management's response noted. Reviewed all payment batches, considered all relevant factors for each item and concluded the following: Specific sample - Imprecise: Items 7,8 and 9, have been reviewed and will not be reported in the final management report, therefore the remaining issues will remain and reported in the management report. Remaining sample - Imprecise: The issues in respect of items 10 and 12 have been reviewed and will be removed from the issue. The remaining items will be reported upon. Specific sample - Deviation not communicated: Items 17,18 and 19 were removed from the finding, therefore the remaining will be communicated. Remaining sample - Deviation not communicated: Items 2, 3, 4, 5, 6, 10, 11, 12 were removed from the finding, therefore the remaining items will be reported upon.	Department Financial Services	Adequate reviews should be performed on the monthly irregular expenditure registers to ensure that any errors are timely identified and corrected.	Please see attachments as progress.
13	62	SCM: PPR not applied to payment below 30K (ISS-62)	For the following payments, the preferential procurement regulations the following was not applied: (a) The municipality's internal audit unit comprises of only one employee who resigned in December 2022. There is no head of internal audit, who is responsible for the unit, as required by MFMA Circular 05. The lack of resources in the internal audit unit implies that: (i) There is no head of internal audit who ensures that the current employees' performance is evaluated, and training needs are identified and addressed. (ii) There is no employee who supervises and reviews the work performed by the one employee. (iii) There is no head of internal audit, who will ensure that quality assurance reviews are performed on work of the internal audit unit, to ensure that internal audit carries out their duties in accordance with the IA Standards. (iv) It is not evident that the Municipality had a function Internal Audit Unit from 1 January 2023 to 30 June 2023. (v) It is not evident that training was done to improve the skills and competencies of the Internal Auditor for the financial year under review. (vi) The Internal Audit Methodology was not signed and approved for the year under review. (vii) It is not evident that the Internal Audit Unit evaluated the Information System of the Municipality. (viii) It is not evident that the Internal Audit Unit performed follow-up assessments on repeat audit findings. (ix) The Internal Audit position was vacant for a period of 6 months (1 January 2023 to 30 June 2023).	COA 11	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Financial and performance management	Year -1	30-Jun-24		100%	Chief Financial Officer Accountant: SGM and Expenditure	Partly Agree SCM - Disagreed - reported to council	Management's response noted, however as per the PPR of 2022 all procurement will be subject to points system, therefore the finding will remain and reported upon.	Department Financial Services	Management should ensure that the treasury regulations are reviewed and applied.	Transaction has been recorded and reported as irregular expenditure and the AFS was adjusted.
Non-compliance																		
14	1	Internal Audit: Non-compliance with MFMA Circular 05 and control deficiencies (iss. 1)	(a) It is not evident that the Internal Audit advised the accounting officer and reported to the audit committee on matters relating to items in their internal audit plan: (i) Internal Controls (ii) Accounting Procedures and Practices (iii) Risk and Risk Management (iv) Performance Management (v) Lease Control (vi) Compliance with MFMA, DORA, SCM applicable legislations. (b) The municipality's internal audit unit comprises of only one employee who resigned in December 2022. There is no head of internal audit, who is responsible for the unit, as required by MFMA Circular 05. The lack of resources in the internal audit unit implies that: (i) There is no employee who supervises and reviews the work performed by the one employee. (ii) There is no head of internal audit who ensures that the current employees' performance is evaluated, and training needs are identified and addressed. (iii) There is no head of internal audit, who will ensure that quality assurance reviews are performed on work of the internal audit unit, to ensure that internal audit carries out their duties in accordance with the IA Standards. (iv) It is not evident that the Municipality had a function Internal Audit Unit from 1 January 2023 to 30 June 2023. (v) It is not evident that training was done to improve the skills and competencies of the Internal Auditor for the financial year under review. (vi) The Internal Audit Methodology was not signed and approved for the year under review. (vii) It is not evident that the Internal Audit Unit evaluated the Information System of the Municipality. (viii) It is not evident that the Internal Audit Unit performed follow-up assessments on repeat audit findings. (ix) The Internal Audit position was vacant for a period of 6 months (1 January 2023 to 30 June 2023).	COA 1	Compliance	Other important matters	Control environment	Governance	Year -1	30-Jun-24		100%	Municipal Manager	Management's response noted. The issue remains unresolved and is reported as an internal control finding.	Management should ensure that the internal audit unit to ensure that the unit functions effectively and adheres to the IA requirements.	Internal Auditor has been appointed and 3 year risk based audit plan has been approved and performed and audit committee meetings are being held.		
15	17	Non-compliance with Sec 32 (4) (ISS-17) (SAR-17)	Contrary to the provision above, the following deviations were noted: (a) It is not evident that unauthorized, irregular, and fruitless and wasteful expenditure was reported to council for the year ended 30 June 2023. (b) Unauthorized, irregular, and fruitless and wasteful expenditure incurred by the Municipality was not reported to the MEC for Local Government and the Auditor General. (c) Unauthorized, irregular, and fruitless and wasteful expenditure was not prevented, as new instances occurred and disclosed under notes 47, 48 and 49 to the annual financial statements. Contrary to the above requirements, the Municipality failed to submit the mid-year and quarterly reports to the Provincial Treasury by 25 January. Further it is not evident that the accounting officer promptly report his or her inability to comply with any of the responsibilities in terms of the MFMA and also provide reasons to the mayor and provincial report on the late submission of the mid-year and quarterly reports.	COA 3 & 5	Compliance	Other important matters	Non-compliance with legislation	Leadership	Year -3	30-Jun-24		100%	Accountant: SGM and Expenditure	Partly Agree SAR - Disagreed - reported to council	(a) Management comments noted, however the council minutes where the unauthorized, irregular and fruitless and wasteful expenditure was reported was not attached to the response. Therefore, the finding will remain and be reported upon. (b) - (c) Management agrees with the finding, therefore the finding will remain and be reported upon.	Management should ensure that the Municipality follows instructions from the applicable laws and regulations. Investigations into unauthorized, irregular, and fruitless and wasteful expenditure must be performed to assess if there's any issues incurred, and appropriate steps should be taken to prevent the non-compliance from re-occurring.	Office of the Municipal Manager	MPAC to table the 2023/24 financial year investigation at the next council meeting 28 March 2024. The 2019/20-2021/22 has not yet been investigated. The MPAC officer to communicate this finding with the committee.
16	42	Non-compliance: Deviations identified on unauthorized expenditure, fruitless and wasteful expenditure (ISS-42)	Contrary to the above requirements, it was identified that the Municipality did not perform investigations for unauthorized, fruitless and wasteful expenditure incurred and disclosed in the annual financial statements for the period of 2018/2019 to 2021/2022. Consequently, no liable individual was identified to recover these expenses from. In addition, (a) It is not evident that unauthorized, fruitless and wasteful expenditure was reported to council for the year ended 30 June 2023. (b) Unauthorized, irregular, and fruitless and wasteful expenditure incurred by the Municipality was not reported to the MEC for Local Government and the Auditor General.	COA 8	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Financial and performance management	Year -1	30-Jun-24		100%	Municipal Manager Chief Financial Officer	Partly Agree SAR - Disagreed - reported to council	Management comments noted, however the council minutes where the unauthorized, irregular and fruitless and wasteful expenditure was reported was not attached to the response. Therefore, the finding will remain and be reported upon.	Management should ensure that the Municipality follows instructions from the applicable laws and regulations. Investigations into unauthorized, irregular, and fruitless and wasteful expenditure must be performed to assess if there's any issues incurred, and appropriate steps should be taken to prevent the non-compliance from re-occurring.	MPAC to table the 2023/24 financial year investigation at the next council meeting 28 March 2024. The 2019/20-2021/22 has not yet been investigated. The MPAC officer to communicate this finding with the committee.	

EX No.	Page No.	Item / Finding Description	Detailed Finding	COPAF NO's	Financial Statement Component	Matters affecting the auditor's report	Classification	Internal Control Deficiency Number of times reported in previous year	Target Date	Revised Date	Progress %	Responsibility	Management Comments	Auditor's Conclusion	Department within the Municipality	Remedial actions	Implemented Actions
7	53	Non-compliance - Irregular Expenditure not investigated (ISS-53)	Contrary to the above requirements, the following deviations were noted: (q) The Municipality did not perform investigations for irregular expenditure incurred and disclosed in the annual financial statements; consequently, no liable individual was identified to recover those expenses from. It is not evident that irregular expenditure was reported to council for the year ended 30 June 2023. (r) Irregular expenditure incurred by the Municipality was not reported to the MEC for Local Government and the Auditor General.	COA 8	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Financial and performance management	Year -2	30-Jun-26	100%	Chief Financial Officer Accountant COG and Expenditures	Agree MPOC to perform investigations	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that the Municipality follows instructions from the applicable laws and regulations. Investigations into irregular expenditure must be performed to assess if there are any losses incurred, and appropriate steps should be taken to prevent the non-compliance from reoccurring.	The Audit Committee to be made aware of the issue.
8	54	Compliance - AFS does not fully present the state of the affairs of the municipality (ISS-54)	During the audit performed on the annual financial statements, the following matters were identified: The following related misstatements were identified during the audit (regardless of whether it was subsequently corrected by management or not). ISS-9: Councilor salaries and allowances paid over the upper limit. ISS-14: Financial instruments: Differences identified, and items not disclosed. ISS-15: Bad debts written off: Deceased consumer debtors and other consumer debtors are still being charged for services and property taxes after their death. ISS-16: Receivables from exchange transactions: Existence of debtors could not be confirmed. ISS-19: Procurement and contract management: Interest is fairly defective. ISS-20: Revenue from coin-exchange transactions: Property rate difference between the billing report and the AFS. ISS-22: AFS: Technical review performed. ISS-23: Disputed former MM and former councillors as current year key management personnel. ISS-26: Expenditure: Contracted service payment not made within 30 days. ISS-27: Expenditure: Operating expenditure payment not made within 30 days. ISS-28: Revenue from exchange transactions: Completeness of services to kind. ISS-29: Revenue from exchange transactions: State Difference between the consumption as per the meter test and the statement of account. ISS-31: Trade and other payables: Differences identified AFS vs Lease Schedule) ISS-33: Senior Management: Differences identified between payroll and AFS. ISS-35: Probable and essential expenditures not complete. ISS-36: Revenue from exchange transactions: Electricity differences between billing report and annual financial statements. ISS-36: Contributions: Capital contributions not disclosed. ISS-36: Revenue from exchange transactions: Property rates difference identified in receivable revenue. ISS-36: Property, plant and equipment: Misclassification of assets. ISS-43: New standards and interpretations: Incomplete effective dates disclosed in the financial statements. ISS-46: Property, plant and equipment: Differences identified in the depreciation calculation. ISS-47: Cash flow statement: Offences identified during the recalculation of cash flow statement. ISS-48: Receivables from exchange transaction: Non-compliance on outstanding debtor accounts. ISS-50: Unauthorised expenditure: Offences identified. ISS-51: VAT reconciles: Differences between AFS and amount to be claimed as per note. These misstatements could have been prevented/detected if the auditee had an effective internal control system. These misstatements were not anomalies. None of these misstatements relate to Disclosure of unauthorised, irregular or hollow/unlawful expenditure (UPHWE) being classified after the AFS was submitted for audit.	COA 8	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Financial and performance management	Year -1	30-Jun-26	100%	Municipal Manager Chief Financial Officer	No supporting documentation was found for the discrepancies in the ledger. However, general documents signed by the City Engineer and the Chief Executive Officer confirm compliance with the relevant legislative provisions and policies. The discrepancies are due to the fact that the accounting systems used do not capture all information required for full reconciliation. This includes details such as the date of completion of work orders and the status of various contracts. These issues are currently under investigation and corrective measures are expected to be implemented by the end of the reporting period.	Management comments noted and the findings were updated accordingly, the remaining items will be reported upon.	Office of the Municipal Manager Department Financial Services	Management should implement controls to ensure that the financial statements truly portray the state of affairs of the municipality and include the required disclosures.	The Audit Committee to be made aware of the issue.
3		Non-compliance with Municipal Systems Act – Non-compliance on appointment of acting municipal manager (ISS-3)	Contrary to the above requirements it was confirmed through inspection of the employee file of J Jonker, appointed as acting municipal manager on a fixed term contract of three (3) months, from 15 November 2022 to 14 February 2023, that the following documents were not available for audit purposes:- • original/notarized copies of academic and professional qualifications - prior to signing the employment contract; • proof of previous employment - prior to signing the employment contract; and • declaration of financial interests completed within 60 days from the date of appointment.	COA 9	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Financial and performance management	Year-2	30-June-24	100%	Human Resource Manager	Description: We reviewed certified copies of qualifications and proof of employment history for Mr. Jonker. He has provided certification and CV dated December 2022 stating his previous employment at the Department of Water Affairs and Forestry. His qualifications and CV dated January 2023 and his resignation letter dated 07 January 2023 and his resignation letter dated 22 January 2023.	Management comments noted, however no supporting documentation was provided to substantiate the management response, therefore the finding will remain and be reported upon.	Human Resources Department	Management should ensure that the correct processes are always followed to appoint municipal staff to prevent that the municipality would become vulnerable for legal disputes.	
48		1. Non-compliance with section 71 of the MFMA - Monthly budget statements not submitted within 10 working days to the mayor and provincial treasury (ISS-48)	Contrary to the above requirement, it is not evident that the municipality submitted the monthly budget statements within the prescribed 10 working days after each month to the mayor for a period of July 2022 to June 2023. In addition, the following non-compliance was identified: (a) For the first five months, the monthly budget statements were not submitted to the provincial treasury within the prescribed 10 working days after each month;	COA 9	Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Financial and performance management	Year -1	30-Jun-24	100%	Chief Financial Officer	Agree with finding	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that the Municipality follows instructions from the applicable laws and regulations. Section 71 monthly reports should be immediately submitted to the mayor and provincial treasury as prescribed in the Act.	Monthly Business process to be developed to ensure that all compliance reports are timely submitted to the relevant stakeholders.
51		ISS-58 - Non-compliance MFMA-Mid-year and quarterly reports not submitted to the Provincial Treasury by 25 January	Contrary to the above Requirements, the Municipality failed to submit the mid-year and quarterly reports to the Provincial Treasury by 25 January. Further it is not evident that the accounting officer promptly report the or her inability to comply with any of the responsibilities in terms of the MFMA and also provide reasons to the mayor and provincial report on the late submission of the mid-year and quarterly reports. I.A mid-year performance assessment was not performed, as required by section 72(1)(a)(v) of the MFMA. 2. Reasons for failure to comply with the Requirements of MFMA as required by section 74 of the MFMA not provided to the mayor and provincial treasury. Non-compliance with section 72 and section 74 of the MFMA.		Compliance	Matters affecting the auditor's report	Non-compliance with legislation	Laborship	Year -1	30-Jun-24	100%	Chief Financial Officer	Agree although we conclude early February 2023 MPA shows that C/O show up percentages >25% of the MERL.	Management agrees with the finding, therefore the finding will remain and be reported upon.		Mid year was submitted on the 25 January 2024 you can only correct the current year not go back please see attachments.	

EX No.	Page No.	Item / Finding Description	Detailed Finding	COMAF NO's	Financial Statement Component	Impact on Audit Report	Classification	Internal Control Deficiency	Number of items reported in previous	Target Date	Revised Date	Progress %	Responsibility	Management Comments	Auditor's Conclusion	Department within the Municipality	Remedial actions	Implemented Actions
26	40	Property, plant and equipment: Internal control deficiencies (ISS.40)	<p>Contrary to the provision above, the following control deviations were identified during the testing of assets:</p> <p>(a) Asset condition assessment not recognized in the fixed asset register for infrastructure assets, community assets and land and buildings, therefore could not verify the condition of the asset.</p> <p>(b) During the physical verification performed, it was noted that the following asset location as per the fixed asset register was incorrect.</p> <p>(c) During the physical verification performed, it was noted that the following asset description as per the fixed asset register was incorrect.</p> <p>Please refer to COA 5</p>	COA 5	Property, Plant & Equipment	Other important matters	Internal Control deficiency	Leadership	Year-2	30-Jun-24		20%	Accountant Assets and IT	Agree Update Assets description and add required information	Management agrees with the finding, therefore, the finding will remain and be reported upon.	Department Financial Services	Management should ensure that the assets register is reviewed to reflect the correct location and description of assets. Management should ensure that the fixed asset register is adequately reviewed.	
29	39	Property, plant and equipment: Misclassification of assets (ISS.39)	<p>(a) The following assets were incorrectly classified in the fixed asset register as community assets and should have been classified as infrastructure assets</p> <p>(b) The following recent land was incorrectly classified as property, plant, and equipment and should have been classified as investment property</p> <p>(c) The sports ground was incorrectly classified as land and should have been classified as Community assets</p> <p>(d) The mats, counter and carpets were incorrectly as buildings and should have been classified as furniture and fixtures</p> <p>(e) The following assets were incorrectly classified in the fixed asset register as buildings and should have been classified as other property, plant, and equipment</p> <p>Please refer to COA 5</p>	COA 5	Property, Plant & Equipment	Other important matters	Misstatements in financial statements	Financial and performance management	Year-2	30-Jun-24	26-Mar-24	100%	Accountant Assets and IT	(a) Agree with finding (b) Agree with finding (c) Agree with finding (d) Agree with finding (e) Agree with finding	(a), (b) and (d) Management agrees with the finding, therefore the finding will remain and be reported upon. (c) Management comments noted, however the carpets, etc should be classified as furniture and fixtures. Therefore, the finding will remain and be reported upon.	Department Financial Services	Management should review the assets register and ensure that assets are correctly classified. Management should classify the assets as follows: Other property, plant, and equipment – Flooring Furniture and fixtures – Counter, mats and carpets	Asset register was reviewed and corrections will be made
30	44	Investment property – Land not in the municipality's name (ISS.44)	<p>The following land was identified not to be in the municipality's name as per the Deed Search Report, it is in the name of a person as indicated in the table below:</p> <p>Information as per the investment property register:</p> <p>Description: 46000000</p> <p>Property Status: Vacant Land</p> <p>Suburb: Sutherland</p> <p>Owner: MUNI SUTHERLAND</p> <p>Category: Investment Properties</p> <p>Information as per the title deed search:</p> <p>Erf Number: 468</p> <p>Township: Sutherland</p> <p>Person Name: Mathias Adriaan Terence</p>	COA 5	Property, Plant & Equipment	Other important matters	Misstatements in financial statements	Financial and performance management	Year-1	30-Jun-24		100%	Accountant Assets and IT	Agree	Management agrees with the finding, therefore, the finding will remain and be reported upon.	Department Financial Services	Management should review the assets register and ensure that assets in the asset recorded belong to the municipality.	468 to be removed from asset register
31	66	Property, plant and equipment: Depreciation on fully depreciated asset (ISS.66)	<p>The following motor vehicles have been fully depreciated in the 2017/2018 financial year. During the physical verification it was identified that the assets are still in use and therefore the useful lives and the residual value was not assessed by management at the end of the reporting period</p>	COA 11	Property, Plant & Equipment	Other important matters	Misstatements in financial statements	Financial and performance management	Year-2	30-Jun-24		100%	Accountant Assets and IT	Management partly agrees with finding. Update residual values and provide to the register. We do not agree that the stock should be 100% depreciated in the 2017/2018 financial year. The 2017/2018 financial year should be reviewed to ensure the correct depreciation rate is applied. The 2017/2018 financial year should be reviewed to ensure the correct depreciation rate is applied. The 2017/2018 financial year should be reviewed to ensure the correct depreciation rate is applied.	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that they assess the asset useful life and residual value in accordance with the requirements of GRAP.	Useful life of vehicles listed to be assessed and documented and corrected for audit purposes.
Inventory																		
32	2	Inventories: Internal control deficiencies	<p>Contrary to the provision above, it was confirmed that there was no insurance policy for inventory for the year under review</p> <p>(a) Inspected the internal controls submitted by management where the balances at year end was confirmed by management by performing the stock count. However, through discussion with management it was not evident that a adequate process followed for the stock count as no support was provided the following:</p> <ul style="list-style-type: none"> Briefing session conducted to communicate procedure for the stock count Formal procedures for the stock Formal written for the stock count Signed stock sheets and no evidence that differences between the count and stock records were followed up <p>(b) no delivery notes were obtained for stock purchased during the year under.</p> <p>(c) No issue vouchers were in place for the year under review.</p> <p>(d) Inventory was not adequately insured by the municipality.</p>	COA 3	Control environment	Other important matters	Internal Control deficiency	Financial and Performance management	Year-2	30-Jun-24		40%	Accountant CIT and Asset Management	3. Agree 4. Agree 5. Disagree, stock issue notes and address general of issue vouchers. 6. Agree	(a) Management comments noted, however no issue vouchers were used by the client. Therefore the finding will remain and be reported upon. (b) - (d) Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that all controls are implemented.	Progress not yet provided.
Operating Expenditure																		
33	142	Expenditure - Operating Expenditure: Payment not made within 30 days. (ISS.27)	<p>Contrary to the above requirements, we noted that the following payments were not made within 30 days of receipt of invoice.</p> <p>Please refer to COA 4</p>	COA 4	Operating costs	Other important matters	Misstatements in financial statements	Financial and performance management	Year-3	30-Jun-24		100%	Chief Financial Officer Accountant COA and Expenditure	Agree and Disagree In terms of findings, we agree with it. We do not agree that the stock should be 100% depreciated in the 2017/2018 financial year. The 2017/2018 financial year should be reviewed to ensure the correct depreciation rate is applied. The 2017/2018 financial year should be reviewed to ensure the correct depreciation rate is applied. The 2017/2018 financial year should be reviewed to ensure the correct depreciation rate is applied.	Management comments noted and the finding have been updated accordingly, therefore the remaining items in the finding will be reported upon.	Department Financial Services	Management should ensure that all supplier invoices are paid within 30 days of receiving the invoice. Management should develop and implement compliance monitoring checks to ensure that all applicable laws and regulations are adhered to.	The control will be implemented when the date stamp will be applied and the official sign for acceptance.

EX No.	Page No.	Item / Finding Description	Detailed Finding	COMAF NO's	Financial Statement Component	Impact on Audit Report	Classification	Internal Control Deficiency	Number of times reported in previous	Target Date	Revised Date	Progress %	Responsibility	Management Comments	Auditor's Conclusion	Department within the Municipality	Remedial actions	Implemented Actions
34	26	144	Expenditure - Contracted services Payment not made within 30 days (SS 26) Please refer to COA 4		COA 4	Operating costs	Other important matters	Misstatements in financial statements	Financial and internal control management	Year -1	30-Jun-24	100%	Chief Financial Officer Accountant COA and Expenditure	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management comment noted and the finding have been updated accordingly. The remaining items will be reported upon.	Department Financial Services	Management should ensure that all supplier invoices are paid within 30 days of receiving the invoice. Management should develop and implement compliance monitoring schedule to ensure that all applicable laws and regulations are adhered to.	The control will be implemented when the date stamp will be applied and the official sign for acceptance.
Predetermined objectives																		
36	6		Predetermined Objectives - Budgeted amounts of revenue to be collected and operational and capital expenditure not included in the SDBP (see 6) Contrary to the above, it was identified that the Karoo Hoogland Municipality did not include the budgeted amounts of revenue to be collected and operational and capital expenditure in its service delivery and budget implementation plan (SDBP).		COA 1	Performance Management	Other important matters	Internal Control deficiency	Leadership	Year -2	30-Jun-24	100%	Municipal Manager Performance Management Officer	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management agrees with the finding, therefore the finding will remain and will be reported upon.	Office of the Municipal Manager	Management must implement controls to ensure that the SDBP is aligned to the budget, by including the budgeted amounts of revenue to be collected and operational and capital expenditure in the SDBP.	Session to be held with the CFO to populate the budgeted amounts into the SDBP.
36	12		Predetermined Objectives - The target relating to the following indicator is not well defined as it is not measurable and time bound and is therefore also not verifiable. Therefore it is concluded that the municipality did not comply with the above requirements as measurable performance targets are not set for each of the KPIs for the financial year. Please refer to COA 4		COA 4	Performance Management	Matters affecting the auditor's report	Misstatements in annual performance report	Leadership	Year -3	30-Jun-24	100%	Municipal Manager Performance Management Officer	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management is agreement with the finding, therefore the finding will remain and will be reported upon.	Office of the Municipal Manager	Management should review the municipality's technical indicator and its related targets to ensure that it is well defined and complies with the criteria as per the FMPP, MSA and Municipal planning and performance management regulations.	TLOOE to be reviewed and removed from the current years Top Layer.
37	13		Predetermined objectives: Material findings raised (see 13) 1) The following differences were identified in the auditors recalculated performance achievement and the reported achievement as per the annual performance report. Please refer to COA 4		COA 4	Performance Management	Matters affecting the auditor's report	Misstatements in annual performance report	Leadership	Year -1	30-Jun-24	100%	Municipal Manager Performance Management Officer	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management is agreement with the finding, therefore the finding will remain and will be reported upon.	Office of the Municipal Manager	The reported achievements should be reviewed by management against the supporting portfolio of evidence to ensure that accurate and complete performance reports that is supported and evidenced by reliable information is prepared.	All quarterly performance supporting evidence and reporting to be reviewed by internal audit.
38	19		Predetermined Objectives: Deviations identified for performance information, presentation, and disclosure (SS 19) (COAF 04) Contrary to the above requirement of the MSA, the municipality disclosed measures to be taken to improve the performance on indicators T1, 002, T1, 007 and T1, 008, however the municipality did not provide supporting source documents for measures taken to improve performance. Furthermore, the explanation provided do not address the improvement to be made in the next year. Therefore, the explanations are not adequate to facilitate improvement.		COA 4	Performance Management	Matters affecting the auditor's report	Non-compliance with legislation	Financial and internal control management	Year -3	30-Jun-24	100%	Municipal Manager Performance Management Officer	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management agrees with the finding, therefore the finding will remain and will be reported upon.	Office of the Municipal Manager	Management should ensure that adequate reviews are performed on the quarterly performance reports and the annual performance report to ensure accurate, valid, and complete reporting on all internal and external indicators and targets.	All quarterly performance supporting evidence and reporting to be reviewed by internal audit.
38	48		Predetermined objectives: Deviations identified in the indicators (SS 50) 1) The following differences were identified in the auditors recalculated performance achievement and the reported achievement as per the annual performance report. Please refer to COA 8		COA 8	Performance Management	Matters affecting the auditor's report	Misstatements in annual performance report	Leadership	Year -3	30-Jun-24	100%	Municipal Manager Performance Management Officer	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management agrees with the finding, therefore the finding will remain and will be reported upon.	Office of the Municipal Manager	The reported achievements should be reviewed by management against the supporting portfolio of evidence to ensure that accurate and complete performance reports that is supported and evidenced by reliable information is prepared.	All quarterly performance supporting evidence and reporting to be reviewed by internal audit.
41	69		Predetermined objectives: Deviations identified in KPA 2 1) The following differences were identified between the recalculated PTE rates disclosed on the schedule and the auditors recalculation.		COA 12	Performance Management	Matters affecting the auditor's report	Misstatements in annual performance report	Leadership	Year -1	30-Jun-24	100%	Municipal Manager Performance Management Officer	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management agrees with the finding, therefore the finding will remain and will be reported upon.	Office of the Municipal Manager	The reported achievements should be reviewed by management against the supporting portfolio of evidence to ensure that accurate and complete performance reports that is supported and evidenced by reliable information is prepared.	KPI was removed and all targets will be reviewed by internal audit.
42	70		1. Predetermined objectives: Completeness of the indicators (KPA 2) A benchmark was performed against circular 66 to ensure that the indicators reported on by the municipality was sufficient. It was noted that the municipality did not report on the following indicator which would contribute to the reporting on the service delivery of the municipality.		COA 12	Performance Management	Matters affecting the auditor's report	Misstatements in annual performance report	Leadership	Year -1	30-Jun-24	100%	Municipal Manager Performance Management Officer	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management comment noted, however the indicators reported by the municipality, therefore the finding will remain and will be reported upon.	Office of the Municipal Manager	Management should ensure that the indicators is sufficient to provide the community an appropriate picture of the service delivery of the municipality.	This finding will be discussed with the municipal manager.
Receivables																		
43			Receivables from exchange transactions - Non-compliance on outstanding debtor accounts (SS 49) 1) Housing Rental Receivables 2) Other Exchange Receivables 3) Refuse Receivables Please refer to COA 7		COA 7	Receivables from exchange transactions	Other important matters	Non-compliance with legislation	Financial and performance management	Year -2	30-Jun-24	30%	Accountant/Revenue	Agree with findings with 2. These amounts are not reported in the audit and are not included in the audit. Please refer to the audit report for more details.	Management comment noted, no recovery plans were provided for the debtors listed above, therefore the finding will remain and will be reported upon.	Department Financial Services	Management should review the entire population of receivables from exchange transactions and ensure that all debtors with balances exceeding 60 days are placed on a recovery plan.	There were an incentive that was approved by council for a one-off discount for all debtors please see attachment. The closing date was 26 February 2024 and credit control policy will be applied going forward.

EX No.	Page No.	Item / Finding Description	Detailed Finding	COMAF NO's	Financial Statement Component	Impact on Audit Report	Classification	Internal Control Deficiency	Number of times reported in previous	Target Date	Revised Date	Progress %	Responsibility	Management Comments	Auditor's Conclusion	Department within the Municipality	Remedial actions	Implemented Actions	
14		ISS 30 - Revenue from exchange transactions: Difference between the consumption as per the meter led for water	During the testing of conventional meter, it was confirmed that the incurred reading was processed to the system.			Matters affecting the auditor's report	Misstatements in financial statements	Financial and performance management	Year -1	30-Jun-24		100%	Assistant Revenue Chief Financial Officer	Parity/Agree however use physical to validate the meter reading.	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that correct readings are processed to the system. Management should ensure that debtors are listed based on the consumption of water used.	Corrective Journals were posted for errors and new controls will be implemented for billing report to be reviewed for exceptions each month.	
15	30	1. VAT Receivable- Difference between AFS and amount to be claimed as per Recon (ISS 51)	During the audit of VAT receivables, the following difference was noted between the recalculation of VAT and the AFS Amount to be Claimed: R 1 407 791.17 Amounts as per AFS: R 1 624 862.00 Difference: R 216 860.83	COA 7	VAT receivables / payables	Other important matters	Misstatements in financial statements	Financial and performance management	Year -1	30-Jun-24		0%	Assistant Revenue Chief Financial Officer				Department Financial Services	Management should ensure that all schedules are reviewed and reconciled to the annual financial statements. Furthermore, management should ensure the VAT is correctly calculated and accounted for in the financial statements in accordance with the VAT Act.	
16	67	Receivables from exchange and non-exchange transactions: Differences identified in the recalculation of impairment (ISS 57)	During the testing of allowance for impairment for receivables from non-exchange transactions and receivables from exchange transactions, differences were identified in the auditor's recalculation of impairment allowance from management's impairment calculation due to incorrect application of the methodology for impairment. The following government debtors were fully impaired in contradiction of the methodology where government debtors are not to be impaired. 1) Receivables from non-exchange transactions 2) Receivables from exchange transactions please refer to COA 11	COA 11	Receivables from non-exchange transactions	Other important matters	Misstatements in financial statements	Financial and performance management	Year -1	30-Jun-24		30%	Assistant Revenue Chief Financial Officer	Management agrees with the finding. The properties are included as residential on the rates up to 2023, and therefore should not be impaired (as per the government's policy).	Management agrees with the finding, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that schedules are reviewed, and the correct application of the methodology is applied in the calculation of impairment.	Retail population and ensure that all government properties are grouped according to the valuation roll.	
17	16	Receivables from non-exchange transactions - Non compliance on outstanding debtor accounts (ISS 16)	The Municipality has a recovery plan for consumer debtors with outstanding balance of more than 60 days. However, based on the audit work done, no recovery plan for the following consumer debtors with balances exceeding 60 days were identified	COA 9	Receivables from non-exchange transactions	Other important matters	Non-compliance with legislation	Financial and performance management	Year -1	30-Jun-24		100%	Assistant Revenue Chief Financial Officer	Management agrees with finding as per the audit report. The debtors are included as residential on the rates up to 2023, and therefore should not be impaired (as per the government's policy).	Management comments noted and no recovery plans have been submitted for audit purposes, therefore the finding will remain and be reported upon.	Department Financial Services	Management should review the entire population of receivables from exchange transactions and ensure that all debtors with balances exceeding 60 days are placed on a recovery plan.	We have to discuss this as Management have a different interpretation of the prepaid recovery plan.	
Revenue																			
18	35	Revenue from exchange transactions: Electricity - Differences between Billing Report and Annual Financial Statements (ISS 26)	During the audit of Revenue from exchange transactions: Sale of electricity, it was confirmed that the following differences were identified between the amount as per the Billing Report and the Annual Financial Statement: Financial Statement Line Item- Sale of electricity Amount as per Billing Report- (10 941 096.59) Amount as per AFS- 10 809 201.00 Difference between Billing Report and AFS (14 195.59)	COA 3	Revenue	Matters affecting the auditor's report	Misstatements in financial statements	Financial and performance management	Year -1	30-Jun-24		100%	Assistant Revenue Chief Financial Officer	Management agrees with the finding. The differences are included as residential on the rates up to 2023, and therefore should not be impaired (as per the government's policy).	Management comments noted, however the difference remain valid, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that a reconciliation is done between the Billing Report and the Annual Financial Statement.	This will be addressed with the AFS.	
19	29	Revenue from non-exchange transactions - Completeness of Services In-kind (ISS 26)	Contrary to the above, it was confirmed that Mr Letseka (Former Acting CFO) was appointed for a period of 6 months, from November 2022 to June 2023. However, it was noted that the municipality only recognised services in-kind for 7 months instead of 6 months. This led to the following differences: Please refer to COA 3	COA 3	Revenue	Other important matters	Misstatements in financial statements	Financial and performance management	Year -1	30-Jun-24		100%	Assistant Revenue Chief Financial Officer	Management agrees with the finding. The differences are included as residential on the rates up to 2023, and therefore should not be impaired (as per the government's policy).	Management comments noted, however the difference remain valid, therefore the finding will remain and be reported upon.	Department Financial Services	Management should ensure that the correct salary scale is used and that the correct number of services are taken into account when recognising the services in-kind.	Proposed restatement to be submitted with the AFS.	

0

83%

ABBREVIATIONS

AFS	Annual Financial Statements
AG	Auditor-General
AGSA	Auditor-General South Africa
B2B	Back to Basics
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
COGHSTA	Department of Cooperative Governance, Human Settlement and Traditional Affairs
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EE	Employment Equity
EPWP	Extended Public Works Programme
FBS	Free Basic Services
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal Finance Officers
INEP	Integrated National Electrification Program
IT	Information Technology
KHM	Karoo Hoogland Municipality
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LGMIM	Local Government Management Improvement Model
LGSETA	Local Government Sector Education & Training Agency
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MPAC	Municipal Public Accounts Committee
MSA	Municipal Systems Act No. 32 of 2000, as amended.
MsA	Municipal Structures Act No 17 of 1998, as amended.
MSCOA	Municipal Standard Chart of Accounts
NERSA	National Electricity Regulator South Africa
NGO	non-governmental organisation
NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SDP	Skills Development Plan
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
SPLUMA	Spatial planning and Land Use Management Act
WSA	Water Services Authority
WSDP	Water Services Development Plan
WSP	Workplace Skills Plan

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. This includes plans, budgets, in-year 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 Municipal Finance Management Act. 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 to citizens within that particular area. If not provided it may endanger the 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	Includes 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	After consultation with MECs for local government, the Minister may prescribe general key performance indicators 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)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & 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 immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial 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 criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its 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	Detailed plan approved by the mayor for implementing the municipality's delivery of services;

Implementation Plan	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:	<p>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.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>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</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDIXES, VOLUMES AND ANNEXURES

APPENDIX A : COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance - Councillors as at 30 June 2024

COUNCILLOR	CAPACITY	Full Time / Part Time	Committees Allocated	POLITICAL PARTY	WARD NR / PR	GENDER	PERCENTAGE COUNCIL MEETINGS ATTENDED		
							AMOUNT OF TOTAL MEETINGS ATTENDED		TOTAL AMOUNT ATTENDED / PERCENTAGE
							SPECIAL = 9	GENERAL = 8	17
AE Steenkamp	Ordinary Councillor	PT	MPAC	DA	1	Male	8	8	94%
VT Opperman	Elected Speaker from 30 June 2023	PT		ANC	2	Male	8	8	94%
JJ van der Colff	Member of the Executive Committee	PT	Infrastructure	DA	3	Male	8	7	88%
SA Muller	Ordinary Councillor	PT	MPAC	ANC	4	Female	9	8	100%
CG Steenkamp	Ordinary Councillor	PT	Infrastructure	DA	5	Female	8	7	88%
EC Oliphant	Representative at District Municipality	PT	MPAC Infrastructure LLF	ANC	6	Female	8	7	88%
R VDM Geel	Ordinary Councillor	PT	LLF	FF +	PR	Male	8	7	88%
JE Davids	Whip – Member of the Executive Committee from 07 July 2023	PT	LLF Infrastructure	ANC	PR	Male	8	7	88%
MJ Chadow	Ordinary Councillor -- appointed Whip from 7 July 2023	FT		PA	PR	Female	7	7	82%
AS Mietas	Member of the Executive Committee - Elected as Mayor	FT	Finance Social & Economic	PA	PR	Male	8	7	88%
VC Wentzel	MPAC Chairperson	PT	MPAC Infrastructure	ANC	PR	Female	8	7	88%

Note: * Councillors appointed on a proportional basis do not have wards allocated to them

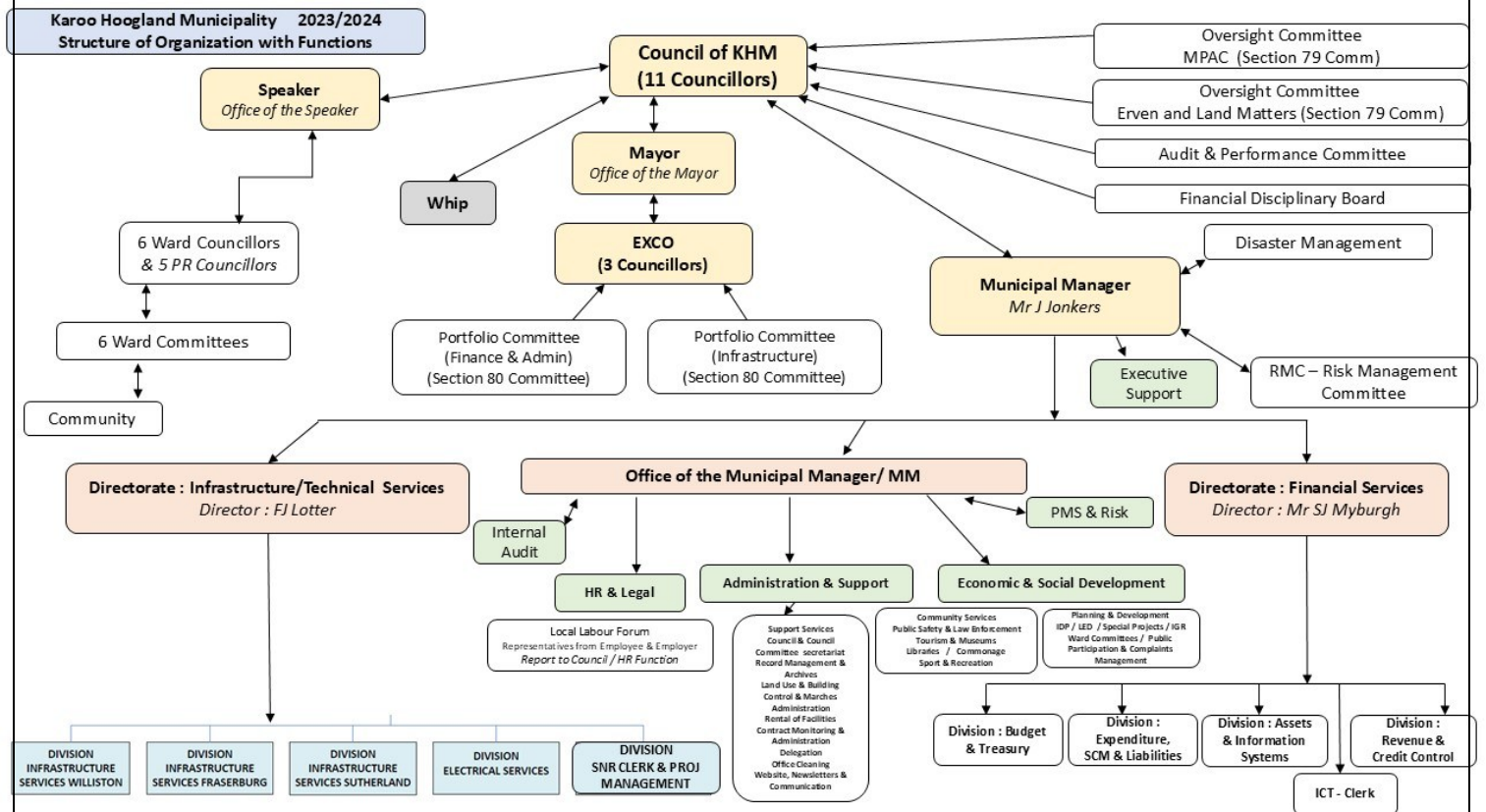
APPENDIX B: COMMITTEES & COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees

Municipal Committees	Purpose of Committee	ACTIVE COMMITTEE
FINANCE & ADMINISTRATION	Financial Administration Audit Reports Finance Reporting Appointments Remuneration Public relations Strategic Plans IDP & LED (Incl Tourisms & Marketing) Imbizo Public Participation	active
LOCAL LABOUR FORUM	Labour Relations not addressed in the MCA Only recommendation accepted / no decision making authority	active
Sub committee's Training, Employment Equity, Health & Safety	Training, Employment Equity, Health & Safety	Active - to become one
INFRASTRUCTURE	Infrastructure Service Delivery Electrical Services Parks & Streets Fleet Management Commonage Planning / SPLUMA	active
MPAC / Oversight	Oversight on Finance Committee – MPAC does oversight on Annual Report	active
AD HOC COMMITTEE	Write Off Committee Credit Control Committee	one sitting
LAND AUDIT COMMITTEE - AD HOC	Land demand requests	active
IDP & BUDGET STEERING COMMITTEE	IDP & Budget related	active
AUDIT COMMITTEE	Risk / Performance Audit / Internal Audit and Charters	active
Financial Disciplinary Board	Financial Misconduct investigations	active
ICT Steering Committee	Ito ICT Policy	active
Bid Committees	Ito SCM Policy & SCM Regulations - No Councillors may serve on this committee	active
RISK Management Committee	Risk Related	active

APPENDIX C : THIRD TIER ADMINISTRATIVE STRUCTURE & MACRO STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Municipal Manager	Filled since November 2023 : Mr J Jonkers
Office of the Municipal Manager	Middle Managers reporting directly to MM (Manager: Admin, Manager: HR, Manager: Economic & Social Development, PMS & Risk Officer, Internal Auditor)
Directorate : Finance	Filled since 1 June 2023 : Mr SJ Myburgh
Directorate : Infrastructure	Filled : Mr FJ Lotter



APPENDIX D : FUNCTIONS OF MUNICIPALITY

Municipal Functions/District		
Municipal Functions	Function Applicable To Municipality	District
Water Provision	✓	
Waste Water (Sanitation)	✓	
Electricity Provision	✓	
Waste Management	✓	
Housing	✓ (with funding from CoGHSTA)	
Free Basic Services	✓	
Road Transport	✓	
Waste Water Storm Water Drainage	✓	
Community Social Services	✓	
Museums	✓	
Cemeteries	✓	
Environmental Protection	✓	
Health	✓	
Health Inspections and Abattoir		✓
Security and Safety		✓
Sport and Recreation	✓	
Disaster Management		✓
Air pollution		✓
Building regulations		✓
Firefighting services	✓	

Municipal Functions/District		
Municipal Functions	Function Applicable To Municipality	District
Local tourism	✓	
Municipal planning	✓	
Trading regulations	✓	
Control of public nuisances	✓	
Fencing and fences	✓	
Licensing and control of undertaking that sell food to the public	✓	
Municipal Parks	✓	
Waste Water Storm Water Drainage	✓	

APPENDIX E : WARD REPORTING

Functionality of Ward Committees: 2023/2024

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	Cllr. AE Steenkamp	Yes	11	11	No quarterly meetings – Feedback given during IDP/Budget Public participation meetings and Council meets the People meetings
2	Cllr. VT Opperman	Yes	9	9	
3	Cllr. JJ v/d Colff	Yes	6	6	
4	Cllr. SA Muller	Yes	11	11	
5	Cllr. CG Steenkamp	Yes	12	12	
6	Cllr. EC Oliphant	Yes	8	8	

WARD COMMITTEE CHALLENGES REPORTED 2023/2024 PER WARD

Ward	Challenges Reported	Report to Speaker (Notes)
1	<ul style="list-style-type: none"> ➤ Informal housing/ shacks ➤ SMME's ➤ Commonage policy ➤ Plots ➤ Projects ➤ Public Toilet ➤ Fencing of Landfill site ➤ Jan Simpson Sport grounds and buildings (need to be utilized differently) 	<ul style="list-style-type: none"> ➤ Housing project in Williston (150) ➤ SMME forum should be established ➤ Policy was workshopped with farmers: May 2024 ➤ Applications for plots still in process with section 79 committee ➤ Toilets open for public ➤ Landfill site fencing was budgeted for ➤ Currently rented out (under contract) & sport ground maintenance to be budgeted for
2	<ul style="list-style-type: none"> ➤ Refuse removal problematic due to transport issues ➤ Sales point for electricity in Ammerville ➤ Fencing of graveyard ➤ Electricity problem in Uitsig and Valley area ➤ Pot holes of streets in town ➤ Gravel road upgrade in dust roads ➤ Fencing need to be done behind the Ammerville hall 	<ul style="list-style-type: none"> ➤ Await new vehicle fleet (Truck & Bakkie) ➤ New service provider will be appointed after July 2024 ➤ Still in process ➤ Will be addressed with the new Electricity upgrade project 2024/2025 ➤ Budget: Tar need to be ordered ➤ No Grader in Municipality currently ➤ Budget for fencing
3	<ul style="list-style-type: none"> ➤ Repair of Landfill site Williston ➤ Commonage ground: Appointment of Official ➤ Refuse Removal: Notice of time table /dates ➤ Repair of Fraserburg Museum Roof ➤ Trees in Fraserburg Sportsground need to be sawed/trimmed ➤ Radio signal very bad in KHM ➤ Dirt/gravel roads in towns need to be worked on ➤ Farmworkers assistance with registration for RDP houses 	<ul style="list-style-type: none"> ➤ - ➤ Organogram need to be revised - no post currently ➤ - ➤ Time table developed and advertised ➤ No Trained Chain saw Personnel member in Fraserburg ➤ Due to change to Digital from analogue ➤ - ➤ Newsletter and Community awareness drive for NHNR registration

4	<ul style="list-style-type: none"> ➤ Cleaning of Towns dams ➤ Street names ➤ Public Toilets need to be open for public ➤ Streetlights not working ➤ Roads ➤ Stray Dogs 	<ul style="list-style-type: none"> ➤ - ➤ - ➤ Toilets were vandalised ➤ Awaits Eskom ➤ No grader in Town ➤ Law Enforcement officer need to be appointed
5	<ul style="list-style-type: none"> ➤ Landfill Fencing ➤ Potholes in streets ➤ Marking of streets with white lines ➤ Commonage contracts ➤ Removal of refuse ➤ Stray dogs ➤ Upgrading of Museum 	<ul style="list-style-type: none"> ➤ Fencing was budgeted and will commence ➤ Potholes repaired ➤ Still needs to be done ➤ Feedback to be given on contracts ➤ Notice will be issued to community in 2024/2025 ➤ Newsletter(Quarter 2) is issued to community/ Law enforcement Officer appointed during 2024 ➤ Museum was upgraded during 2024
6	<ul style="list-style-type: none"> ➤ Garden waste all over ward ➤ Broken toilet doors and slabs ➤ Live Stock in residential areas ➤ Plots ➤ Roads & stormwater system ➤ Street lights (none) ➤ Community Members throwing urine and Human feaces in streets ➤ Illegal dumping sites all over Sterreland 	<ul style="list-style-type: none"> ➤ - ➤ - ➤ Law enforcement officer need to be appointed to address all contraventions of by-laws ➤ Section 79 committee address issue ➤ - ➤ Eskom need to repair lights ➤ Law Enforcement By-law needs to be enforced ➤ Law Enforcement By-law needs to be enforced

APPENDIX F : WARD INFORMATION

Capital Projects per ward					
Capital Projects: Largest in 2023/2024					
No.	WARD	Project Description	START DATE	END DATE	TOTAL PROJECT COST (contract value)
1	2	WSIG : SEWAGE RETICULATION FOR 165 STANDS IN FRASERBURG	October 2023	September 2024	R 16 272 966.90
2	1 & 5	Williston Upgrading of Sport Facilities Apply for roll-over 2023/2024	March 2023	June 2025	R 8,146,999.60

Basic Services Provision 2023/2024					
Detail	Water	Sanitation	Electricity*	Refuse	Housing
Formal households with minimum service delivery	2211	2211	2211	2211	
Households without minimum service delivery					
Total Households	2211	2211	2211	2211	
Houses completed in year					0
* Informal households supplied with electricity by Eskom and the amount of households given includes electricity from ESKOM and the municipality					

WATER SERVICE DELIVERY LEVELS		
Description	2022/2023	2023/2024
	Households	
Water : (above min level)		
Pipe water inside dwelling	2209	2211
Pipe water inside yard (but not in dwelling)		
Using public tap (within 200m from dwelling)		
Other water supply within 200m		
Minimum Service Level and Above sub-total	2209	2211
Minimum Service Level and Above percentage	100%	100%
Below minimum level of water supply		
No water supply		
Total number of households	2209	2211

SANITATION SERVICE DELIVERY LEVELS : HOUSEHOLDS			
Description	2021/2022	2022/2023	2023/2024
	Actual No	Actual No	Actual No
Sanitation / Sewerage (above minimum level)	2209	2209	2211
Flush toilet (connected to sewerage)	707	834	1021
Flush toilet with septic tank	798	798	798
Other Toilet Provisions (above minimum service level) (UDS)	704	577	392
No toilet provision (temporary ablution)			
Total households	2209	2209	2211

ELECTRICITY SERVICE DELIVERY LEVELS

Description	2021/2022	2022/2023	2023/2024
	Actual No	Actual No	Actual No
Energy (at least minimum service level) conventional meters			
Electricity – pre-paid (min service level)	2209	2209	2211
Minimum Service Level and Above sub-total			
Minimum Service Level and Above percentage	100%	100%	100%
Total number of households	2209	2209	2211

Solid Waste Service Delivery Levels – Nr of Households

Description	2021/2022	2022/2023	2023/2024
	Actual	Actual	Actual
	No	No	No
Solid Waste Removal: (Minimum level)			
Removed at least once a week	2209	2209	2211
Minimum Service Level and Above sub-total	2209	2209	2211
Minimum Service Level and Above percentage	100%	100%	100%
Solid Waste Removal: (Below minimum level)			
Removed less frequently than once a week			
Using communal refuse dump			
Using own refuse dump			
Other rubbish disposal			
No rubbish disposal			
Below Minimum Service Level sub-total			
Below Minimum Service Level percentage			
Total number of households	2209	2209	2211

APPENDIX G : RECOMMENDATIONS OF THE AUDIT COMMITTEE 2023/2024

AUDIT COMMITTEE **ANNUAL REPORT**

ANNUAL REPORT OF THE AUDIT COMMITTEE TO THE COUNCIL OF
KAROO HOOGLAND MUNICIPALITY FOR THE 2023/24 FINANCIAL
YEAR.

Karoo Hoogland

Municipality



Frank E van den Heever

ANNUAL REPORT OF THE AUDIT COMMITTEE TO THE COUNCIL OF KAROO HOOGLAND MUNICIPALITY FOR 2023/24

The Audit Committee was established under the powers of section 166 of the Municipal Finance Management Act. The Audit Committee consist of three members, with one vacancy, on a shared service basis.

The Audit Committee had the following meetings or engagements for 2023/24:

Audit Committee Member	Number of meetings/engagements attended	Meetings held	Nature of meeting/engagement
FE van den Heever	9	2023/08/23 2023/10/24 2023/10/31 2023/12/05 2024/01/25 2024/03/05 2024/04/24 2024/04/24 2024/06/27	AFS Review AC Quarterly Review Council Meeting Council Meeting Annual Report Review SM Performance Review FDB AC Quarterly Review AC Quarterly Review
F Rootman	8	2023/08/23 2023/09/14 2023/10/05 2023/10/19 2023/11/23 2023/10/24 2024/01/25 2024/04/24	AFS Review Audit Steering Audit Steering Audit Steering Audit Steering AC Quarterly Review Annual Report Review AC Quarterly Review
Ms J van Wyk	2	2024/04/24 2024/06/27	AC Quarterly Review AC Quarterly Review
Ms E van Wyk	1	2023/08/23	AFS Review

Ms Elzanne van Wyk was appointed as a member of the Audit Committee on June 1, 2022 and resigned effective September 1, 2023.

The term for Mr Rootman ended, effectively April 30, 2024.

Ms Jolene van Wyk was appointed as a member of the Committee, effective February 1, 2024.

The Audit Committee was able to have comply as far as possible with the responsibilities arising from its Charter, including legislated requirements.

AUDIT COMMITTEE RESPONSIBILITY:

In the execution of its responsibilities, the Audit Committee reports that it had attempted to perform its duties as per section 166 of the Municipal Finance Management Act 56 of 2003, section 79 of Municipal Structures Act 117 of 1998 and paragraph 14(2)(a) of the Local Government: Municipal Planning and Performance Management Regulations 2001 and the King IV Report on the Best Practices on Corporate Governance for South Africa.

INTERNAL CONTROL

The Municipality must finalise the appointment of the Risk Management Committee.

The absence of a number of senior employees, through suspension, could create challenges within the management of the municipality.

The Mayor, Speaker and Accounting Officer performed assessments of the Audit Committee on August 23, 2023.

PERFORMANCE MANAGEMENT

The Municipality must acquire a system for the administration of performance.

The implementation of the new HR Regulations, including the cascading of performance to all levels of the staff complement must be addressed.

RISK MANAGEMENT

The Municipality appoint the Risk Management Committee as a matter of urgency.

COMBINED ASSURANCE

The Municipality must submit the Combined Assurance Policy and Framework for approval to Council whereafter an Implementation Plan must be developed.

FRAUD PREVENTION

The Municipality must ensure that MPAC is active and continuously investigate all UIF&W matters.

INFORMATION TECHNOLOGY

The accountant responsible for ICT must be released from that role.

INTERNAL AUDIT

The Audit Committee performed an assessment of Internal Audit on August 23, 2023.

EVALUATION OF EXTERNAL AUDITOR

The Committee is satisfied with the independence of the External Auditors.

AUDITOR GENERAL

The Municipality received as outcome for the 2022/23 AFS Audit: Unqualified with Matters.

FINANCIALS

The Audit Committee performed an assessment of the Finance Section on August 23, 2023.

The Municipality is managing their financial matters.

GOING CONCERN

The Municipality is not facing any financial challenges and liquidity problems and is more than capable in meeting its obligations and continue as a going concern.

REPORTING

The Audit Committee continues to compile the quarterly and annual reports for submission to Council. The communication between Council and the Audit Committee has improved, however showed a decline during the second part of the year.

Matters to be Resolved

- Training and Development

The establishment of a District Internal Audit and Risk Forum, to allow sharing of ideas and capacity building, must be considered.

- The Municipality must ensure the establishment of the following structures:

- Risk Management Committee

- HR Regulations and Cascading of Performance

Management and Council must monitor the Implementation Plan for the HR Regulations 890 & 891 to ensure compliance as dictated by the legislation published as per Government Gazette 45181.

A Steering Committee and Task Team must be established.

- Combined Assurance

Council has adopted the Framework and Policy. The implementation Plan from the Namakwa District Municipality can now be used as a template for Karoo Hoogland.

- Performance Management

The Municipality must consult Treasury Circular 88 for regulations with regard to PMS.

The Municipality must obtain a system for the administration of PMS.

- Information Technology

The Municipality must appoint an ICT Official as the Accountant cannot fulfil this role, since segregation of duties and not being specialized in the ICT field is of concern.

Clarity must be provided with regard to the ICT and Disaster Recovery Plan, the ICT Steering Committee and the ICT Policies.

Matters Resolved

- Internal Audit resources

The resignation of Ms Smit as at the end of December 2022 presents a lot of challenges since it left Internal Audit without any resources. The Municipality needs to address this as a matter of urgency.

Mr Rooi was appointed as the Internal Auditor.

- Training and Development

The Municipality must encourage and support the development and training of Internal Audit personnel.

Standard forms for the declaration of interest and claims must be developed for the Namakwa District.

Policies on Internal Audit, Risk & Performance Management, IT and others must be aligned throughout Namakwa District.

The Municipality must consider the adoption of Treasury Regulations, such as 65 (Internal Audit & Audit Committee) and 121 (Consequence Management & Accountability), to ensure compliance.

The roles and responsibilities of the Performance Management Committee will in future be resting with the Audit Committee.

Functional and Administrative reporting roles

- Assuring that the different roles between the Audit Committee and Management are respected, personnel must ensure that they understand these roles.

- The Municipality must ensure the establishment of the following structures and appointment of personnel:

- Financial Disciplinary Board
- Performance Management Administrator
- Risk Management Administrator
- Internal Auditors, inclusive of Interns

Mr Rooi appointed as Internal Auditor; Mr Marlin Baxter as Risk and Performance Administrator and council approved the appointment of the Financial Disciplinary Board.

- Finance

The Municipality must make the Budget Development Process Plan for 2024-25 available to the audit Committee.

The 2023-24 Midyear Budget and Performance Report together with any adjustment Budget must be made available to the Audit Committee.

- Finance

The outstanding debt of SALGA must receive attention.

Council has approved an arrangement for a monthly repayment, which the Municipality is respecting.

The Municipality must complete the Audit Action Plan for the 2022-23 AFS Audit.

- Annual Financial Statements and Annual Report Preparation and Submission

The Municipality must ensure that they start the development of the Annual Financial Statements and Annual Reports early in order to ensure sufficient time for review and all the legislative processes.

The Annual Performance Report must be submitted to the Auditor General with the Annual Financial Statement on August 31, while the Annual Report must be submitted to Council for approval by January 31.

These documents must be reviewed by the Audit Committee and MPAC before submission.

The Municipality must develop an Audit Action Plan for the 2021/22 Audit Outcome and address the findings.

MPAC must start the review and investigations on UIF&W.

- Internal Audit and Council Secretariate must ensure more regular engagements between Council and the Audit Committee.

- Annual Report

The review of the 2022-23 Annual Report must be scheduled for the Audit Committee.

14 Matters to be Resolved 8 Resolved 6 Outstanding

APPRECIATION

The Audit Committee wishes to express its gratitude and appreciation to the Municipal Management for allowing the involvement of the Committee in the verification of the Municipality's processes this past year.



Frank E van den Heever
AUDIT COMMITTEE CHAIRPERSON

2024/08/07

APPENDIX H : LONG TERM CONTRACTS & PPP

None

APPENDIX I : SERVICE PROVIDER PERFORMANCE SCHEDULE

LARGEST PROJECTS 2023/2024

WSIG : SEWAGE RETICULATION FOR 165 STANDS IN FRASERBURG	KHM T002/05/2023	R 16 272 966.90	Works Completed	APPROVED AND CONTRACTED, COMPLETED	JVZ Construction	100%
Williston Upgrading of Sport Facilities	KHM T 001/11/2022	R 8,146,999.60	Applied for Roll- over To be completed June 2025	APPROVED AND CONTRACTED	Geez fix	78%

APPENDIX J : DISCLOSURE OF FINANCIAL INTERESTS: COUNCIL, MM & DIRECTORS

As at 30 June 2024

Disclosures of Financial Interests

Position	Name	Description of Financial interests* (Nil / Or details)
Mayor	Anthony Selestian Mietas	Wife have a business – Guest house Own a house erf 222 in Sutherland Own a house erf 838 in Sutherland
Ordinary Councilor	Maria Johanna Chadow	Nil
Speaker	Vincent Trevor Opperman	Nil
EXCO Member	Johan Johannes v/d Colff	Own a private business Own public shares Shareholder in a private trust Receive additional income Wife own private property in Williston
EXCO Member	Jeremy Elias Davids	Nil
Councillors	Eden Carla Oliphant	Nil
	Riaan Van Der Merwe Geel	Rialtan Family Trust Owner of a take away Guesthouse Own private property Receive income from above mentioned businesses
	Sandra Annamarie Muller	Nil
	Antonico Edgar Steenkamp	Nil
	Cornelia Gertruida Steenkamp	Own private business Shareholder in a private trust Pension income Operate Guesthouse
	Veruschka Charlene Wentzel	Nil
Municipal Manager	J Jonkers	Nil
Chief Financial Officer	SJ Myburgh	Own a House in Bloemfontein
Head Infrastructure	FJ Lotter	Nil
Other S57 Officials	N/A	

* Financial interests to be disclosed even if they incurred for only parts of the year. See MBRR SA34A

APPENDIX K : REVENUE COLLECTION – PERFORMANCE BY VOTE & BY SOURCE

APPENDIX K (i) REVENUE COLLECTION – PERFORMANCE BY VOTE

NC066 Karoo Hoogland - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		30,637	3,351	3,617	11	3,393	3,617	(224)	-6.2%	3,617
Vote 2 - Directorate Corporate Services		1,367	1,267	1,273	94	1,269	1,273	(4)	-0.3%	1,273
Vote 3 - Directorate Financial Services		12,528	19,527	20,953	1,037	18,453	20,953	(2,500)	11.9%	20,953
Vote 4 - Directorate Infrastructure Services		51,213	81,060	73,444	3,293	71,924	73,444	(1,520)	-2.1%	73,444
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	95,745	105,206	99,287	4,435	95,039	99,287	(4,248)	-4.3%	99,287
Expenditure by Vote	1									
Vote 1 - Executive and Council		11,910	14,923	17,267	1,604	14,653	17,267	(2,614)	15.1%	17,267
Vote 2 - Directorate Corporate Services		1,247	1,325	1,318	103	1,356	1,318	37	2.8%	1,318
Vote 3 - Directorate Financial Services		46,535	23,034	19,195	8,850	26,013	19,195	6,818	35.5%	19,195
Vote 4 - Directorate Infrastructure Services		30,094	47,553	48,480	24,047	52,003	48,480	3,523	7.3%	48,480
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	14	–	–	1	–	1	#DIV/0!	–
Total Expenditure by Vote	2	89,786	86,849	86,260	34,605	94,025	86,260	7,765	9.0%	86,260
Surplus/ (Deficit) for the year	2	5,959	18,357	13,027	(30,170)	1,014	13,027	(12,013)	92.2%	13,027

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure

2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

APPENDIX K (ii) REVENUE COLLECTION – PERFORMANCE BY SOURCE

NC066 Karoo Hoogland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

[illegible]

Total Revenue (excluding capital transfers and contributions)		72,662	83,473	78,138	4,435	76,616	78,138	(1,522)	-2%	78,138
Expenditure By Type	-									
Employee related costs		25,326	29,574	30,274	2,199	27,490	30,274	(2,784)	-9%	30,274
Remuneration of councillors		4,783	4,781	5,100	418	5,074	5,100	(27)	-1%	5,100
Bulk purchases - electricity		10,253	13,600	12,200	2,107	12,186	12,200	(14)		12,200
Inventory consumed		2,409	1,666	2,778	4,083	5,736	2,778	2,958		2,778
Debt impairment		(9,803)	-	4,187	8,161	8,161	4,187	3,974	95%	4,187
Depreciation and amortisation		11,599	10,400	10,400	10,227	10,227	10,400	(173)	-2%	10,400
Interest		4,218	130	95	4,462	4,337	95	4,242	4465%	95
Contracted services		5,982	9,184	9,680	(136)	7,326	9,680	(2,354)	-24%	9,680
Transfers and subsidies		2,553	86	86	2,203	2,203	86	2,116	2447%	86
Irrecoverable debts written off		21,461	5,400	800	4	952	800	152		800
Operational costs		8,868	12,029	10,659	723	10,181	10,659	(479)	-4%	10,659
Losses on Disposal of Assets		-	0	-	-	-	-	-		-
Other Losses		2,140	0	0	153	153	0	153		0
Total Expenditure		89,786	86,849	86,260	34,605	94,025	86,260	7,765	9%	86,260
Surplus/(Deficit)		(17,124)	(3,376)	(8,122)	(30,170)	(17,409)	(8,122)	(9,287)	0	(8,122)
Transfers and subsidies - capital (monetary allocations)		22,357	21,733	21,149	-	18,423	21,149	(2,726)	(0)	21,149
Transfers and subsidies - capital (in-kind)		726	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		5,959	18,357	13,027	(30,170)	1,014	13,027			13,027
Income Tax		-	-	-	-	-	-			-
Surplus/(Deficit) after income tax		5,959	18,357	13,027	(30,170)	1,014	13,027			13,027
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-			-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		5,959	18,357	13,027	(30,170)	1,014	13,027			13,027
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-			-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		5,959	18,357	13,027	(30,170)	1,014	13,027			13,027

References

1. Material variances to be explained on Table SC1

Total Revenue (excluding capital transfers and contributions)
including capital transfers/contributions etc

95,745

105,206

99,287

4,435

95,039

99,287

99,287

APPENDIX L : CONDITIONAL GRANTS RECEIVED : EXCLUDING MIG

Karoo Hoogland Local Municipality

Annual Financial Statements for the year ended June 30, 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
25. Government grants & subsidies		
Operating grants		
Equitable share	32,820,000	30,429,000
Local Government Financial Management Grant	2,650,000	2,650,000
Expanded Public Works Program	796,000	1,073,000
Library Development Grant	1,252,000	1,352,762
	37,518,000	35,504,762
Capital grants		
Municipal Infrastructure Grant	5,925,178	11,356,746
Water Services Infrastructure Grant	12,498,000	11,000,000
	18,423,178	22,356,746
	55,941,178	57,861,508
Conditional and Unconditional		
Included in above are the following grants and subsidies received:		
Conditional grants received	23,121,178	57,861,508
Unconditional grants received	32,820,000	30,429,000
	55,941,178	88,290,508

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

APPENDIX M (i): CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME

NC066 Karoo Hoogland - Supporting Table SA34a
Capital expenditure on new assets by asset class

Description R thousand	Ref 1	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure on new assets by Asset Class/Sub-class										
-										
Infrastructure		-	2,733	7,753	1,963	15,054	15,054	11,464	10,723	10,897
Roads Infrastructure		-	-	-	1,963	1,963	1,963	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	1,963	1,963	1,963	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	2,768	1,881	1,699
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	2,768	1,881	1,699
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	7,400	-	-	-	45	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	45	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	7,400	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	0	12,391	12,391	8,651	8,842	9,198

<i>Pump Station</i>	-	-	-	-	-	-	-	-
<i>Reticulation</i>	-	-	-	-	-	-	-	-
<i>Waste Water Treatment Works</i>	-	-	-	-	-	-	-	-
<i>Outfall Sewers</i>	-	-	-	-	-	-	-	-
<i>Toilet Facilities</i>	-	-	-	0	12,391	12,391	8,651	8,842
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	2,733	353	0	700	700	-	-
<i>Landfill Sites</i>	-	2,733	353	0	700	700	-	-
<i>Waste Transfer Stations</i>	-	-	-	-	-	-	-	-
<i>Waste Processing Facilities</i>	-	-	-	-	-	-	-	-
<i>Waste Drop-off Points</i>	-	-	-	-	-	-	-	-
<i>Waste Separation Facilities</i>	-	-	-	-	-	-	-	-
<i>Electricity Generation Facilities</i>	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-
<i>Rail Lines</i>	-	-	-	-	-	-	-	-
<i>Rail Structures</i>	-	-	-	-	-	-	-	-
<i>Rail Furniture</i>	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>	-	-	-	-	-	-	-	-
<i>Storm water Conveyance</i>	-	-	-	-	-	-	-	-
<i>Attenuation</i>	-	-	-	-	-	-	-	-
<i>MV Substations</i>	-	-	-	-	-	-	-	-
<i>LV Networks</i>	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>	-	-	-	-	-	-	-	-
<i>Piers</i>	-	-	-	-	-	-	-	-
<i>Revetments</i>	-	-	-	-	-	-	-	-
<i>Promenades</i>	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-
<i>Data Centres</i>	-	-	-	-	-	-	-	-
<i>Core Layers</i>	-	-	-	-	-	-	-	-
<i>Distribution Layers</i>	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-
<i>Halls</i>	-	-	-	-	-	-	-	-

Centres	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-

<i>Unimproved Property</i>	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>	-	-	-	-	-	-	-	-
<i>Pay/Enquiry Points</i>	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>	-	-	-	-	-	-	-	-
<i>Workshops</i>	-	-	-	-	-	-	-	-
<i>Yards</i>	-	-	-	-	-	-	-	-
<i>Stores</i>	-	-	-	-	-	-	-	-
<i>Laboratories</i>	-	-	-	-	-	-	-	-
<i>Training Centres</i>	-	-	-	-	-	-	-	-
<i>Manufacturing Plant</i>	-	-	-	-	-	-	-	-
<i>Depots</i>	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-
<i>Staff Housing</i>	-	-	-	-	-	-	-	-
<i>Social Housing</i>	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-
<i>Water Rights</i>	-	-	-	-	-	-	-	-
<i>Effluent Licenses</i>	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>	-	-	-	-	-	-	-	-
<i>Load Settlement Software Applications</i>	-	-	-	-	-	-	-	-
<i>Unspecified</i>	-	-	-	-	-	-	-	-
Computer Equipment	-	-	(9)	0	-	-	60	-
Computer Equipment	-	-	(9)	0	-	-	60	-
Furniture and Office Equipment	-	(21)	349	-	-	-	10	10
Furniture and Office Equipment	-	(21)	349	-	-	-	10	10
Machinery and Equipment	-	-	-	600	1,250	1,250	-	-
Machinery and Equipment	-	-	-	600	1,250	1,250	-	-

<u>Transport Assets</u>		-	-	-	-	700	700	250	-	-
Transport Assets		-	-	-	-	700	700	250	-	-
<u>Land</u>		-	-	(1,096)	-	-	-	-	-	-
Land		-	-	(1,096)	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<u>Living resources</u>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	-	2,713	6,997	2,563	17,004	17,004	11,784	10,733	10,912

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenditure in Budgeted Capital Expenditure

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE & RENEWAL PROGRAMME

Halls	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-

<i>Improved Property</i>	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>	-	-	-	-	-	-	-	-
<u>Other assets</u>	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>	-	-	-	-	-	-	-	-
<i>Pay/Enquiry Points</i>	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>	-	-	-	-	-	-	-	-
<i>Workshops</i>	-	-	-	-	-	-	-	-
<i>Yards</i>	-	-	-	-	-	-	-	-
<i>Stores</i>	-	-	-	-	-	-	-	-
<i>Laboratories</i>	-	-	-	-	-	-	-	-
<i>Training Centres</i>	-	-	-	-	-	-	-	-
<i>Manufacturing Plant</i>	-	-	-	-	-	-	-	-
<i>Depots</i>	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-
<i>Staff Housing</i>	-	-	-	-	-	-	-	-
<i>Social Housing</i>	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-
<u>Biological or Cultivated Assets</u>	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-
<i>Water Rights</i>	-	-	-	-	-	-	-	-
<i>Effluent Licenses</i>	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>	-	-	-	-	-	-	-	-
<i>Load Settlement Software Applications</i>	-	-	-	-	-	-	-	-
<i>Unspecified</i>	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>	-	-	(12)	-	-	-	60	-
Computer Equipment	-	-	(12)	-	-	-	60	-
<u>Furniture and Office Equipment</u>	-	-	(5)	-	-	-	-	-
Furniture and Office Equipment	-	-	(5)	-	-	-	-	-
<u>Machinery and Equipment</u>	-	-	-	-	-	-	-	-

Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	-	-	8,482	6,770	-	-	60	-	-
Renewal of Existing Assets as % of total capex		0.0%	0.0%	54.8%	30.3%	0.0%	0.0%	0.2%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	73.2%	65.1%	0.0%	0.0%	4.3%	0.0%	0.0%

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenditure in Budgeted Capital Expenditure

APPENDIX N: CAPITAL PROGRAMMES BY PROJECT 2023/2024

NC066 Karoo Hoogland - Supporting Table SA36 Detailed capital budget

R thousand														2023/24 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IU DF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2023/22	Current Year 2023/23 Full Year	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality: <i>List all capital projects grouped by Function</i>																
Community Halls and Facilities	Furniture_Equipment And Computers	PC00200300900 0000000000000000 000000000000_00408	New	Responsive, accountable, effective and efficient local government		Budgeting	Machinery and Equipment	Machinery and Equipment	Whole of the Municipality	0	0	-	-	600	-	-
Electricity	Electricity_INEP_Grant_Capital	PC001002001000000 000000000000000000 0000_00950	New	Responsive, accountable, effective and efficient local government		To effectively monitor and manage property	Infrastructure	Electrical Infrastructure	Whole of the Municipality	0	0	-	-	-	8,914	9,102
Finance	Finance_Laptops_Own Funding	PC002003004000000 000000000000000000 00000_00488	New	Responsive, accountable, effective and efficient local government		Budgeting	Computer Equipment	Computer Equipment	Whole of the Municipality	0	0	-	-	0	0	0
Public Toilets	Properties_Fraserburg Public Toilets_Own_Capital	PC001002005000000 000000000000000000 00000_00487	New	Responsive, accountable, effective and efficient local government		To effectively monitor and manage property	Infrastructure	Sanitation Infrastructure	Whole of the Municipality	0	0	-	-	0	0	0
Roads	Road and Streets MIG Expenses: Paving Williston	PC001002006000000 000000000000000000 00000_00270	New	Responsive, accountable, effective and efficient local government		Improve road infrastructure	Infrastructure	Roads Infrastructure	Whole of the Municipality	0	0	-	-	1,963	6,462	6,686
Solid Waste Disposal (Landfill Sites)	Fenching Grant Landfill Site_EPWP	PC001002002000000 000000000000000000 00000_00937	New	Protect and enhance our environmental assets and natural resources		Settlements must be located in climate safe locations, reducing climate related risk and vulnerability	Infrastructure	Solid Waste Infrastructure	Whole of the Municipality	0	0	-	-	0	0	0

NC066 Karoo Hoogland - Supporting Table SA36 Detailed capital budget

2023/24 Medium Term Revenue & Expenditure Framework																	
R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IU DF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2021/22	Current Year 2022/23 Full Year	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	Water Distribution	Water Service Infrastructure Grant	PC001001002004000 000000000000000000 0000_13499	Upgrading	Responsive, accountable, effective and efficient local government		Budgeting	Infrastructure	Water Supply Infrastructure	Whole of the Municipality	0	0	-	-	13,000	-	-
	Water Distribution	Water MIG Expenses: Internal Water	PC001001001004000 000000000000000000 0000_00313	New	Responsive, accountable, effective and efficient local government		Provide quality of living human settlements with adequate infrastructure	Infrastructure	Water Supply Infrastructure	Whole of the Municipality	0	0	-	8,562	6,770	2,998	3,118
Parent Capital expenditure													-	8,562	22,333	18,374	18,906
Entities: List all capital projects grouped by Entity																	
Entity A Water project A																	
Entity B Electricity project B																	
Entity Capital expenditure													-	-	-	-	-
Total Capital expenditure													-	8,562	22,333	18,374	18,906

References

Must reconcile with Budgeted Capital Expenditure

Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by Function

Asset class as per table A9 and asset sub-class as per table SA34

GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.

Distinguish projects approved in terms of MFMA section 19(1)(b) and MPRR Regulation 13

Project Number consists of MSCOA Project Longcode and seq No (sample PC001002006002_00002)

check	-	(8,562)	(22,333)	(18,374)	(18,906)
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APPENDIX O: CAPITAL PROGRAMMES BY PROJECT BY WARD 2023/2024

WARD	PROJECT NAME AND DETAIL	TOTAL VALUE	START DATE	END DATE	CONTRACTOR APPOINTED	PROGRESS AS AT 30 JUNE 2024
2 FRASERBURG	WSIG : SEWAGE RETICULATION FOR 165 STANDS IN FRASERBURG	R 16 272 966.90	OCTOBER 2023	JULY 2024	JVZ Construction	100%
1 & 5 WILLISTON	Williston Upgrading of Sport Facilities	R 8,146,999.60	MARCH 2023	NOVEMBER 2024	Geez fix	78%

APPENDIX P: SERVICE CONNECTION BACKLOGS BY SCHOOLS AND CLINICS

None

APPENDIX Q: SERVICE CONNECTION BACKLOGS EXPERIENCED BY COMMUNITY

None

APPENDIX R: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

None

APPENDIX S: DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER THE MFMA S71

July 2023 - Report submitted late

Status of Schedule of Submissions														
Demarcation Description	Demarc Code	CAP	Financial Year	Submission Code		First Possible Upload Date	Due Date		Status of Schedule	Date of Submission	Version of Submission	SCOA Version	Borr/Invest Nil Return	Closed/Open
Location Level Selected: Municipality: NC066														
Karoo Hoogland	NC066	M	2024	M01	In-Year Monthly 01	01-08-23	15-08-23		Outstanding	27-08-23		6.7		C
Karoo Hoogland	NC066	M	2024	M02	In-Year Monthly 02	01-09-23	14-09-23		Submitted/S successful	12-09-23	01	6.7		C
Karoo Hoogland	NC066	M	2024	M03	In-Year Monthly 03	01-10-23	14-10-23		Submitted/S successful	10-10-23	01	6.7		C
Karoo Hoogland	NC066	M	2024	M04	In-Year Monthly 04	01-11-23	14-11-23		Submitted/ Successful	14-11-23	02	6.7		C
Karoo Hoogland	NC066	M	2024	M05	In-Year Monthly 05	01-12-23	14-12-23		Submitted/S successful	08-12-23	02	6.7		C
Karoo Hoogland	NC066	M	2024	M06	In-Year Monthly 06	01-01-24	15-01-24		Submitted/ Successful	12-01-24	01	6.7		C
Karoo Hoogland	NC066	M	2024	M07	In-Year Monthly 07	01-02-24	16-02-24		Submitted/S successful	08-02-24	01	6.7		C
Karoo Hoogland	NC066	M	2024	M08	In-Year Monthly 08	29-02-24	14-03-24		Submitted/ Successful	13-03-24	01	6.7		C
Karoo Hoogland	NC066	M	2024	M09	In-Year Monthly 09	01-04-24	15-04-24		Submitted/ Successful	12-04-24	01	6.7		C
Karoo Hoogland	NC066	M	2024	M10	In-Year Monthly 10	01-05-24	14-05-24		Submitted/S successful	14-05-24	01	6.7		C
Karoo Hoogland	NC066	M	2024	M11	In-Year Monthly 11	01-06-24	14-06-24		Submitted/ Successful	14-06-24	01	6.7		C
Karoo Hoogland	NC066	M	2024	M12	In-Year Monthly 12	01-07-24	14-07-24		Submitted/ Successful	12-07-24	01	6.7		C

APPENDIX T: NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

None

VOLUME I: AUDITED AFS FOR 2023/2024

(only Soft copy available at Offices)
(separately submitted to the AG)

VOLUME II: FINAL MANAGEMENT REPORT & REPORT OF THE AUDITOR GENERAL 2023/2024

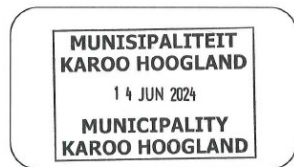
(only soft copy available at Offices)

(separately submitted to AG and report of the AG added in at Chapter 6)

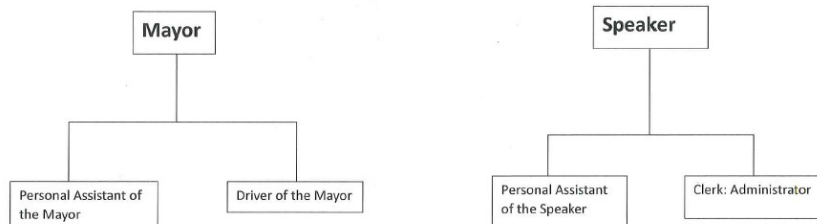
VOLUME III: AUDIT ACTION PLAN OF 2022/2023 ADDRESSED DURING 2023/2024

(only soft copy available at Offices)
(separately submitted to AG as well as added in Chapter 6)

VOLUME IV: APPROVED ORGANOGRAM AS AT 30 JUNE 2024



Office of the Mayor & Speaker



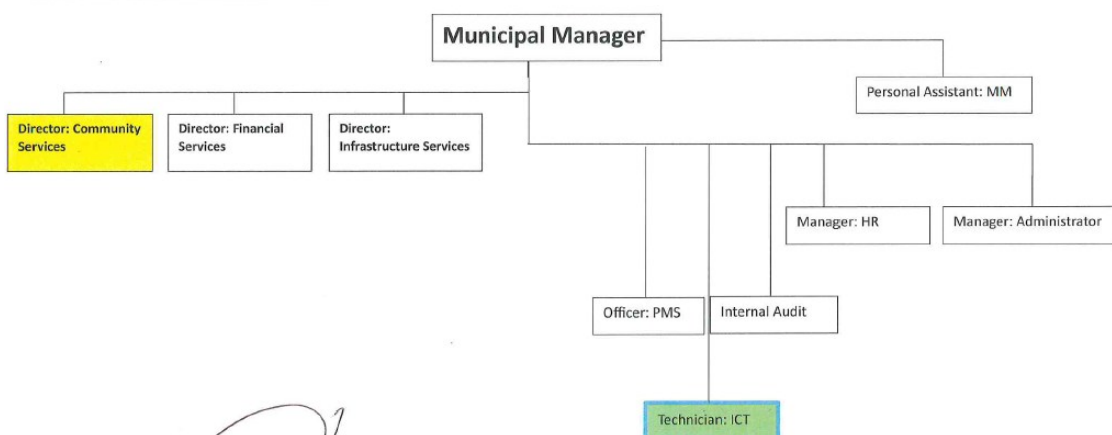
Municipal Manager:

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Date approved by Council: 14 June 2024



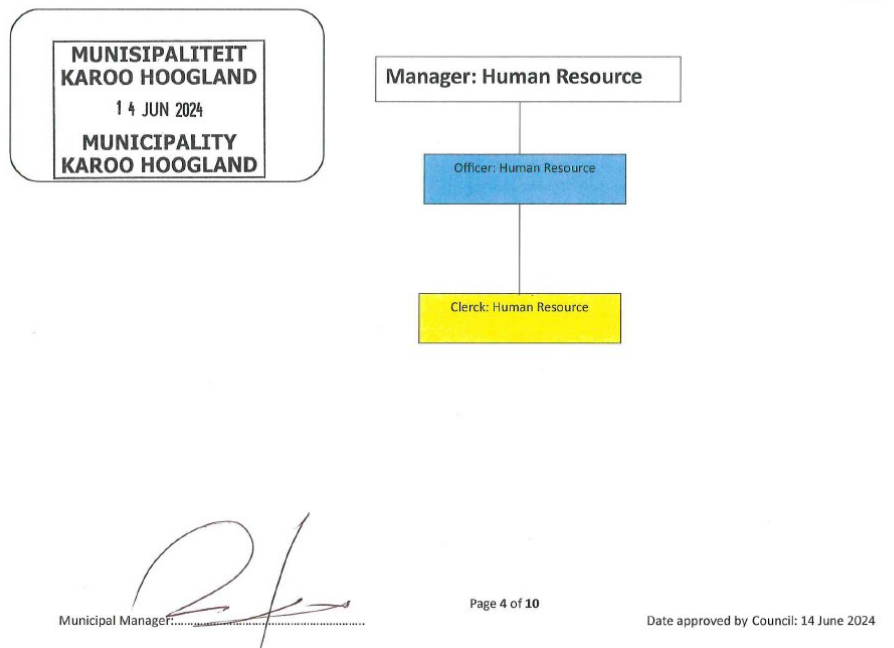
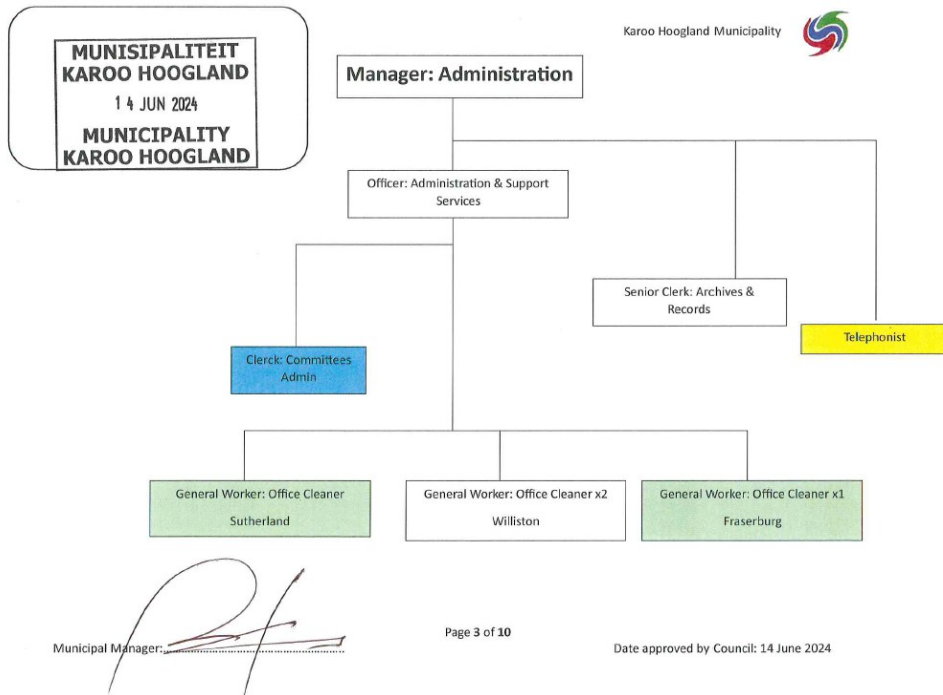
Office of the Municipal Manager

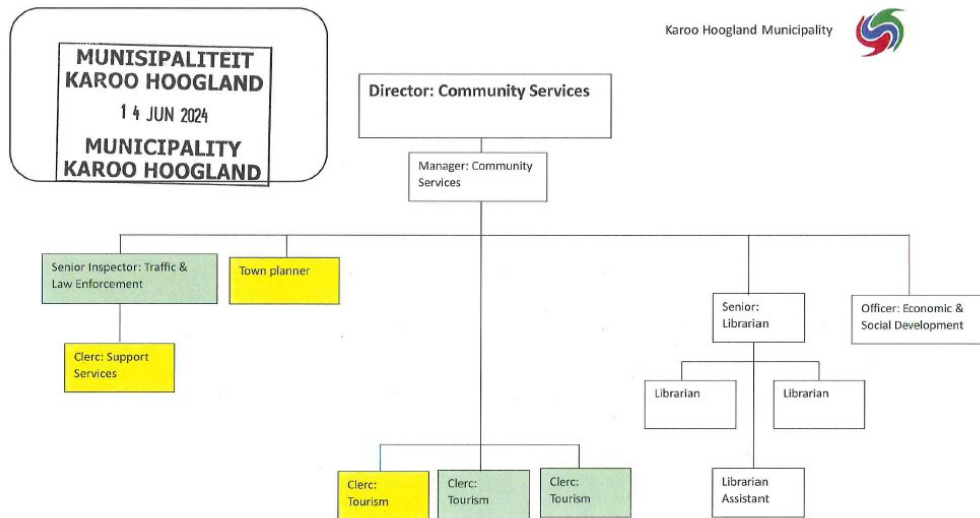


Municipal Manager:

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Date approved by Council: 14 June 2024

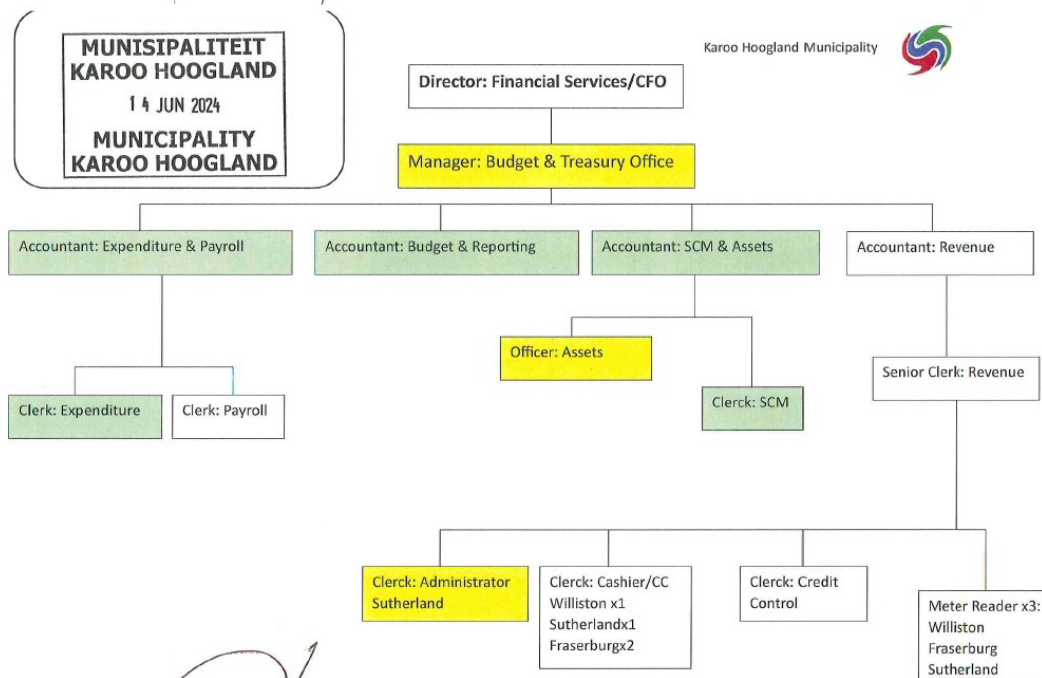




Municipal Manager: 

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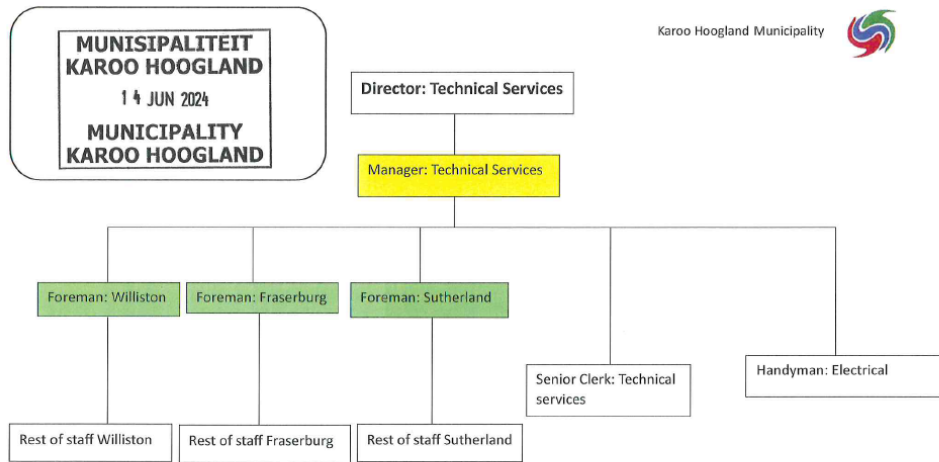
Date approved by Council: 14 June 2024



Municipal Manager: 

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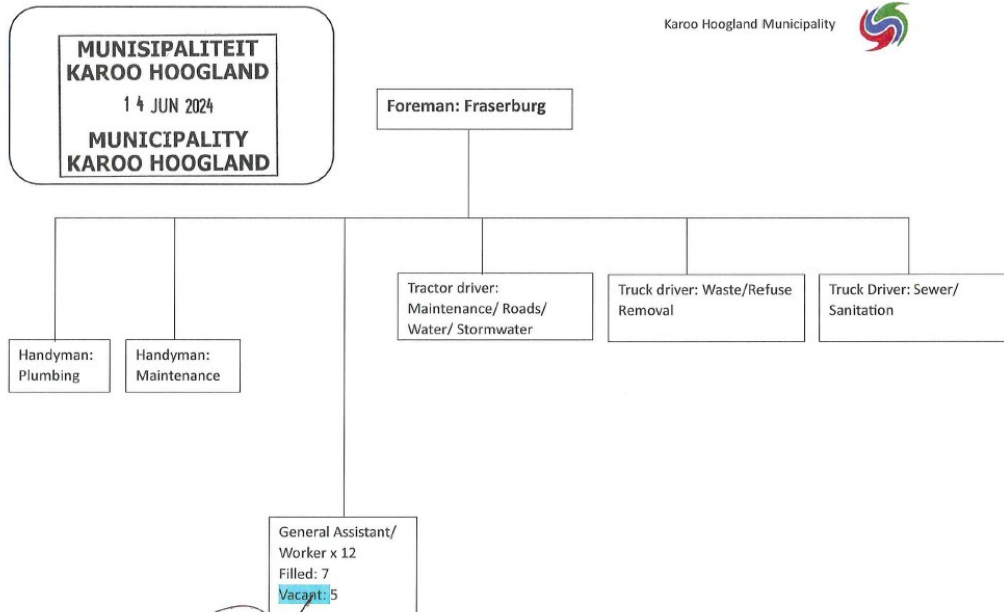
Date approved by Council: 14 June 2024



Municipal Manager: 

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Date approved by Council: 14 June 2024



Municipal Manager: 

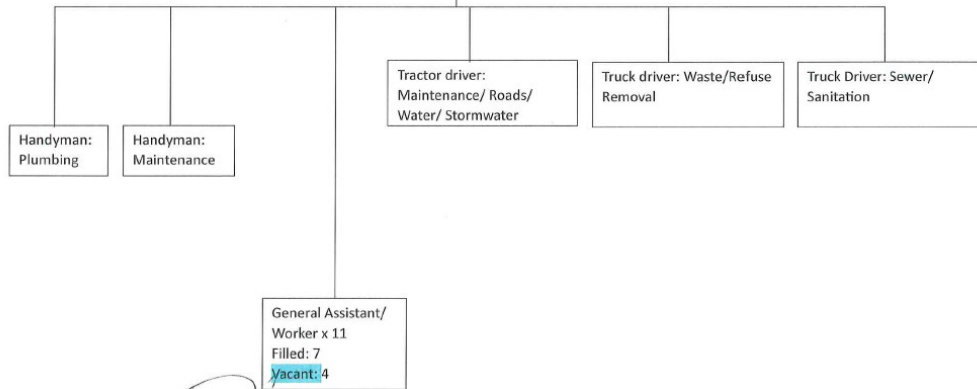
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Date approved by Council: 14 June 2024



Karoo Hoogland Municipality 

Foreman: Williston



Municipal Manager: 

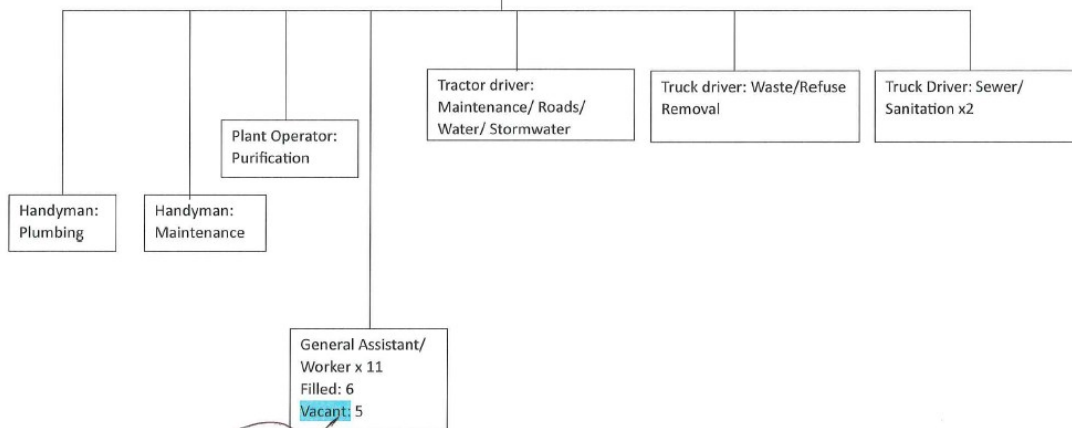
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Date approved by Council: 14 June 2024



Karoo Hoogland Municipality 

Foreman: Sutherland



Municipal Manager: 

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Date approved by Council: 14 June 2024

References

1. Positions must be funded and aligned to the municipality's current organizational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions
9. Correct as at 30 June
10. Must account for all budgeted positions, as per the municipal organogram

VOLUME VI: SCHEDULE OF KEY DEADLINES FOR 2024/2025 BUDGET & IDP PROCESS APPROVED AUGUST 2023

**Schedule for 2023/2024
(only soft copy available at Offices)
(separately submitted to AG)**

VOLUME VII: MINIMUM COMPETENCY LEVEL REPORT AS AT 30 JUNE 2024

MFMA: MUNICIPAL REGULATIONS ON MINIMUM COMPETENCY LEVELS

SIX MONTHLY IMPLEMENTATION REPORT: SCHEDULE

Every municipality must submit this schedule to National Treasury disclosing for the 6 months ending 31 December and 30 June:

1. the total number of financial and supply chain management officials employed by the municipality and each of its municipal entities, and of those officials:
2. how many have undertaken a competency assessment, and
3. how many have complying performance agreements, including the attainment of competencies as a performance target.
4. Should you wish to provide additional information please include comments in the box below or forward a separate letter to the National Treasury MFMA Implementation Unit, Private Bag X115, Pretoria, 0001.

The schedule must be submitted no later than one month after the 6 month period end (i.e.30 January and 30 July). No extension of time will be given. This information must also be reflected in the municipality's Annual Report as at the end of the financial year to which the report relates. A municipal entity must submit its information to the parent municipality no later than 20 January and 20 July and also reflect this in its own Annual Report.

To save the file press the following keys at the same time with Caps Lock off: Ctrl-Shift-S. Save file as: Muncde_COM_ccyy_Sn.xls (e.g. GT411_COM_2008_S1.xls)

The electronic return must be emailed to lgdatabase@treasury.gov.za.

DECLARATION: The Municipal Manager/ Chief Executive Officer certifies this to be a true and accurate record of the implementation of the MFMA Municipal regulations on Competency Levels for officials in the municipality and/ or municipal entity for the six month period.						
Municipal Manager/ CFO name:	J Jonkers (MM)		Email:	munman@karoohoogland.gov.za		
Telephone:	053 285 0998		Date (ccyy/mm/dd):	6/30/2024		
Mun Code:	NC066		Municipality Name:	Karoo Hoogland		
Financial Year:	2023/2024		Six Month Period:	S2 Jan - June		
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	1		1	1	1	1
Chief financial officer	1		1	1	1	1
Senior managers	1		1	1	1	1
Any other financial officials	3		3	3	0	3
Supply Chain Management Officials						
Heads of supply chain management units	1	0	1	1	0	1
Supply chain management senior managers	0	0	0	0	0	
TOTAL	7	0	7	7	3	7
Comments	None					

VOLUME VIII: TOP LAYER SDBIP 2023/2024

(only soft copy available at Offices)
(separately submitted to AG)

ANNEXURE A : ANNUAL REPORT CHECKLIST FOR INFORMATION CONTAINED

MEASURING COMPLIANCE FOR THE 2023/2024 ANNUAL REPORT

INFORMATION REQUIRED TO BE INCLUDED IN ANNUAL REPORTS

FINANCIAL MATTERS				
SECTION OF MFMA	DESCRIPTION IN MFMA		ANNUAL REPORT COMPLIANCE REFERENCE	RESPONSES/COMMENTS
121 (3) (a)	The annual financial statements of the municipality as submitted to the Auditor-General	Y	Audited AFS attached to Annual Report	
121 (3) (b)	The Auditor-General's audit report in terms of section 126(3) on those financial statements	Y	Attached to Annual Report and inserted in Chapter 6	Attached - received on 29 Nov 2024
121 (3) (c)	The annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act	Y	Attached to Annual Report	Annual Performance Report was drafted for 2023/2024 as the performance management procedures and systems are in process Submitted to AG on 30 Aug 2024
121 (3) (d)	The Auditor-General's audit report in terms of section 45(b) of the Municipal Systems Act	Y	Attached to Annual Report	
121 (3) (e)	An assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges	Y	N/A	No arrears
121 (3) (f)	An assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year	Y	Volume I to the Annual Report (contained in the Statement of Comparison of Budget to Actual Amounts)	

121 (3) (g)	Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d)	Y	Attached as part of the Audit Action Plan to address the findings	Attached as Vol III
121 (3) (h)	Any explanations that may be necessary to clarify issues in connection with the financial statements; Not applicable	Y	N/A	
121 (3) (i)	Any information as determined by the municipality	Y	Contained throughout the Annual Report	
121 (3) (j)	Any recommendations of the municipality's audit committee	Y	2023/2024 AC annual report extract and added	
121 (3) (k)	Any other information as may be prescribed	Y	N/A	
123 (1) (a) (i)	Any allocations received by the municipality from an organ of state in the national or provincial sphere of government;	Y	None	If any see notes to AFS
123 (1) (a) (ii)	Any allocations received by municipality from a municipal entity or another municipality	Y	None	If any see notes to AFS
123 (1) (b) (i)	Any allocations made by the municipality to a municipal entity or another municipality;	Y	None	If any see notes to AFS
123 (1) (b) (ii)	Any allocations made by the municipality to any other organ of state;	Y	None	If any see notes to AFS
123 (1) (c)	How any allocations referred to in paragraph (a) were spent, per vote, excluding allocations received by the municipality as its portion of the equitable share or where prescribed otherwise because of the nature of the allocation; Note 18 to the Annual Financial Statements	Y	See AFS	If any see notes to AFS
123 (1) (d) (i)	Whether the municipality has complied with the conditions of any allocations made to the municipality in terms of section 214(1)(c) of the Constitution; Note 18 to the Annual Financial Statements	Y	None	If any see notes to AFS
123 (1) (d) (ii)	Whether the municipality has complied with the conditions of any allocations made to the municipality other than by national organs of state; Note 18 to the Annual Financial Statements	Y	See AFS	See AFS
123 (1) (e)	The reasons for any non-compliance with conditions referred to in paragraph (d)	Y	None	

123 (1) (f)	Whether funds destined for the municipality in terms of the annual Division of Revenue Act were delayed or withheld, and the reasons advanced to the municipality for such delay or withholding. Note 18 to the Annual Financial Statements	Y	None	
124 (1) (a)	The salaries, allowances and benefits of political office-bearers and councillors of the municipality, whether financial or in kind, including a statement by the accounting officer whether or not those salaries, allowances and benefits are within the upper limits of the framework envisaged in section 219 of the Constitution; Note 24 to the Annual Financial	Y	All within the Upper limits	See AFS
124 (1) (b)	Any arrears owed by individual councillors to the municipality, or a municipal entity under its sole or shared control, for rates or services and which at any time during the relevant financial year were outstanding for more than 90 days, including the names of those councillors; and Note 39 to the Annual Financial Statements	Y	None	
124 (1) (c)	The salaries, allowances and benefits of the municipal manager, the chief financial officer, every senior manager and such categories of other officials as may be prescribed. Note 23 to the Annual Financial Statements	Y	See AFS	See AFS
125 (1) (a)	A list of all municipal entities under the sole or shared control of the municipality during the financial year and as at the last day of the financial year.	Y	None	
125 (1) (b)	The total amount of contributions to organised local government for the financial year, and the amount of any contributions outstanding as at the end of the financial year; and Note 39 to the Annual Financial Statements	Y	None	
125 (1) (c)	The total amounts paid in audit fees, taxes, levies, duties and pension and medical aid contributions, and whether any amounts were outstanding as at the end of the financial year. Note 39 to the Annual Financial Statements	Y	See AFS	See AFS

125 (2) (a)	In respect of each bank account held by the municipality or entity during the relevant financial year— (i) the name of the bank where the account is or was held, and the type of account; and (ii) year opening and year end balances in each of these bank accounts; Note 10 to the Annual Financial Statements	Y	See AFS	See AFS
125 (2) (b)	A summary of all investments of the municipality or entity as at the end of the financial year; Note 10 to the Annual Financial Statements	Y	None	No Investments
125 (2) (c)	Particulars of any contingent liabilities of the municipality or entity as at the end of the financial year; Note 33 to the Annual Financial Statements	Y	See AFS	See AFS
125 (2) (d)	Particulars of— (i) any material losses and any material irregular or fruitless and wasteful expenditures, including in the case of a municipality, any material unauthorised expenditure, that occurred during the financial year, and whether these are recoverable; (ii) any criminal or disciplinary steps taken as a result of such losses or such unauthorised, irregular or fruitless and wasteful expenditures; and (iii) any material losses recovered or written off; Note 37 and 38 to the Annual Financial Statements	Y	See AFS	See AFS
125 (2) (e)	Particulars of non-compliance with this Act;	Y	See AFS	See AFS

