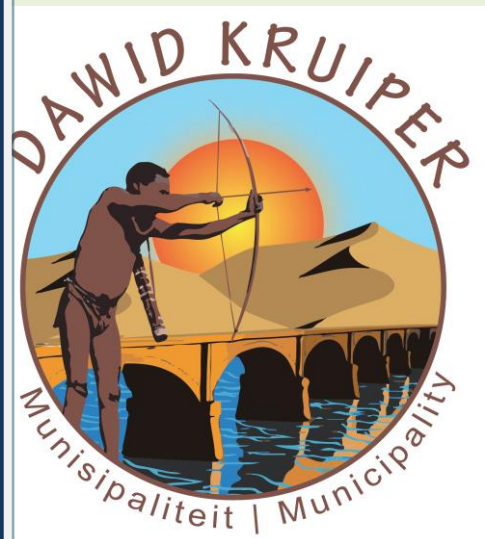


2023/2024

ANNUAL REPORT DAWID KRUIPER MUNICIPALITY

Volume I



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Chapter 1

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

MAYOR’S FOREWORD

I take great pleasure in introducing this Annual Report for 2023/2024 financial year. This Annual Report highlights the achievements and challenges experienced by the municipality for the year under review. The Dawid Kruiper Municipality take pride in serving the community as an extension of good governance and those decisions taken in the best interest of the people of Dawid Kruiper. This report is brutally honest about our challenges and achievements. The challenges are not unique to the Dawid Kruiper Municipality, and I am confident that with the existing leadership and collective wisdom of other parties in Council, and the Administration, these challenges are not insurmountable.

It is recognized that continued efforts must be placed on maintaining and improving existing performance in all areas. Every effort must be made to maintain a culture of service delivery and to maintain and enhance sound fiscal and administrative functioning at all cost. We and those that come after us will endeavor to ensure that the municipality continues to perform, while providing the community with the required and expected levels of service delivery, local economic development, infrastructure development, fiscal control and sustainability and good governance within all spheres. Every effort will be made to meet and sustain community needs at all identified levels, as dictated by the constraints of available infrastructure and resources.

As a municipality it is obligatory upon the political and administrative leadership to provide what may be described as a vibrant local economy that is able to sustain financial independence and growth. By so doing it will ensure that both local enterprises and community members are and remain empowered, creating a community of motivated and capable individuals who are able to contribute towards the growth and sustainability of the community and the environment.

The focus as a municipality is driven and guided by the Integrated Development Plan (IDP), which is developed initially as a five(5) year plan (aligned to the current term of office). This is revised and updated annually while taking into consideration current resources detailing annual strategic objectives into account. The strategic goals and priorities are cascaded into the strategic and operational plans of all directorates and related employee scorecards. By so doing it is ensured that every effort at any point in time is constantly being made to achieve the required targets and desired outcomes.

The day to day struggles of ageing and poor infrastructure and limited financial and human resources continues to place strain on the ability of the Dawid Kruiper Municipality to provide and improve its service delivery. These challenges are clearly reflected within service delivery initiatives and every effort is being made to improve service delivery performance at every level.

The Municipality have 33 Councillors and the municipal area is divided into 17 wards.

Despite many achievements, challenges always abound and as a result the following areas will receive particular focus:

- Public Participation Initiatives of the DKM
- Minimization of water losses

Chapter 1

- Roads maintenance and construction initiatives in order to minimize extensive challenges.
- Sustainable roads development and maintenance.
- Capacitation of both staff, councilors and community.
- Effective performance management and reporting.
- Land availability, land tenure changes and allocation of sites.
- Legitimizing the Landfill Sites.
- Eradicating/minimizing cases of irregular, wasteful and fruitless expenditure.

We, as Dawid Kruiper Municipality, are constantly building on the trust and the public confidence of the people of our Municipality by ensuring active participation and engagements take place in all our wards. Ward-based meetings, Ward Committee meetings and Sectorial meetings held in all the wards of the Municipality.

Looking to the above priority areas, it is important to note that these can never be successful on their own, it becomes important that as a collective, Councilors and Officials, work together in identifying the challenges raised in the annual report and rectify them as soon as possible. Having said that

We as the DKM have made positive strides in the right direction to ensure that sustainable municipal governance principles support our continuous drive to deliver municipal services which reflect our passion for our community needs, which will always be the catalyst to keep us focused on our mandate to serve with pride.

We acknowledge that:

- Our people needs clean drinkable water
- Our people need decent sanitation facilities
- Our roads need to be put in a condition suitable for promoting economic development
- We must create job opportunities for our people to lift themselves out of poverty.
- We must accelerate Service Delivery and support the vulnerable.
- We must build a Municipality that is efficient, effective and responsive.
- Strengthen Accountability and promote clean Municipal Operations.
- We must foster Developmental Partnerships, Social Cohesion and Community.

Improved mechanisms will need to be found to strengthen the accountability and discipline of officials in their daily work, both to each other and to political principles. The establishment of project teams across the organization must become central to a new way of working of officials. This will go a long way in breaking down the silo-approach to work. This project based approach to work must be directly linked to the performance management systems for officials.

Speed, Timing and Excellence in the quality of daily work must become a key feature in the way in which officials undertake their work. Ways will be sought to ensure that all officials, at some point, interact directly with our communities. Too often the single most important objective of the public service, of serving our people, becomes an abstract idea that is regarded as the exclusive domain of the political principals.

Finally, the Dawid Kruiper Municipality will ensure that its most valuable resource, the staff, is highly valued and supported. Training, personal development, career-pathing, talent management, coaching, mentoring and Employment Assistance Programs are some of the specific interventions that will need to be enhanced.

It is commendable to note the improvements in relation to our spending and expenditure patterns, but we need to do more. The ever present excuse of lack of resource might be a legitimate one, but the key question is how effectively we use the resources at our disposal. It is clear on this annual report that we are moving little by little, day by day, week by week, month by month, in the right direction, although not there yet.

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On behalf of the Dawid Kruiper Municipality, I would like to express my gratitude and sincere appreciation to all role-players who participated in this extremely challenging Annual Report.

Once again, allow me to thank the ruling party of Council, the African National Congress and all other Political Parties, represented in the Council of Dawid Kruiper Municipal Council. We have worked as a united front to ensure we deliver quality services to our Community.

Above all, let us work together as Local Government, as business, as Political Parties and as Society to improve Service Delivery, after all this is, was and will be our primarily goal as the Dawid Kruiper Municipality.

In conclusion Churchill once said: *'To improve is to change, to be perfect is to change often'*. It emphasizes the importance of continuous improvement and adaptability in various aspects of life. It also suggests that achieving perfection isn't a static state but rather a dynamic process of constant change.

I wish to take this opportunity to thank the residents for their continued support for our programs and initiatives. I also want to thank the Councilors and the staff for spending long hours in enabling us to adhere to the local government requirements as contained in the Municipal Finance Management Act, the Municipal Systems Act, the Public Finance Management Act and all the other legislation which governs local government.

Lastly: As our struggle icon and the first democratically elected President of the Republic of South-Africa, Dr Nelson Rolihlahla Mandela said: *"It always seems impossible until its done."*



M SEGELE
EXECUTIVE MAYOR

T 1.0.1

Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

As we embark on the 2023/24 financial year, I am pleased to report that the Dawid Kruiper Municipality continues to build on its previous successes, despite facing myriad challenges. Over the past year, we have focused on enhancing service delivery, aligning our development strategies with the evolving needs of our community, and taking robust action against vandalism and infrastructure damage.

A pivotal development this year has been the establishment of the REDFILES - Service Delivery Team. This integrated team, comprising representatives from all municipal departments, has been instrumental in streamlining our service delivery processes. By working as a cohesive unit, we have seen notable improvements in efficiency and effectiveness, particularly in handling community grievances and executing responsive actions. The collective effort exemplified by the REDFILES team underscores the positive impact of interdepartmental collaboration, which has significantly elevated our service delivery standards.

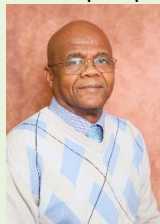
Furthermore, substantial progress has been made at the "De Duine" landfill site. Through concerted efforts, we aimed at transforming it into a more compliant and environmentally friendly facility. The implementations here align with our broader environmental goals, ensuring better waste management and minimizing the ecological footprint of our municipality.

Addressing vandalism and the damage to council properties remains a priority. We have instituted enhanced disciplinary measures and clear consequences for such actions. This initiative is part of our broader strategy to maintain the integrity and longevity of our public assets. By instilling a sense of accountability and emphasizing the repercussions of vandalism, we aim to foster respect for communal resources among residents.

Our strategic re-orientation initiatives continue to underpin all our efforts, ensuring that every project aligns with our long-term objectives for sustainable development and economic growth. Our vision is guided by ongoing engagement with community members, strategic consultations with portfolio committees, and detailed analyses to address emerging trends and capitalize on new opportunities.

Over the next year, our focus will remain on optimizing service delivery through innovative solutions, fostering an environment that values transparency and accountability, and addressing critical areas such as youth unemployment and social inequality. By prioritizing investment in human capital and leveraging technology for smarter governance, we aim to create a resilient and adaptive municipality.

In conclusion, the Dawid Kruiper Municipality remains steadfast in its commitment to providing high-quality services, fostering socio-economic development, and ensuring environmental sustainability. By working together, engaging with our community, and upholding the highest standards of governance, we strive to build a prosperous and inclusive future for all the citizens of Dawid Kruiper Municipality.



Dr Elias Ntoba

Chapter 1

VISION

To provide an affordable quality service to inhabitants and visitors in Dawid Kruiper municipal jurisdiction and to execute the policies and programs of the council.

MISSION

As an authority that delivers municipal service to Dawid Kruiper municipal jurisdiction, we attempt by means of a motivated staff, to develop Dawid Kruiper municipal jurisdiction increasingly as pleasant safe and affordable living and workplace for its residence and a hospitable and relaxed visiting place for its visitors.

T 1.1.1

Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

COMMUNITY SURVEY 2016 VS BASIC CENSUS 2022

The 2016 survey was a household based survey and provides data at municipal level. The community survey method is to give municipalities the opportunity to promote service delivery, reduce poverty and better the lives of the most marginalized. Community survey is also an important tool to have reliable and credible statistical information about the social, demographic and economic status of the community.

Unfortunately, the 2022 Census of STATS SA was a very basic census and only covered a few aspects previously included in the most surveys in the past.

1. POPULATION CHARACTERISTICS:

1.1 POPULATION OF THE PROVINCE, DISTRICT AND DAWID KUIPER

Population information plays a vital role for local, provincial and national government for planning purposes, which in turn improves the well - being of their citizens. The population dynamics of the Northern Cape is based on Community Survey 2016 and Basic Census 2022 data compared to those of Census 2011.

Table 1.1a: Population of the Northern Cape Province, Census 2011, Community Survey 2016 and Basic Census 2022

Province	Census 2011	Community Survey 2016	Basic Census 2022	Ave annual % change
Northern Cape	1 145 861	1 193 780	1 355 945	1,72

Source: Provincial profile: Northern Cape [Community Survey 2016] and Basic Census 2022

Although the Northern Cape remains the province with the smallest population size, there is an increase of 210 084 over the period of 2011 – 2022.

Table 1.1b: Distribution of population and annual growth between 2011 and 2022 by district and local municipality.

District / Local Municipality	Total Population			
	Census 2011	Community Survey	Basic Census 2022	Growth rate
DC8: Z.F. Mgcawu	236 783	252 692	283 595	1,5%
NC087: Dawid Kruiper	100 498	107 161	124 737	1,7%

Source: District and Local profile: Basic Census 2022

1.2 DEMOGRAPHICS

Table 1.2a Distribution of population by district, municipality and broad age groups, 2022

	0 – 14		15 – 34		35 – 64		65 +		Total
	N	%	N	%	N	%	N	%	
ZFM District Municipality	68047	29.9	98513	39.0	73460	29.1	12672	5.0	283 624
DKM Local Municipality	35973	28.6	42021	33.5	40145	32	7601	2.2	125 744

Source: District and Local profile: Basic Census 2022

The results in table 1.3 show that 39,0% of the population in Dawid Kruiper is between 15 and 34 years old, followed by 29,1% of those aged 35 – 64 years old.

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Table 1.2b: Distribution of population by district, municipality and 5-year age groups, CS 2022

NC087 DKM	0 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30 – 34
	12424	11905	11644	11924	10908	10111	9078
	35 – 39	40 – 44	45 – 49	50 – 54	55 – 59	60 +	TOTAL
	9292	8104	6587	6613	5394	11756	125 744

Source: District and Local profile: Basic Census 2022

Above data indicates that the greater portion of the population in Dawid Kruiper Municipality is young, consisting mainly of children. The number females remained greater than that of males both the DKM and ZFM areas.

Table 1.2c: Distribution of population by gender for 2022 by district and local municipality.

District / Local Municipality	Total Population					
	Male	%	Female	%	Total	Total
DC8: Z.F. Mgcawu	138 428	48.8%	145 196	51.2%	283 624	100%
NC087: Dawid Kruiper	60 106	47.8%	65 638	52.2%	125 744	100%

Source: District and Local profile: Basic Census 2022

In both the district and local municipality there is a growth rate of between 1.5 and 1,7% mainly because of migration trends.

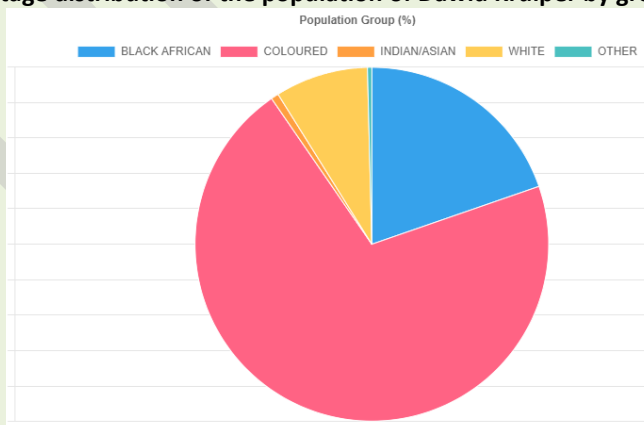
1.3 Distribution of population groups

Table 1.3: Distribution of population by population group. Basic Census 2022.

District and local Municipality	Black / African	Coloured	Indian /Asian	White	Other	Total
DC8: Z.F. Mgcawu	70 605	187 887	2320	21 604	1179	283 624
NC087 Dawid Kruiper	24 791	88 909	868	10 644	525	125 744

Source: District and Local profile: Basic Census 2022

Figure.1.3: Percentage distribution of the population of Dawid Kruiper by group type, 2022



Source: Stats SA 2022 Census

The figure shows the percentage distribution of the total population within the Dawid Kruiper area. The Coloured population group accounts for 70.7%, followed by the Black/African population group at 19.7%. The White and Indian population groups are 8.5% and 0.4% respectively.

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1.4 LANGUAGE

As the Basic Census of 2022 did not cover Language or Religion, the data from the 2016 Community Survey is stated below.

Table 1.4: Language spoken most often in households by 2016

Language spoken in household	Number	%
Afrikaans	95 948	91.2
English	1 611	1.5
IsiNdebele	22	0.0
IsiXhosa	3 629	3.4
IsiZulu	149	0.1
Sepedi	95	0.1
Sesotho	824	0.8
Setswana	2 492	2.4
Sign language	18	0.0
SiSwati	25	0.0
Tshivenda	62	0.1
Xitsonga	17	0.0
Khoi; nama and san languages	15	0.0
Other	351	0.3
Total	105 257	100.0

Source: Stats SA and the 80/20 Report on Local Government

The table indicates that the Afrikaans language is spoken by the majority of households, 95 948 (91.2%) within the Dawid Kruiper area followed by those who speak IsiXhosa at 3.4% and Setswana at 2.4%. The least spoken language in the area is the Khoi, Nama and San languages.

1.5 RELIGION

Table 1.5: Distribution of religious beliefs in 2016

Religious belief	Number	%
Christianity	103 543	96.6
Islam	310	0.3
Traditional African religion (e.g. ancestral; tribal; animis;etc)	672	0.6
No religious affiliation/belief	458	0.4
Other	1 930	1.8
Do not know	248	0.2
Total	107 161	100.0

Source: Stats SA and the 80/20 Report on Local Government

The table indicates that Christianity is the dominant religious belief (96.6%), followed by Traditional African religion (0.6%) in the Dawid Kruiper municipal area.

1.6 HOUSEHOLD CHARACTERISTICS AND ACCESS TO BASIC SERVICES

As the population of an area increase, so does the number of households. The total population and number of households have a direct impact on basic services provided.

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The provision of decent housing and basic services is important, as it helps to alleviate poverty and vulnerability in the communities. The Dawid Kruiper Housing Unit is fully functional and ensures provision for adequate housing and basic service delivery like water, electricity, sanitation, refuse removal and internet services. The municipality consist with an approved housing Sector Plan which is in line with the IDP.

1.7 HOUSEHOLDS AND HOUSEHOLD SIZE

Table 1.7: Number of households and average household size by municipality, Census 2011, 2016 and 2022

District & Local municipality	Census 2011			Community Survey 2016			Census 2022		
	Population	Households	Household size	Population	Households	Household size	Population	Households	Household size
DC8: Z.F Mgcawu	236 783	61 097	3,9	252 692	74091	3,4	283 595	NA	NA
NC087 Dawid Kruiper	100 498	25 028	4,0	107 161	28 704	3,7	125 740	30 434	4.1

Source: STATS SA 2011, 2016 and 2022

The data from table 1.7 shows an increase in the number of households from 25 028 in 2011 to 30 434 in 2022 but a slight decline in the household size from 4.0 to 3.7% in 2016 and the up again in 2022 to 4,0. There is also a slight increase in the total population size within the Dawid Kruiper municipality.

1.8 HOUSEHOLD DWELLING

Table 1.8: Distribution of households by type of main dwelling and municipality, Basic Census 2022

District	Formal dwelling		Traditional dwelling		Informal dwelling		Other		Total	
Z.F Mgcawu	55016	78,1	1244	1,8	13778	19,6	396	0,6	70 434	100 %
Dawid Kruiper	21750	71,5	84	0,3	8468	27,8	132	0,4	30 434	100 %

Source: District and Local profile: Basic Census 2022

The results in table 1.8 show that the majority of the population in the Z.F. Mgcawu and Dawid Kruiper municipality are living in formal dwellings. The total households living in traditional dwellings are relative low.

1.9 EDUCATION

According to Section 29(a) of the South African Constitution, it is important that everyone in the country has a basic education, including adult basic education.

This section focuses on attendance at educational institutions, and measuring the progress made since 2011. This was the only data collected during the 2022 Basic Census.

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Table 1.9: Population aged 5 – 24 years attending an educational institution, Census 2011 and Basic Census 2022

	Census 2011		Basic Census 2022	
	N	%	N	%
ZFM:	55 662	64.0%	66 387	66.5%
DKM:	25 941	69.8%	30 164	66.6%

Source: District and Local profile: Basic Census 2022

The table shows school attendance among persons aged 5 – 24 years in both district and local municipality. While the % has increased for the District, it has declined for the DKM area.

1.10 BASIC SERVICES

Access to basic services is one of the most important priorities of all spheres of government, to provide safe drinking water, toilet facilities, electricity etc.

1.11 WATER

Almost 58% of all households on formal stands have access to water, while 34% of households on formal stands have access to a water connection. A total number of only households, (3,8%) do not have access to water service and are served through mobile water tanks. About 3% of formal erven are still vacant and do not have any water service. Overall, 96% of households on formal stands have access to basic water service in 2022.

Table 11.1a: Distribution of households by main source of water for drinking, Basic Census 2022

DAWID KRUIPER	Piped (tap) water inside the dwelling / house		Piped (tap) water inside yard		Piped water on community stand		No access to piped water	
	N	%	N	%	N	%	N	%
	17 510	57.5	10 343	34	1 430	4.7	1 150	3.8

Source: Local Profile: DKM [Basic Census 2022].

The table shows that the majority of households in Dawid Kruiper have access to water inside their house/dwelling (57.5%) and inside their yard (34%).

Table 11.1b: Distribution of households by access to safe drinking water by municipality, Basic Census 2022

	Access to drinking water		No access to drinking water		Total
	N	%	N	%	
NC087 Dawid Kruiper	29 283	96.2	1 150	3.8	30 434

Source: Local Profile: DKM [Basic Census 2022].

1.12 SANITATION

Table 1.12: Distribution of households by type of toilet facility and municipality, Basic Census 2022

	Flush toilet connected to a public sewerage system		Pit latrine / toilet with ventilation pipe		Bucket toilet (collected by municipality)		Other or None	
	N	%	N	%	N	%	N	%
DC8: ZFM	53 536	76.0	5 347	7.6	5 433	7.7	6 118	8,7
NC087: DAWID KRUIPER	22 311	73.3	2 138	7.0	3 535	11.6	2 449	8,1

Source: Local Profile: DKM [Basic Census 2022].

Chapter 1

Table 5.2 shows the distribution of households by municipality and type of toilet facility. The majority of households in Dawid Kruiper (22 311 or 73.3%) have access to a flush toilet connected to a public sewerage system.

1.13 ELECTRICITY

Table 1.13: Number of households by source of energy used for cooking and lighting, Basic Census 2022

	Cooking				Lighting			
	Electricity	Other energy source	None	Total	Electricity	Other energy source	None	Total
DKM	21 378	8874	182	30 434	27 820	2495	119	30 434

Source: Local Profile: DKM [Basic Census 2022].

The table shows the distribution of households in Dawid Kruiper that use energy sources for cooking and lighting. Households in Dawid Kruiper mainly use electricity for cooking and lighting. Other energy source for cooking and lighting include gas, paraffin, wood and solar.

1.14 REFUSE REMOVAL

Table 5.4: Distribution of households in Dawid Kruiper by type of refuse removal, Basic Census 2022

DKM	Removed by local authority / private company / community members at least once a week	Removed by local authority / private company / community members less often than once a week	Communal refuse dump	Communal container / central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other	Total
	N 22 383	N 266	N 21	N 6505	N 680	N 476	N 102	N 30433
	% 73.5	% 0.9	% 0.1	% 21.4	% 2.2	% 1.6	% 0.3	% 100.0

Source: Local Profile: DKM [Basic Census 2022].

Table 5.4 shows that almost 73,5% of refuse in Dawid Kruiper is removed by the local authority or a private company at least once a week followed by Communal collection points (21.4%).

T 1.2.1

Chapter 1

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

DEVELOPMENT & PLANNING

The optimal utilization of service delivery is seen as one of the ultimate goals of the municipality and is embodied in both maintenance and use of existing infrastructure and equipment, as well as the construction of new infrastructure in areas where backlogs exists and lastly cost-effective maintenance.

The implementation of new infrastructure starts with the IDP; undergoes a process of prioritization, and eventually the most urgent projects are capitalized in the Capex, dependent on the availability of suitable funding.

As far as maintenance is concerned, the municipality has programs in place for existing infrastructure such as electricity, water, sewerage and streets. Funding is achieved by means of the necessary provision in the operational budget (Opex).

The table below gives a summary of the main projects undertaken by the municipality during the 2023/2024 financial year.

PROJECT	STATUS/FUNDING
Kameelboom Cemetery	The project is completed and is funded by MIG.
Installation of High Mast Lighting in Various Areas	The project is completed and is funded by MIG.
Paving of Kalksloot Internal Streets	The project is under construction and is funded by MIG.
Morning Glory Development of Cemetery	The project is under construction and is funded by MIG.
Repair and Road Maintenance in Various Areas (RRAMS)	The project is under construction and is funded by MIG.

ELECTRICAL SERVICES

The municipality provides all electrical services to the Town of Upington and surrounding rural areas on both sides of the Orange River, which include the residential and the surrounding areas of towns like Kalksloot, Klippunt, Sesbrugge, Koppies Eiland, Louisvale, Leseding and Louisvaleweg. In the rural areas further from town, like Melkstroom, Lambrechtsdrift, Karos, Leerkrans, Ntsikelelo and Raaswater the distribution of electricity is provided by Eskom. All areas in the Mier area, which is part of the Dawid Kruiper Municipality is supplied by Eskom with electricity. Other electrical services, like area and street lighting, are provided by the municipality.

The municipality continuously upgrades the electrical services through the annual maintenance and capital program. The 2022/2023 electrification program that was scheduled for Pabalello, Rosedale and Jurgenskamp phase 2 and the 2023 electrification of houses in Louisevale town is completed; therefore 552 houses are connected to the electrical grid. The 2023/2024 electrification program that was scheduled for Pabalello, Louisevale and Kameelmond is under construction and the estimated completion date is set to be in August 2024, thus will connect 382 houses to the electrical grid.

Chapter 1

Access to funding for projects and the rapid expansion of the towns are the main challenges to provision of basic electrical services. Annual applications by the municipality and Eskom for funding from the Department of Energy through the Integrated National Electrification Program (INEP) make a contribution to the funding of the projects, but the municipality must still provide counter funding for the program.

The municipality has a dedicated indigent register and provides 50 kilowatt- hour of energy per month free to indigents in both the municipal and Eskom areas of supply.

CIVIL ENGINEERING SERVICES

The Municipal Civil Engineering Services department focuses on various components which are pivotal for the sustainability of the Municipality. The basic approach to service delivery is to have sufficient resource to encourage productivity in all teams.

The Municipality provides Water, Sanitation and roads services to the communities as basic services. In the planning of the services to the continuous growing communities is critical to enhance provision of services but also to give direction to development and growth of the communities. The normal challenge of Backyard dwellings need to be address by preparing strategic growth management for settlements. The Municipality has serviced a number of sites however these sites are mostly allocated to low income household and with a proper strategy, the allocation of serviced stands will be distributed across all people as there is a group of people who are able to carry the cost of buying the stands. Service delivery is also based on financial muscle of the municipality. Without proper income it becomes difficult to provide good services to people, i.e. Our roads are deteriorating, our pipe infrastructure is old and does not meet the actual demand of the municipality.

The Municipality continues to provide basic services to the communities even with the minimum resources. The current backlog surveys show that provision of basic water Services is above 90% and the Sanitation is above 80%. Where the areas do not have service temporary measures are in place to supply those communities with the services such as buckets for sanitation which is not an acceptable standard but a temporary solution and for water we deliver water to tanks.

Municipalities must be in a position to provide the basic services to address poverty and offer people the opportunity to live in dignity. During the post-apartheid era, the public sector has been devoted to the development of basic infrastructure to address the inequalities of the past, thus addressing the human face of South Africa. In many instances the new, shared services approach to support line functions has resulted in inadequate equipment, materials and staff being made available to handle operations efficiently. Sadly, as a result of the neglect of the other aspects of development and maintenance, municipalities have exposed themselves to huge costs to rehabilitate completely run-down assets.

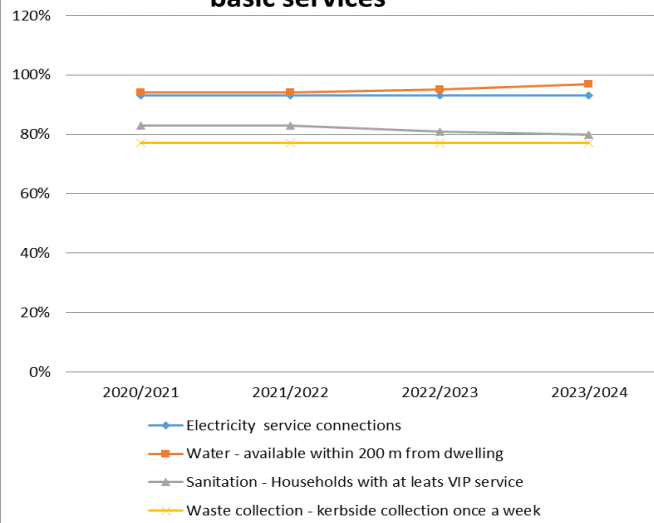
Service delivery in the municipality rests on 3 pillars:

- (1) The operation and maintenance of existing infrastructure in order to fully exploit the productive means of infrastructure throughout its lifecycle;
- (2) The construction of new infrastructure in areas where backlogs still exist; and
- (3) The planning of extension of infrastructure and the construction of new infrastructure in areas where new development should take place and areas which are growing.

T 1.3.1

Chapter 1

Proportion of households with access to basic services



T1.3.2

COMMENT ON ACCESS TO BASIC SERVICES:

ELECTRICAL SERVICES

The Electrical Department provide two basic services, namely access to electricity and availability of street and area lighting. The backlog in electrical services to households in the municipal area is caused by the rapid increase in new informal houses on proclaimed land. The municipality does electrification with a combination of the Integrated National Electrification Programme grant and municipal loan funding. The funding is not sufficient to provide for the growth in new houses, however, the continuous efforts by the municipality and Eskom ensures that new informal houses are being serviced as soon as possible after erven are proclaimed. The current backlog in electrical connections is 2677. Street and area lighting is addressed with the assistance of MIG funding for high mast lighting projects.

CIVIL ENGINEERING SERVICES

The level of access to basic services in terms of Civil Engineering Services (Water and Sanitation) varies throughout the municipality and has dropped from last year due to the continuous growth of the town in the historically disadvantaged areas. The Municipality needs to produce a firm strategy for the upgrading of the informal settlements. The following is a summary of the level of access to basic services as at 30 June 2024 (including all areas in the newly formed Dawid Kruiper Municipality):

Water: Overall 97% of households on formal stands have access to a functional water service in 2023/2024, and;

Sanitation: Overall 80% of households on formal stands have access to a functional sanitation service.

The changes in the figures result from the growth of informal settlements which are formalized after establishment. The impact to provide services will always be affected by the demand ratio. If more settlements are approved without services, the Municipality will result in the percentage drop of no of people having access to basic services until those new communities are fully serviced.

T1.3.3

Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

Financial Health Overview

The fiscal year 2023/24 was a time of increased economic activity. The economy experienced considerable expenses as a result of rising inflation and interest rates. The year under review was still a difficult year for the Dawid Kruiper Local Municipality due to lower collection rates. The table below illustrates the Municipality's performance per National Key Performance Indicator as stipulated in the Local Government: Municipal Planning and Performance Management Regulations of 2001 and Section 43 of the Local Government: Municipal Systems Act 32 of 2000 (MSA). These key performance indicators are tied to the National Key Performance Area (KPA), which is Municipal Financial viability and Management. The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments that will occur in the ordinary course of business.

A number of factors affect the Municipality's ability to remain in business as usual. Management took into account the Municipality's present and future performance, the possibility of continued government funding, and, if needed, possible sources of replacement funding, among other things, when deciding whether the going concern assumption is suitable in the current economic climate. The Municipality has also instituted programmes to rein in wasteful spending. A additional piece of evidence supporting the premise is the fact that the Municipality has a constitutional right to collect property rates and service charges. This means that even though the Municipality is facing liquidity constraints in the short and medium term, it may still be considered a going concern.

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The ability of the Municipality to continue as a going concern is dependent on a number of factors. In assessing whether the going concern assumption is appropriate under the current economic climate, management considered a vast range of factors, which includes the current and expected performance of the Municipality, the likelihood of continued government funding and, if necessary, potential sources of additional funding. Further to this, the Municipality has implemented cost containment measures to limit unnecessary spending. The assumption is further based on the fact that the Municipality has a constitutional mandate to levy Property Rates and Service Charges to enable the Municipality to remain as a going concern. The Municipality will be operational over the short to medium term given the current position where liquidity is under pressure.

T1.4.1

Chapter 1

FINANCIAL OVERVIEW – Operational Ratio's

C. Revenue Management						
1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts) / previous number of Active Debtor Accounts x 100	Debtors System	None	Number of Active Debtors Accounts (Previous) Number of Active Debtors Accounts (Current)	3% 41,828 43,244
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue) / previous period's Total Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI	CPI Total Revenue (Previous) Total Revenue (Current)	7% 2% 899,721,074 963,064,350
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants) / previous period's Total Revenue excluding capital grants x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= CPI	CPI Total Revenue Excl.Capital (Previous) Total Revenue Excl.Capital (Current)	11% 2% 819,516,175 909,222,241
D. Expenditure Management						
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days	Trade Creditors Contracted Services Repairs and Maintenance General expenses Bulk Purchases Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	84 days 102,155,053 18,053,357 - 43,090,089 287,830,726 96,113,748 Increase in consumer debtors resulted in creditors not being paid
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%	Irregular, Fruitless and Wasteful and Unauthorised Expenditure Total Operating Expenditure Taxation Expense	0% -0 880,177,810 -
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%	Employee/personnel related cost Councillors Remuneration Total Operating Expenditure Taxation Expense	41% 351,023,818 13,191,233 880,177,810 -
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%	Contracted Services Total Operating Expenditure Taxation Expense	2% 18,053,357 880,177,810 -

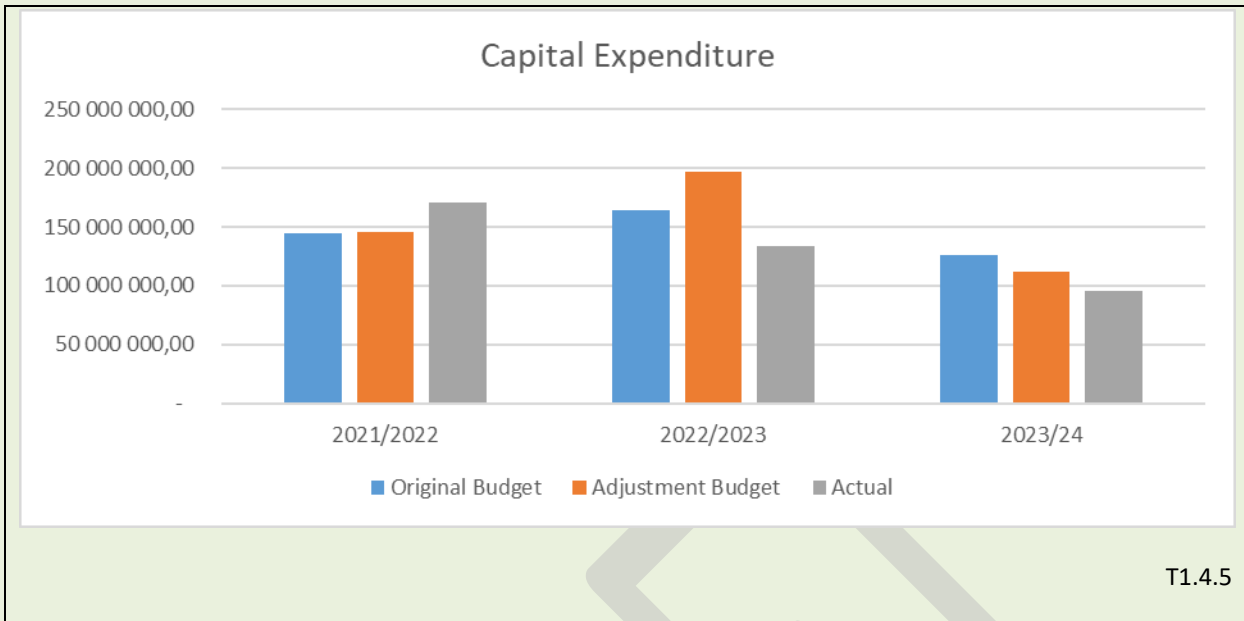
T1.4.2

Capital Budget

Detail	2021/2022	2022/2023	2023/24
Original Budget	144 161 147,00	164 029 283,00	125 753 559,00
Adjustment Budget	145 331 680,00	197 373 569,00	111 676 653,00
Actual	170 246 946,36	133 657 858,68	96 113 746,00

T1.4.4

Chapter 1



COMMENT ON CAPITAL EXPENDITURE:

DEVELOPMENT & PLANNING

For the 2023/2024 financial year the DORA allocation for the MIG projects was fully spent on different projects, all registered with the Municipal Infrastructure Grant (MIG).

The total DORA for 2023/2024 allocation for the Dawid Kruiper Municipality comprised an amount of R27,331,000.00.

ELECTRICAL SERVICES

A total amount of approximately R16.7 million was allocated by Department of Energy for the upgrading of the Upton North Bulk Supply and the Electrification of houses (electrification of Pabalello, Louisevale and Kameelmond). The electrification of houses project is scheduled for completion by end August 2024.

CIVIL ENGINEERING SERVICES

In terms of Civil Engineering Services, grant funding from the WSIG Grant was for the refurbishment of water supply in Lambrechtstroom, Leerkrans and sealing of joints in Central reservoir for this financial year. The project was intended to be implemented in-house.

In terms of Civil Engineering Services, grant funding from the Water Services Infrastructure Grant (WSIG) amounted to R6.75million (Incl VAT). The following project was implemented from WSIG grant funds:

1. The refurbishment of water supply in Lambrechtstroom, Leerkrans and sealing of joints in Central reservoir was budgeted for the 2023/24 financial year and the project is 100% completed and within budget. The project was completed by 19 July 2024.

T 1.4.5.1

Chapter 1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Organogram of the municipality was not amended during the 2023/2024 financial year. Quarterly performance assessments were done to ensure that the municipality is on track with its performance objectives.

T1.5.1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT YEAR 2023/2024

Delete Directive note once comment's completed – State the type of opinion given (disclaimer; adverse opinion; qualified opinion; unqualified opinion with 'other matters'; and an unqualified opinion) and briefly explain the issues leading to that opinion. In terms of a disclaimer you must state that 'the accounts of this municipality were too deficient in essential detail for the Auditor General to form an opinion as the financial viability or rectitude of this municipality'. If opinion is unqualified, briefly explain the key steps taken to accomplish and maintain (where appropriate) this important achievement.

T 1.6.1

Chapter 1

1.7. STATUTORY ANNUAL REPORT PROCESS

COMMENT ON THE ANNUAL REPORT PROCESS:

This Annual Report will cover the period from 1 July 2023 to 30 June 2024. The Head Administrative Official: Legal Services was tasked by the Municipal Manager to coordinate and compile the Annual Report for 2023/2024. Templates of the Annual Report were made available to all Directorates to ensure that the information submitted, complies with the requirements. Work was started during May. Regular updates were provided to the Municipal Manager and Directors. Reports on the progress with the Annual Report was also made during the Audit Readiness Meetings.

Delete Directive note once comment is complete –Explain the importance of achieving the above deadlines to prepare the Annual Report nearer the end of the financial year and to provide the next budget process with a wide range of data from the outset. Include a statement to explain the importance of alignment between the IDP, Budget and Performance Management System as dealt with at item 1 or the schedule. Explain any failures to achieve the above timescales.

T1.7.1.1

Chapter 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

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 its 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.

The Council of Dawid Kruiper municipality consists of 33 Councillors. The Municipality is divided in 17 wards.

The Mayor is an Executive Mayor. The Council uses a Mayoral Members Executive Committee system assisted by committees established in term of Section 79 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998).

T2.0.1

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution of the Republic of South Africa, 1996, in Chapter 7, 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.

As from 1 November 2021 the Council Dawid Kruiper Municipality consists of 33 Councillors. The Municipality is divided in wards. Seventeen of the 33 Councillors are ward-based, the rest are proportional representatives.

The Mayor is an Executive Mayor. The Council uses a Mayoral Executive Committee system assisted by Committees established in term of Section 79 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998).

Chapter 2

After the November 2021 elections Cllr M Segede elected as Executive Mayor and the following members as appointed as members of the MAYCO:

Cllr M Andreas
Cllr F Olifant
Cllr SL Beukes
Cllr E Mnyaka
Cllr SM Links
Cllr A Visser

Meetings held:

Type of meeting	Month	Total
Council meetings	July 2022 - June 2023	10
Special Council meetings	July 2022 - June 2023	06
Executive Mayoral Committee meetings	July 2022 - June 2023	09

T2.1.0

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The Municipality operate on an Executive Mayoral Committee System, with the Executive Mayor being the Chairperson of the Committee.

In terms of Section 80 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) Council have after the 2021 Municipal elections established the following six Committees:

- **Committee for Budget and Treasury**
Cllrs **M Andreas** Chairperson
F N Kefu
PJ George
ML September
RBF Saal
JH Opperman
NMV Skei
- **Committee for Planning and Development**
Cllrs **F Olifant** Chairperson
S Abel
NG Jood
F Basson
D Visagie
ME Eiman
NMV Skei

Chapter 2

- **Committee for Civil Engineering Services**
Cllrs **L Beukes** Chairperson
ED Groenewaldt
F Basson
Z Maasdorp
JC Esau
S Sandlana
H Roux
- **Committee for Electro- Mechanical Services**
Cllrs **E Mnyaka** Chairperson
ED Groenewaldt
Z Maasdorp
G George
PT van der Steen
EC Strauss
H Roux
- **Committee for Corporate Governance**
Cllrs **S M Links** Chairperson
FN Kefu
ML September
NG Jood
J Assegai
GDD Gewers
WRS Peterson
- **Committee for Community Services**
Cllrs **A Visser** Chairperson
PJ George
SKN Komazi
S Abel
A van Zyl
MP Titus
WRS Peterson

The Committees make recommendations to the Executive Mayoral Committee. The Executive Mayor has certain power, delegated to him by legislation and Council. On matters which he cannot make resolutions, the Executive Mayor makes recommendations to the Council.

In terms of Section 79 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) Council established the following committees to deal with specific matters

Media & Communications Committee;
IDP-Forum;
Budget,
PMS Representative Forum,
Risk Management Committee;
MSCOA.

Chapter 2

Other statutory committees established in terms of legislation include:

Local Labour Forum

Members: Cllr M Andreas
Cllr SM Links
Cllr GDD Gewers

Section 32 Committee

Members: Cllr M Andreas – Chairperson
Cllr SM Links
Cllr H Roux

Municipal Public Accounts Committee (MPAC)


Members: Cllr ML September – Chairperson
Cllr NG Jood
Cllr S Abel
Cllr Z Maasdorp
Cllr ED Groenewaldt
Cllr PJ George
Cllr RBF Saal
Cllr PT van der Steen
Cllr WRS Peterson
Cllr NMV Skei
Cllr HP Roux

The Administration, under the leadership of the Municipal Manager, advises the Council and Executive Mayor on matters, so that the necessary resolutions can be taken.

There is a sound relationship between the political leadership and the administrative staff of the institution.

T2.1.1

Chapter 2

POLITICAL STRUCTURE		
	EXECUTIVE MAYOR Councillor Michael Segede	Chairperson of the Executive Mayoral Committee of the Council. Performs the functions of Executive Mayor in terms of Section 56 of Local Government Municipal Structures Act, 1998
	SPEAKER Councillor Melanie Dodds	Chairperson of the Council in terms of Local Government Municipal Structures Act, 1998. Performs the functions of Speaker in terms of Section 37 of the Act.
	CHIEF WHIP Councillor Felicity Olifant	The Chief Whip is responsible for the political management of all councillors.
EXECUTIVE MAYORAL COMMITTEE		
<p>The Executive Mayoral is under leadership of the Executive Mayor Clr M Segede.</p> <p>The Chairpersons of the various Portfolio Committees are the members of the Executive Mayoral Committee. They are the following Councillors:</p> <p>M Andreas S L Beukes S M Links E Mnyaka F Olifant A Visser</p>		
		T2.1.1

Chapter 2

THE COUNCILLORS OF DAWID KRUIPER MUNICIPALITY ARE:			
	EXECUTIVE MAYOR Cllr Michael Segede ANC		SPEAKER Cllr Melanie Dodds ANC
	Cllr S Abel ANC Ward 1		Cllr M Andreas ANC PR Councillor
	Cllr J Assegaai DA PR Councillor		Cllr F Basson ANC WARD 14
	Cllr S Beukes ANC Ward 17		Cllr ME Eiman DA PR Councillor
	Cllr JC Esau DA PR Councillor		Cllr G George ANC Ward 5
	Cllr P George ANC WARD 16		Cllr G Gewers DA Ward15

Chapter 2

	Cllr H Roux VF+ PR Councillor		Cllr E Groenewald ANC WARD 2
	Cllr N Joodt ANC Ward 4		Cllr F Kefu ANC Ward 13
	Cllr S Komazi ANC WARD 7		Cllr SM Links ANC WARD 6
	Cllr Z Maasdorp ANC WARD 10		Cllr E Mnyaka ANC PR Councillor
	Cllr F Olifant Chief Whip ANC WARD 3		Cllr JH Opperman DA WARD 9
	Cllr W Peterson Khoi San Revolution PR Councillor		Cllr R Saal DA PR Councillor

Chapter 2

	Cllr S Sandlana DA PR Councillor		Cllr M September ANC Ward 11
	Cllr N Skei EFF PR Councillor		Cllr EC Strauss DA PR Councillor
	Cllr MP Titus DA PR Councillor		Cllr PT van der Steen DA Ward 8
	Cllr A van Zyl DA PR Councillor		Cllr D Visagie DA PR Councillor
	Cllr A Visser ANC Ward 12		

T2.1.2

Chapter 2

POLITICAL DECISION-TAKING

The following Section 79 Committees were established, in terms of Section 79 of the Local Government: Municipal Systems Act, 1998 (Act 117 of 1998), by the Council:

- Committee for Civil Engineering Services;
- Committee for Planning and Development;
- Committee for Electro- Mechanical Services;
- Committee for Community Services
- Committee for Corporate Governance.
- Committee for Budget and Treasury.

Ad-hoc committees for specific matters were also established, like the Local Labour Forum, Council/Administration, and Media & Communications Committee etc.

T2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Corporate governance, mindfully applied, is a fundamental part of the solution to various challenges. The key words here are “*mindfully applied*”, it is important to make the most impact by linking governance more tightly to value creation and the achievement of desired outcomes.

Corporate governance is not presented as an end in itself, but rather a means towards realizing certain benefits, or governance outcomes: ethical culture, good performance, effective control and legitimacy. We must promote the view that achieving the aspirations as expressed in the principles optimizes organizations to realize the governance outcomes.

Principles are an expression of the fundamental aspirations of any organization wishing to achieve good corporate governance. Examples of principles within King IV are:






“The governing body should lead ethically and effectively”; “The governing body should govern risk in a way that supports the organization in setting and achieving its strategic objectives”; and “The governing body should ensure that the organization remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.”

As should be evident from these examples, once an organization professes to adopt good governance, it is very hard to argue why the norms as established by the principles should not be upheld.

Effective corporate governance requires dedicated focus on the part of Council and senior management to their own responsibilities and, together with the corporation’s shareholders, to the shared goal of building long-term value.

T2.2.1

Chapter 2

TOP ADMINISTRATIVE STRUCTURE	
	MUNICIPAL MANAGER Dr Elias Ntoba
	Manager in the Office of the Municipal Manager Mr ME Mfusi
	Chief Financial Officer Mr R Strauss
	Director Community Services Mr MG Bovu
	Director Civil Engineering Services Mr PG Jonker

Chapter 2

	Acting Director Electro-Mechanical Services Mr D Louw
	Director Corporate Services Mrs Carol Newman
	Director Planning & Development Mr C Geldenhuys
T2.2.2	

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

INTERGOVERNMENTAL RELATIONS

Chapter 3 of the Constitution envisages the South African government which is modelled on cooperative government using the intergovernmental relations system to accomplish the outcomes of coherent government characterized by integrated coordinated planning, effective provision of services monitoring the implementation of policy and legislation and achieving the realization of national priorities.

It also states that national, provincial and local, and further describes these spheres as distinctive, interdependent and interrelated, but they should work together.

They are interdependent in that each sphere depends on the capability and functioning of the other to best perform some of their concurrent functions while they also perform exclusive functions. The spheres are interrelated in that the government should function in a unitary manner for the whole of the people of the Republic of South Africa.

Chapter 2

Each sphere is expected to cooperate with another sphere in mutual trust and good faith for the good of the country.

It is against this background that we established the Local Government Communication Forum (L.G.C.F) of the Dawid Kruiper municipality at a local municipal level. It was formed to make the constitutional principle of co-operative governance a reality. The meetings of the LGCF are taking place on a monthly basis.

The L.G.C.F consists of Provincial and National government departments that are rendering a service in the Dawid Kruiper municipal jurisdiction. The meetings are chaired by the Speaker of the DKM municipality, Me Melanie Dodds, and the Executive Mayor, Mr Michael Sedege and all the ward councillors also form part of the meetings and the activities of the L.G.C.F

The L.G.C.F activities also included service delivery initiatives and assistance among the different government departments and the municipality. An example is the assistance that was provided by the Dawid Kruiper municipality by cutting the grass of the 8SAI army base.

The meetings of the 2023/2024 financial year took place regularly. They were only postponed during the National and Provincial election period. Most of the meetings took place and attention was given to providing assistance to different government programs.

T2.3.1

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The South African government regards public participation as the cornerstone of democracy and service delivery. It is not a privilege, but a constitutional right. This is given greater prominence by Chapter 1 of the Constitution of the Republic of South Africa, 1996, which states that the Constitution is the supreme law of the Republic and that any other conduct in conflict with it is invalid and the obligations imposed by it, must be fulfilled.

This constitutional provision places an obligation on government to establish public participation structures and systems. However, public participation must be pursued not only to comply with legislation, but also to promote good governance. For effective public participation to take place, the public must understand how government operates; not only local government, but all spheres of government. Communities should be empowered to ensure effective and meaningful participation in matters of government, especially in the local sphere of government which is closest to communities.

Before 1994, local government was a *creature* of statute and was the lowest level of government in South Africa. As such it was constitutionally unrecognised and unprotected. As a creature of statute, it possessed only those rights and powers conferred upon it by a competent legislative authority.

However, with the introduction of the Constitution, 1996 and a variety of *developmental* local government legislation, the status of the third sphere of government has altered significantly with particular emphasis on the need for community participation pertaining to local government matters.

Public participation is a process that provides individuals with an opportunity to influence public decisions and has long been a component of the democratic decision-making process. The roots of citizen participation can be traced to ancient Greece and Colonial New England. Before the 1960s, governmental processes and procedures were designed to facilitate *external* participation. Citizen participation was institutionalised in the mid-1960s when the United States of America under President Lyndon Johnson introduced his Great Society Programmes (Cogan & Sharpe 1986:283).

Public involvement ensures that citizens have a direct voice in public decisions. The concept of people's or public participation implies a people-centred development approach and may refer to the following aspects: involvement; communication; a new attitude from government or a reciprocal influence. Public participation is an inclusive process aimed at deepening democracy through formal participatory mechanisms. It further contends that authentic public participation should entail participation in decision-making, implementation, monitoring and evaluation, as well as sharing the benefits of governance and developmental outputs and outcomes.

Public participation includes people's involvement in decision-making processes, in implementing programs and in efforts to evaluate such programs. Public participation is the process by which public concerns, needs and values are incorporated into governmental and corporate decision-making. It is a two-way communication and interaction, with the overall goal of better decisions that are supported by the public.

- Public participation applies to administrative decisions;

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- Public participation is not just providing information to the public as interaction is an important component;
- There is an organised process for involving the public; and
- Participants have some level of impact or influence on the decisions being made.

The word participation has many different meanings and is best understood in terms of the following continuum:

- (i) inform the public;
- (ii) listen to the public;
- (iii) engage in problem solving and
- (iv) develop agreements.

Public participation can broadly be divided into two main categories, namely, the mere receiving of information by citizens from authorities about proposed actions and the sharing of power with citizens to shape final decisions. It is, however, often argued that the mere provision of information cannot be regarded as participation, although the provision of information helps to empower and educate citizens, thereby equipping them with participation tools. Tangible benefits can be derived from effective citizen involvement programmes.

Public participation is a much broader issue than decision-making. It sets the scene for decision-making and continues during the decision-making process and beyond into the implementation, monitoring and evaluation phases. It, therefore, starts well before a decision is taken and extends well beyond it. Furthermore, acts of participation should not be viewed in isolation, but rather within a stream of interconnected acts participatory democracy.

Chapter 7 of the Constitution of the Republic of South Africa, 1996, highlights the objectives and shows the importance of Local Government. Section 152 (e) of the Constitution emphasizes the importance of the community involvement in this sphere of government. In the strife for good governance the Municipality must budget for community consultations, participation and empowerment.

The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) in Section 16(1) requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16(1) further states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18(1)(d) requires a municipality to supply its community with information concerning municipal governance, management and development.

As the municipality public participation is encouraged because it is a legal requirement. We embark on different processes to involve the community as much as possible. As part of our programs The Chief Financial Officer and the Finance Team went out in the preparation of the budget, we had community meetings in all wards and received different inputs regarding the budget process. The IDP process also involves the communities it is a very lengthy and transparent process in the reviewing of the IDP document, this is one of the most important sessions we embark on as the Municipality. Ward base meetings happens on a monthly basis in the Wards and it give the ward Councilors an opportunity to interact with the people in the specific ward. The Municipality have developed a strategic plan in ensuring that all scheduled services delivery programs are rolled out weekly and that we strictly follow our work scheduled in all different services delivery units.

A broader view of community participation the Legislation on Local Government set clear mechanism for the establishment of the Ward Committees as a structure to liaise with the Municipalities. Municipalities are obliged to develop lasting and successful models by ensuring that participation takes place through these established structures and as are institutionalized. They are a creation of legislation, the Municipal Structures Act, giving effect to the Constitution of the South Africa.

Chapter 2

Its role is to facilitate participatory democracy, disseminate information; help rebuild partnership for better service delivery, and assist with problems experienced by the people at Ward level.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Dawid Kruiper Municipality Council has a Communications unit which deals among other things to inform communities about service delivery related issues through the media. Public Participation in the Municipal affairs in a democratic and meaningful way is done through ward, community; council meets the people and Budget meetings programmes. The IDP forum is also one way through which issues of the communities are captured and prioritized.

T2.4.1

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WARD COMMITTEES

As the Dawid Kruiper Municipality we have for the year 2023/2024 successfully launched 16 out of the 17 ward committees, with one Ward committee outstanding, (Ward 8) and one who needs to go to bi-election, (Ward 7). The Ward committee system has been part of the Municipality for many years and is efficiently administered. The ward committees resort in the Office of the Speaker. There are a few successful stories since the launching of this program to the Municipality. Ward Committees are elected every five (5) years, from different sectors in each ward committee. It is one of the most effective methods Dawid Kruiper Municipality uses for our Public participation. Ward committee elections were guided by Legislations. Department of COGHSTA play a vital role in the establishment of Ward committee elections. Ward committee members get a monthly stipend for the attendance of Ward committee meetings, Ward community meetings and Ward committee activities.

As part of our Participatory democracy process we have very strict measures in place for Public meetings in all our wards. The ward Councilors are guided by Council policy on the importance of community participation in all the processes from the IDP, Budget, and developmental projects taking place in the wards. A report is tabled in Appendix E on the public meetings held in year 2023/2024. Induction processes on Ward committee is ongoing to equip the members the necessary skills.

Local government legislations made a provision for local authorities to establish a system of participatory democracy at the local level in the form of Ward Committees. Ward Committees were introduced in municipalities as community structures to play a vital role in linking and informing the municipalities about the needs, aspirations, potentials and problems of the communities. They were established to form the bridge between local municipalities and communities by facilitating proper communication. By working directly with the Municipality, ward committees, serve as a cord which articulates the new system of local government to the majority of the people, more especially to previously disadvantaged communities. Ward committees have an important role to play in actively taking part and determining core municipal business such as Integrated Developmental Planning, Budgeting, Municipal performance management process, without which democracy cannot be said is rooted on among the people. Ward committees are a creation of legislation, the Municipal Structures Act, giving effect to the Constitution of the South Africa.

Ward committees has dealt with a variety of community needs, problems and aspirations at ward level. The major issues among other were housing challenges, road infrastructure, water and electricity.

The role of political leadership in governance is that of managing the relationship between the government and civil society. If good democratic governance refers to working with and listening to citizenry as individual, interest groups and society as a whole, thus it involves active co-operation and on-going engagement in the process of policy formulation and implementation between politicians, public officials and members of the communities. The government has to ensure that all its structures enable the public to exercise a meaningful say. Governance as a process of facilitation and ensuring the delivery of goods and services through the management of social power and power relations thus includes a means of social stability and well-being through deepening democracy. Governance has been described as *“both a broad reform strategy and a particular set of initiatives to strengthen the institutions of civil society with the objective of making government more accountable, more open and transparent, and more democratic”* (Monique, 1997:4 in Gaventa and Valderrama). For others authors, it represents a change in meaning of government, referring to a process of governing.

T2.4.2

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Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
Community meeting: Ward 1	20 Sept 2023	1 Ward Councillor & 2 PR Councillor	None	93	Feedback was given in the next community meeting.
	23 Nov 2023			22	
	21 Jan 2024			31	
	10 Feb 2024			20	
	7 March 2024			33	
	4 April 2024			43	
	19 June 2024			39	
				281	
Community meeting: Ward 2	16 Jan 2024	1 Ward Councillor & 1 PR Councillor	None	17	Feedback was given in the next community meeting.
	4 Feb 2024			10	
	20 March 2024			45	
	04 April 2024			30	
	29 April 2024			38	
	30 April 2024			31	
				162	
Community meeting: Ward 3	1 Oct 2023	1 Ward Councillor & 2 PR Councillor	None	47	Feedback was given in the next community meeting.
	11 Nov. 2023			17	
	23 Jan 2024			18	
	10 Feb 2024			35	
	17 March 2024			30	
	10 April 2024			21	
				28	
				196	
Community meeting: Ward 4	04 Oct 2023	1 Ward Councillor & 2 PR Councillors	None	16	Feedback was given in the next community meeting.
	21 Nov 2023			58	
	28 Nov 2023			69	
	17 Jan 2024			12	
	20 Feb 2024			42	
	17 March 2024			53	
	04 April 2024			16	
	26 June 2024			50	
				316	
Community meeting: Ward 5	23 Nov. 2023	The Ward Councillor	None	08	Feedback was given in the next community meeting.
	06 April 2024			38	
	08 May 2024			25	
	18 June 2024			41	
				112	
Community meeting: Ward 6	04 Oct 2023	The Ward Councillor	None	50	Feedback was given in the next community meeting.
	08 Oct 2023			30	
	19 Jan 2024			17	
	06 Feb. 2024			20	
	31 March 2024			32	
	04 April 2024			56	
	20 June 2024			19	
				224	

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Community meeting: Ward 7	04 Oct 2023 24 Nov. 2023 20 Jan 2024 06 Feb 2024 08 March 2024	1 Ward Councillor & 1 PR Councillor	None	23 35 09 15 22 104	Feedback was given in the next community meetings.
Community meeting: Ward 8					
Community meeting: Ward 9					
Community meeting: Ward 10	13 Sep 2023 12 Nov 2023 22 Nov 2023 19 Jan 2024 04 Feb 2024 21 March 2024 20 April 2024 25 June 2024	1 Ward Councillor & 1 PR Councillor	None	36 66 44 73 13 49 68 73 422	Feedback was given in the next community meeting.
Community meeting: Ward 11	21 Sep 2023 20 Nov 2023 23 Nov 2023 20 Jan 2024 25 Feb 2024 16 March 2024 04 April 2024 15 April 2024 07 May 2024	1 Ward Councillor & 1 PR Councillor	None	15 39 36 12 30 38 55 47 32 304	Feedback was given in the next community meeting.
Community meeting: Ward 12	19 Sep 2023 27 Sep 2023 15 Nov. 2023 16 Jan 2024 10 Feb 2024 04 March 2024 29 April 2024 18 April 2024 12 June 2024	The Ward Councillor	None	18 35 27 26 44 40 19 10 95 314	Feedback was given in the next community meeting.
Community meeting: Ward 13	10 July 2023 10 Aug 2023 13 Sep 2023 19 Nov. 2023 22 Nov 2023 20 Jan 2024 24 Feb. 2024 25 March 2024 03 April 2024 12 June 2024	1 Ward Councillor & 1 PR Councillor	None	19 18 35 14 37 34 30 48 54 44 333	Feedback was given in the next community meeting.

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Community meeting: Ward 14	20 Sep. 2023 28 Nov 2023 22 Nov 2023 23 Nov 2023 20 Jan 2024 10 Feb 2024 16 March 2024 23 April 2024 19 April 2024 19 April 2024 13 June 2024	The Ward Councillor	None	65 69 25 75 26 44 83 37 19 47 76 566	Feedback was given in the next community meeting.
Community meeting: Ward 15					
Community meeting: Ward 16	14 Sep 2023 1 Oct 2023 15 Aug 2023 27 Nov 2023 28 Nov 2023 20 Jan 2024 11 Feb 2024 16 March 2024 29 April 2024 20 June 2024 22 June 2024	The Ward Councillor	None	22 28 39 39 70 14 45 78 39 95 76 506	Feedback was given in the next community meeting.
Community meeting: Ward 17	16 Oct 2023 17 Jan 2024 10 Feb. 2024 20 March 2024 10 April 2024 22 June 2024	1 Ward Councillor & 1 PR Councillor	None	28 10 29 41 30 51 189	Feedback was given in the next community meeting.
T2.4.3					

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COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Public Participation at Local Government is embedded in the South African Constitution.

Section 151(1)(e) - obliges municipalities to encourage organizations in Local Government. The Dawid Kruiper Municipality encourages the involvement of the community in all council activities as it is in our community.

The community consults the Municipality about the level of quality range and impact of municipal services provided by the municipality through various forms of communication as stipulated in our Public Participation Policy. The Municipality focus thorough community engagement through our Ward Committee Meetings; Community Meetings and Sector Meetings.

Through our public meetings, members of the community are informed of decisions of municipal council.

In order to make a success of our public participation process we are guided by the following set of values:

Inclusivity,
Diversity,
Building Community,
Participation, Transparency,
Flexibility,
Accessibility,
Accountability,
Trust,
Commitment,
Respect, and
Integration

There is a White Paper on Transforming Public Service Delivery (Batho Pele, 1997) to provide a policy framework and practical implementation strategy for improvement of service delivery. The Municipal Systems Act, 2000 (Act 32 of 2000)

Social and economic upliftment of communities and universal access to affordable basic services.

Section 41 requires municipalities to set measurable performance targets in respect of its development priorities and objectives.

Section 42 requires municipalities to involve the local community in the development, implementation and review of its performance and to allow participation in the setting of performance indicators and targets.

T2.4.3.1

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2.5 IDP PARTICIPATION AND ALIGNMENT

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
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T2.5.1

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COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Corporate Governance is the structure of rules, practices and processes used to direct and manage any Organisation. It aims to instil policies and rules and helps to maintain the cohesiveness of an organisation.

Corporate Services Department is horizontally aligned with other sector departments of the municipality, i.e. Finance Department, Technical Services Department and Community Development Department and Development and Planning. The department is tasked with the provision of support services to the Council and to all other sector departments. Three of the five identified Key Performance Areas (KPA's) are applicable to the Corporate Services Department for execution during the course of the financial year. These KPA's are taken up in a Performance Plan and defines the Council's expectations of the Manager Corporate Services in terms of Section 57(5) of the Local Government: Municipal Systems Act and other relevant legislature which provides for performance objectives and targets and which are based on the Key Performance Indicators (KPI's) as set out in the IDP.

Corporate governance is to facilitate, effective and prudent management that can deliver the long-term success of the Organisation.

T2.6.0

2.6 RISK MANAGEMENT

RISK MANAGEMENT

Accounting officers, and other officials within the organization, should ensure that they have effective, efficient and transparent systems of financial and risk management and internal control. In order to assist management in discharging certain of their risk management responsibilities, Internal Audit and Risk Management embarked on a process to facilitate the identification and rating of business risks. In terms of the process, representatives from the various directorates within the municipality attended a workshop during April/May 2023. The risk assessment was performed at both strategic and operational level.

The following documents with regards to Risk Management were reviewed by Risk Management Committee during June 2023 approved by Council May 2023:

- Risk Management Policy
- Risk Management Strategy
- Risk Management Framework
- Risk Management Committee Charter

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APPROACH: RISK IDENTIFICATION WORKSHOP

A risk assessment cannot be seen in isolation. The Committee of Sponsoring Organizations of the Treadway Commission (COSO) developed a framework that could be used by managements to evaluate and improve their organisations' enterprise risk management. The risk assessment of Dawid Kruiper Municipality was done in line with COSO. The risk assessment workshop focused on the following components of the framework:

1. **Objective Setting** – Objectives was set before management identified potential events that may have an impact on the achievement of these objectives.
2. **Root cause identification** – Root causes was identified to have an understanding of the origin of the risk.
3. **Event Identification** – Internal and external events affecting achievement of the municipalities objectives (distinguishing between risks and opportunities); and
4. **Risk Assessment** – Inherent and residual risks were rated on their impact, if materialised, and likelihood of materializing.

RISK ASSESSMENT RESULTS:

The results of the risk assessment process represent the participants' interpretation and perception of the nature and quantum of the risks impacting the municipality. The quality of the results therefore depends on the knowledge, experience and quality of input of the participants.

The rating of risks was as follows:

The four potential effects of an identified risk are:

1. Impact before controls
2. Impact after controls
3. Likelihood before controls
4. Likelihood after controls

Impact may be defined as the effect to the municipality's process if the adverse event would occur. The rating is as follows:

The risk rating guide below was used as for purposes of rating risks:

LIKELIHOOD RATING GUIDE		
SCORE	LIKELIHOOD	OCCURRENCE
5	Common	The risk is already occurring or is likely to occur more than once in the next 12 months
4	Likely	The risk is likely to occur at least once within the next 12 months
3	Moderate	The risk is likely to occur in the next 2-3 years
2	Unlikely	The risk is unlikely to occur in the next 3 years
1	Rare	The risk is unlikely to occur even in the long term

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IMPACT RATING GUIDE		
SCORE	IMPACT	CONSEQUENCES
5	Critical/Catastrophic	The risk will have a significant impact on the achievement of objectives.
4	Major	The risk will have a high impact on the achievement of objectives.
3	Moderate	The risk will have a moderate impact on the achievement of objectives.
2	Minor	The risk will have a low impact on the achievement of objectives.
1	Insignificant	The risk will have a negligible impact on the achievement of objectives.

Rating guide for perceived control effectiveness:

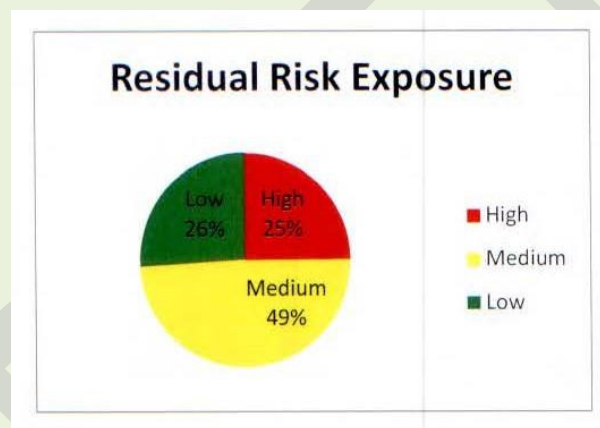
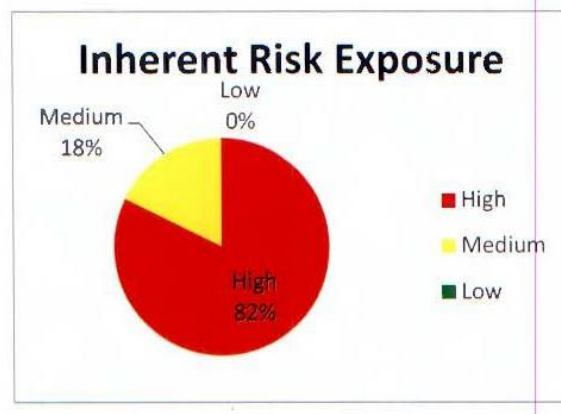
1. Controls and/or management activities are properly designed and operating as intended.
2. Controls and/or management activities are properly designed and operating with limited opportunity of improvement.
3. Controls and/or management activities are in place with significant opportunities for improvement.
4. Limited controls and/or management activities are in place.
5. Controls/ management activities not existing and/or major deficiencies and don't operate as intended.

Based on the risk ratings as per paragraph no 5 above, risks have been prioritized as follows:

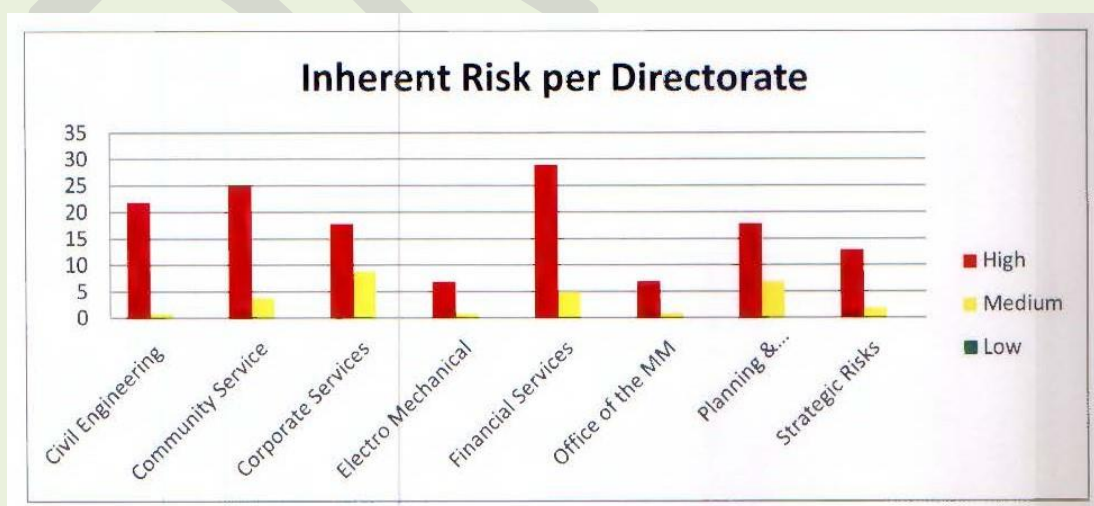
RISK RANKING	RISK PRIORITY
1 – 7	Low
8 – 14	Medium
15 – 25	High

Managing business risks associated with in 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. During the risk assessment workshops, management identified and assesses 169 risks which can hamper the achievement of objectives. Inherent risks are risks before the implementation of controls and Residual risks are risks after implementation of control measurements to mitigate the likelihood and impact of risks. A graphical layout of these risks is as follows:

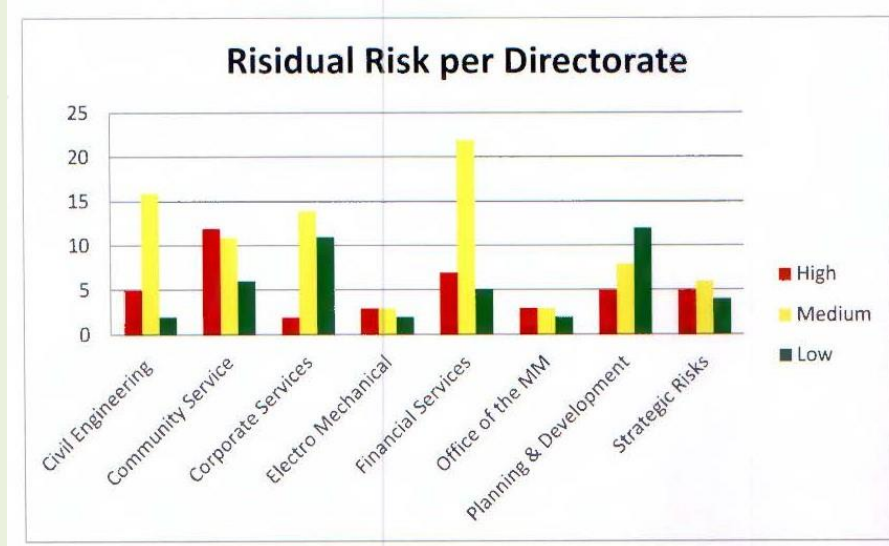
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Layout of inherent and residual risk exposure per directorate:



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T2.6.1

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The Institute of Internal Auditors defines internal auditing as follows:

"... an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."

The Department Internal Audit compiled a Three Year Risked Based Rolling Plan and Operational Internal Audit plan for the year ended 30 June 2024 that was approved by the Accounting Officer and the Audit Committee. The plan was prepared based on:

- The strategic and operational risks identified by management through a formal risk assessment process during May 2023.

The Internal Audit Plan for the Dawid Kruiper Municipality was designed to provide an independent, objective assurance and advisory service, in an efficient and effective manner, to the following key stakeholders:

- Council of Dawid Kruiper Municipality through the Audit Committee;
- Municipal Manager; and
- Directors and Line Managers.

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The overall approach was to formulate a risk-based plan to align the priorities of the Internal Audit function with the strategic objectives and goals of Dawid Kruiper Municipality and the related strategic and major business risks as identified by management.

The Internal Audit function evaluates and contributes to the improvement of risk management, control and governance systems.

Governance

The Internal Audit function assists Management in achieving goals of Dawid Kruiper Municipality by evaluating the process through which:

- goals and values are established and communicated.
- risk and control information is communicated.
- the accomplishment of goals is monitored (organisational performance).
- accountability is ensured and corporate ethics and values are preserved.

Risk management

The Internal Audit unit assist the management of Dawid Kruiper Municipality in identifying, evaluating and assessing significant strategic and operational risks and provide independent, objective assurance as to the effectiveness of related internal controls.

Furthermore, Internal Audit further assist management by examining, evaluating, reporting and recommending improvements on the adequacy and effectiveness of the risk management process within Dawid Kruiper Municipality.

Controls

Internal Audit evaluates whether the internal controls which management relies on to mitigate the risks down to acceptable levels, are appropriate and functioning as intended and develop recommendations for enhancements or improvements in the control environment.

Independence

To provide for the independence of the Internal Audit function, it reports to the Accounting Officer administratively and operationally to the Audit Committee periodically.

The Internal Audit function is not authorised to:

- Perform any operational duties for outside the scope of Internal Audit.
- Initiate or approve accounting transactions external to the Internal Auditing function.
- Direct the activities of any organisation or employee not employed by the Internal Auditing function, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors in carrying out investigations.

The Internal Audit function is authorised to:

- Have unrestricted access to all functions, records, property and personnel.
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel where Internal Audit will perform reviews, as well as other specialised services from within or outside the organisation.
- Have no restrictions placed upon the scope of internal audit's work. Members of the internal audit function engaged on internal audit work are entitled to receive whatever information or explanations they consider necessary to fulfil their responsibilities.

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- The internal audit function will conduct audits in accordance with the “*Code of Ethics*” and “*Standards for the Professional Practice of Internal Auditing*” of The Institute of Internal Auditors as well as relevant Policies and Procedures of Dawid Kruiper Municipality.

Additional Internal Audit activities also include:

- Planning and reporting activities of the Internal Audit function including amongst others:
- Preparation of a detailed annual Internal Audit plan;
- Liaison with top management, external auditors and key stakeholders;
- Reporting to the Accounting Officer and management; and
- Follow-up on reports issued.

Project management activities of the Internal Audit function including amongst others:

- Organising and directing audit staff, including regular meetings;
- Review of working papers and report;
- Monitoring actual activities against plan; and
- Quality assurance reviews.

Advisory services of the Internal Audit function including amongst others:

- Providing assistance and expertise on either newly developed systems or improving current systems;
- Assisting management with the facilitation of risk assessments and the implementation of a formal system of risk management.

Internal Audit approach

Scope of Internal Audit

The scope of Internal Audit, in line with good Corporate Governance principles and Dawid Kruiper Municipality’s Internal Audit Charter, is to determine whether the municipality’s network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed;
- Interaction with the various governance groups occurs as needed;
- Significant financial, managerial, and operating information is accurate, reliable and timely;
- Employees actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- Resources are acquired economically, used efficiently and adequately protected;
- Programmes, plans and objectives are achieved;
- Quality and continuous improvement are fostered in the organisation’s control process; and
- Significant legislative or regulatory issues impacting the organisation are recognised and addressed appropriately.
- Compliance with legislation and Council policies.

Reporting and communication

- Communication, orally and through reports, is an essential part of the Internal Audit process. Internal Audit should also communicate with management through a series of planned formal meetings.
- Exception reports as well as audit reports to be submitted to management after completion of an audit on an on-going basis. Reports to clearly demonstrate the control and operational concerns arising from the reviews, the potential impact and the practical reasoned recommendations for change. Quarterly reporting to be submitted to the Audit committee on reports issued as well as management response. Any critical issues to be reported orally to management and the audit committee if necessary,

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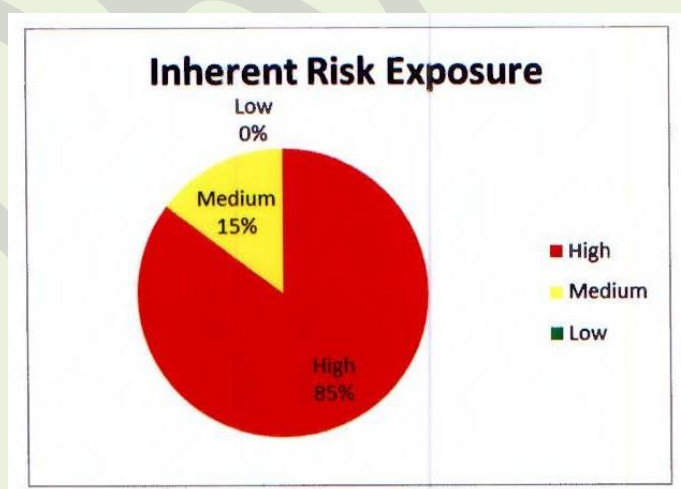
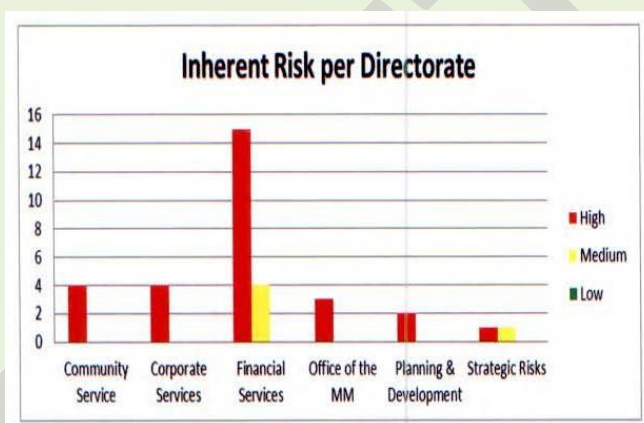
immediately upon identification. Management to be given at between one to two weeks to respond on audit reports.

- Follow-up audits to be carried out to ensure that control weaknesses have been adequately rectified, or that appropriate action is being planned.

Commencing the audit

Before an audit at a division is commenced, Internal Audit function will consult with the head of the division. This will ensure that the division's expectations are addressed. The audit plan was based on the inherent risk exposure of the municipality. A graphical layout of the risk based audit plan is as follows:

- As Internal Audit has not tested the controls yet, the focus is therefore on Inherent Risk (risk before implementation of controls).
- The focus of Internal Audit on the Operational Internal Audit plan for the year ended 30 June 2024 based on the risk assessment results, was as follows:



T2.7.1

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2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW 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.

The municipality is 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 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.

National Treasury introduced the Central Supplier Database (CSD) and suppliers are sourced through the commodities which they are registered for. Suppliers are also routed on a continuous basis. The Municipality also advertises all tenders on E-portal to reach a wider range of suppliers who can deliver the required services to Dawid Kruiper Municipality.

The SCM Policy was adopted by the Council of Dawid Kruiper Municipality in May 2023 in terms of Section 111 of the MFMA, 2003 (Act No.56 of 2003). The SCM policy is implemented. The policy was reviewed; work shopped and was adopted by council during May 2023.

COMMITTEES

The Municipality has established the following bid committees:

Bid Specifications Committee

- Director Planning and Development – Chairperson
- Manager: Financial Reporting
- Head Planning Official
- Control Technician Engineering Service, Planning & Project Management
- Senior Accountant Bid Management

Bid Evaluation Committee

- Director Civil Services – Chairperson
- Senior Manager in the Office of the Municipal Manager
- Senior Manager: LED & Tourism
- Manager: Secretariat
- Senior Accountant Supply Chain Management

Bid Adjudication Committee

- Chief Financial Officer – Chairperson
- Director Planning and Development
- Director Corporate Services
- Director Community Services
- Manager Supply Chain

Any possible conflicts of interest are declared at all bid committee meetings.

Chapter 2

The Bid committees held regular meetings. Specification Committee meetings take place on Wednesdays, Evaluation Committee on Mondays and Tender Committee on Fridays.

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.

Challenges: Service providers not wanting to do business with the municipality, due to poor payment arrangements.

Proposed solution: Implement the municipal turnaround strategy to improve the cash flow position of the municipality.

Challenges: May suppliers fail to complete the local content declarations of DTI.

Proposed Solution: DTI must embark on an extensive roadshow to educate and to provide guidance with regards to local content declaration.

Challenges: Suppliers tax matters are not in order on the CSD.

Proposed Solution: Regular communication with the suppliers regarding their tax compliance matters.

SUPPLY CHAIN MANAGEMENT UNIT (STAFF)

The staff complement of the Supply Chain Management unit as follows:

Tenders and orders

- 1 x Senior Manager Supply Chain Management (Position Vacant)
- 1 x Manager Supply Chain Management
- 2 x Senior Accountant Supply Chain Management
- 1 x Assistant Accountant Supply Chain Management (Position Vacant)
- 1 x Assistant Accountant Demand and Acquisition Management (Position Vacant)
- 1 x Senior Clerk Supply Chain Management (Position Vacant)
- 5 x Buyers (2 x Positions Vacant)
- 2 x Supply Chain Management Clerks (Position Vacant)

Stores

- 1 x Head Buyer
- 1 x Senior Store man (Position Vacant)
- 3 x Assistant Store men (1 X Position Vacant)
- 2 x General Worker (Position Vacant)

SUPPLIER DATABASE

As per National Treasury Circular No 3 of 2015/16, suppliers will no longer be registered at the municipality and are requested to self-register directly on the CSD by accessing the National Treasury website at www.secure.csd.gov.za.

T2.8.1

Chapter 2

2.9 BY-LAWS

COMMENT ON BY-LAWS:

Council has adopted the Tuck Shop By-Law in May 2024 and was it promulgated in the Gazette on 24 June 2024. This By-Law will come into effect on 1 July 2024.

T2.9.1.1

2.10 WEBSITES

DOCUMENTS	YES/NO
All the budget related policies	YES
The previous annual report	YES
All the current performance agreements required in terms of section 75 (1) (b) of the Municipal Systems Act and resulting scorecards.	YES
All service delivery agreements	YES
All long term borrowing contracts	YES
All supply chain management contracts above a prescribed value	YES
An information statement which is containing a list of assets over a prescribed value that have been disposed of in terms of 14 (2) or (4) of the MFMA	YES
Contracts agreed	YES
Public-private partnerships	YES
All quarterly reports tabled in council in terms of section 52 (d)	YES
The IDP	YES
All the other relevant information	YES
T2.10.1	

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

Section 21B of the Municipal Systems Act states that:

- (1) Each municipality must—
 - (a) establish its own official website if the municipality decides that it is affordable; and
 - (b) place on that official website information required to be made public in terms of this Act and the Municipal Finance Management Act.
- (2) If a municipality decides that it is not affordable for it to establish its own official website, it must provide the information in terms of legislation referred to in subsection (1) (b) for display on an organised local government website sponsored or facilitated by the National Treasury.
- (3) The municipal manager must maintain and regularly update the municipality's official website, if in existence, or provide the relevant information as required by subsection (2)57(1)(h) of the Municipal Systems Act states that performance agreements for Section 57 Managers must be on the Website.

Chapter 2

Municipal Financial Management Act Requirements:

Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, annual report, the annual budget², adjustments budgets and budget related documents and policies³.

The following documents of the municipality must be available on the website:

The annual and adjustments budgets and all budget-related documents;

All budget-related policies;

All performance agreements required in terms of section 57(1)(h) of the Municipal Systems Act;

All service delivery agreements;

All long-term borrowing contracts;

All supply chain management contracts above a prescribed value:

An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the previous quarter; and

Contracts to which subsection of section 33 apply, subject to subsection (3) of public-private partnership agreements referred to in section 110.

T2.10.1.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFCATION LEVELS

We have placed mechanisms in place to allow our citizenry to interact with the municipality. Client services also goes out to conduct Batho Pele awareness campaigns in the different wards, this is aimed at making our clientele conscious of their rights and our obligations as civil servants. We also assist Ward Councilors when requested to come and explain the complaints procedures of Municipality. Furthermore, we also conduct block meetings with ward councilors to do consumer education about the responsibility of citizenry not to vandalize municipal infrastructure or not to throw foreign objects in manholes as this cause many sewer spills.

The Constitution of South Africa Act 108 of 1996, and other relevant legislation provides for the following:

- 1) Participation by the local community in the affairs of the municipality must take place through-
 - a) Political structures for participation in terms of the Municipal Structures Act;
 - b) The mechanisms, processes and procedures for participation in municipal governance established in terms of this Act;
 - c) Other appropriate mechanisms, processes and procedures established by the municipality;
 - d) Councillors; and
 - e) Generally applying the provisions for participation as provided for in this Act.
- 2) A municipality must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality, and must for this purpose provide for-

Chapter 2

- a) The receipt, processing and consideration of petitions and complaints lodged by members of the local community;
- b) Notification and public comment procedures, when appropriate;
- c) Public meetings and hearings by the municipal council and other political structures and political office bearers of the municipality, when appropriate;
- d) Consultative sessions with locally recognized community organizations and, where appropriate, traditional authorities; and
- e) report-back to the local community.

T2.11.1

COMMENT ON SATISFACTION LEVELS:

Satisfaction levels can be viewed on my google account. Our clientele can also rate our services online.

The Municipality has a fully-fledged call-center that is functional for 24/7 with 4 officials per shift. The unit is comprised of 16 personnel who works shifts to provide services around the clock to our clientele. The call-center has two personnel who are dedicated to client complaints and one person dedicated to deal with the emergency line, whilst one person is at the walk-in center at the Head Office to handle client complaints of people who physical are at the head office. All these complaints are captured on our IMIS electronic complaints system, which is compiled into a monthly client services report which table to council on a monthly basis.

The satellite office in Rietfontein has a person designated to handle client complaints which also forms part of the 17 wards based client services report monthly

Complaints can be registered in the following ways:

- By calling the 24/7 call center;
- By reporting the complaints at the customer care desk at walk in center;
- By email;
- Through the website;
- Informing the ward councilor;
- By informing the ward committees orally or in writing; and
- Through our whats-app line which is also available 24/7 basis.

The Municipality also has an internal WhatsApp group where employees of the municipality can upload any problem or complain they encounter even after hours. This could range from potholes or water leaks.

Our complaints system is unique because it is an electronic system that captures every complaint, reflecting the date and time the complaint is captured or logged in. The system also gives and attaches a unique reference number to each complaint and reflects the status of each complaint until it's completed.

The client receives an SMS that acknowledges receipt of the complaint. This SMS notification will improve from one to three SMS client once the IMIS 7 is fully operational, this implies that the clients will receive an SMS that confirms receipt of the complaint, an SMS that gives an update on the status of the complaint and finally a SMS that states that the complaint has been solved.

The system also generates a monthly client service report, per ward so that councilors can see which complaints has been reported in their wards and whether their solved or not.

Chapter 2

To further improve our client services experiences we have weekly service delivery meetings which are attended by all service delivery departments to find ways and means to shortened the turn-around time of any complaint, by attending to with service delivery challenges or vehicles.

All of these are ways and means of encouraging interaction between the municipality and its stakeholders.

Complaints are also received through our Facebook page and via our website.

T2.11.2.2

DRAFT

Chapter 3

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

INTRODUCTION

ELECTRICAL SERVICES

The provision of electrical connections to new residential units is a critical objective within the Integrated Development Plan (IDP). This encompasses electrification initiatives within both the municipal and Eskom supply areas. Specifically, within the municipal supply area, the project aimed at connecting 382 homes in Pabalello, Kameelmond, and Louisevale will be extended by two months, with a revised completion date set for the end of August 2024.

CIVIL ENGINEERING

The performance of the municipality is measured against key performance objectives and indicators in the IDP and in this chapter an overview of the deliverables achieved in the delivery of basic services will be addressed. Service Delivery Performance is further measured through the Service Delivery and Budget Implementation Plan (SDBIP).

Multi-year overviews will be given for basic services, such as water and sanitation and these overviews will include capital projects, service delivery levels, financial performance, performance against IDP objectives and information on staff critical to service delivery. The Municipality does not deliver any services through municipal entities, however, we supply the Kalahari West Water Board with water which is one of the main water suppliers to the former Mier Area. The other main water supplier in the Satellite Office area is the Kalahari East Water Board.

The municipality has major challenges with the aging infrastructure and the lack of services in our communities.

T3.0.1

Chapter 3

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

ELECTRICITY SERVICES

The provision of electrical connections to new residences is a critical component of the Integrated Development Plan (IDP). This encompasses electrification initiatives within both the municipal and Eskom supply areas. Within the municipal supply area, the project aimed at connecting 382 houses in Pabalello, Kameelmond, and Louisevale has experienced an extension of its completion date by two months due to a delay from the manufacturer in supplying key items, specifically transformers with copper windings. Consequently, the electrification project is now scheduled to be completed by the end of August 2024.

CIVIL ENGINEERING

The continuous influx of people to the urban areas is putting severe pressure on the basic services provision to communities. The new developments, growing families, seasonal agricultural activities may also have influence to the increased and an increase in backyard dwellers over the last few years, contribute to more and more residents being placed in un-serviced erven. In such cases, the municipality then has to resort to providing temporary water and sanitation services in the form of mobile water tanks and sanitation buckets.

The municipality faces major challenges in provision of services to communities and also the rate of development sub-economic areas is very high compared to areas which have influence on economic activities. The Municipality has spent loads of resources to support sub-economic areas which are a good thing but it creates a burden over the municipal budget as this unsustainable for a long term. For the survival of the Municipality we need the Vision of the NDP 2030, the vision of the municipality and communities towards sustainable economic development.

The current status of infrastructure Roads, Sewer and Water Services is showing serious failures that the municipality must address with urgency. Capacity shortage shows that the Municipality may reach a point where it can't allow growth of the town as the current services are under severe stress. It is plan of the Directorate Civil Engineering Services to upgrade current services and also prepare strategic documents which will encourage the growth of town, Informal settlement upgrades is critical whilst the numbers are still low.

T3.1.0

Chapter 3

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

The Dawid Kruiper Municipality provides water services to the main urban centre of Upington town, to 9 rural settlements surrounding the town of Upington and to 9 rural towns in the Mier area. The communities are constantly growing and increasing the water demand over the years.

The Municipality need to strategically provide new strategies to increase the efficient use of water, develop recycling program that can save the water and promote best practices as we facing an ecological battle with Global warming. Global warming will eventually strike hard on areas without proper efficient areas.

The CSIR report: *“The Intergovernmental Panel on Climate Change concluded that there is consensus that the increase of atmospheric greenhouse gases will result in climate change which will cause the sea level to rise, increased frequency of extreme climatic events including intense storms, heavy rainfall events and droughts. This will increase the frequency of climate-related hazards, causing loss of life, social disruption and economic hardships. There is less consensus on the magnitude of change of climatic variables, but several studies have shown that climate change will impact on the availability and demand for water resources. In southern Africa, climate change is likely to affect nearly every aspect of human well-being, from agricultural productivity and energy use to flood control, municipal and industrial water supply to wildlife management, since the region is characterized by highly spatial and temporally variable rainfall and, in some cases, scarce water resources. Vulnerability is exacerbated by the region’s low adaptive capacity, widespread poverty and low technology uptake.”*

The Municipality need to consider an overview improvement of systems to accommodate the environmental challenges to secure the well-being of our people. Without improvement of our Resources management, the municipality will be the first on the graph to feel the impact of climate change.

The town of Upington and the rural settlements of Louisvale Road, Melkstroom and Kalksloot/Klipput are supplied with drinking water from the Abraham “Holbors” September Water Treatment Works (AH September WTW), which is situated in Upington.

The remaining 7 rural settlements in the Upington area are supplied with drinking water from 7 smaller water treatment works, which are situated in each of the settlements and these treatment works have treatment capacities as follows:

1. Lambrechtsdrift Water Treatment Works, 864 kl/day (upgraded 2023-2024);
2. Karos Water Treatment Works, 288 kl/day;
3. Leerkrans Water Treatment Works, 864 kl/day (upgraded 2023-2024);
4. Ntsikelelo Water Treatment Works, 432 kl/day;
5. Leseding Water Treatment Works, 864 kl/day (upgraded 2022-2023);
6. Louisvale Water Treatment Works, 288 kl/day; and
7. Raaswater Water Treatment Works, 576 kl/day.

In the Mier area, drinking water was in the past supplied solely from boreholes, which supplied water directly into the distribution systems, with minimal to no treatment. The only water treatment works is situated in the village of Swartkopdam, where a desalination plant provides further treatment to the water abstracted from the boreholes. This water treatment also serves very little interest now as the boreholes are running dry.

Chapter 3

Perhaps this should be relocated to Welkom after the completion of the pipeline supply to Noenieput and Swartkopdam.

The threat to human life is ever increasing as the climate change conditions prevail and resulting to lack of underground water for these areas. Provision of reliable water is critical for the municipality according to the Constitution of South Africa 1996. However, due to the deteriorating levels of water quality and diminishing water source in the Mier area, the Kalahari-East water supply scheme has been extended over the last few years to the Mier area, and the water supply from the pipeline has become operational during the 2016/2017 financial year in the following villages:

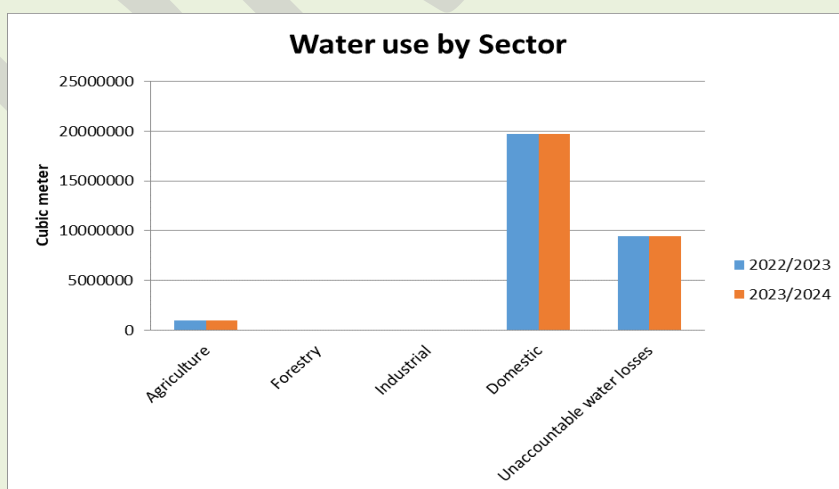
Rietfontein;
Loubos;
Askham;
Groot Mier;
Klein Mier;
Philandersbron,
Noenieput

The following villages still makes use of borehole water:

Swartkopdam;
Rietfontein;
Welkom.

The Municipality need to also prioritize the implementation of Master Plan projects and develop outstanding components for the Mier Area.1.3.11.

T3.1.1



T3.1.2.1

Chapter 3

COMMENT ON WATER USE BY SECTOR:

DKM has a serious focus on non-revenue water minimization. Two main projects were rolled out:

Replacement of bulk meters for top 100 businesses/ state entities:

Replacement of residential meters:

DKM has budgeted for the following 5-years to address the non-revenue water and will also be adopting a WCDM strategy during 2024-2025FY to ensure the losses are addressed.

The total volume of water consumed by the irrigation sector is the same as the volume abstracted, since the abstracted raw water is not treated. In the case of the Domestic, Commercial and Industrial sectors, the volume of treated water consumed are as follows:

The total volume of raw water abstracted for the different sectors are as follows:

2017/2018:

Irrigation: 1 090 505 m³/annum

Domestic, Commercial and Industry: 16 947 769 m³/ annum

2018/2019:

Irrigation: 1 264 423 m³/annum

Domestic, Commercial and Industry: 17 407 476 m³/ annum

2019/2020:

Irrigation: 1 594 401 m³/annum

Domestic, Commercial and Industry: 16 009 398 m³/ annum

2020/2021:

Irrigation: 1 120 331 m³/annum

Domestic, Commercial and Industry: 19 751 817 m³/ annum

2021/2022:

Irrigation: 1 120 331 m³/annum

Domestic, Commercial and Industry: 22 794 625 m³/ annum

2022/2023:

Irrigation: 993 482 m³/annum

Domestic, Commercial and Industry: 22 794 625 m³/ annum

2023/2024:

Irrigation: 993 482 m³/annum

Domestic, Commercial and Industry: 22 794 625 m³/ annum

The Municipality need to increase water management mechanism the most water consumed is not billed which is recurring problem and affect the municipal revenue.

T3.1.2.2

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Water Service Delivery Levels				Households
Description	2020/21	2021/22	2022/23	2023/24
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Water: (above min level)</u>				
Piped water inside dwelling	13 390	13 390	14 442	14 720
Piped water inside yard (but not in dwelling)	9 101	9 101	11 842	11 950
Using public tap (within 200m from dwelling)	3 168	3 168	1 152	1 289
Other water supply (within 200m)				
<i>Minimum Service Level and Above sub-total</i>	25 659	25 659	27 436	27 959
<i>Minimum Service Level and Above %</i>	94%	94%	95%	97%
<u>Water: (below min level)</u>				
Using public tap (more than 200m from dwelling)	218	218	0	0
Other water supply (more than 200m from dwelling)	0	0	1 303	676
No water supply	1 342	1 342	10	215
<i>Below Minimum Service Level sub-total</i>	1560,00	1560,00	1313,00	891,00
<i>Below Minimum Service Level Percentage</i>	5,73%	5,73%	4,57%	3%
Total number of households*	27 219	27 219	28 749	28 850
* - To include informal settlements				T3.1.3

Households - Water Service Delivery Levels below the minimum						Households
Description	2021/22	2022/23	2023/24	2023/2024		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	16 470	16 649	14 720	14 720	14 720	14 720
Households below minimum service level	856	788	147	147	147	147
Proportion of households below minimum service level	5%	5%	1%	1%	1%	1%
Informal Settlements						
Total households	10 883	11 100	11 950	11 950	11 950	11 950
Households ts below minimum service level	856	525	215	215	215	215
Proportion of households below minimum service level	8%	5%	2%	2%	2%	2%
						T3.1.4

Chapter 3

Water Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2021/2022		2022/2023			2023/2024		
		Target	Actual	Target		Actual	Target		
		Previous Year (iii)	(iv)	Previous Year (v)	Current Year (vi)	Actual Year (vii)	Previous Year (viii)	Current Year (ix)	Following Year (x)
Service Objective xxx									
Households without minimum water supply	Additional Households provided with minimum water supply during the year (Number of households (HHs) without supply at year end)	1800 additional HHs (1560 HHs outstanding)	3400 HHs (1560HHs outstanding)	1800 additional HHs (1560 HHs outstanding)	1800 additional HHs (1560 HHs outstanding)	3400 HHs (1560HHs outstanding)	1800 additional HHs (1560 HHs outstanding)	0 HHs (1342HHs outstanding)	3400 HHs (1560HHs outstanding)
Improve reliability of water supply	Reduce the number of interruptions (Ints) in supply of one hour or more compared to the baseline of Year	28% (2932 Ints)	28% (2932 Ints)	28% (2932 Ints)	28% (2932 Ints)	28% (2932 Ints)	28% (2932 Ints)	28% (2932 Ints)	28% (2932 Ints)
Improve water conservation	Reduce unaccountable water levels compared to the baseline of 2017/2018	48% (8 092 052 KLs)	20% (2 600 000 KLs)	48% (8 092 052 KLs)	20% (3 500 000 KLs)	20% (2 600 000 KLs)	46% (8 092 052KLs)	49% (3 500 000 KLs)	45% (2 600 000 KLs)
T3.1.6									

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Employees: Water Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	3	4	3	0	0%
7 - 9	14	17	7	0.572	3.36%
10 - 12	21	40	19	1.144	2.86%
13 - 15	12	18	15	0.076	0.42%
16 - 18	22	33	20	0.344	1.04%
Total	74	114	66	2.136	1.87%
					T3.1.7

Capital Expenditure 2022/23: Water Services					
					R' 000
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
Total All	9 646	16 848	15 555	-8%	
Wip 1250 - Rietfontein Boorgat	–	842	842	0%	842
Wip 1251 - Boorgat 2 Rietfontein	–	304	338	10%	304
Wip 1247 - Rietfontein Boorgat	–	577	577	0%	577
Wip 1200 - Upgrade Of Bulk Water Network	3 261	3 261	4 133	21%	3 261
Wip 1198 - Upgrade Of Wtw And Reservoirs	2 935	5 870	5 870	0%	5 870
Wip 1183 - Generator For Kalahari-Wes Pumpstation	–	133	133	0%	133
Wip 1117 - Telemetry Upgrade	150	318	318	0%	318
Wip 1071 - Laboratory Equipment	800	517	517	0%	517
Wip 1048 - HQ - Replacement Of Pump And Valves	600	400	418	4%	400
Wip 1051 - Replacement Of >50 Mm Watermeters	1 000	738	81	-808%	738
Wip 1053 New Watermeters	–	2 985	1 467	-103%	2 985
Wip 1017 Worn-Out Pumps; Valves; Switchgear - Sat	150	154	154	0%	154
Wip 1050 New Conventional Meters	750	750	707	-6%	750
					T3.1.9

Chapter 3

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The Municipality operates and maintains 17 water supply systems with a combined output capacity of 84 ML/day. The Mier area is mainly supplied with water from the Kalahari-East Water Users Association (KEWUA). The recorder total water system input volume recorded for the 2023-2024 FY was 18 813 425 ML. The main purification works in Upington, Abraham Holbors September Water Treatment Works, has a capacity of 83 M/day and the highest recorded summer output is approximately 74 ML/day. During winter it drops to an average daily output of 38ML/day.

No.	Purification Plant	Number of Households Served	Purification Plant Capacity (ML/day)	July 2023 Total network input volume (ML)	August 2023 Total network input volume (ML)	September 2023 Total network input volume (ML)	October 2023 Total network input volume (ML)	November 2023 Total network input volume (ML)	December 2023 Total network input volume (ML)	January 2024 Total network input volume (ML)	February 2024 Total network input volume (ML)	March 2024 Total network input volume (ML)	April 2024 Total network input volume (ML)	May 2024 Total network input volume (ML)	June 2024 Total network input volume (ML)	June Average output per day (ML/day)	Average Production (Operational) capacity in %
1	Lambrechtshof	162	288	1 422	1 890	4 050	1 812	7 231	6 108	3 978	8 481	8 187	7 348	6 454	2 272	72.90	20%
2	Karoo	123	288	1 714	1 476	8 693	7 128	7 852	6 111	7 305	7 583	9 837	7 777	5 884	6 035	200.67	93%
3	Lambrechtshof	162	288	8 265	8 661	9 403	12 010	9 388	6 366	10 164	8 783	8 033	7 438	8 413	7 191	218.70	93%
4	Paarl	147	288	7 429	7 004	7 881	8 613	9 279	8 581	8 394	7 831	7 890	7 862	10 449	10 864	168.73	117%
5	Lambrechtshof	162	288	5 689	6 871	617	7 791	8 108	8 831	8 105	7 431	7 194	8 719	8 982	8 840	221.99	17%
6	Paarl	147	288	24 253	8 711	10 741	21 121	25 114	29 818	40 124	35 894	28 798	28 888	10 414	37 394	711.11	42%
7	Paarl	147	288	8 242	7 402	8 987	74 861	14 774	11 703	18 549	13 043	15 888	10 370	12 871	12 313	408.19	73%
8	Abraham Holbors September Water Treatment Works (Upington)	32 846	83 000	1 180 291	1 235 481	1 032 108	1 388 894	1 611 501	1 680 871	1 680 113	1 801 139	1 707 412	1 918 963	1 428 075	1 511 180	41 229.13	96%
Total:	8	25 593.00	84 792	1 019 875	1 285 091	1 388 872	1 465 143	1 295 979	1 750 524	1 769 082	1 884 841	1 784 760	1 584 141	1 529 364	1 411 818	47 194	96.88%

Water quality monitoring is conducted at three (3) levels. Microbiological, chemical and physical parameter monitoring takes place at both the treatment works and the various locations within the distribution system (pipelines and reservoirs). This monitoring is conducted by an external service provider. Furthermore, treatment plant external annual and monthly audits as well as Full SANS 241-2015 take place as means to ensure water quality monitoring. The DKM Water Safety Plan has been reviewed during June 2023.

Operational monitoring is also conducted at the 8 treatment facilities on a 2-hourly basis to ensure process monitoring on the various physical parameters.

The Dawid Kruiper Municipality achieved Blue Drop scores of 7%, 38%, 44% and 72% in the 2009, 2010, 2011 and 2012 Blue Drop Report, respectively. It is evident in the scores that have been achieved over the years that the journey towards Blue Drop status has been long, difficult and onerous. The municipality has finally achieved Blue Drop status in the 2014 Blue Drop Report with an average Blue Drop score of 96%. Two out of the 8 Water Treatment facilities in the municipality achieved Blue Drop Certification status in the 2014 Blue Drop report with the lowest score being 78%.

The 2021-2022 Bluedrop Progress Assessment Tool (PAT) results was published in April 2022. Dawid Kruiper fell in the low risk category achieving 25 (Below 50%. 12 supply systems have a risk rating between 14.4%-39%. 6 supply systems are presented in the top 10 performing systems and 3 systems are in the top 20 performing water supply systems in the country from a risk based perspective. The 2023 Bluedrop score Dawid Kruper attained a 83.85% combined scoring for all 17 supply system. DKM was indicated as the best performer in the Northern Cape Province. AHS WTW Supply system attained a 85.38% scoring making it the best WTW in the Province. The majority of water supply systems maintained a low Blue Drop Risk Rating (BDRR) thus indicative

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that DKM strives to ensure water quality and security remain as priority. Serious interventions were implemented to mitigate further risks and improve on the Bluedrop scoring.

The microbiological compliance for the 2023-2024 FY can be seen below:

Potable Water Microbiological Compliance 2023-2024 (Combined Ecoli and Total Coliforms: Acute Health and Operational Parameters)				
Month	Total Samples Taken (Ecoli and Total Coliforms)	Total Passed	Total Failed	Compliance
Q1	1286	1257	29	97.74
Q2	1132	1057	75	93.37
Q3	1291	1166	125	90.32
Q4	1182	1090	92	92.22
Total	4891	4570	321	93.44

Dawid Kruiper Municipality has a serious focus on non-revenue water minimization. Two main projects were rolled out:

- Replacement of bulk meters for top 100 businesses/ state entities:
- Replacement of residential meters:

The water losses for 2023/2024 equates to 50.4% and is relatively higher than the previous Financial Year. The continuous installation of smart meters will certainly decrease the water losses count going forward. Dawid Kruiper Municipality has budgeted for the following 5-years to address the non-revenue water and will also be adopting a WCDM strategy during 2024-2025FY to ensure the losses are addresses.

The current status of Municipality water balance tables shows significant amount of water used or lost due to poor structures for management of water resources. There is a tendency to transfer the risk of water risk to the next person or authority in the community without proper understanding of the current situation on our Water Services. The various water users need to account for water used per sector, i.e. Roads, Water supply, Parks, Resorts, etc. Serious improvement need to be made on mind-set to shift from using water irresponsible.

The other challenge on the Water Services performance, the water network is relatively old and places a serious threat to the human life as the pipes are constantly bursting and causing pollution of the pipe network. The 2023/24 financial year saw the most pipe bursts happening to our bulk system. The amount of water lost in the Municipality is unjustifiable too high due to poor systems to manage water. There are communities without water meters and high number of illegal connection makes it impossible to control the water usage.

The vandalism of our systems by those who collect scrap metal pieces is a serious concern. For both water and sewer network the municipality has manholes and chambers left open as this group targets all metal items in our community. It is a concern that all metal recycling business should be governed and all those who are selling stolen items should be charged with serious criminal charges. Manholes left open are a serious threat to the community as children may be stuck inside these holes and they also provide the community an opportunity to throw in foreign objects to the network which causes blockages and failure of systems. The process to replace stolen meters and manhole covers that are stolen is expensive at time result in the manholes

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being left open. Security and law enforcement for protection of our services need to be strengthened as the primary culprit is the steel collectors in communities.

The Municipality has the following key priorities in terms of water services provision:

- Provision of sustainable clean water to all households, industry and business communities.
- Maintain and upgrade water networks in order to minimise service interruptions.
- To maintain and sustain required minimum drinking water quality standards.

A number of challenges are facing the Municipality on an on-going basis:

1. Minimising un-accounted water due to large areas not being metered;
2. Reducing service interruptions to a minimum length of time, due to a low capacity in terms of skilled plumbing personnel;
3. Ever deteriorating quality of raw water obtained from the Orange River puts strain on time and money spent on water treatment in order to maintain minimum drinking water quality standards;
4. To sustain the functionality of an aging infrastructure;
5. Increasing number of informal households being added to the supply system where no formal water service connections exist;
6. Poor quality groundwater at towns in the Mier area not yet supplied from the Kalahari-East pipeline;
7. In as much as the better quality water supplied from the Kalahari-East pipeline is desired, this water is expensive to the point where poorer households will not be able to afford it. So affordability of water in the Mier area is already a challenge.

New Projects

The COGHSTA Program for provision of services has 4122 of households receive water connections, which some are completed.

T3.1.10

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3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

UPINGTON

The Dawid Kruiper Municipality provides wastewater services to the urban centre of Upington at the Kameelmond Waste Water Treatment Works (WWTW). This treatment facility has a daily treatment capacity of 16MI/day Annual Dry Weather Flow (ADWF). However, an increasing number of sewer connections means that the plant's capacity is often exceeded in peak summer periods. The Kameelmond WWTW is also relatively old and the last significant upgrade on the plant was about 25 years ago. Plans are currently underway to upgrade the Kameelmond WWTW through the RBIG. The Consultant Engineers were appointed to start with the design of the upgrade and increase the plant capacity in 2018/19. The Contractor were also appointed in the 2020/2021 FY.

SURROUNDING TOWNS

There is only 1 rural water treatment facility at Louisvale Road, which has a capacity of 0.2 MI/day ADWF. The surrounding settlements make use of either a VIP or a UDS toilet system. The Municipality need to improve bulk services according to the needs and master plans for sanitation. There is currently a program to implement bulk sewerage projects in Karos, Welkom and Kalksloot.

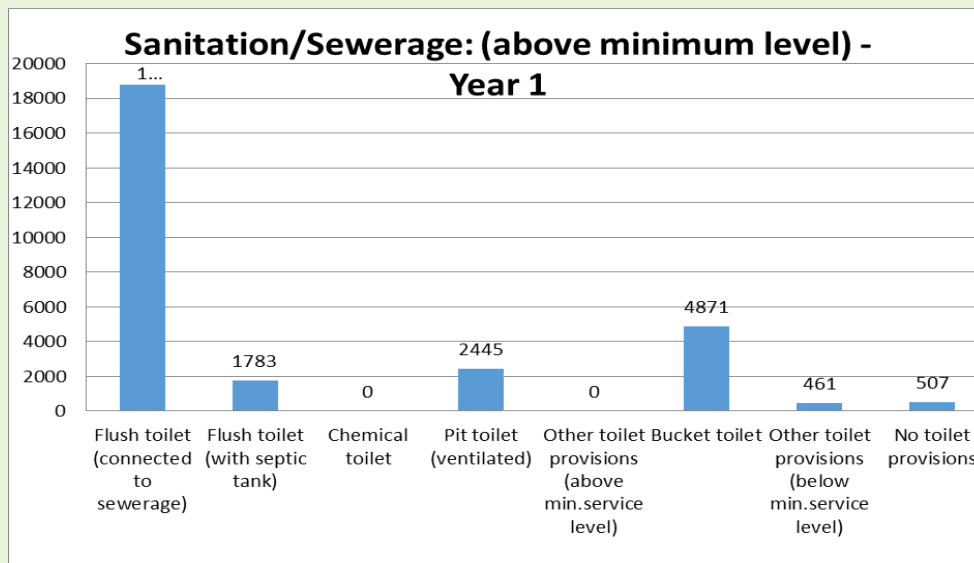
The Oxidation Pond system at Louisvale Road is in need of an upgrade due to an increase of sewerage run off to the existing system. MIG Business Plans have been submitted for prioritization. Increasing strain are being felt by the Municipality to provide sanitation services above the minimum standards and a large number of buckets are still in existence in the system as backlogs in water and sanitation services continue to grow on non-serviced erven. Backlogs will be discussed in more detail in Chapter 5. A full break-down of the level of services is also provided in Section 1.3.

THE FORMER MIER AREA

The Dawid Kruiper Municipality extends sanitation service in the Mier area (commonly known as the Kalahari), which forms part of its jurisdiction. The entire area is not serviced through a sewerage network system, but sanitation is provided through a combination of dry sanitation systems and septic tanks. Three sewerage treatment works serves the entire area (all 9 towns), situated at Loubos, Rietfontein and Askham, and this is putting tremendous strain on the municipality, since all sewerage that is collected, needs to be carted by truck to one of the three treatment works.

T3.2.1

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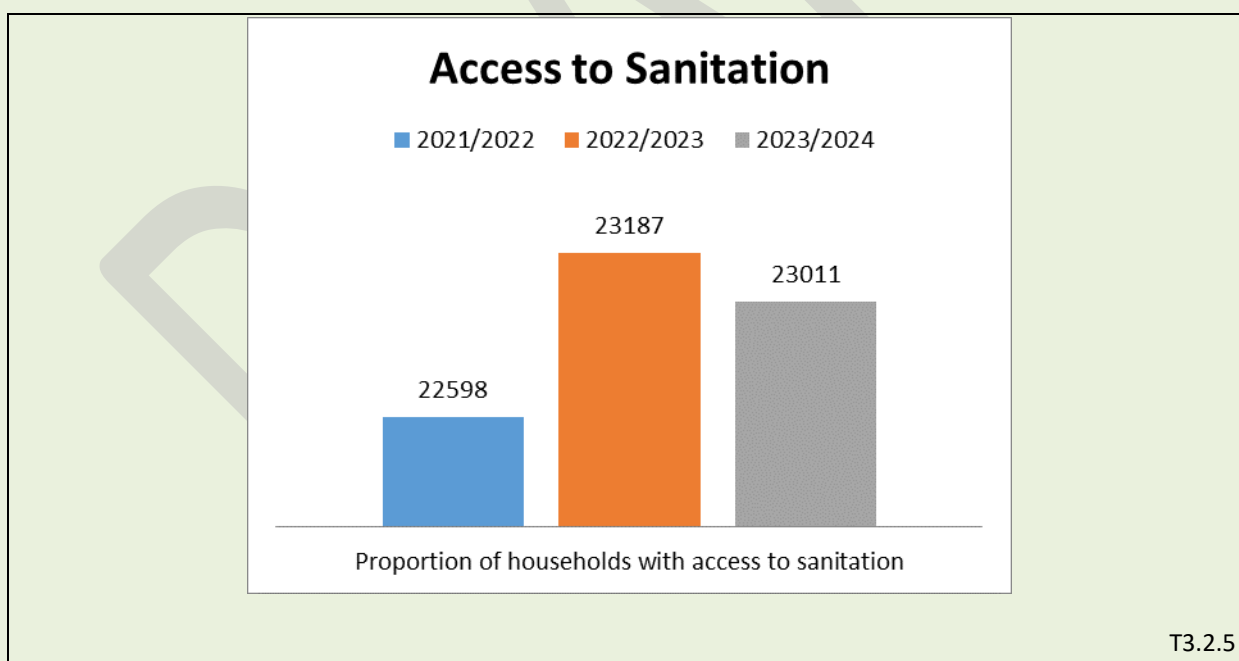


T3.2.2

Sanitation Service Delivery Levels				
Description	2020/2021	2021/2022	2022/2023	*Households 2023/2024
	Outcome No.	Outcome No.	Outcome No.	Actual No.
<u>Sanitation/sewerage: (above minimum level)</u>				
Flush toilet (connected to sewerage)	18468	18468	18842	18783
Flush toilet (with septic tank)	1734	1734	1898	1783
Chemical toilet	0	0	0	0
Pit toilet (ventilated)	2396	2396	2447	2445
Other toilet provisions (above min.service level)	0	0	0	0
<i>Minimum Service Level and Above sub-total</i>	22598	22598	23187	23011
<i>Minimum Service Level and Above Percentage</i>	83,0%	83,0%	80,7%	80%
<u>Sanitation/sewerage: (below minimum level)</u>				
Bucket toilet	3049	3049	4804	4871
Other toilet provisions (below min.service level)	476	476	461	461
No toilet provisions	1093	1096	297	507
<i>Below Minimum Service Level sub-total</i>	4618	4621	5562	5839
<i>Below Minimum Service Level Percentage</i>	17,0%	17,0%	19,3%	20%
Total households	27 216,	27 219,	28 749,	28 850,
*Total number of households including informal settlements				T3.2.3

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Households - Sanitation Service Delivery Levels below the minimum						
Description	2021/2022	2022/2023	2023/2024	2023/2024		
	Actual	Actual	Actual	Original	Adjusted	Actual
	No.	No.	No.	Budget No.	Budget No.	No.
Formal Settlements						
Total households	16470	17249	18783	18783	18783	18783
Households below minimum service level	3344	3337	3756	3756	3756	3756
Proportion of households below minimum service level	20%	19%	20%	20%	20%	20%
Informal Settlements						
Total households	10883	11500	10067	10067	10067	10067
Households that is below minimum service level	3344	2225	2030	2030	2030	2030
Proportion of households below minimum service level	31%	19%	20%	20%	20%	20%
						T3.2.4



Chapter 3

Waste Water (Sanitation) Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2021/2022		2022/2023			2023/2024	2023/2024	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Previous Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
Provision of toilets within standard	Additional Households (HHs) provided with minimum sanitation during the year (Number of HHs remaining without minimum sanitation at year end)	3000 additional HHs (3554 HHs remaining)	4900 HHs remaining)	3000 additional HHs (3554 HHs remaining)	1800 HHs remaining)	4900 HHs remaining	4700 additional HHs (5562 HHs remaining)	5562 HHs remaining	5562hhs remaining
T3.2.6									

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Employees: Sanitation Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	2	2	0.412	20.6%
7 - 9	6	6	4	0.24	4%
10 - 12	20	30	18	0.164	0.55%
13 - 15	0	0	0	0	0%
16 - 18	46	56	46	0	0%
Total	75	95	71	0.81	0.85%
T3.2.7					

Financial Performance 2023/24: Sanitation Services					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	108 273	50 603	62 453	55 314	-13%
Expenditure:					
Employees	(27 962)	(22 916)	(27 176)	(26 668)	-2%
Repairs and Maintenance	(264)	(961)	(961)	(723)	-33%
Other	(8 362)	(9 837)	(9 837)	(9 479)	-4%
Total Operational Expenditure	(36 588)	(33 714)	(37 974)	(36 870)	-3%
Operating (Deficit)	71 684	16 889	24 479	18 443	-33%
<i>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 Adjustment Budget by the Actual.</i>					
T3.2.8					

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The Municipality has assessed the situation of the main waste water treatment plant in Upington and other sanitation facilities through the Master plans prepared by NCEDA. The progress to upgrade the Kameelmond WWTW through the RBIG during the next 3 financial years at a total estimated cost of R65million (refurbishment completed 2023-2024) and R280 million (upgrade 2025-2028) as well as the Eastern Bulk Outfall Sewer at R40million (completed 2022-2023). The Municipality managed to appoint the service provider to start with the major design for the upgrading of plant in Kameelmond WWTW, the construction will only start in May 2025. Thus far the KWWTW has made significant strides in the improvement of the treatment processes and thus the effluent quality. The upgrading of the Rietfontein Wastewater plant and appointed an Engineer to address the challenges. We appointed a Contractor for the upgrading of the oxidation pond. The project is completed. The Municipality need to make provision for wastewater treatment in small packages or shared

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services to reduce the operational cost as Centralizing waste result in the high demand at the Uppington Treatment Plant and high operation and maintenance costs. This will reduce the pressure on vacuum tankers responsible for waste by road haulage.

All sanitation masterplans were in review during the 2023-2024 FY. This was funded through the DBSA. Final documentation will be presented to Council during 2024-2025FY.

T3.2.10

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The municipal Electrical Services Department is responsible for the supply of electricity to the municipal supply area, the maintenance of electrical installations of the municipality and the provision of area and street lighting in the municipal area.

The main objectives of the Department are:

- To provide electricity to all customers in the municipal area of supply.
- To maintain and upgrade the networks to make provision for existing and new developments in the supply area.
- To provide street and area lighting to all existing and new areas.
- To provide an electrical support service to all other departments in the municipality.

The Sub-Directorate Electrical Services' staff consists of skilled and semi-skilled people. Table 3.3.1 gives an overview of the staff levels and numbers.

The electrification program to provide electricity to all households in the municipal area is continuing with the assistance of the Integrated National Electrification Program (INEP) funding. In the Eskom area of supply, annual surveys of un-electrified houses are conducted and the information is passed on to Eskom to include the houses in their rolling electrification program. The electrical networks, street- and area lighting, municipal buildings and installations are kept in a good condition through planned maintenance programs provided for in the operational budget. The operational budget of the Directorate is summarized in Table 3.3.3.

Capital projects ensure that existing and new areas are serviced and is planned annually through the IDP and budget processes. A summary of the main capital projects is given in Table 3.3.4

T3.3.1

Chapter 3

ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives	Outline Service Targets	2022/2023		2023/2024		2024/25
		Target	Actual	Target	Actual	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	Target
Provision of minimum supply of electricity through electrification projects	Additional households (HHs) provided with minimum supply during the year	395 additional HHs	395 additional HHs	178 additional HHs	178 additional HHs	382

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Employees: Electricity Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	4	3	0	0%
7 - 9	11	12	11	0.496	4.13%
10 - 12	10	12	10	0	0%
13 - 15	7	10	10	0	0%
16 - 18	6	7	4	1.94	27.71%
Total	38	45	39	2.436	5.41%
T3.3.6					

Financial Performance 2023/24:Electricity					
R'000					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	333 806	400 728	400 728	397 377	-1%
Expenditure:					
Employees	(16 464)	(19 624)	(18 613)	(18 201)	-2%
Repairs and Maintenance	(1 795)	(2 351)	(2 351)	(2 354)	0%
Other	(277 315)	(329 957)	(329 957)	(319 820)	-3%
Total Operational Expenditure	(295 575)	(351 931)	(350 921)	(340 375)	-3%
Operating (Deficit)	38 231	48 797	49 808	57 002	13%
<i>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 Adjustment Budget by the Actual.</i>					
T3.3.7					

Chapter 3

Capital Expenditure 2023/2024: Electricity Services					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1005 New Electrical Meters (Consumer)	195 000,00	195 000,00	160 980,61	34 019,39	-
8100 81502 WIP 1006 New Electrical Meters - Indigent	60 000,00	60 000,00	27 036,08	32 963,92	-
8100 81502 WIP 1007 New Electrical Meters New Erven (Cons.)	30 000,00	30 000,00	6 753,66	23 246,34	-
8100 81502 WIP 1008 Replace Faulty Electrical Meters - Cons.	760 000,00	760 000,00	740 938,58	19 061,42	-
8100 81502 WIP 1019 Streetlights (Various Areas)	250 000,00	250 000,00	-	250 000,00	-
8100 81502 WIP 1022 Toolkit	10 000,00	10 000,00	7 350,00	2 650,00	-
8100 81502 WIP 1023 Vervanging van Kiosks & Transformers	1 665 000,00	1 665 000,00	441 148,16	1 223 851,84	-
8100 81502 WIP 1025 Electrical Network	150 000,00	150 000,00	135 315,47	14 684,53	-
8100 81502 WIP 1026 Batteries - Various Smaller Substations	200 000,00	200 000,00	194 600,00	5 400,00	-
8100 81502 WIP 1027 Check Meter / Power Quality	50 000,00	50 000,00	-	50 000,00	-
8100 81502 WIP 1138 Electrification of Houses - Rosedale&Pab	-	-	310 970,66	310 970,66	-
8100 81502 WIP 1158 Electrification of 157 Houses	4 903 298,00	4 903 298,00	4 903 298,00	-	-
8100 81502 WIP 1159 Electrification of 157 Houses	2 626 654,00	2 626 654,00	1 181 471,58	1 445 182,42	-
8100 81502 WIP 1163 Upington North Bulk Supply	4 347 825,00	4 347 825,00	4 347 826,09	1,09	-
8100 81502 WIP 1164 Electrification of 332 Houses	12 002 667,00	12 002 667,00	10 950 932,99	1 051 734,01	-
8100 81502 WIP 1226 Solar System at Electrical Offices	35 738,00	35 738,00	737,52	35 000,48	-
8100 81502 WIP 1229 Automization of Substation	5 141 650,00	5 141 650,00	5 141 650,00	-	-
8100 81502 WIP 1230 Automization of Substation	335 000,00	335 000,00	24 339,00	310 661,00	-
8100 81502 WIP 1246 Elec Louisvale Road and Kameelmond	10 173 914,00	10 173 914,00	10 173 914,00	-	-
8100 81502 WIP 1253 Leer	-	-	-	-	-
8100 81502 WIP 1255 Electrification Louisvale Road & Kameelmond	1 500 000,00	1 500 000,00	1 262 663,49	237 336,51	-
8100 81502 WIP 1256 Upington North Bulk Supply	453 965,00	453 965,00	136 127,25	317 837,75	-
T3.3.8					

Chapter 3

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The priority of the largest capital projects were the electrification of houses and the upgrading of street lighting technology. The electrification project is behind schedule but will be completed soon and reach the set targets.

T3.3.9

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

Waste Disposal, Cleansing Services and Waste Management are in the same budget and not divided.

Waste disposal are done on the De Duine-, Leerkrans-, Askham-, Welkom-, Groot Mier-, Loubos-, Rietfontein-, Philandersbron-, Noenieput- and Swartkopdam Refuse Sites.

Due to the longer hours in trading, street sweepers switched to a six-day workweek and overtime is worked on Sundays to ensure that the town are kept clean.

The process will start soon to set out a tender for a new recycler at the Landfill site

The biggest challenge remains the breakdown of vehicles.

All communities receive a refuse removal service. Contractors have been appointed to remove garbage in the following towns, Askham, Welkom, Groot and Klein Mier, Noenieput and Swartkopdam.

Refuse from households are taken once a week and in rural areas every 14 days, except the Satellite Office Area, due to the long distances and low generation of waste do not require a more frequent service presently. Refuse removal from businesses are done three times per week.

Indigent households received special refuse removal without extra cost on request to prevent illegal dumping.

T3.4.1

Chapter 3

Solid Waste Service Delivery Levels				
Description	2021/2022	2022/2023	2023/2024	Households 2024/2025
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	26	26	29	
<i>Minimum Service Level and Above sub-total</i>	23	23	30	
<i>Minimum Service Level and Above %</i>	88,5%	88,5%	83,3%	
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	6	6	6	
Using communal refuse dump	–	–	–	
Using own refuse dump	–	–	–	0
Other rubbish disposal	–	–	–	
No rubbish disposal	–	–	–	
<i>Below Minimum Service Level sub-total</i>	6	6	6	0
<i>Below Minimum Service Level percentage</i>	23,1%	23,1%	16,7%	
Total number of households	26	26	36	0
T3.4.2				

Households - Solid Waste Service Delivery Levels below the minimum						
Description	2021/2022	2022/2023	2023/2024	2023/2024		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	13	13	30			
Households below minimum service level	5	5	5			
Proportion of households below minimum service level	38%	38%	17%			
Informal Settlements						
Total households	13	13	29			
Households below minimum service level	3	3	3			
Proportion of households below minimum service level	23%	23%	10%			
T3.4.3						

Chapter 3

Employees: Waste Disposal and Other Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	0	0%
4 - 6	2	2	1	0.408	20.4%
7 - 9	2	2	0	0	0%
10 - 12	10	21	11	0	0%
13 - 15	0	0	0	0	0%
16 - 18	62	89	55	3.032	3.41%
Total	76	115	67	3.44	2,99%
T3.4.6					

Financial Performance 2023/24: Solid Waste Removal					
R'000					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	45 700	48 820	48 820	48 082	-2%
Expenditure:					
Employees	(19 574)	(19 581)	(19 581)	(18 880)	-4%
Repairs and Maintenance	(4)	(7)	(5)	–	0%
Other	(8 002)	(11 242)	(11 242)	(7 749)	-45%
Total Operational Expenditure	(27 580)	(30 829)	(30 828)	(26 629)	-16%
Operating (Deficit)	18 121	17 990	17 992	21 453	16%
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 Adjustment Budget by the Actual.					
T3.4.7					

Capital Expenditure 2023/2024: Waste Management					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1092 Rehabilitation of Kameelmond WWTW	-	-	1 150 380,49	1 150 380,49	-
8100 81502 WIP 1227 Pumps	360 000,00	360 000,00	-	360 000,00	1,00
8100 81502 WIP 360 Upgrading Bulk Outfall Sewerage (Phase 2)	3 145 854,00	3 145 854,00	-	3 145 854,00	2,00
T3.4.8					

Chapter 3

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

Our biggest challenge is the breakdown of vehicles and the shortage of certain vehicles (e.g. the compactor at the refuse site). At present although the number of households are increasing, especially in the informal areas, we are capable to deliver a curb side removal service weekly in urban areas and every 14 days in rural areas, except the Satellite Office Area.

T3.4.10

3.5 HOUSING

INTRODUCTION TO HOUSING

The Housing Unit forms part of the Directorate Development and Planning. This component of the municipality works together with COGHSTA in order to ensure the provision of adequate housing as well as basic services. Dawid Kruiper Municipality's Housing Unit is fully functional and in a position to execute accredited Level 2 Housing functions. It is also aligned with the Integrated Development Plan to ensure proper communication as well as effective and transparent processes. It clarifies and provides strategy with respect to the manner in which housing development and comprehensive human settlement can be achieved at local level.

The main purpose of the Housing Unit is as follows:

- To ensure effective allocation of limited resources to a variety of potential development initiatives.
- Provide guidance in prioritizing housing projects in order to obtain consensus for order of implementation thereof.
- To ensure more integrated development through aligning cross-sectorial role players to coordinate their development interventions in one plan.
- To ensure budget allocations to the municipality is applied to ensure maximum impact.
- To provide spatial linkages between the spatial development framework and the physical implementation of the respective housing projects.
- To ensure there is a definite housing focus in the IDP.
- Providing the IDP process with adequate information about the housing programs, its benefits, parameters as well as strategic and operational requirements.
- Ensuring that the contents and process requirements of planning requirements of planning for housing are adequate catered for in the IDP process.

T3.5.1

PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING

Year end	Total households (informal settlements)	Households with access to basic housing	Total of Captured applications on NHNR on informal/Formal settlements/
2023/2024	13819	13819	16206

T3.5.2

Chapter 3

Employees: Housing Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	4	3	0	0%
7 - 9	5	5	3	0.908	18.16%
10 - 12	2	3	2	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	11	13	9	0.908	6.98%
					T3.5.4

Financial Performance 2023/24: Housing Services						R'000
Details	2022/2023	2023/2024				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget	
Total Operational Revenue	–	–	–	–		
Expenditure:						
Employees	(5 209)	(5 467)	(5 467)	(5 011)	-9%	
Repairs and Maintenance	–	–	–	–	0%	
Other	(12)	(12)	(12)	–	0%	
Total Operational Expenditure	(5 221)	(5 479)	(5 479)	(5 011)	-9%	
Operating (Deficit)	(5 221)	(5 479)	(5 479)	(5 011)	-9%	
						T3.5.5

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The Housing Unit Performance is mainly based on serviced sites as well as the delivering of subsidized housing. Part of its core function is to eradicate the back dwelling in our societies. The municipality also registered home owners at the title deed office. Therefore, in general the performance of this unit is to engage with the Department COGHSTA as the main stakeholder to ensure proper functions as well as services. The last Complete project in our jurisdiction was handled by the Provincial Department which consisted of 250 BNG houses in 2016. Current allocated projects are the 48 Housing Projects, the 450 DBSA front loading project as well as the Military Veterans project for the 2023/2024 financial year. The municipality only are still responsible for the administration process. Therefore, the overall performance to this regard was to oversee the project's administration.

To ensure that the municipality is able to perform its accreditation level to its fullest Housing consumer education is part of the administration processes that unfold when projects are running. Dawid Kruiper

Chapter 3

Municipality is fully functional with the exceptions of minor challenges such as the updating of the HSS on the national database and the Lack of Funding to fully Implement our needs on the Housing Sector Plan.

The housing unit have reviewed the Housing Policy and was Approved by Council on the 30th of June 2021, Council Decision number 16.9/06/2021/30. The housing need exceed the provision capabilities of the municipality thus resulting in more and more cases of illegal squatting

T3.5.7

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipality has an Indigent Management Policy, the Policy makes provision for low income and unemployed households who receive less than two times the Government allowance paid to old age pensioners or disabled persons; this amount is announced by the Minister of Finance on his Budget Speech.

The following services are being subsidized by the Municipality:

- * Property Tax
- * Refuse
- * Sanitation / Sewerage
- * Water (up to 6kilolitres per month) if the consumption exceeds the 6kl then the consumer will be liable to pay,
- * Electricity (up to 50kWh per month) if the consumption exceeds the 50kWh then the consumer will be liable to pay,

Sewerage/sanitation, Refuse Removal and Property Rates (residential), these services are being subsidized through the Equitable Share allocated to the Municipality annually by National Treasury in the Government Gazette.

The Indigent Management Policy also state that when household is registered for the first time then the Municipality will install pre-paid electricity meter and prepaid water meters at its own cost.

When a household applies for the Indigent Support for the first time, the Municipality will write off his/her consumer account once off.

T3.6.1

Chapter 3

Financial Overview - 2023/24										
	Total	Households earning less than R4,200 per month								
			Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Total	Access	%	Access	%	Access	%	Access	%
2019/20	Information not available		6 162	27%	6 162	27%	6 162	27%	4 048	18%
2020/21	Information not available		8 115	26%	8 115	26%	6 950	22%	8 115	26%
2021/22	8 554		8 300	26%	8 300	26%	7 294	23%	8 280	26%
2022/23	8 554		9 448	25%	9 448	25%	9 448	25%	9 448	25%
2023/24	9112		9 112	25%	9 112	25%	9 112	25%	9 112	25%
										T3.6.3

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The Municipality gives subsidy for Free Basic Services to all Indigent House holds who are unemployed and receive two times the Government Grant **(which was R4,160.00 per month in 2023/2024)**, the income of everyone staying in the house is calculated as the total income, and the Indigent Register is being updated on a daily basis, and the re-registration process is done annually in order to verify the status of the Indigent Household if it is still the same.

The following Free Basic Services are being subsidised:

Electricity (50kWh of electricity per month)
 Water (6 kilolitres of Water per month)
 Sewerage/Sanitation
 Refuse Removal
 Property Rates (residential)

T3.6.6

Chapter 3

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (storm water drainage).

INTRODUCTION TO ROAD TRANSPORT

The town of Upington forms a strategic link on the Namibia-Gauteng-Western Cape import and export route. Coupled with the proposed cargo hub, proposed high speed testing facility, proposed solar park and newly proposed Special Economic Zone (SEZ), road transport will be playing a crucial role in the future development of the Dawid Kruiper Municipality. The Dawid Kruiper Municipality also forms the gateway to the Kgalagadi Transfrontier National Park. However, a crucial gap exists at the moment in terms of the absence of a comprehensive and integrated transport plan and pavement management system which should be paving the way for a holistic, comprehensive transportation development approach.

The Municipality takes the responsibility from the strategic development document such as the NDP2030 and the structures act that gives primary objectives that roads act as the tool to access our communities and availability of transport that is safe and reliable is the priority concern of the municipality and other government stakeholders. It is therefore imperative that our roads and transport on the roads is reliable and able to enhance economic activities.

The main public transportation mode currently in use within the Dawid Kruiper municipal area, is minibus taxis. No passenger train or bus service is currently in use, primarily because the numbers of commuters, who make use of public transportation, are still relatively small. It is possible that the number of commuters making use of public transport might increase should other modes of transport enter the market, which are safer, more reliable and offer higher levels of convenience. Logistics transport, freight and other goods carrying modes of transport need to be accommodated on our planning as this form part of economic activities within the Municipality.

Future growth within the municipal area might also stimulate growth in the area of public transport and may demand other modes of transport to enter the market. However, detailed studies need to be conducted as the municipality falls within the mining corridor

T3.7.0

3.7 ROADS

INTRODUCTION TO ROADS

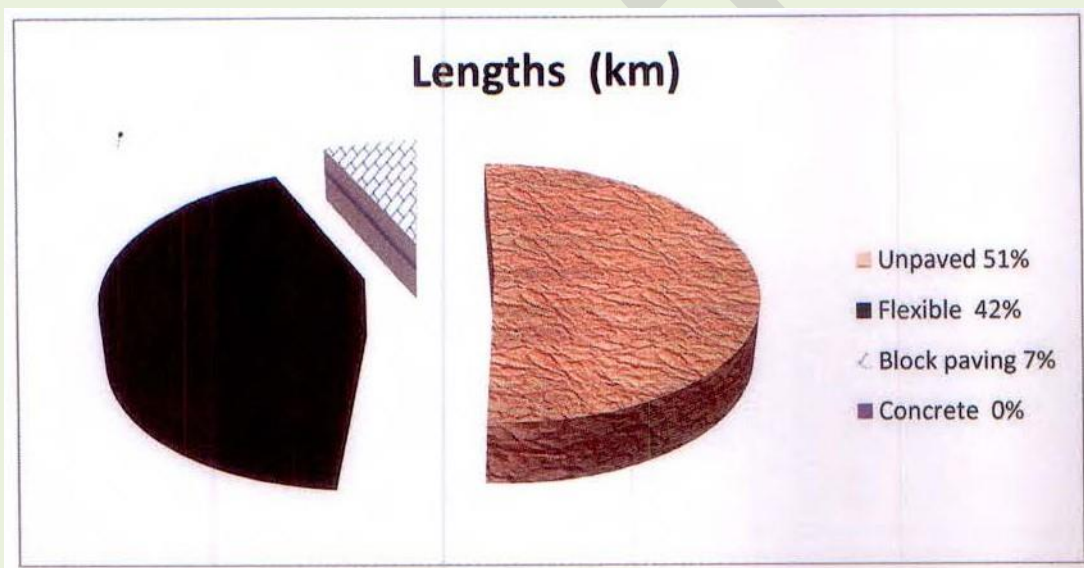
The Dawid Kruiper Municipality is responsible for provision and maintenance of roads in the region. The basics services of roads/streets are to provide accessibility within communities and it business and social place safely and affordable. The main objectives of the Directorate Civil Engineering Services, in terms of road infrastructure, are:

- To keep roads safe and on national standards,
- Asset Management, Maintain and upgrade road networks,
- To have access to communities and business areas roads for economic development, and
- To coordinate infrastructure investment.

Chapter 3

The total road infrastructure of Dawid Kruiper Municipality is approximately 512.43km of total road network, which is divided into the following:

Surface type	Lengths(km)	Comments
Unpaved (51%)	261,31	
Flexible (42%)	214,14	
Block (7%)	37,88	3km constructed in Louisvale (New settlement)
Concrete (0%)	0,00	Some patches of Concrete
Total	513,23	



The District Municipality also has program continues for roads asset management systems development (RRAMS). This program has established the extent of the road network of each local municipality in the District. The aim of the programme is to establish the road asset of the Municipalities and allow for proper planning, operations, maintenance and development of roads.

The majority of the Network in the Dawid Kruiper Municipality is classified as class 5 roads, which is high in access and low mobility (30-70km/h speed limit in most areas). The roads in the municipality are commonly at the speed limit of 60km/h.

The Municipality roads require attention as to address the high growing traffic volumes on the roads. The Upington Municipality need to embrace the growth of town and plan for the future challenges. Currently roads are in fairly condition as most of the flexible roads are on the moderate and good conditions but serious attention needs to be given to maintenance of roads which are in bad condition as this result in major financial demands if the condition is not rehabilitated at an early stage. The roads which carry more volumes such as access road to Rosedale, the Paballelo Industria Road, the Dakota Rd, etc. require serious upgrading. Other areas that may need attention have been identified in the CBD to restore the town integrity and appeal to businesses and investments.

Chapter 3

The Municipality did construct paved roads in Kameelmond of about 1km in the financial year.

The Municipality did budget for R 6mil (VAT excl.) for the 2023/24 financial year to rehabilitate the roads. The project was started in May however due to winter season we have schedule the work to start in the 2024/2025 financial year.

T3.7.1

Gravel Road Infrastructure				Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to Paving	Gravel roads graded/maintained
2021/2022	260	3	8	40
2022/2023	259	1	1	38
2023/2024	259	1	0	38
				T3.7.2

Tarred Road Infrastructure					Kilometers
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2021/2022	214	0	0	4	80
2022/2023	214	0	5	5	90
2023/2024	214	0	5	5	90
					T3.7.3

5

Chapter 3

Road Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2021/22		2022/2023			2023/2024		
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Previous Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
<i>Elimination of gravel roads in townships</i>	Kilometres of gravel roads tarred (Kilometres of gravel road remaining)	7,6 km gravel roads tarred (255 km gravel roads remaining)	Baseline 0 km roads constructed	7,6 kms gravel roads tarred (255 kms gravel roads remaining)	3.1 km gravel roads tarred (255 km gravel roads remaining)	Baseline 0 km roads constructed	0 km gravel roads tarred (255 km gravel roads remaining)	1 km gravel roads tarred (254 km gravel roads remaining)	Baseline 5 km roads constructed
<i>Development of municipal roads as required</i>	Based on approved projects for the year in the implementation plan of municipal roads	8km	15km	8km	8km	15km	0km	1km	5km
T3.7.6									

Chapter 3

Employees: Road Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	1	2	0	0	0%
7 - 9	1	1	0	0	0%
10 - 12	20	35	20	0	0%
13 - 15	0	0	0	0	0%
16 - 18	24	36	24	1.08	3%
Total	47	75	45	1.08	1.44%
T3.7.7					

Financial Performance 2023/24: Road Services and Storm Water					
R'000					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	1 213	475	475	475	0%
Expenditure:					
Employees	(14 980)	(14 413)	(14 413)	(13 944)	-3%
Repairs and Maintenance	(3 202)	(3 775)	(3 775)	(3 839)	2%
Other	(31 235)	(27 799)	(27 799)	(31 264)	11%
Total Operational Expenditure	(49 417)	(45 988)	(45 988)	(49 047)	6%
Operating (Deficit)	(48 203)	(45 513)	(45 513)	(48 572)	6%
T3.7.8					

Capital Expenditure 2023/2024: Road Services					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1049 Construction of Speedbumps & Round-About	10 000,00	10 000,00	48 793,45	38 793,45	-
8100 81502 WIP 1201 Rehabilitation of Roads	2 453 913,00	2 453 913,00	-	2 453 913,00	-
8100 8502 WIP 1104 Rehabilitation of Roads	5 575 127,00	5 575 127,00	5 541 126,80	34 000,20	-
T3.7.9					

Chapter 3

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The growth of the towns is currently challenging the Municipalities normal operations. After amalgamation the Municipality did not do a firm study to ascertain that sufficient resources are made available to address key issues of Service Delivery. The amount of available operations tools and the standard these tools are in should be tested if they still have the ability to achieve desired results.

The operation of roads in the municipality is currently under pressure, due to low maintenance of roads in the municipalities a realistic approach need to be conducted to reduce the current backlogs on road repairs. The growth of towns also demands that existing roads be not only repaired but also increase the capacity of these roads as the traffic of vehicles on the roads is continuously increasing.

The Municipality needs to confirm the boundaries with the department of Transport for overlapping areas and reduce the potential risk on maintenance of unfunded areas. In terms of maintenance of roads, the municipality has a maintenance programme for roads in place and maintenance of the road infrastructure surface are conduct on regular basis, based on maintenance programs, customer request and emergency repair works as when required.

The Municipality need to budget for maintenance of road surfaces (free of potholes and road crossings). The vehicles available at the municipality also have impact on the response time to issues of service delivery. The planning of new infrastructure need to constantly consider the maintenance cost involved in the new asset of the municipality.

The shortage of construction machinery to maintained only 46km of the total gravel road infrastructure per year. The Municipality has only one grader in good condition and the plan is to do at least 200m/day of gravel roads which means for the municipality to reach the whole network of 260km will take 6 years even more considering that the current grader is not work on roads only. The Municipality need to strategically prepare the growth of the Town(s) infrastructure, accommodation of highways, expansion of roads, routes for heavy load vehicles and bus/taxi routes for the future.

Traffic Data processing need to be done for the Municipality to have correct design standards for roads. The Municipality Traffic is growing and extensive planning need to be conducted for accommodation of the growth of the Town. Developments such as malls, new hospital, schools, solar parks, Special Economic Zone activities are raising the traffic volumes in our roads.

T3.7.10

.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

The Municipality does not provide this service.

T3.8.1

Chapter 3

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The Municipality needs to be critical about the available infrastructure and serviceability of the infrastructure. For many years the town has grown without consideration of the basic needs required for services to remain efficient and sound.

The growth of the Town has more vehicles and motor vehicle dealers coming in to town. A progressive town should consider this a challenge as the roads need to carry now more load. Without proper drainage system the road network will fail constantly. The storm water services are not sufficient currently creating serious failures on the road structure. There are areas without storm water and produces volumes of water to the road side where is it stored until it evaporates. This can be address by prohibiting the businesses to discharge water onto roads without storm water systems.

The municipality also struggles with maintenance of the storm water lines due to insufficient tools to clear the storm water pipes from debris which result in water causing ponds over the road surface. The lack of proper tools to continuously maintain the storm water services compromise the team's ability to conduct proper maintenance.

The main objectives of the Directorate Civil Engineering Services, in terms of Storm Water management are:

- To keep storm water networks safe and clean.
- To upgrade the storm water networks where required.
- To keep the storm water master plan up to date and implement the master plan.

Main challenges:

1. The ability to attract the required qualified personnel.
2. To maintain the storm water networks. (Free from vegetation).
3. To provide new infrastructure on an acceptable standard according to the master plan.

During the 2023/2024 financial year, a professional services provider will be appointed to update the Storm Water Masterplan. This project will be funded by the Development Bank of SA.

T3.9.1

Chapter 3

Storm water Infrastructure				Kilometer
	Total Storm water measures	New storm water measures	Storm water measures upgraded	Storm water measures maintained
2021/2022	1	1	0	1
2022/2023	1	0	0	1
2023/2024	1	0	0	1
				T3.9.2

Chapter 3

Storm water Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2021/2022		2022/2023			2023/2024		
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Previous Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
Development of fully integrated storm water management systems including wetlands and natural water courses	Phasing in of systems	Strategy approval (Yes); Timescale 5 yrs	Strategy approval (Not taken to council); Timescale 1 yrs	Strategy for Master Plan compilation; 2 yrs remaining	Approval of Storm water Master Plan	Implementation of the Strategy; 2 yrs remaining	Strategy for Master Plan compilation; 1 yrs remaining	Approval of Storm water Master Plan	Implementation of the Strategy; 1 yrs remaining
T3.9.5									

Chapter 3

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

The MIG unit has funded the construction of roads of about 3 kms which has dual purpose as it is designed in such a way that whilst its primary purpose is to convey traffic of vehicles.

The storm water drainage infrastructure remains a critical challenge for the Municipality however with very rare occurrence. The rainfall conditions which is roughly on 50mm -100mm per annum significantly overshadows the challenges of the municipal storm water drainage system demands but every time rainfall comes down, the system weaknesses are visible that proper drainage is required.

The residential areas also rely on the road surface to carry the storm water away and some roads are basically not designed for this purpose. This has resulted in a lot of roads having potholes where the landscape features force the roads to be built on flat surfaces.

T3.9.9

Chapter 3

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

The implementation of the new Spatial Planning and Land Use Management Act, 2013 (SPLUMA) which was implemented countrywide on the 1st of July 2015, repealed all the previous planning legislation on which Dawid Kruiper Municipality operated until then. Dawid Kruiper Municipality however actively participated in this process to ensure a smooth and trouble free transition from the current planning legislation to the new SPLUMA legislation and requirements. Dawid Kruiper Municipality was one of only a few municipalities in the country (and the only one in the Northern Cape Province) who complied 100% to this legislation since 1 July 2015. Since then, all planning related decisions (e.g. rezonings, subdivisions etc.) were handled by a Municipal Planning Tribunal appointed by the Council.

The implications for Municipalities with regard to SPLUMA are as follows:

- a) Within 5 years of the SPLUMA coming into operation, municipalities were required to prepare and adopt land use schemes which had to replace the current zoning/town planning schemes. *Dawid Kruiper Municipality has completed a new inclusive zoning scheme for the newly established Dawid Kruiper Municipality and is therefore in line with the requirements of SPLUMA.*
- b) Municipalities shall receive and consider all land development applications as the authority of first instance. *Dawid Kruiper Municipality already complied with this requirement since the 1st of July 2015 as prescribed in the legislation.*
- c) Municipalities must establish Municipal Planning Tribunals to take decisions on land development applications. *Dawid Kruiper Municipality's Planning Tribunal is operational since the 1st of July 2015.*
- d) Two or more municipalities may agree to establish a Joint Municipal Planning Tribunal. *//This will not be necessary for Dawid Kruiper Municipality.*
- e) Municipalities may authorise that certain land use and land development applications may be disposed of by an official in the employ of the municipality. *These delegations of certain applications have been included in the Scheme Regulations and approved by Council. It is also operational within the Municipality and applications are dealt with according to the approved list of delegations.*
- f) Municipalities must decide on the body who will hear appeals in terms of SPLUMA. *Dawid Kruiper Municipality has decided to hear all appeals by making use of its Mayoral Committee as prescribed by SPLUMA.*

Dawid Kruiper Municipality is also experiencing very exciting times with various challenges especially with regard to the planned developments with regard to solar power developments planned for the area as well as the Upington Industrial Park initiative. Although a lot of uncertainties still exists with regard to the possible impacts and spin-offs associated with these types of developments, it is certain that there will be opportunities and challenges for the Municipality as well as the private sector. After 3 August 2016, //Khara Hais Municipality and Mier Municipality also ceased to exist as two separate entities and a new Municipality, namely Dawid Kruiper Municipality was established. This brought new and exciting challenges also with regard to planning and land use management which is dealt with on an on-going basis.

Chapter 3

The planning sector of Dawid Kruiper Municipality, through its Spatial Development Framework, which was approved in May 2023, ensures that all of these proposed developments and initiatives are provided for in the future planning for the area. All of these aspects have also been included in the IDP for Dawid Kruiper Municipality.

Due to its remote location, Upington, as well as the rest of its area of jurisdiction, must find innovative ways to attract development and to create development opportunities. One of these mechanisms is to provide fast, efficient and professional planning and development services within the municipality. Both the planning and building control services provided by the municipality has been rated by institutions such as SALGA as the best in the Province, and in many instances the rest of the country as well. An example of this is the handling of land use planning applications within 8 weeks, the approval of building plans within 14 days, etc. These types of quality services provided to the public and potential developers, ensures that developers also include Upington and the Dawid Kruiper Municipal area in their list of possible development areas.

T3.10.0

3.10 PLANNING

INTRODUCTION TO PLANNING

The main elements of the planning strategies for Dawid Kruiper Municipality includes amongst others,

1. The execution of planning and land use management according to a widely accepted and approved Spatial Development Framework which has been integrated with the goals and objectives set out in. the Integrated Development Plan for Dawid Kruiper Municipality. The previous Spatial Development Framework for the municipality was outdated and did not include the new jurisdiction area of Dawid Kruiper Municipality. A new and all-inclusive SDF has therefore been completed and approved in February 2018 in order to provide for new trends and developments, such as the solar energy developments envisaged for the area, new areas earmarked for lower income housing, GAP housing etc. The Spatial Development Framework in its current approved format was workshopped and re-done in order to ensure inclusivity and also to ensure that it takes all factors into account. It is a practical, working document which will be used by the local authority as well as developers to give guidance on future development trends and requirements and will also ensure stability for possible future developers and investors. During the 2022-2023 financial year a new SDF and Land Use Management Scheme (LUMS) was developed which replaced the existing one which took into account any new development trends and guidelines. This process was again an inclusive one which made provision for an inclusive public participation process.
2. To make planning and land use rights more accessible to less fortunate communities and entrepreneurs trying to make a living in these areas. Although a lot of local authorities has very strict requirements with regard to the preparation and submission of land use right applications, such as applications for rezoning, consent use etc., only by professional planners (which has high cost implications) the planning section of Dawid Kruiper Municipality strives to bring these type of services closer to the communities and to make it as accessible as possible for them. Therefore, we try to make our land use applications as easy as possible (without compromising on important planning requirements and principles) in order to ensure that people who cannot afford the services of a professional planner to obtain the necessary land use rights for their small enterprise, will still be able to do so.

Chapter 3

3. To manage, and where necessary enforce land use rights and requirements in order to protect existing investments and people's rights to a safe and decent living and working environment, thus creating a stable and 'predictable' investment market. The enforcement of planning and land use requirements is very important to ensure that existing land use rights are protected and in order to ensure a safe and sustainable living environment. By protecting existing land use rights such as business rights within the Central Business District (CBD) for instances, the municipality also protects not only the investments made by the private sector, but also its revenue base.
4. The inclusion of sound and sustainable environmental planning principles and practices in all developments in order to protect and enhance the natural environment and elements for current and future generations. As required in the Constitution, everyone has a right to an environment which is not harmful to its health and general well-being; therefore, no local authority can allow developments which do not conform to these principles. All planning applications and developments will therefore have to conform to the environmental principles and guidelines as included in the Spatial Development Framework as well as all environmental legislation. These requirements are strictly enforced by the planning section of this municipality.
5. The provision of economic opportunities within the municipal area through proper planning and land use management. Through innovative planning practices and principles such as the SDF and the IDP, the planning unit strives to create opportunities for SMME and local, previous disadvantaged communities to access the economic stream within Dawid Kruiper municipal area. These types of initiatives also go hand in hand with amended Council policies such as the policies dealing with the selling of municipal land etc.

The top service delivery priorities for the Planning Section of Dawid Kruiper Municipality was to:

1. Provide for an all-inclusive Spatial Planning and Development Framework for Dawid Kruiper Municipal area which will create a development friendly environment without compromising on important principles such as environmental sustainability, sustainable provision of services and infrastructure, existing investments and land use rights and integration of communities and economic development opportunities. This have been achieved with the successful revision of the SDF and pilot projects such as the solar developments, shopping centre development, new district hospital, GAP housing development etc. which has all taken place within these guidelines and principles. The SDF is also a document and guideline which originated from an intensive public participation and consultation process which included previous disadvantaged communities, business sector, industrial sector, government departments etc.
2. To provide a highly professional and effective planning and building control service to the residents of Dawid Kruiper Municipality and developers from inside and outside the municipal area. As previously mentioned, one of the mechanisms used to ensure that developers also consider Upington and other towns within the municipal area, for future developments is the way in which they are treated when they apply for land use rights and/or building plan approval. Dawid Kruiper Municipality will challenge any municipality within South-Africa to prove that they are more efficient and professional with regard to the handling of land use right and building plan applications. In a survey done by Price Water House Coopers (annual performance reviews) it was clear that the planning and building control section of this municipality not only complies 100% with the prescribed requirements and timeframes set out in the applicable legislation, but usually completes these applications in half of time required. No comebacks have also been experienced up to date, which is a clear indication of the quality and standard of these services. SALGA and the Department of Rural Development and Land Reform has also requested officials from the planning section of Dawid Kruiper Municipality to make presentations to other local authorities within the province on best planning principles, which is an indication of the standard of services delivered in this regard.

Chapter 3

T3.10.1

APPLICATIONS FOR LAND USE DEVELOPMENT						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	Year 2022/2023	Year 2023/2024	Year 2022/2023	Year 2023/2024	Year 2022/2023	Year 2023/2024
Applications Received	3	2	132	123	364	579
Determination made in year of receipt	2	2	137	118	364	579
Determination made in following year	0	0	3	2	0	0
Applications withdrawn	0	0	2	3	0	0
Applications outstanding at year end	0	0	0	0	0	0
T3.10.2						

Chapter 3

PLANNING POLICY OBJECTIVES TAKEN FROM SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN									
Service Objectives	Service Targets	2021/2022		2022/2023			2023/2024	2024/2025	
		Target	Actual	Target		Actual	Target		
		Previous Year Year (iii)	(iv)	Previous Year Year (v)	Current Year Year (vi)	(vii)	Current Year Year (viii)	Current Year Year (ix)	Following Year Year (x)
(i)	(ii)								
Maintenance of IT system-Operational	Number of updates within 7 days	100%	100%	100%	100%	100%	100%	100%	100%
Town Planning applications processed within time frames	Number of applications processed within set timeframe of 60 days	100%	100%	100%	100%	100%	100%	100%	100%
Building inspections completed within prescribed timeframes	Number of inspections done within 48 hours	100%	100%	94.13%	100%	100%	100%	100%	100%
Conduct follow-up on illegal buildings	Actions taken within 7 days	100%	100%	94.13%	100%	100%	100%	100%	100%
Conduct follow-up on Land Use transgressions	Action taken within 7 days	100%	100%	100%	100%	100%	100%	100%	100%
Building plan applications processed within prescribed time	Applications processed within set timeframe of 30 days	100%	100%	100%	100%	100%	100%	100%	100%
Human Resource establishment	Quarterly Section meetings or functions	100%	100%	100%	100%	100%	100%	100%	100%
									3.10.3

Chapter 3

Employees: Planning Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	3	1	0.164	5.47%
4 - 6	7	11	8	0	0%
7 - 9	5	6	5	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	14	20	14	0.164	0.82%
T3.10.4					

Financial Performance 2023/24: Planning Services					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	7 818	6 979	6 979	8 153	14%
Expenditure:					
Employees	(6 069)	(6 456)	(6 456)	(6 459)	0%
Repairs and Maintenance	(0)	(1)	(1)	(1)	-65%
Other	(1 448)	(2 353)	(2 353)	(1 067)	-121%
Total Operational Expenditure	(7 517)	(8 811)	(8 811)	(7 526)	-17%
Operating (Deficit)	301	(1 832)	(1 832)	627	392%
T3.10.5					

Chapter 3

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

The generic definition of Local Economic Development:

Local Economic Development (LED) is an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development thereby bringing economic benefits and improved quality of life for all residents in a local municipal area.

Source: www.coqta.gov.za

The local sphere of government is viewed as integral to the realisation of growth and development objectives underpinning national and provincial development frameworks set out above. Local government is also obliged to play a critical role in promoting social and economic development in line with constitutional imperatives. Thus, through the local economic development policy, Dawid Kruiper Municipality has assumed a central role to contribute to job creation, eradication of poverty and boost local economies. A synergised and integrated approach on the part of the spheres of government is therefore a *sine qua non* for the achievement of growth and development.

In establishing Local Economic Development for the Dawid Kruiper, it is essential to make reference to relevant policies at a local, district, provincial and national level:

National legislation:

- The Constitution of the Republic of South Africa
- The National Development Plan (NDP)
- The New Growth Path (NGP)

Provincial Legislation:

- The Northern Cape Provincial Growth and Development Strategy (NCPGDS-2012)
- Provincial Spatial Development Framework

Municipal legislation:

- The White Paper on Local Government
- The Municipal Structures, 1998 & Municipal Systems Act, 2000

Local economic development (LED) is a multi-dimensional and multi-sectoral process through which the skills, resources and ideas of local stakeholders are combined to stimulate local economies to respond innovatively to changes in the national and global economic environment to attain as an end result, job creation, poverty alleviation and the redistribution of wealth (Applied Fiscal Research Centre). LED is not a single project or activity. It is a continuous and ongoing process to respond to low economic growth; high unemployment and to stimulate the economy to create new job opportunities (Applied Fiscal Research Centre: Department of Provincial and Local Government 2000).

Economic Development is **the creation of wealth from which community benefits are realized**. It is more than a jobs program, it's an investment in growing your economy and enhancing the prosperity and quality of life for all residents.

Municipalities are mandated to provide for the basic services within their area. Economic development and growth are identified as important themes by all spheres of government and it is important that economic development and growth not only increases the economic income of the area but that it would result in job creation.

Chapter 3

(LED) is an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development thereby bringing economic benefits and improved quality of life for all residents in a local municipal area.

It is against this backdrop, that the solicitation of inputs, resources, and views from various stakeholders including municipalities are crucial to realise local economic development objectives. The setting up of LED institutions and structures are attempts to facilitate an inclusive and robust approach to achieve LED objectives.

According to the Local Government: Municipal Systems Act, 2000 as amended, (section 23(1)(a–c)) local government planning is to be developmentally orientated. In order to achieve this objective, all municipalities must undertake developmentally orientated planning to obtain three purposes:

- that municipalities strive to achieve the objects of local government set out in the Constitution;
- that municipalities give effect to their developmental duties set out in the Constitution;
- that municipalities, with other organs of state, contribute to the progressive realisation of the (socio-economic) fundamental rights contained in the Constitution.

T3.11.1

COMMENT ON LOCAL JOB OPPORTUNITIES:

Job creation is a major need throughout South Africa and for our local economy. The government acknowledges and supports small business as a major provider of jobs and a welcome provider of relief against unemployment. Entrepreneurs need to be encouraged, upskilled and coached on a major scale. Local economic development is certainly very important for the operations of the municipality. Government's immediate priority is to ensure positive economic growth that will encourage business development and provide more opportunities for employment, especially for women and young people.

The aim of LED is to create sustainable employment opportunities for local and residents, alleviate poverty, and to harness and redistribute resources and opportunities to the benefit of all local residents. The municipality makes use of labour from the area where the work is executed. The use of local labour is also reported on a monthly basis and statistics are kept. It further aims to lead, facilitate and manage sustainable job creation and inclusive economic growth and development in the Dawid Kruiper Municipal region.

LED involves identifying and using local resources, ideas and skills to stimulate economic growth and development. The aim of LED is to create employment opportunities for local residents, alleviate poverty, and redistribute resources and opportunities to the benefit of all local residents.

The strengthening of an enabling environment for micro, small and medium enterprises at the local level: The Municipality encourages membership of professional associations and formalization among entrepreneurs, entrepreneurship training and leadership, value chain upgrading, business development services and access to finance.

The existence of the LED Unit and the involvement of the civil society in the implementation of the LED policy clearly show the inclusive approach adopted by the municipality in order to realise the objectives of the policy, notably, ensuring economic growth, employment creation and poverty alleviation.

Chapter 3

It is, therefore, incumbent upon the three spheres of government to align growth and development planning frameworks intended to address poverty alleviation and unemployment.

The other critical elements that should be taken into account include but are not limited to skills development, enhancement of administrative capacity, project planning and implementation in the municipality sphere.

Effective local development can reduce disparities between poor and rich places, add to the stock of locally generated jobs and firms, increase overall private sector investment, improve the information flows with investors and developers, and increase the coherence and confidence with which local economic strategy is pursued. Innovation, skills, entrepreneurship and social cohesion are key drivers of growth, and essential goals of effective economic development strategies.

LED is intended to empower the most vulnerable, marginalised and poor sections of local communities to be able to raise sufficient incomes to meet their basic needs and aspirations. LED cannot be separated from poverty alleviation projects and programs initiated and implemented in the municipal sphere such as the Expanded Public Works Programs, provision of free basic services, capacitation of co-operatives and a host of others.

The number of South Africans in employment increased from 8 million in 1994 to over 16.7 million now (February 2024).

T3.11.4

JOBS CREATED DURING 2023/2024 BY LED INITIATIVES (EXCLUDING EPWP PROJECTS)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Kameelboom Development of Cemetery	20	-	20	(TN020/2022) Development & Planning
Paving of Kalksloot Internal Streets	47		47	(TN026/2023) Development & Planning
Morning Glory Development of Cemetery	11	-	11	Development & Planning

T3.11.5

JOB CREATION THROUGH EPWP* PROJECTS		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
Electrification Of 260 Houses In Kameelmond, Louisvale Road, Couples Valley And Pabalello (Ward 13)	Contract No: TN036/2023	8

* - Extended Public Works Programme by Directorate Civil Services

T3.11.6

Chapter 3

DRAFT

Chapter 3

LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP									
Service Objectives	Outline Service Targets (II)	2021/2022		2022/2023			2023/2024		
<i>Service Indicators</i>		Target	Actual	Target		Actual	Target		Actual
		Previous Year		Previous Year	Current Year		Previous Year	Current Year	
		(i)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Service Objective xxx									
SEDA/Mme Re Ka Thusa Fund training (24 August 2023)							29	35	
Agro processing induction (14 September 2023)							19	20	
TREP Training workshop (Department Small Business Development) (23 November 2023)							17	25	
Micro Enterprise Business Training (Department Economic Development & Tourism) (25 March 2024)							17	15	
Different workshops are being attended every year as per departmental institutions/stakeholders. Fewer training was provided during this financial year.									
T3.11.7									

Chapter 3

Employees: Local Economic Development Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	4	5	4	0	0%
7 - 9	2	2	2	0	0%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	9	10	9	0	0%
T3.11.8					

Financial Performance 2023/24: Economic Development/Planning					
R'000					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	58	42	42	55	23%
Expenditure:					
Employees	–	–	–	–	0%
Repairs and Maintenance	–	–	–	–	0%
Other	–	–	–	–	0%
Total Operational Expenditure	–	–	–	–	0%
Operating (Deficit)	58	42	42	55	23%
T3.11.9					

Capital Expenditure 2023/2024: Economic Development Services					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1002 Kameelboom Cemetery	3 845 962,00	3 845 962,00	3 845 961,97	0,03	-
T3.11.10					

Chapter 3

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Economic development, also known as economic growth or advancement, refers to the generation of wealth that is found in the benefit and advancement of society. It is not only found in isolated development projects, but in the general advancing of the economy with respect to factors like education, resource availability, and living standards. Economic development pertains to the buildout of education systems, recreational parks, and public safety infrastructure. The importance of economic development lies in the wellbeing of the population. The concept of development is a key factor in the decision-making process of sovereign authorities when designing policies. Economic development relies heavily on the efficient allocation of resources. Development isn't exclusively found in projects, but also in approaches to economics like how resources are allocated to industries that need them most.

The practice of economic development aims at developing, attracting, and retaining or capturing economic activity for a designated locality. Economic activity equates to increased tax base, jobs, and the resources to pay for civic goods ranging from roads to symphonies or museums.

LED can lead to economic solutions that fit our area. That is, that build on local assets and strengths, involve local people and build capacity, and have greater buy in from the community (a key component to ongoing viability of the project).

Local economic development promotes well-being and an enhancement in the quality of life although these are not stand-alone factors. Eco-efficient, socially-inclusive infrastructure is another driver of economic growth and can contribute to poverty alleviation and an improvement in the quality of life, setting up such infrastructure would require innovation and a range of initiatives at both macro-, and micro-levels.

It must be realized that economic growth often is driven by consumer spending and business investment. Infrastructure spending will occur when local government spends money to build or repair the physical structures and facilities needed for commerce and society as a whole to thrive. Infrastructure includes roads, bridges, and sewer systems. Having top-notch infrastructure increases productivity by enabling businesses to operate as efficiently as possible. For example, when roads and bridges are abundant and in working order, trucks spend less time sitting in traffic, and they don't have to take circuitous routes to traverse waterways and most importantly it will attract investors thus growing our local economy.

Economic growth has four phases—expansion, peak, contraction, and trough. Expansion is when employment, production, and more see an increase and ultimately reach a peak. After that peak, the economy typically goes through a contraction and reaches a trough.

Economic development refers to how an economy advances. Its importance lies in how it enables producers and consumers to operate more efficiently and live wealthier.

T3.11.11

Chapter 3

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, theatres.

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

Libraries

Vision: To strive to provide a complete information and research service to all communities Dawid Kruiper Library Service consists of ten libraries under the management of the municipality:

1. Dawid Kruiper library
2. Forum library
3. Paballelo library
4. Rosedale library
5. Raaswater library
6. Rietfontein library
7. Klein-Mier library
8. Philandersbron library
9. Loubos library
10. Welkom library.

There are 6 container libraries that service the rural areas around Upington are managed by the Regional Library in Upington namely Karos Leerkrans, Ntsikelelo, Louisvale Road, Marcus Mbetha and Kalksloot.

The main objectives of the Library Service are:

To create a culture of reading;
To improve the library service to the communities in the rural areas;
To improve the literacy level of communities;
To improve the library facilities available to the communities; and
To improve the computer skills of the communities.

T3.52.0

Chapter 3

3.52 LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

INTRODUCTION TO LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

Libraries

Library Services is an unfunded mandate, therefore, Dawid Kruiper Municipality don't budget for capital projects for the Library Services. Dawid Kruiper Library Service gets every year a conditional grant from the Provincial Library Service. There is a yearly Service Level Agreement between the Provincial Government of the Northern Cape, Department of Sport, Arts and Culture and Dawid Kruiper Municipality.

Seventy percent of the Grant was used for library staff salaries.

Dawid Kruiper Library Services communicates on a regular basis with the National and Provincial Departments and organizations to get information to enhance a better service delivery to students and learners.

COMMUNITY FACILITIES

The Municipality has nineteen (19) community facilities (halls) which are availed at the payment of the relevant approved tariff. The facilities are located in most communities and wards that includes:

NO	NAME OF FACILITY	COMMUNITIES	WARD SERVICED
1	ND Swartz Hall	Rosedale	1, 15
2	Tol Speelman Centre	Progress, Rainbow, Morning Glory, Extention, Bellview, Lemoendraai	2, 3, 4
3	Moses Links Hall	Louisvale Road	5
4	J Shimane Hall	Paballelo	7
5	Michael Bongela Hall	Paballelo, Dakota Road, Stasiekamp	7, 8
6	Babbelbekkies Hall	Rosedale	10
7	Kalksloot Hall	Kalksloot	11
8	Swartkopdam Hall	Swartkopdam	11
9	Askham Hall	Askham	11
10	Raaswater Hall	Raaswater, Louisvale, Leseding	12
11	Leerkrans Hall	Leerkrans	14
12	Karos Hall	Karos	14
13	Lambrechtsdrift Hall	Lambrechtsdrift	14
14	Piet Thole Hall	Rosedale	1, 10, 15
15	Philandersbron Hall	Philandersbron	16
16	Rietfontein Community Centre	Rietfontein	16
17	Loubos Hall	Loubos	16
18	Klein Mier Hall	Klein Mier, Groot Mier	16
19	Welkom Hall	Welkom	16

Applications are also received on a continuous basis for the free use of the facilities for various activities. The Councilors also uses the community halls for community and ward committee meetings.

Kalksloot Community Hall was not use for the period due to vandalism. The Hall will be repaired during the 2023/24 Financial Year.

The Toll Speelman Hall was vandalized and was not used for more than 6 moths of the reporting year.

Chapter 3

Bookings are coordinated according to dairies, as well as the Event Management module on the electronic document management system, IMIS. The Finance Department handles the booking of halls.

REGISTRY (ARCHIVES)

The functions of the Registry and Archives Section is:

Receipt, opening, sorting and dispatch of mail;
Secure receipt and dispatch of money;
Preparation of File Covers;
Numbering and placing of documents in files;
Filing documents and storing files;
Distribution of files from registry; and
Tracing of files.

The total number of correspondence receive and distributed for the past year is:

Registry Staff at the Satellite Office situated at Rietfontein send all records received to the main registry at the Head Office to be processed and filed. The Registry Staff at the satellite office must ensure that records are handle according to the Northern Cape Provincial Records Management Act and must ensure that records are kept safe at all time. The Registry Clerk at the satellite office must submit a report quarterly to the Records Manager.

Record Management Policies

All records are dealt with in terms of the **File Plan** which was approval in May 2018. No new additions were made during the reporting year.

The new **Records Management policy** was adopted by Council and approved by Provincial Archives. No review was done during the reporting year.

A **Draft Electronic Record Management Policy** will be presented to Council for adoption and will be submitted to the Provincial Archivist for final approval during the 2024/ 25 review year.

There is a **Records Control Schedule** in place. The Records Control Schedule is updated regularly.

There is a **Security Register** in place. The Security Register is Updated on a regular basis.

The is a Registry Procedure Manual in place. No review was done during the reporting year.

Policy on Promotion of Access to Information is in place.

Challenges within the section is the developing and implementation of a systematic record disposal program.

Implementation of the recommendations of report of SALGA Northern Cape task team.

T3.52.1

Chapter 3

SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

Libraries

Circulation of library material

LIBRARY	CIRCULATION
Dawid Kruiper	3388
Forum	1790
Paballelo	527
Raaswater	1405
Rosedale	2865
Rietfontein	232
Philandersbron	343
Klein-Mier	441
Loubos	348
Welkom	488
TOTAL	11827

Public access to computers and Wi-Fi

LIBRARY	NUMBER OF COMPUTERS	COMPUTER USAGE	WIFI USAGE
Dawid Kruper	8	2407	770
Forum	10	1307	581
Paballelo	12	597	69
Rosedale	10	3911	2964
Raaswater	3	2	91
Rietfontein	10	242	266
Klein Mier	3	0	0
Welkom	3	50	4173
Philandersbron	3	344	2659
Loubos	0	0	0
TOTAL	62	8285	11549

The computer and internet service is provided for by the Northern Cape Department of Sports Arts and Culture under the custodianship of Northern Cape Provincial Library Service. All IT related matters are taken care of by the DSAC. The budget for this service is hundred percent the responsibility of the department.

T3.52.2

Chapter 3

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	2	4	2	0	0%
7 - 9	3	6	4	0	0%
10 - 12	13	15	12	0.408	2.72%
13 - 15	19	24	17	0	0%
16 - 18	1	1	1	0	0%
519 - 20	0	0	0	0	0%
Total	38	50	36	0.408	0.816%
T3.52.4					

Financial Performance 2023/24: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
R'000					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	3 200	3 140	3 140	3 137	0%
Expenditure:					
Employees	(7 094)	(8 989)	(8 989)	(6 773)	-33%
Repairs and Maintenance	–	(282)	(282)	(45)	-529%
Other	(242)	(512)	(512)	(85)	-506%
Total Operational Expenditure	(7 336)	(9 783)	(9 783)	(6 902)	-42%
Operating (Deficit)	(4 136)	(6 643)	(6 643)	(3 765)	-76%
T3.52.5					

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERALL:

ARCHIVES AND COMMUNITY HALLS

Performance targets with regards to Archives:

1. Updating of correspondence register – Target completed.
2. Review of Records Management Policy – Target not completed.

Performance targets: Community Halls

1. Cleaning of halls – Target not completed due to negligence and absenteeism of staff.
2. Maintenance and repairs of halls – Target not completed due to limited working force and budget allocation.

Chapter 3

T3.52.7

3.55 CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES & CREMATORIUMS

The parks department is responsible for the management and maintenance of cemeteries. The municipality has twenty-seven cemeteries in use in respective neighborhoods. Four of these cemeteries are situated in the urban areas and the remainders are located in the rural areas. The maintenance includes cleaning of terrain; pruning of trees and mowing of grass were applicable. Other services rendered by this department include the issuing of grave plots.

We have a major challenge with vandalisms that damage tombstones and fences in the cemeteries.

T3.55.1

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

For the cycle 2023/2024 a total of 968 burials were made in municipal cemeteries.

T3.55.2

Employees: Cemeteries and Crematoriums					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	12	12	9	0	0%
Total	13	13	10	0	0%

T3.55.4

Chapter 3

Financial Performance 2023/24: Cemeteries and Crematoriums					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	203	200	200	149	-35%
Expenditure:					
Employees	(2 115)	(17 078)	(1 972)	(1 873)	-5%
Repairs and Maintenance	(63)	(226)	(226)	(37)	-508%
Other	(392)	(449)	(449)	(1 128)	60%
Total Operational Expenditure	(2 570)	(17 753)	(2 647)	(3 038)	13%
Operating (Deficit)	(2 367)	(17 553)	(2 447)	(2 889)	15%
					T3.52.5

Capital Expenditure 2023/2024: Cemeteries and Crematoriums					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1012 EIA Cemeteries	387 200,00	387 200,00	387 200,00	-	-
					T3.55.6

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

Impact Study for the extension of cemeteries

T3.55.7

Chapter 3

3.56 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMS

The Dawid Kruiper Municipality host its annual Carols by Candlelight music festival during December 2023. This is our flagship outreach program through music, arts and culture. For the past eight years this project created a platform to spread a positive message of crime prevention, HIV/AIDS awareness and social upliftment through music. Further to this, this project has also afforded a platform for local talented musicians and artists, to portray the rich experiences and capabilities the Northern Cape has in the music and arts sector.

This event was held in Upington and in Mier at our Satellite Office in Rietfontein.

The Office of the Mayor and Speaker also lend a helping hand to our communities who could not afford to lay their loved ones to rest. They donated the payment of the funeral as well as a grave for those who needed help from the DKM Municipality.

T3.56.1

Chapter 3

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

This function is not performed by the Municipality.

T3.59.0

3.59 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

This function is not performed by the Municipality.

T3.59.1

Chapter 3

3.60 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

International experience has shown that biodiversity conservation is a prerequisite for sustainable development, and that for biodiversity conservation to succeed, the maintenance of environmental integrity (as defined by ecological, economic and social criteria) must be one of the primary determinants of bioregional delimitation and land-use planning. This view has, during the past decade, evolved into a planning and management approach generally known as bioregional planning, which is increasingly being employed as a management system by, amongst others, United Nations Environmental Program (UNEP) and the World Resource Institute (WRI) to promote sustainable development practices world-wide.

Bioregional planning is defined as 'planning and land management that promote sustainable development by recognizing the need for a balanced relationship between environmental integrity, human well-being and economic efficiency, and to give effect and recognition thereto, within a specific geographical area, the boundaries of which were determined in accordance with environmental and social criteria' (Manual for Bioregional Planning in the Western Cape, PGWC 2003). In practical terms, bioregional planning refers to the 'matching' of human settlement and land uses patterns with the parameters of ecological systems, and the planning, design and development of the human-made environment within these parameters in a manner that ensures environmental sustainability.

The above definitions imply that the relationship between the three imperatives for sustainable development, namely environmental integrity, human-well-being and economic efficiency should be recognized in a balanced and integrated manner in the context of a specific place, and never as stand-alone issues in general terms. In this regard, bioregional planning implies an integrative concept, one that amalgamates the learning and perspectives of several similar concepts, such as ecosystem management and biosphere reserve planning. It is *'an organized process that enables people to work together, think carefully about the potential and problems of their region, set goals and objectives, define activities, implement projects, take actions agreed upon by the communities, evaluate progress and refine their approach'*.

Bioregional planning requires a value shift away from the sectoral nature of institutions (i.e. where environmental issues are dealt with by environmentalists, economic issues by economists, and social issues by social scientists), to an all-embracing approach where the sustainable development challenge is addressed in an integrated and holistic manner. Bioregional planning is designed to maximize the likelihood that protected area systems will collectively sample biodiversity. It is a flexible decision support framework for assessing the best resolution to resolve inter-sectoral conflicts over the use of land and sea, and it provides guidance regarding integrative local government planning and community group projects.

Bioregional planning provides an essential tool in bridging the divide between conservation and development tension. The application of this approach strengthens the planner's ability to incorporate sustainable development practices in the planning process. Bioregional planning is furthermore characterized by the following (Miller, 1996):

- a) Adaptive management: Bioregional programs are operated on an experimental basis, from which lessons may be drawn from experience to respond appropriately.

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- b) **Biotic viability:** Bioregional management programs embrace regions large enough to include the habitats and ecosystem functions and processes needed to make biotic communities and populations ecologically viable in the long-term. These regions must be able to accommodate migratory patterns, anticipate nature's time cycles and absorb the impacts of global change.
- c) **Co-operative skills development:** Communities and public and private organizations, together, must locate and mobilize the skills, knowledge, and information needed to manage the area.
- d) **Economic sustainability:** The maintenance of livelihoods and the economic wellbeing of people living and working within the bioregion, including those in industry, and especially in the matrix, must be encouraged.
- e) **Full involvement of stakeholders:** All parties who can affect or benefit from the resources in the region should be fully involved in planning and managing the bioregional program. Of primary importance in this regard, is building the local capacity to participate in, negotiate, and perform the various tasks involved.
- f) **Institutional integration:** Alliances between institutions are to be forged to close gaps, minimize overlap and make management and investment in the region more efficient.
- g) **International co-operation:** Because some ecosystems cross international boundaries and, in some cases, extend globally along animal migration routes or along venues where endangered species are traded, international co-operation agreements for debate, and mechanisms for joint research, information management and investments must be part of the biodiversity management program. The MAB Program is particularly suited to this purpose.
- h) **Leadership and management:** The leadership to establish bioregional programs may come from public agencies, or from the community of residents and resource users. The tasks of convening stakeholders, preparing and negotiating vision statements, and planning and implementing agreed-upon activities can be shared co-operatively between public and private entities, or be fully community based.
- i) **Reliable and comprehensive information:** All stakeholders must have at their disposal the critical information needed to facilitate biodiversity management. GIS technology is to be used to help stakeholders envision their region and its distinctive features clearly. GIS will help them to model options and scenarios for the future. This bioregional information system (BIS) program assembles a comprehensive and ecosystem-level GIS consisting of biophysical, social, economic, and cultural databases.
- j) **Research and monitoring:** Research and inquiries should focus on people-environment interactions, the development of innovative methods for managing natural resources, and the long-term monitoring of environmental factors and the impact of management practices.
- k) **Restoration:** Where the viability of some habitats or ecological functions have been impaired upon through excessive or inappropriate use, these areas are to be rehabilitated.
- l) **Social acceptance:** Any proposals for changes in the way of life and livelihoods of the residents and local peoples, including indigenous communities, need to be acceptable to them. All stakeholders warrant the opportunity to participate in program management and implementation.
- m) **Structure of interrelated cores, corridors and matrices:** These programs include core nature areas that feature representative samples of the region's characteristic biodiversity. Ideally such sites, which may

Chapter 3

already be designated as protected areas, should be linked by corridors of natural or restored natural plant cover to permit migration and adaptation to global change. Both the core sites and corridors should be nested within a matrix of mixed land uses and ownership patterns.

- n) Use of knowledge: Scientific, local and traditional knowledge should be employed in planning and management activities. Biology, anthropology, economics, engineering and other related fields are to be tapped. Such knowledge helps stakeholders and program managers to anticipate nature's long and short cycles and to track global change.

CREATING A FRAMEWORK FOR BIOREGIONAL PLANNING

The Global Biodiversity Strategy puts forward fundamental objectives and supporting actions to establish a framework for bioregional planning and management. These objectives strive to achieve the following:

- a) Create institutional conditions to promote bioregional planning. Bioregional planning and management has clear ecological, economic and social advantages.
- b) To achieve the above objective, the IUCN38 proposed the following actions:
 - (i) Develop new methods and mechanisms at bioregional level for participation in the planning process and for the resolution of conflicts.
 - (ii) Give all communities the means to 'have a say' in the management and distribution of the region's resources.
 - (iii) Establish inter-sectoral and inter-agency task forces to facilitate bioregional planning.
- b) Incorporate biodiversity into the management of all biological resources.

The mix of species in an ecosystem enables that system both to provide a flow of ecosystem services under given environmental conditions, and to maintain that flow if environmental conditions change. The loss of biodiversity therefore limits the resilience of the affected ecosystem, which in turn, may have direct negative economic implications.
- c) Support bioregional conservation initiatives in the private sector

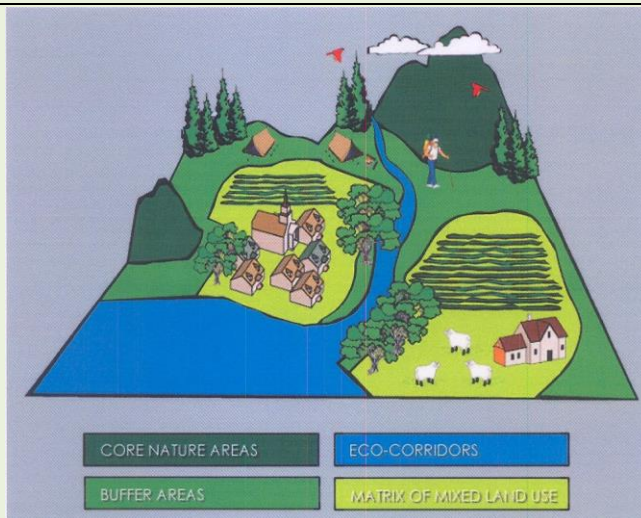
The bioregional planning approach requires that conservation on private land becomes an integral part of the strategy. This, in turn, requires that forward planning must be done on a holistic bioregional basis. Environmental health is the key to sustainable development. The primary threat to environmental health is fragmentation of community-supporting ecosystems. Fragmentation generally leads to a cycle of environmental degradation, which subsequently influences the well-being of the dependent communities.

LAND-USE CLASSIFICATION APPROACH

A fundamental phase of bioregional planning is to undertake appropriate land-use classification for the planning area in accordance with a classification system that is based upon a structure of interrelated cores, corridors and matrices. It was, subsequently directed by Dawid Kruiper Municipality that UNESCO's biosphere reserve designation model be adopted as a basis for such land-use classification.

In terms of this model, the classification system is to include core nature areas that feature representative samples of the region's characteristic biodiversity. Ideally such sites, which may already be designated as protected areas, should be linked by corridors of natural or restored natural plant cover to permit migration and adaptation to global change. Both the core sites and corridors should be nested within a matrix of mixed land uses and ownership patterns. The figure below illustrates the practical implementation of the land-use classification system adopted for Dawid Kruiper Municipality.

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SPATIAL PLANNING CATEGORIES: A MECHANISM FOR LAND-USE CLASSIFICATION

In order to apply the biosphere reserve designation principles in Dawid Kruiper, a set of Spatial Planning Categories (SPCs) was developed. These SPCs are generally consistent with UNESCO's MaB Program and include all land zonings that are provided for under the existing Zoning Scheme Regulations.

A total of six SPCs has been provided for (refer to the table on the following page). In addition, a number of Sub-Categories have been created for the purpose of refining the designation process.

CATEGORY DESCRIPTION CLASSIFICATION CRITERIA & PURPOSE

Category A Designated Core

Conservation Area

- a) Areas of high conservation importance to be protected from development.
- b) Generally only non-consumptive land-uses³⁹ allowed conditionally.

Category B Buffer Area

- a) Areas that serve as a buffer between Category A and Category C areas.
- b) Providing an appropriate interim classification for conservation worthy areas that do not have statutory protection, including ecological corridors and areas worthy of rehabilitation.
- c) Appropriate sustainable development and non-consumptive landuses may be allowed conditionally.

Category C Agricultural areas

Rural areas where extensive and intensive agriculture is practiced.

Category D Urban-related areas

Areas accommodating a broad spectrum of urban-related development and associated services and infrastructure.

Category E Industrial areas

Areas accommodating industrial activities and associated infrastructure and where very high intensity of human activity and consumptive land use occur.

Category F Surface infrastructure and buildings

All surface infrastructure and buildings not catered for in the above categories, including roads, railway lines, power lines, communication structures, etc.

Chapter 3

MUNICIPAL MANAGEMENT IN TERMS OF BIOREGIONAL PRINCIPLES

From the perspective of promoting sustainable development and biodiversity conservation through integrating development and conservation, it is especially important for Dawid Kruiper Municipality to consider municipal planning and management in the context of the integrative relationship between ecological processes and the needs and perceptions of local communities. This integrative relationship is referred to as bioregional management in the Global Biodiversity Strategy (WRI, 1992).

To successfully implement bioregional management, the following challenges need to be addressed (Miller, 1996):

- Create the capacity to manage complex and integrated programs.
- Involve stakeholders in a meaningful manner.
- Develop and link established institutions, or if needed, create new ones.
- A list of bioregional management guidelines that has been adopted by the Municipality is provided in the approved Spatial Development Framework.

T3.60.1

Chapter 3

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

INTRODUCTION TO SECURITY & SAFETY

The Security Division is in existence for the past 36 years in the Dawid Kruiper Municipality.

During the period of review, the Division with the available manpower and resources to their disposal had to serve and protect the communities within the jurisdiction of Council.

The Security Division is responsible for the following:

- Responsible for the protection monitoring and safeguarding Council's properties information and personnel
- The monitoring and response to alarm activation

INCIDENTS

During the period of this review there were no serious incidents involving the loss of life or violence.

Visible policing was rendered at all Local, Provincial and National events that were hosted on Council properties.

The Law Enforcement Unit is responsible for the following:

- Responsible for enforcement of Council's by-laws, policies
- The prevention of crime within the jurisdiction of Council.
- Public Nuisances is monitored and acted on all complaints regarding Public Nuisances received from the public as well as from Client Services Division of the Council.

T3.65.0

3.65 POLICE

INTRODUCTION TO POLICE

This Function is not performed by the Municipality.

T3.65.1

Chapter 3

3.66 FIRE

INTRODUCTION TO FIRE SERVICES

A fulltime fire service is in place and operates on 24/7 basis. The training center is accredited with LGSETA, the accreditation expires in 2027.

The Fire station is currently not accredited with SAESI (South African Emergency Service Instituted) to provide training.

The objective of the fire department is:

The rescue of life from a fire or other danger;
The Protection of Property against a fire or other threatening danger;
Preventing and Extinguishing of a fire;
Issuing Dangerous Goods Transportation certificates;
Issuing Fire safety and Flammable liquids certificates; and
Fire Prevention.

The service area of the fire department is as follows:

- On the N10 to Groblershoop the fire department goes out 60km (Lambrechtsdrift)
- On the N14 to Keimoes the department goes out 10km (Kalksloot)
- On the N10 to the Namibian border the department goes out 10km
- On the N14 to Olifantshoek the department goes out 50km
- On the R360 to Kalahari the department goes out 250km (Rietfontein).

T3.66.1

FIRE SERVICE DATA									
DETAILS		2020/2021		2021/2022		2022/2023		2023/2024	
		Actual No.	Estimate No.	Actual No.	Estimate No.	Actual No.	Estimate No.	Actual No.	Estimate No.
1.	Total fires attended in the year	148		110		109		128	
2.	Total of other incidents attended in the year	66		50		38		19	
3.	Average turnout time – urban areas	95%		95%		95%		95%	
4.	Average turnout time rural area	90%		90%		90%		90%	
5.	Fire fighters in post at year end	25		30		27		32	
6.	Total fire appliances at year end	4		4		4		3	
7.	Average number of appliance off the road during the year	1		1		3		2	

T3.66.2

Chapter 3

Employees: Fire Services					
Job Level	2022/2023	2023/2024			
Fire Fighters Administrators	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
Chief Fire Officer & Deputy					
Other Fire Officers					
0 - 3	0	0	0	0	0%
4 - 6	2	2	1	0.496	24.8%
7 - 9	25	30	28	0	0%
10 - 12	6	9	8	0	0%
13 - 15	0	0	0	0	0%
16 - 18	2	3	3	0	0%
Total	35	45	40	0.496	1.10%
					T3.66.4

Financial Performance 2023/24: Fire Fighting and Protection					
					R'000
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	199	89	89	81	-10%
Expenditure:					
Employees	(17 533)	(20 995)	(20 995)	(21 566)	3%
Repairs and Maintenance	(9)	(110)	(110)	(78)	-41%
Other	(127)	(408)	(408)	(283)	-44%
Total Operational Expenditure	(17 670)	(21 512)	(21 512)	(21 927)	2%
Operating (Deficit)	(17 470)	(21 424)	(21 424)	(21 847)	2%
					T3.66.5

Chapter 3

Capital Expenditure 2023/2024: Fire Fighting and Protection					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1167 Skud Unit	42 000,00	42 000,00	-	42 000,00	-
8100 81502 WIP 1168 Self Contained Breathing Apparatus SCBA	215 000,00	215 000,00	-	215 000,00	-
8100 81502 WIP 1249 Furniture Call Centre	140 326,00	140 326,00	134 710,00	5 616,00	-
					T3.66.6

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

There is presently uncertainty as to the responsibilities regarding fire services within the municipal jurisdiction and this issue needs to be clarified with the district municipality regarding mutual agreements pertaining to fire safety inspections, training and related fire services outside the municipal borders.

This division also serves the remote areas within the municipal jurisdiction and has limited resources resulting in the fact that compliance to SANS 10090 requirements is not met. Specialized emergency equipment is not locally available and is normally imported from abroad, very expensive and delays are experienced with repairs. The present budget constrains also impacts on the much needed equipment and hampers service delivery to the community and business's.

The risks are increasing with the present local economic growth and preventative / rehabilitative measures needs to be put in placed in order to ensure a safe living environment for all communities within the jurisdiction.

T3.66.7

Chapter 3

3.67 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

The Municipality has no funding or personnel to perform this function and is this function performed by the District Municipality

T3.67.1

Employees: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc.					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	1	4	0	0.748	18.7%
7 - 9	21	22	20	0	0
10 - 12	35	45	34	0.572	1.27%
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
Total	57	62	54	1.32	2.13%
T3.67.4					

Financial Performance 2023/24: Disaster Management					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	(234)	(6)	(6)	–	0%
Repairs and Maintenance	–	–	–	–	0%
Other	–	–	–	–	0%
Total Operational Expenditure	(234)	(6)	(6)	–	0%
Operating (Deficit)	(234)	(6)	(6)	–	0%
T3.66.5					

Chapter 3

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION

The maintenance and upkeep of neighborhood parks, sport fields and swimming pools are conducted by the parks department. In as so far as sports facilities are concerned, the municipality has 8 standard sport fields which are mainly used for soccer and rugby and 6 mini sport fields. Other sporting codes that are catered for in these fields include basketball, volleyball and netball. Fields are maintained and are used by various communities for both practice sessions and formal matches.

The municipality also assists informal clubs (football and netball) by means of grading and leveling informal fields.

The municipality has sufficient parks in the urban and suburban areas for local residents to use for relaxation.

There are 3 swimming pools which are situated in respective neighborhoods. The main swimming pool, which is an Olympic size, is situated in town and it attracts huge and wide spectrum of users.

We are challenged with vandalism on buildings and terrains.

T3.68.0

3.68 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

The total bookings made for using the sport facilities in 2023/2024 is 324.

T3.68.1

Chapter 3

SPORT AND RECREATION POLICY OBJECTIVES TAKEN FROM IDP							
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2021/2022		2022/2023			2023/2024
		Target	Actual	Target		Actual	Target
		*Previous Year		*Previous Year	*Current Year		*Current Year
		(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Service Objective xxx							
Development of Sport fields	100%	100%	100%	100%	100%	0%	100%
Erecting of fences	100%	100%	100%	100%	100%	0%	100%
							T3.68.2

Chapter 3

Employees: Sport and Recreation					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	3	5	4	0.172	3.44%
7 - 9	9	11	8	0.496	4.51%
10 - 12	11	14	10	0.248	1.77%
13 - 15	8	19	15	1.168	6.15%
16 - 18	55	80	54	0.248	0.31%
Total	88	132	93	2.332	1.77%
					T3.68.3

Financial Performance 2023/24: Sport and Recreation					
R'000					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	1 215	1 592	1 592	1 591	0%
Expenditure:					
Employees	(8 323)	(7 600)	(7 600)	(7 631)	0%
Repairs and Maintenance	(454)	(445)	(445)	(289)	-54%
Other	(3 170)	(3 457)	(3 457)	(3 292)	-5%
Total Operational Expenditure	(11 947)	(11 502)	(11 502)	(11 212)	-3%
Operating (Deficit)	(10 732)	(9 910)	(9 910)	(9 621)	-3%
					T3.67.5

Capital Expenditure 2023/2024: Sport and Recreation					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1236 Dicky Jacobs Stadium	2 500 000,00	2 500 000,00	1 456 378,36	1 043 621,64	-
8100 81502 WIP 1297 Dicky Jacobs Stadium	-	-	33 222,82	33 222,82	-
					T3.68.6

Chapter 3

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

The Municipality are busy with the following projects:

Fencing of SC Kearns stadium;
Fencing of Town Swimming pool; and
Extension of Rietfontein and Paballelo cemeteries (EIA)

T3.68.6

Chapter 3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY OFFICES, Etc

Dawid Kruiper Municipality have 33 councillors, 17 are ward based and the rest (16) are proportional representatives. The Municipality is divided in 17 wards.

The Mayor is an Executive Mayor. The Council makes use of an Executive Mayoral Committee system.

The Mayoral Committee consists of six members. All six members are from the ANC.

T3.69.0

3.69 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

The Council established an Executive Mayoral Committee consisting of 6 members. The Executive Mayor decides when and where the MAYCO meets. It is comprised of the following political parties:

ANC 6 seats

The Executive Mayor is the chairperson of the MAYCO. He performs the duties promulgated in relevant legislation, including any ceremonial functions, and exercise the powers delegated to the Executive Mayor by the Municipal Council.

The Council has six portfolio committees (Section 79 Committees).

- Committee for Civil Engineering Services;
- Committee for Planning and Development;
- Committee for Electro- Mechanical Services;
- Committee for Community Services;
- Committee for Corporate Governance; and
- Committee for Budget and Treasury.

Members of the Mayoral Committee are tasked with the responsibility in chairing the supporting committees. These committees meet at least once a month. The committees have no decision-making authority, but consider matters tabled to the committee and make recommendations to the Executive Mayor. The Executive

Chapter 3

Mayor can decide on matters delegated to it. There are certain functions that only the Council can decide on and in that case the Executive Mayor make recommendations to Council.

T3.69.1

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

Meetings held:

Type of meeting	Month	Total
Council meetings	July 2022 - June 2023	10
Special Council meetings	July 2022 - June 2023	06
Executive Mayoral Committee meetings	July 2022 - June 2023	09

T3.69.2

Employees: The Executive and Council

Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0%
4 - 6	7	7	7	0	0%
7 - 9	24	24	24	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	33	33	33	0	0%

T3.69.4

Financial Performance 2023/24: Executive and Council

R'000

Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	–	24 035	24 035	–	0%
Expenditure:					

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Employees	(40 385)	(48 267)	(48 267)	(60 635)	20%
Repairs and Maintenance	(96)	(70)	(70)	(69)	-1%
Other	(2 790)	(2 627)	(3 405)	(3 304)	-3%
Total Operational Expenditure	(43 270)	(50 964)	(51 742)	(64 008)	19%
Operating (Deficit)	(43 270)	(26 929)	(27 707)	(64 008)	57%
T3.67.5					

Capital Expenditure 2023/2024: Executive and Council					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1000 Installation of High Mast Lighting	-	-	-	-	-
T3.69.6					

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

Council meets every month except for December, when the Council is in recess. Committee meetings and Executive Mayoral Meetings are also held on a monthly basis.

T3.69.7

3.70 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

The Directorate Financial Services renders a financial service to the Dawid Kruiper. As the successes in service delivery are underpinned by a healthy and financially stable Municipality it is of the utmost importance that the finances of the town are managed in a disciplined and controlled manner.

The Directorate is led by the Chief Financial Officer and three Heads of Departments. These Sub-Directorates and their functions are:

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Financial Services	
Billing and Revenue Collection	Billing Management (Timeous rendering of monthly accounts) Municipal Property Valuation Roll Management Indigent Household Management Debtors Administration / Revenue Collection Prepaid Water & Electricity Sales Cash Flow Management
Financial and Asset Management	Budgets and Budgeting Control Annual / Six Monthly / Quarterly / Monthly Reporting Assets Management Insurance of Assets Fleet Management Borrowing Management Investment Management Creditors Management Payroll Management
Supply Chain Management	Procurement Management (SCM Regulations and Policy) Supply Chain Database Management Stores and Inventory Management

CHALLENGES

Some of the main challenges for this Directorate in the 2023/2024 financial year were as follows:

- To get the finances of the municipality on a sustainable level.
- To provide financing for future capital projects and to keep tariffs on an affordable level.
- Building and retention of capacity in the Budget and Treasury Office specifically in the Finance and Asset Management unit, is of the utmost importance. The successes in the Budget & Treasury Office can be attributed to the commitment of the staff in this Directorate.
- The implementation of mSCOA reform
- Remaining effect of Covid-19 on the consumer's ability to pay for services
- Many challenges specifically come from National and Provincial Treasury.
- The implementation of GRAP and other related issues, i.e. the asset register will always stay as a challenge to municipalities.
- Political challenges
- No co-operation from departments regarding the submission of information and the submission thereof on time.

Chapter 3

- An unreliable IT network.
- Insufficient office space.

T3.70.1

Concerning T3.70.2

The Municipality gives subsidy for Free Basic Services to all Indigent House holds who are unemployed and receive two times the Government Grant(**which was R4,160.00 per month in 2023/2024**), the income of everyone staying in the house is calculated as the total income, and the Indigent Register is being updated on a daily basic, and the re-registration process is done annully in order to rerify the status of the Indigent Household if it is still the same.

The following Free Basic Services are being subsidised:

Electricity (50kWh of electricity per month)

Water (6 kilolitres of Water per month)

Sewerage/Sanitation

Refuse Removal

Property Rates (residencial) – Council gives 100% subsidy of property rates if the household qualifies as indigent

T3.70.2.1

Chapter 3

Employees: Financial Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	4	7	4	0	0%
4 - 6	4	7	4	0	0%
7 - 9	34	47	29	2.5	5.32%
10 - 12	22	34	20	0.736	2.16%
13 - 15	2	4	4	1.832	45.8%
16 - 18	1	2	1	0	0%
Total	67	101	62	5.068	5.02%
					T3.70.4

Financial Performance 2023/24: Financial Services					
R'000					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	255 501	250 541	254 041	292 944	13%
Expenditure:					
Employees	(31 643)	(34 335)	(34 335)	(32 013)	-7%
Repairs and Maintenance	(62)	(17)	(18)	(2)	-919%
Other	(18 866)	(27 176)	(27 176)	(24 033)	-13%
Total Operational Expenditure	(50 571)	(61 528)	(61 528)	(56 047)	-10%
Operating (Deficit)	204 930	189 013	192 513	236 896	19%
.	T3.72.5				

Capital Expenditure 2023/2024: Financial Services					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1105 Laptops	101 363,64	101 363,64	-	101 363,64	-
8100 81502 WIP 1254 Scanners	40 000,00	40 000,00	-	40 000,00	-
8100 81502 WIP 715 Munsoft	613 636,36	613 636,36	-	613 636,36	-
					T3.70.6

Chapter 3

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

The Dawid Kruiper Municipality is still experiencing cash-flow problems and subsequently have implemented cost containment procedures to ensure expenditure is limited to service delivery expenditure as far as possible. This has resulted in a net increase in cash and cash equivalents as at year-end as disclose in the Cash-flow Statements that is part of the Annual Financial Statements. Dawid Kruiper Municipality also had a Net surplus for the 2023/2024 financial year as per the Statement of Financial Performance.

Dawid Kruiper Municipality is in process to strengthen the internal controls in the Financial Department as well as other departments in order to try to achieve better audit opinions in the future.

T3.70.7

3.71 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resource Department is responsible for the following main functions:

- i) Recruitment and selection;
- ii) Labour Relations;
- iii) Occupational Health and Safety;
- iv) Leave and benefit administration;
- v) Employee Assistance;
- vi) Skills Development and Training; and
- vii) Employment Equity.

All these functions were performed by a staff complement of 14 employees with the required qualifications, skills and experience. Two Human Resource Interns were also utilised and trained.

T3.71.1

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

The following key transactions were processed during the year:

New appointments transfers and promotions = 55
Terminations of employment = 50
Number of sick leave days taken by employees = 5515
Number of employees on formal training courses = 115
Number of disciplinary inquiries held = 29
Number of injuries on duty handled = 56

T3.71.2

Chapter 3

Employees: Human Resource Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	2	0	0	0%
4-6	4	6	4	0	0%
7 - 9	8	9	7	0.916	11.45%
10 - 12	5	5	5	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	17	22	16	0.916	4,16%
					T3.71.4

Financial Performance 2023/24: Human Resources					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	572	375	375	575	35%
Expenditure:					
Employees	(8 543)	(8 659)	(8 659)	(8 031)	-8%
Repairs and Maintenance	(45)	(82)	(82)	(30)	-174%
Other	(928)	(1 103)	(1 103)	(797)	-38%
Total Operational Expenditure	(9 517)	(9 844)	(9 844)	(8 857)	-11%
Operating (Deficit)	(8 945)	(9 469)	(9 469)	(8 283)	-14%
					T3.71.5

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

Human Resources complied with all important legislation and policies amongst others, Municipal Systems Act, Skills Development Act, Employment Equity Act, Main Collective Agreement and Council Policies. Human Resources successfully reached its objectives. Support services were rendered to 829 full time employees, 33 Councilors and more than 60 seasonal workers.

T3.71.7

Chapter 3

3.72 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The establishment of ICT department within the 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.

Council has twelve servers on which its systems run. These systems are for financial management, document management, prepaid services, security and connectivity, communication, traffic fines management and resort management.

Council business is conducted over the area that spans from Upington and surroundings to Rietfontein and surroundings in 24 different buildings. These building are connected via wireless and satellite network allowing user access to systems no matter where a user is stationed.

The IT Department supports all system users, maintains equipment and is responsible for the purchasing of equipment either for replacement or new staff. Systems are maintained by service providers. Keeping track with technology changes is always challenging due to budget constraints.

T3.72.1

SERVICE STATISTICS FOR ICT SERVICES

12 x Servers
21 x Offices connected via wireless network
3 x sites connected via VSAT
237 x Offices networked
295 x PC's and Laptops
140 x Printers

T3.72.2

Chapter 3

Employees: ICT Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	3	3	0.916	30.53%
7 - 9	3	4	2	0.916	22.9%
10 - 12	1	3	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	7	11	7	1.832	16.65%
T3.72.4					

Financial Performance 2023/24: ICT Services					
R'000					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	–	–	–	–	
Expenditure:					
Employees	(5 030)	(5 073)	(5 073)	(5 085)	0%
Repairs and Maintenance	(70)	(117)	(119)	(52)	-128%
Other	(7 011)	(3 698)	(7 698)	(5 689)	-35%
Total Operational Expenditure	(12 111)	(8 888)	(12 890)	(10 826)	-19%
Operating (Deficit)	(12 111)	(8 888)	(12 890)	(10 826)	-19%
T3.72.5					

Chapter 3

Capital Expenditure 2023/2024: ICT Services					
R' 000					
Capital Projects	2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
8100 81502 WIP 1090 Electrification at Van Riebeeck Koppie	12 500,00	12 500,00	-	12 500,00	-
8100 81502 WIP 1105 Laptops	550 000,00	550 000,00	558 097,49	8 097,49	-
8100 81502 WIP 1108 Tower UPS	40 000,00	40 000,00	-	40 000,00	-
8100 81502 WIP 1218 Vendor Equipment	100 000,00	100 000,00	-	100 000,00	-
8100 81502 WIP 1242 Firewall	66 360,00	66 360,00	66 360,00	-	-
8100 81502 WIP 1243 Network Equipment	100 000,00	100 000,00	-	100 000,00	-
8100 81502 WIP 1244 Network Equipment	50 000,00	50 000,00	26 531,31	23 468,69	-
8100 81502 WIP 1253 Leer	-	-	1 695,64	1 695,64	-
8100 81502 WIP 390 Printers Renewals	92 300,00	92 300,00	44 023,52	48 276,48	-
					T3.72.6

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

New PC's, Laptops and printers were purchased in the event the equipment had become redundant or uneconomical to repair. Same was purchased for new positions as the need arose.

86% of the user calls logged at the ICT helpdesk were resolved.

T3.72.7

Chapter 3

3.73 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

LEGAL SERVICES

The Legal Services division delivers a supporting function to all directorates in the municipality. The Legal Department forms part of the Directorate Corporate Services. This office handles all requests for legal advice and legal aid in respect of municipal matters. This office is also responsible for the contracts of the municipality. A number of new contracts we concluded and contracts that expired were renewed.

Legal Advice was requested, when needed, from external sources on certain matters.

The Policies of Council are reviewed on a continuous basis and new Policies are adopted by Council to provide in the needs of the Dawid Kruiper Municipality. The Section is also responsible for the updating and maintaining of the Municipal Code of the Municipality. A new By-Law (Tuck Shop By-Law) was also adopted by Council during the year under review.

The Section is also responsible for compiling the Annual report of the Municipality. The Legal Section also assists in the disposal of Council Property.

PROPERTY

The Property Administration division is responsible for the maintenance, disposal and acquisition of property and land for the Municipality. Land and property are disposed of or letting through the Property Disposal Policy of Council. The Policy was reviewed in February 2018.

T3.73.1

Chapter 3

SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

LEGAL SERVICES

The Unit has been involved in the compiling of 155 contracts/agreements.

Eighteen Policies has been adopted/reviewed by Council and have been taken up in the Municipal Code.

PROPERTY

Property sold:

Erf Nr	Area	Buyer	Amount
25218	Paballelo	Maganga & Sons Trading CC	540,000.00
20878 To 20885	Riverside Uprising	Whilto Property Developers (Pty)Ltd	780,000.00
20180	Rosedale	R Arendse	100,000.00
20181	Rosedale	R. Arendse	100,000.00
22700	Melkstroom	Gospel Mesangers of God	1.00
5453	Keidebees	NC Famous Lodges Properties (Pty) LTD	48,000.00
16123	Paballelo	Zion Christian Church	1.00
18551	Rosedale	Yahweh Shamman Ministries	1.00
22055	Dakota	Mrs.SN & Mr. AA Voxeka,	18,000.00
23173	Rosedale	Inyameko Trading 272 CC	34,500.00
26644	Morning Glory	Mnr FH van Wyk	42,000.00
Totaal erf verkope vir die periode			R1,662,503.00

T3.73.2

Employees: Property; Legal; Risk Management; and Procurement Services

Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	0	0%
4 - 6	2	2	2	0	0%
7 - 9	3	5	3	0	0%
10 - 12	0	1	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	5	9	5	0	0%

T3.73.4

Chapter 3

Financial Performance 2023/24: Legal Services/Risk Management					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	56	–	–	164	100%
Expenditure:					
Employees	(1 049)	(515)	(515)	(670)	23%
Repairs and Maintenance	–		–	–	0%
Other	(1 214)	(1 286)	(1 286)	(748)	-72%
Total Operational Expenditure	(2 262)	(1 802)	(1 802)	(1 419)	-27%
Operating (Deficit)	(2 206)	(1 802)	(1 802)	(1 255)	-44%
					T3.73.5

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

Property to the value of **R1,662,503.00** was sold during the year under review. This is well below the performance target due to land sale transactions that could not be completed within the financial year of reporting.

T3.73.7

Chapter 3

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, and Forestry as municipal enterprises.

INTRODUCTION TO MISCELLANEOUS

NOT APPLICABLE

Delete Directive note once comment is complete – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by this service during the year.

T3.74.0

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

The Annual Performance Report is attached as Annexure hereto.

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

The Organizational Structure provides for six Directorates that had a total number of 832 positions filled at the beginning of the 2023/2024 financial year. The municipality complied with legislation with regards to Skills Development and Employment Equity. Performance Evaluation was conducted as prescribed in legislation. All members of Top Management received performance bonuses as recommended by a Performance Review Panel. Monthly meetings with the two Labour Unions to discuss labour issues in the Labour Relations Forum were conducted.

T4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				
	2022/2023	2023/2024			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	67	71	66	2.136	1.86%
Waste Water (Sanitation)	75	95	71	0.81	0.85%
Electricity	38	45	39	2.436	5.41%
Waste Management	76	86	67	3.44	2.99%
Housing	11	13	9	0.908	6.98%
Roads & Stormwater Drainage	47	54	45	1.08	1.44%
Fire Services	35	45	40	0.496	1.10%
Transport	0	0	0	0	0%
Local Economic Development	9	10	9	0	0%
Planning (Strategic & Regulatory)	14	20	14	0.164	0.82%
Community & Social Services	57	92	57	0	0%
Security and Safety	78	89	86	1.32	2.13%
Sport and Recreation	88	114	93	2.332	1.77%
Corporate Policy Offices and Other	241	177	233	0	0%
Totals	836	868	829	15.122	1.74%

Chapter 4

T4.1.1

Vacancy Rate: 2023/2024			
Designations	Total Approved Posts No.	Vacancies (Total time that vacancies exist using fulltime equivalents) No.	Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0,00
CFO	1	0	0.00
Other S57 Managers (excluding Finance Posts)	5	0	0,00
Other S57 Managers (Finance posts)	0	0	0,00
Police officers			
Fire fighters	28	0	0.00
Senior management: Levels 13-15 (excluding Finance Posts)	27	0.488	1.81%
Senior management: Levels 13-15 (Finance posts)	7	0	0
Highly skilled supervision: levels 9-12 (excluding Finance posts)	104	1.808	1,74%
Highly skilled supervision: levels 9-12 (Finance posts)	15	0	0
Total	188	2.296	1.22%
T4.1.2			

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2021/2022	920	50	5.43%
2022/2023	906	48	5.30%
2023/2024	832	45	5.41%
T4.1.3			

COMMENT ON VACANCIES AND TURNOVER:

There were 832 employees at the municipality on 01 July 2023, of which 50 terminated their services during the financial year. The turnover rate was therefore 5.41% compared to the 5.30% turnover rate of the previous financial year.

T4.1.4

Chapter 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Weekly Top Management meetings were held to monitor and evaluate activities on a strategic level. Middle management meetings as well as Staff meetings of divisions were held to consult with workers on a regular basis. Managers do Quarterly Performance Evaluations of all workers as part of the Key Performance Areas of Managers. Local Labour Forum meetings where policies and agreements were discussed and reviewed took place on a monthly basis.

T4.2.0

Chapter 4

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	0%	0%	
2	Attraction and Retention	100%	100%	June 2018
3	Code of Conduct for employees	0%		Code of Conduct in Municipal System Act
4	Delegations, Authorisation & Responsibility	100%	100%	June 2019
5	Disciplinary Code and Procedures		0%	Disciplinary Code Collective Agreement of SALGBC is used
6	Essential Services	100%	100%	Jan 2020
7	Employee Assistance / Wellness	100%	100%	June 2019
8	Employment Equity	100%	100%	June 2019
9	Exit Management			June 2018
10	Grievance Procedures	0%	0%	Main Collective Agreement is used
11	HIV/Aids	100%	100%	
12	Human Resource and Development	0%	0%	HR Plan and HR Strategy in place
13	Information Technology	100%	100%	
14	Job Evaluation	0%	0%	Provincial Policy is used
15	Leave	100%	100%	June 2019
16	Occupational Health and Safety	100%	100%	
17	Official Housing	0%	0%	No official housing available
18	Official Journeys	0%	0%	Travel and Subsistence Policy in place
19	Official transport to attend Funerals	0%	0%	No official transport is allowed for funerals
20	Official Working Hours and Overtime	100%	100%	June 2018
21	Organisational Rights	0%	0%	Main Collective Agreement is used
22	Payroll Deductions	0%	0%	BCEA is used
23	Performance Management and Development	100%	100%	June 2017
24	Recruitment, Selection and Appointments	100%	100%	June 2018
25	Remuneration Scales and Allowances	100%	100%	Sept 2021
26	Resettlement	100%	100%	June 2018
27	Sexual Harassment	100%	100%	June 2017
28	Skills Development	100%	100%	June 2018
29	Smoking	100%	100%	June 2018
30	Special Skills	0%	0%	Retention of Scarce Skills policy in place
31	Work Organisation	0%	0%	
32	Uniforms and Protective Clothing	100%	100%	June 2019
33	Other:			
T4.2.1				

Chapter 4

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The process of consultation with workers to amend policies is on-going and some policy reviews were delayed due to this process of consultation. Policies are developed within the framework of national and divisional collective agreements of the South African Local Governing Bargaining Council.

T4.2.1.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	121	56			
Temporary total disablement	0	0			
Permanent disablement	0	0			
Fatal	0	0			
Total	121	56			

T4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post*	*Average sick leave per Employees Days	Estimated cost R' 000
Lower skilled (Levels 1-2)	24	90%	10	30	0.15	30
Skilled (Levels 3-5)	40			22	0.26	
Highly skilled production (levels 6-8)	136			58	0.88	
Highly skilled supervision (levels 9-12)	6	95%	2	26	0.04	31
Senior management (Levels 13-15)	230			11	1.48	
MM and S57	65			8	0.42	
Total	501	93%	12	155	3.23	61

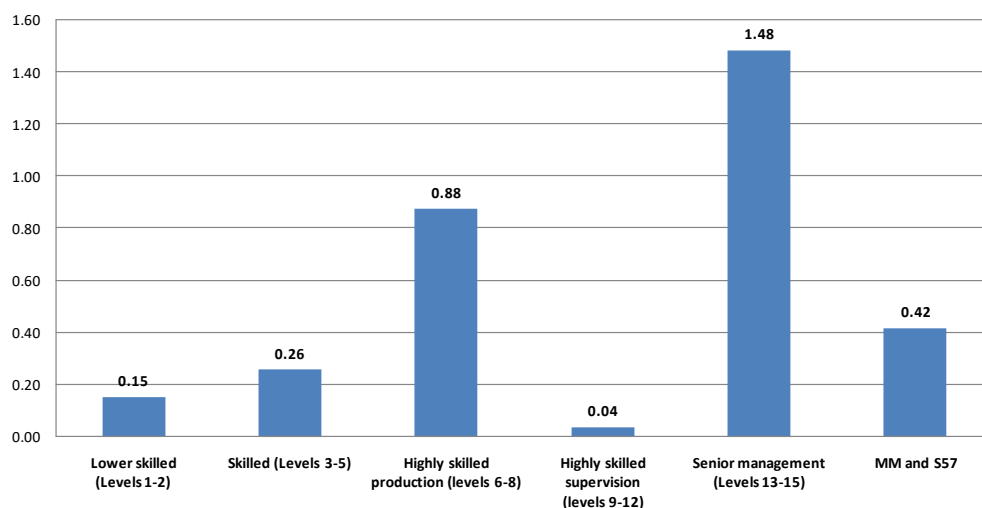
* - Number of employees in post at the beginning of the year

*Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T4.3.2

Chapter 4

Average Number of Days Sick Leave (excl IOD)



T4.3.3

COMMENT ON INJURY AND SICK LEAVE:

Delete Directive note once comment's completed – Comment on injury and sick leave indicated in the above tables. Explain steps taken during the year to reduce injuries and follow-up action in relation to injury and sick leave (e.g. are injuries examined by the municipality's own doctor; are those taking long or regular periods of sick leave monitored by municipality's doctor; and are personal records maintained of the number of instances of sick leave and amount of time taken each year?)

T4.3.4

Number and Period of Suspensions

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Junior Process Controller	Gross Negligence/Consuming alcohol whilst on duty	14/02/2024	Dismissal	05/06/2024

T4.3.5

Chapter 4

DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
NOT APPLICABLE			
			T4.3.6

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

There were no cases of financial misconduct reported during the 2023/2024 financial year. One other employee was suspended for another type of misconduct during the 2023/2024 financial year.

T4.3.7

4.4 PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2022/2023 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	0	0		
	Male	0	0		
Skilled (Levels 3-5)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male				
Highly skilled supervision (levels 9-12)	Female				
	Male				
Senior management (Levels 13-15)	Female				
	Male				
MM and S57	Female	1	1	164	100%
	Male	5	5	796	100%
Total		6	6	960	100%
<i>Has the statutory municipal calculator been used as part of the evaluation process?</i>					Yes/No
					T4.4.1

Chapter 4

COMMENT ON PERFORMANCE REWARDS:

The Electro-Mechanical Director became vacant at the beginning of the 2022/2023 financial year. Six Directors received Performance Rewards during the 2023/24 financial year for their performance during 2022/2023 financial year. Performance Evaluations took place on a quarterly basis as prescribed by legislation.

T4.4.1.1

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Limited training interventions were conducted because of the financial constraints of the Municipality.

The main focus for the year was on training relating to compliance with Occupational Health and Safety legislation, eg:

- Working On Heights
- OHS Safety Representatives
- Cherry Picker
- TLB Handling

The Municipality makes use of Grants from various institutions like SALGA, LGSETA and Treasury, etc. for additional funding and training opportunities presented by these institutions.

Employees received training funded through SALGA in:

- Women in Leadership
- Occupational Health and Safety
- Councillor training
- Records Management

The Municipality provided workplace experience to the following number of interns/students funded through various funding and SETAs:

- 5 X Financial interns (Treasury)
- 2 X Human Resources students (external funding)
- 1 X Tourism student (external funding)
- 6 X Finance students ((external funding)
- 8 X Apprenticeship students ((external funding)
- 1 X Financial intern ((external funding)
- 1 X Government and Administration Intern (external funding)
- 1 X Communication Intern (external funding)

Chapter 4

3 X Business Management students (external funding)
2 X Agricultural interns (external funding)

T4.5.0

DRAFT

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

SKILLS MATRIX														
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 programs & other short courses			Other forms of training			Total		
		No.	Actual: End of 22/23	Actual: End of 23/24	Target	Actual: End of 22/23	Actual: End of 23/24	Target	Actual: End of 22/23	Actual: End of 23/24	Target	Actual: End of 22/23	Actual: End of 23/24	Target
MM and s57	Female	1				1	1	1				1	1	1
	Male	5				1	1	1				1	1	1
Councillors, senior officials and managers	Female	20				16	16	22				16	16	22
	Male	34				34	14	48				34	14	48
Technicians and associate professionals*	Female	14				2	0	2				2	0	2
	Male	50				4	50	50				4	50	50
Professionals	Female	14												
	Male	12												
Sub total	Female	49				19	17	25				19	17	25
	Male	101				39	65	99				39	65	99
Total		150				58	82	124				58	82	124
*Registered with professional Associate Body e.g. CA (SA)														T4.5.1

Chapter 4

FINANCIAL OVERVIEW - 2023/24						
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						
<i>Accounting officer</i>	1	0	1	0	1	1
<i>Chief financial officer</i>	1	0	1	0	1	0
<i>Senior managers</i>	4	0	4	0	4	3
<i>Any other financial officials</i>	3	0	3	0	0	1
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	0	0	1
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	10	0	10	0	6	6
T4.5.2						

Chapter 4

SKILLS DEVELOPMENT EXPENDITURE										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2023/2024							
			Learnerships		Skills programs & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and s57	Female	1	0	0						
	Male	5	0	0						
Legislators, senior officials and managers	Female	20	0	0						
	Male	34	0	0						
Professionals	Female	14	0	0						
	Male	12	0	0						
Technicians and associate professionals	Female	11	0	0	0	0				0
	Male	50	0	0	300000	138000			300000	138000
Clerks	Female	116	0	0						
	Male	68	0	0						
Service and sales workers	Female	31	0	0						
	Male	83	0	0						
Plant and machine operators and assemblers	Female	5	0	0			0			
	Male	80	0	0			50000	65000	50000	65000
Elementary occupations	Female	94	0	0			5000	10000	5000	10000
	Male	258	0	0			20000	28188	20000	28188
Sub total	Female	299	0	0						
	Male	590	0	0						
Total		889	0	0	300000	138000	75000	75000	R 375 000	R 261188.00
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									%*	*R
										T4.5.3

Chapter 4

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

Due to financial constraints the municipality mostly focused on compliance training. The following training courses were provided:

Plumbing
Women in Leadership
Occupational Health and Safety
Environmental Practise
RPL Electricians
Working at Heights
Archival Records Management
Call centre operations
Health and Safety Representatives
(MEWP) Cherry Picker
TLB Operating
Code 14 Driving licenses
ICIP level 5 Councillors

Total: 115 employees

The municipality spent R261 188.90 of its Mandatory Grants received from LGSETA on training and development programs.

T4.5.4

Chapter 4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

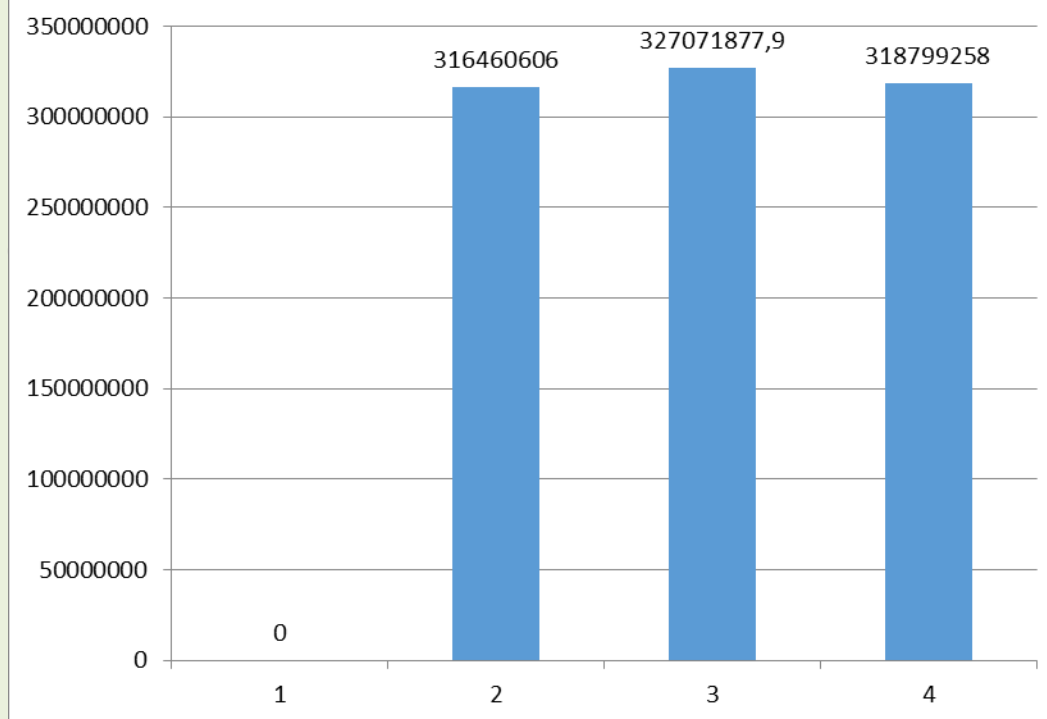
INTRODUCTION TO WORKFORCE EXPENDITURE

The main cost drivers of Workforce Expenditure are: Salary, Wages, employee benefits such as medical scheme contributions and pension fund contributions, training and development. Salary and wage increases are negotiated on a national level in the South African Local Government Bargaining Council between South African Local Government Association that represents municipalities and the two Labour Unions, SAMWU and IMATU.

T4.6.0

4.6 EMPLOYEE EXPENDITURE

Workforce Expenditure Trends (R' 000)



Source: MBRR SA22

T4.6.1

Chapter 4

COMMENT ON WORKFORCE EXPENDITURE:

The annual salary and wage increase for 2022/ 2023 financial year was 4.9%. An amount of R361 000 000 was budgeted for Workforce Expenditure for the financial year.

T4.6.1.1

NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED		
Beneficiaries	Gender	Total
NOT APPLICABLE		
T4.6.2		

EMPLOYEES WHOSE SALARY LEVELS EXCEED THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
NOT APPLICABLE				
T4.6.3				

EMPLOYEES APPOINTED TO POSTS NOT APPROVED				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
NONE				
T4.6.4				

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

No posts were upgraded

T4.6.5

DISCLOSURES OF FINANCIAL INTERESTS

All Councillors, the Municipal Manager, Directors and staff required declared their financial interests as prescribed in the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager, 2006 (Regulation 805 of 2006).

T4.6.6

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

T5.0.1

Chapter 5

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The Annual Financial Statements provides an overview of the financial position and the financial performance of the Municipality for the year under review and focuses on the financial health of the Municipality as at year-end 30 June 2024.

T5.1.0

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

DAVID KRUIPER MUNICIPALITY						
DAVID KRUIPER MUNICIPALITY STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024						
	2024 Original Approved Budget R	2024 Adjustments R	2024 Final Approved Budget R	2024 Final Year-End Budget R	2024 Actuals R	2024 Variance R
						Explanations for material variances
ASSETS						
Current Assets						
Cash and cash equivalents	52,950,724	(42,198,044)	10,752,680	10,752,680	48,574,090	37,821,410
Trade and other Receivables from exchange Transactions	114,794,743	45,023,792	159,818,535	159,818,535	378,313,127	218,494,593
Receivables from non-exchange transactions	26,474,031	42,481	26,516,512	26,516,512	27,938,326	1,421,814
Inventory	22,410,881	(20,516,538)	1,894,343	1,894,343	12,969,658	11,075,315
VAT	88,477,581	8,811,707	97,289,288	97,289,288	-	(97,289,288)
Other current assets	310,007	2,499,133	2,809,140	2,809,140	-	(2,809,140)
Total Current Assets	305,417,967	(6,337,468)	299,080,499	299,080,499	467,795,201	168,714,703
Non Current Assets						
Investment property	1,190,450,582	(70,188,949)	1,120,261,633	1,120,261,633	1,086,552,273	(33,709,360)
Property, plant and equipment	1,744,627,288	37,542,885	1,782,170,173	1,782,170,173	1,778,183,207	(3,986,966)
Heritage Assets	4,509,475	-	4,509,475	4,509,475	4,509,475	-
Intangible	6,626,539	1,519,664	8,146,203	8,146,203	7,531,547	(614,655)
Total Non Current Assets	2,946,213,884	(31,126,400)	2,915,087,484	2,915,087,484	2,876,776,503	(38,310,981)
TOTAL ASSETS	3,251,631,851	(37,463,868)	3,214,167,983	3,214,167,983	3,344,571,704	130,403,722
LIABILITIES						
Current Liabilities						
Financial liabilities	-	(4,312,407)	(4,312,407)	(4,312,407)	19,081,038	23,393,445
Consumer deposits	16,870,755	2,470	16,873,225	16,873,225	17,000,281	127,056
Trade and other payables from exchange transactions	183,764,714	46,778,061	230,542,775	230,542,775	198,785,211	(31,757,564)
Trade and other payables from non-exchange transactions	-	162,188	162,188	162,188	5,526,388	5,364,200
Provisions	20,242,491	16,370,249	36,612,740	36,612,740	53,550,957	16,938,217
VAT	93,691,710	14,518,421	108,210,131	108,210,131	9,417,124	(98,793,007)
Other current liabilities	-	-	-	-	7,089,611	7,089,611
Total Current Liabilities	314,569,670	73,518,982	388,088,652	388,088,652	310,450,610	(77,638,042)
Non Current Liabilities						
Financial liabilities	80,561,153	13,280,425	93,841,578	93,841,578	53,297,336	(40,544,242)
Provisions	123,393,612	(34,455,955)	88,937,657	88,937,657	53,903,814	(35,033,842)
Other non-current liabilities	91,774,389	(2,903,389)	88,871,000	88,871,000	173,216,119	84,345,119
Total Non Current Liabilities	295,729,154	(24,078,920)	271,650,234	271,650,234	280,417,269	8,767,035
TOTAL LIABILITIES	610,298,824	49,440,062	659,738,887	659,738,887	590,867,880	(68,871,007)
NET ASSETS	2,641,333,027	(86,903,931)	2,554,429,096	2,554,429,096	2,753,703,824	199,274,728
COMMUNITY WEALTH / EQUITY						
Accumulated Surplus	2,641,333,028	(86,903,931)	2,554,429,097	2,554,429,097	2,571,146,971	16,717,874
TOTAL COMMUNITY WEALTH / EQUITY	2,641,333,028	(86,903,931)	2,554,429,097	2,554,429,097	2,571,146,971	16,717,874

Chapter 5

DAWID KRUIPER MUNICIPALITY				
DAWID KRUIPER MUNICIPALITY STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024				
	2024 Actual R	2024 Final Budget R	2024 Variance R	Explanations - Material Variances
REVENUE BY SOURCE	611,233,023	603,442,742	7,790,281	
EXCHANGE REVENUE				
Service charges - Electricity	388,332,716	376,459,400	11,873,316	Immaterial difference
Service charges - Water	83,902,247	74,165,000	9,737,247	Increase in debtors being billed flat rate resulting in increase in revenue billed.
Service charges - Waste Water Management	52,739,719	52,263,000	476,719	Immaterial difference
Service charges - Waste Management	48,074,082	48,811,374	(737,292)	Immaterial difference
Sale of Goods and Rendering of Service	9,368,806	8,281,161	1,087,645	Ad-hoc Revenue
Agency services	2,515,461	2,725,000	(209,539)	Immaterial difference
Interest earned from Receivables	13,558,063	23,100,000	(9,541,937)	Interest on outstanding debtors budgeted more than actual levied.
Interest earned from Current and Non-Current Assets	3,337,940	3,200,000	137,940	Increase in investments resulting in more interest received
Rental from Fixed Assets	7,059,735	5,795,706	1,264,029	Increase in revenue billed
Operational Revenue	2,344,253	8,642,101	(6,297,848)	Eskom Debt Forgiveness budgeted under exchange revenue in version 6.7 and disclosed as non-exchange i.t.o GRAP
NON-EXCHANGE REVENUE	346,891,037	368,596,714	(21,705,677)	
Property rates	144,090,085	139,700,720	4,389,365	New valuation roll implemented
Fines, penalties and forfeits	5,160,302	5,748,905	(588,603)	Less fines issued than budgeted
Licences and permits	1,884,179	1,962,959	(78,780)	Decrease in licences and permits issued
Transfers and subsidies - Operational	133,526,235	133,149,130	377,105	Unspent NDPG
Interest	3,750,902	3,000,000	750,902	Increase in Repo Rates resulting in more arrears
Operational Revenue	9,577,514	500,000	9,077,514	Eskom Debt Forgiveness budgeted under exchange revenue in version 6.7 and disclosed as non-exchange i.t.o GRAP
Gains on disposal of Assets	11,823,828	500,000	11,323,828	Gains on disposal of properties
Other Gains	37,077,990	84,035,000	(46,957,010)	Decrease in fair value adjustment
TOTAL REVENUE (EXCLUDING CAPITAL TRANSFERS AND CONTRIBUTIONS)	958,124,059	972,039,456	(13,915,397)	
EXPENDITURE BY TYPE				
Employee related costs	351,023,818	361,304,234	(10,280,416)	Due to expenditure transferred to inventory consumed
Remuneration of councillors	13,191,233	13,596,902	(405,669)	Budgeted increase for remuneration less than percentage gazetted
Bulk purchases - electricity	287,830,726	299,200,000	(11,369,274)	Load shedding during financial year resulted in less electricity being purchased
Inventory Consumed	60,459,100	46,350,249	14,108,851	Due to expenditure transferred to inventory consumed
Debt impairment	39,817,878	43,000,000	(3,182,122)	Increase in Repo rate resulted in debtors struggling to meet financial obligations. Council resolution was obtained to convert conventional meters to prepaid meters. The process will unfold during 2024/2025.
Depreciation and asset amortisation	77,895,434	89,831,507	(11,936,073)	Decrease in landfill sites and quarries resulting in less depreciation
Interest	23,119,587	19,314,374	3,805,213	Increase in Repo Rates
Contracted services	18,053,357	26,356,829	(8,303,471)	Due to expenditure transferred to inventory consumed
Transfers and subsidies	1,203,435	1,234,751	(31,316)	Immaterial difference
Irrecoverable debts written off	4,311,032	7,000,000	(2,688,968)	Decrease in traffic fines being written off
Operational costs	43,090,089	48,967,110	(5,877,022)	Due to expenditure transferred to inventory consumed
Losses on disposal of Assets	22,383,298	17,000,000	5,383,298	Increase in water losses
TOTAL EXPENDITURE	942,378,987	973,155,956	(30,776,969)	
SURPLUS / (DEFICIT)	15,745,073	(1,116,500)	16,861,573	
Transfers and subsidies - capital (monetary allocations)	53,842,109	58,116,530	(4,274,421)	NDPG unspent at year-end
Transfers and subsidies - capital (in-kind - all)	-	-	-	
SURPLUS / (DEFICIT) FOR THE YEAR	69,587,182	57,000,030	12,587,152	

Chapter 5

COMMENT ON FINANCIAL PERFORMANCE:

Council failed to achieve the budgeted revenue. Please refer to Statement of comparison of budget and actual amounts.

Council must ensure that it successfully implement the Municipal Turn-around strategy to limit expenditure to the bare minimal, however due to inefficient handling of cash resources, the municipality is currently experiencing cash-flow problems.

Additional details of these matters are to be found in the financial statements (Appendix D) which provides better details per line item for actual amounts versus budget amount variances above 10%.

T5.1.3

5.2 GRANTS

Description	Balance 1 July 2023	Correction of Error	Restated balance 1 July 2023	Contributions during the year	Written Off / Recognised as Revenue	Roll Over not Approved	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	Balance 30 June 2024
	R	R	R	R	R	R	R	R	R
UNSPENT CONDITIONAL GOVERNMENT GRANTS, DONATIONS AND RECEIPTS									
Financial Management Grant	-	-	-	3,000,000	-	-	(3,000,000)	-	-
Municipal Systems Improvement Grant	-	-	-	-	-	-	-	-	-
Housing Subsidy	-	-	-	400,000	-	-	(400,000)	-	-
Libraries	(0)	-	(0)	3,129,000	-	-	(3,129,000)	-	(0)
Municipal Infrastructure Grant	213,503	-	213,503	27,331,000	-	(213,503)	(4,767,975)	(22,563,025)	-
Equitable Share	-	-	-	116,595,409	-	-	(116,595,409)	-	-
Lotto	-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme	5,638,793	-	5,638,793	16,700,000	-	-	(2,913,755)	(19,425,038)	(0)
Extended Public Work Programme - National Energy Efficiency Demand Side Management Grant	-	-	-	950,000	-	-	(950,000)	-	-
Water Service Infrastructure Grant	747,907	-	747,907	6,750,000	-	(747,907)	(880,434)	(5,869,566)	-
Department of Water Affairs	-	-	-	-	-	-	-	-	-
COGHSTA	-	-	-	-	-	-	-	-	-
Department of Economic Development and Tourism	841,954	-	841,954	-	-	-	(97,163)	(674,305)	70,486
Neighbourhood Development Partnership Grant	3,449,586	-	3,449,586	6,571,000	-	-	(619,942)	(4,132,950)	5,267,694
Department of Fisheries, Foreries and Environmental Affairs	-	-	-	-	-	-	-	-	-
LG Seta Discretionary Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Support Agent	-	-	-	-	-	-	-	-	-
Kalahari-Oos Watergebruikersvereniging	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	(3,278,280)	-	(3,278,280)	4,766,269	-	-	(172,557)	(1,150,380)	165,052
Marko Sweiswerke	-	-	-	-	-	-	-	-	-
BVI Engineering	-	-	-	-	-	-	-	-	-
Department of Public Works	-	-	-	-	-	-	-	-	-
Thap3lom General Trade CC	-	-	-	-	-	-	-	-	-
Thusano NPC	-	-	-	-	-	-	-	-	-
KF Airconditioning	-	-	-	-	-	-	-	-	-
Northern Cape Provincial Government	-	-	-	-	-	-	-	-	-
Directo Signs: Community Development	50,000	-	50,000	-	-	-	-	(26,845)	23,155
Total	7,663,463	-	7,663,463	186,192,679	-	(961,409)	(133,526,235)	(53,842,109)	5,526,388

Chapter 5

COMMENT ON OPERATING TRANSFERS AND GRANTS:

BUDGET & TREASURY OFFICE

Dawid Kruiper Municipality had unspent grants as at 30 June 2024.
All unspent Grants on year-end was cashed back sufficiently.

DEVELOPMENT & PLANNING

The DORA allocation for 2023/2024 was determined on R27,331,000.00 for the Dawid Kruiper Municipality. Dawid Kruiper Municipality does spend the MIG operational transfers effectively. Based on the above table, Dawid Kruiper Municipality successfully spent 100% of the total 2023/2024 allocation.

The PMU will be responsible for the management of the monitoring database and the preparation of all necessary reports to municipal and relevant Provincial and National Departments.

CIVIL ENGINEERING SERVICES

The Dawid Kruiper Municipality does spend the operating transfers and grants effectively. This was caused by the required amount of work for planning bulk infrastructure as our municipality is growing rapidly.

The Municipality will improve in 2023/2024 to spend at least 100% of all allocations for 2023/24 financial year. This is due to the fact that most of our projects are ready to start with the construction phase.

T5.2.2

Description	Balance 1 July 2023	Correction of Error	Restated balance 1 July 2023	Contributions during the year	Written Off / Recognised as Revenue	Roll Over not Approved	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	Balance 30 June 2024
	R	R	R	R	R	R	R	R	R
UNSPENT CONDITIONAL GOVERNMENT GRANTS, DONATIONS AND RECEIPTS									
Financial Management Grant	-	-	-	3,000,000	-	-	(3,000,000)	-	-
Municipal Systems Improvement Grant	-	-	-	-	-	-	-	-	-
Housing Subsidy	-	-	-	400,000	-	-	(400,000)	-	-
Libraries	(0)	-	(0)	3,129,000	-	-	(3,129,000)	-	(0)
Municipal Infrastructure Grant	213,503	-	213,503	27,331,000	-	(213,503)	(4,767,975)	(22,563,025)	-
Equitable Share	-	-	-	116,595,409	-	-	(116,595,409)	-	-
Lotto	-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme	5,638,793	-	5,638,793	16,700,000	-	-	(2,913,755)	(19,425,038)	(0)
Extended Public Work Programme - National	-	-	-	950,000	-	-	(950,000)	-	-
Energy Efficiency Demand Side	-	-	-	-	-	-	-	-	-
Management Grant	-	-	-	-	-	-	-	-	-
Water Service Infrastructure Grant	747,907	-	747,907	6,750,000	-	(747,907)	(880,434)	(5,869,566)	-
Department of Water Affairs	-	-	-	-	-	-	-	-	-
COGHSTA	-	-	-	-	-	-	-	-	-
Department of Economic Development and	-	-	-	-	-	-	-	-	-
Tourism	841,954	-	841,954	-	-	-	(97,163)	(674,305)	70,486
Neighbourhood Development Partnership	-	-	-	-	-	-	-	-	-
Grant	3,449,586	-	3,449,586	6,571,000	-	-	(619,942)	(4,132,950)	5,267,694
Department of Fisheries, Foreries and	-	-	-	-	-	-	-	-	-
Environmental Affairs	-	-	-	-	-	-	-	-	-
LG Seta Discretionary Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Support Agent	-	-	-	-	-	-	-	-	-
Kalahari-Oos Watergebruikersvereniging	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	(3,278,280)	-	(3,278,280)	4,766,269	-	-	(172,557)	(1,150,380)	165,052
Marko Sweiswerke	-	-	-	-	-	-	-	-	-
BVI Engineering	-	-	-	-	-	-	-	-	-
Department of Public Works	-	-	-	-	-	-	-	-	-
Thap3lom General Trade CC	-	-	-	-	-	-	-	-	-
Thusano NPC	-	-	-	-	-	-	-	-	-
KF Airconditioning	-	-	-	-	-	-	-	-	-
Northern Cape Provincial Government	-	-	-	-	-	-	-	-	-
Directo Signs: Community Development	50,000	-	50,000	-	-	-	-	(26,845)	23,155
Total	7,663,463	-	7,663,463	186,192,679	-	(961,409)	(133,526,235)	(53,842,109)	5,526,388

Chapter 5

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

DEVELOPMENT & PLANNING

The municipality focused on minimizing the unspent grants for the 2023/2024 financial year.

Besides the above, the planning regime became more rigorous and tighter project management prevailed. The need for a greater security on budgets availability and the internal systems became more integrated and fluid. Where ever possible, dedicated project managers were assigned to projects. This allowed the project managers to oversee the daily functioning of the assets.

CIVIL ENGINEERING SERVICES

In terms of Civil Engineering Services, grant funding from WSIG to the amount of R6.75mil towards to refurbishment of water supply in Lambrechtstdrift, Leerkrans and sealing of joints in Central reservoir, that was completed by 19 July 2024.

RBIG allocated R27mil for the upgrade of the Kameelmond WWTW.

NDP allocated R20mil for the upgrade of the bulk outfall sewer.

T5.2.4

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Asset management is undertaken in terms of the MFMA and based on a comprehensive asset management policy. The Asset Management Policy provides direction for management to monitor, purchase, account, control and dispose of Assets (PPE, Investment Property, Intangible Assets, 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 course of 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.

T5.3.1

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 1

Asset 1	
Name	Electrification of Houses - Rosedale & Pab
Description	WIP 1164 Electrification of 332 Houses
Asset Type	Energy Sources
Key Staff Involved	Electro-Mechanical Services
Staff Responsibilities	Maintaining Electro-Mechanical Services

Chapter 5

	2021/2022	2022/2023	2023/2024	2024/2025
Asset Value	-	-	10 950 933	-
Capital Implications	Maintaining Electro-Mechanical Services			
Future Purpose of Asset	To ensure that the community have electricity at their house			
Describe Key Issues	None at the moment			
Policies in Place to Manage Asset	Asset Management Policy, Maintenance Schedules			

Asset 2				
Name	Electrification Louisvale Road & Kameelmond			
Description	WIP 1246 Elec Louisvale Road and Kameelmond			
Asset Type	Energy Sources			
Key Staff Involved	Electro-Mechanical Services			
Staff Responsibilities	Maintaining Electro-Mechanical Services			
	2021/2022	2022/2023	2023/2024	2024/2025
Asset Value	-	-	10 173 914	-
Capital Implications	Maintaining Electro-Mechanical Services			
Future Purpose of Asset	To ensure that the community have electricity at their house			
Describe Key Issues	None at the moment			
Policies in Place to Manage Asset	Asset Management Policy, Maintenance Schedules			

Asset 3				
Name	Development of Morning Glory Cemetery			
Description	WIP 1196 Morning Glory Cemetery			
Asset Type	Planning and Development			
Key Staff Involved	Parks and Cemetery Personnel			
Staff Responsibilities	Maintaining Cemetery after it is has been develop			
	2021/2022	2022/2023	2023/2024	2024/2025
Asset Value	-	-	9 087 148	-
Capital Implications	Maintaining the cemetery that was established			
Future Purpose of Asset	To bury residents of the community that has pass away			
Describe Key Issues	None at the moment			
Policies in Place to Manage Asset	Asset Management Policy, Maintenance Schedules			

T5.3.2

COMMENT ON ASSET MANAGEMENT:

Electrification of 332 Houses

- This project is funded by the Municipality own funds. This is to supply basic services to resident of the municipality.

Electrification Louisvale Road & Kameelmond

- This project is funded through INEP. This is to supply basic services to resident of the municipality.

Development of Morning Glory Cemetery

- This project is funded through MIG. This is to extend the cemetery for the community.

T5.3.3

Chapter 5

Repair and Maintenance Expenditure: 2023/24				
	Original Budget	Adjustment Budget	Actual	2023/24
Repairs and Maintenance Expenditure	22 120	22 120	20,865	94,32%
T5.3.4				

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Dawid Kruiper Municipality only spent about R20,825 million of its repairs and maintenance budget for the 2023/2024 financial year.

Expenditure incurred to maintain PPE	Land and Buildings	Infrastructure	Community	Other	Total
Contracted Services	250,738	3,759,446	408,316	5,493,406	9,911,905
Consumable Items	79,586	6,215,080	426,895	4,191,721	10,913,282
30 June 2024	330,324	9,974,526	835,210	9,685,127	20,825,187

This is below the industry norm of 6% to 8% however this excludes the related staffing costs of R & M which many municipalities include in their final reporting figure. Until such time as there are proper national guidelines on how to include these costs, the figures shown in previous tables are open for misinterpretation. It is accepted that the figure should be increased as to ensure that the assets are sufficiently maintained, but it is at the discretion of the responsible Directors in terms of the MFMA

T5.3.4.1

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

FINANCIAL RATIO'S

Refer to Appendix E of the Annual Financial Statements for the Ratio's

T5.4.1
T5.4.2
T5.4.3
T5.4.4
T5.4.5
T5.4.6
T5.4.7
T5.4.8

Chapter 5

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

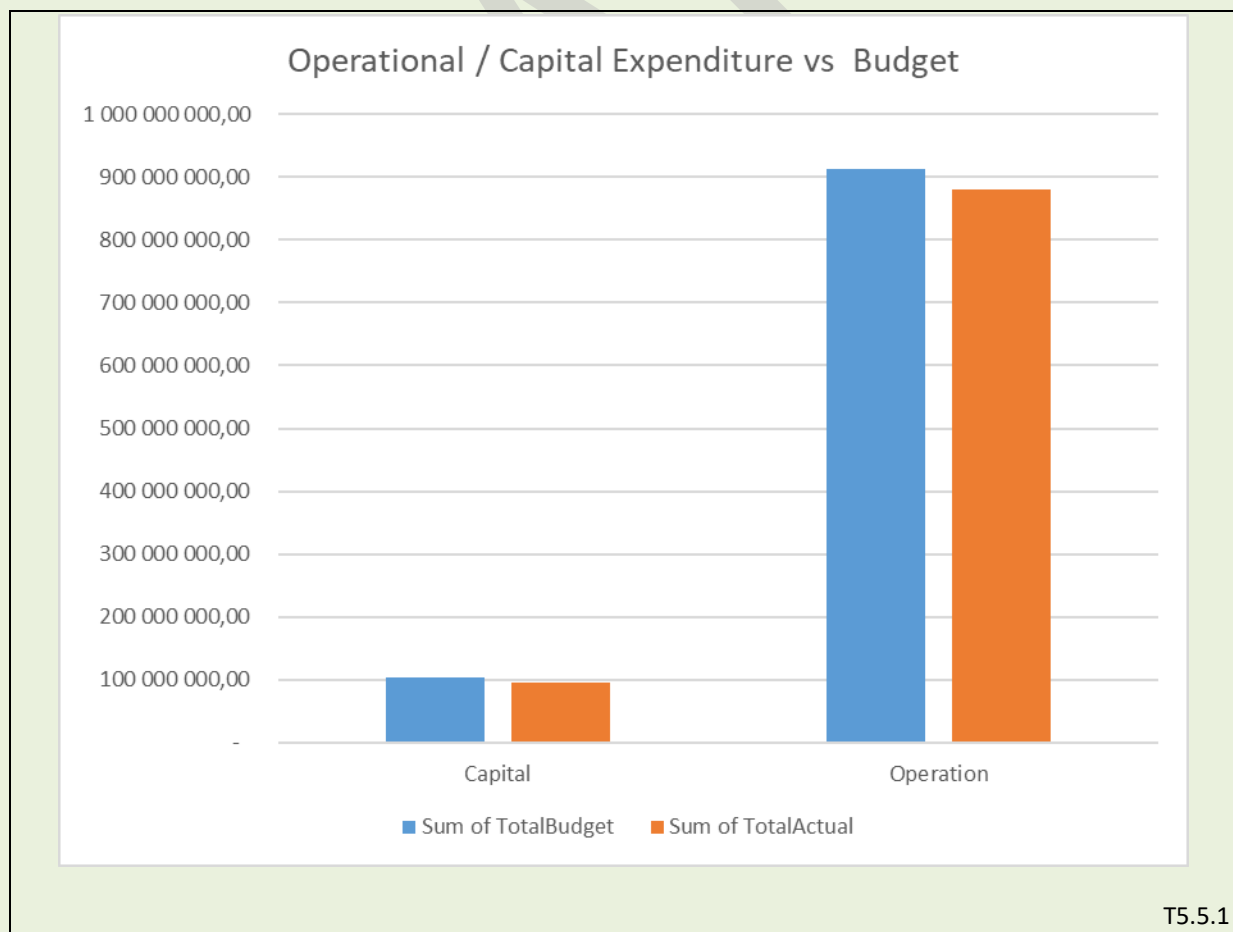
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

For the 2023/2024 financial year, all the unspent grants were cash backed as at 30 June 2024.

Due to better planning regime, more rigorous and tighter project management prevailed. The need for a greater security on budgets availability and the internal systems became more integrated and fluid. Where ever possible, dedicated project managers were assigned to projects. This allowed the project managers to oversee the daily functioning of the assets.

T5.5.0

5.5 CAPITAL EXPENDITURE



Chapter 5

5.6 SOURCES OF FINANCE

Row Labels	Sum of TotalBudget	Sum of TotalActual	Sum of TotalActual
Community and Social Services	387,200.00	387,200.00	100.00%
Cemeteries; Funeral Parlours and Crematoriums	387,200.00	387,200.00	100.00%
Energy Sources	44,840,711.00	40,148,053.14	89.53%
Electricity	44,840,711.00	40,148,053.14	89.53%
Finance and Administration	6,853,696.00	5,500,039.36	80.25%
Administrative and Corporate Support	6,000.00	5,987.52	99.79%
Fleet Management	1,054,521.00	1,041,167.41	98.73%
Information Technology	758,660.00	696,707.96	91.83%
Property Services	434,515.00	338,763.43	77.96%
Security Services	4,600,000.00	3,417,413.04	74.29%
Planning and Development	22,619,524.00	22,658,120.81	100.17%
Corporate Wide Strategic Planning (IDPs; LEDs)	103,000.00	69,486.94	67.46%
Project Management Unit	22,516,524.00	22,588,633.87	100.32%
Public Safety	570,210.00	288,744.00	50.64%
Fire Fighting and Protection	140,326.00	134,710.00	96.00%
Police Forces; Traffic and Street Parking Control	429,884.00	154,034.00	35.83%
Road Transport	5,585,127.00	5,589,920.25	100.09%
Roads	5,585,127.00	5,589,920.25	100.09%
Sport and Recreation	2,543,478.00	1,516,446.18	59.62%
Community Parks (including Nurseries)	43,478.00	26,845.00	61.74%
Sports Grounds and Stadiums	2,500,000.00	1,489,601.18	59.58%
Waste Management	3,327,901.00	3,319,922.37	99.76%
Solid Waste Removal	3,327,901.00	3,319,922.37	99.76%
Waste Water Management	360,000.00	1,150,380.49	319.55%
Waste Water Treatment	360,000.00	1,150,380.49	319.55%
Water Management	16,848,063.00	15,554,921.65	92.32%
Water Distribution	16,848,063.00	15,554,921.65	92.32%
Grand Total	103,935,910.00	96,113,748.25	92.47%

COMMENT ON SOURCES OF FUNDING:

For the 2023/2024 financial year, no new external loans were taken up.

Capital projects was therefore funded through other funds, Grants and the unspent external loans from the previous year.

T5.6.1.1

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5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*				R' 000
Name of Project	Current Year: 2023/24			
	Original Budget	Adjustment Budget	Actual Expenditure	
Electrification of 332 Houses	13,702,667.00	18,702,667.00	18,078,825.55	
Electrification Louisvale Road & Kameelmond	0.00	10,173,914.00	10,173,914.00	
Morning Glory Cemetery	0.00	9,015,038.17	9,087,148.45	
Kalksloot Internal Streets	0.00	8,968,180.83	8,968,180.83	
Upgrade of WTW and Reservoirs	2,934,783.00	5,869,566.00	5,869,566.00	
Name of Project - A	Electrification of 332 Houses			
Objective of Project	Electrification of houses			
Delays	Appointment of contractor took time			
Future Challenges	None			
Anticipated citizen benefits	332 Houses connected to electricity network			
Name of Project - B	Electrification Louisvale Road & Kameelmond			
Objective of Project	Electrification of houses			
Delays	Appointment of contractor took time			
Future Challenges	None			
Anticipated citizen benefits	332 Houses connected to electricity network			
Name of Project - C	Morning Glory Cemetery			
Objective of Project	Expansion of cemetery			
Delays	None			
Future Challenges	None			
Anticipated citizen benefits	More graves available			
Name of Project - D	Kalksloot Internal Streets			
Objective of Project	Better road infrastructure			
Delays	None			
Future Challenges	None			
Anticipated citizen benefits	Better road infrastructure to the community			
Name of Project - E	Upgrade of WTW and Reservoirs			
Objective of Project	Upgrading of Waste Water Treatment Works			
Delays	None			
Future Challenges	Funding constraints			
Anticipated citizen benefits	Workable Waste Water Treatment Works			
T5.7.1				

Chapter 5

COMMENT ON CAPITAL PROJECTS:

DEVELOPMENT & PLANNING

Capital projects to the total value of R28.183 million were placed on the 2023/2024 budget, of which R27.331 million (100 %) was spent at the end of the financial year. The following capital projects were implemented by the Directorate Development and Planning during the 2023/2024 financial year:

- Kameelboom Cemetery – completed
- Installation of High Mast Lighting in Various Areas – completed
- Paving of Kalksloot Internal Streets – Under construction
- Morning Glory Development of Cemetery – completed
- Repair and Road Maintenance in Various Areas (RRAMS) – Under construction

ELECTRICAL SERVICES

The provision of electrical connections to new residential units is a critical objective within the Integrated Development Plan (IDP). This encompasses electrification initiatives within both the municipal and Eskom supply areas. Specifically, within the municipal supply area, the project aimed at connecting 382 homes in Pabalello, Kameelmond, and Louisevale will be extended by two months, with a revised completion date set for the end of August 2024.

CIVIL ENGINEERING

The following capital projects were implemented by the Directorate Civil Engineering Services during the 2023/2024 financial year:

PROJECT NAME	WARD	FUNDER
Rehabilitation and upgrade of Kameelmond WWTW	All except 5, 11, 16	RBIG
Upgrading of Eastern bulk outfall sewer	All except 5, 11, 16	NDPP
Refurbishment of water supply in Lambrechstdrift, Leerkrans & sealing of joints in Central reservoir	8,14	WSIG
Operation and Maintenance of Civil Engineering services	All	EPWP

T5.7.1.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

ELECTRICITY SERVICES

The need and cost of backlogs in electricity supply and street and area lights are the result of more people settling on proclaimed land. The electrical distribution infrastructure of the municipality is however in a fairly good condition and is maintained well. The networks are adequate to supply in the present demand and for further growth. Due to a reduction in demand and the improvement of power factor correction equipment, the threat of the Notified Maximum Demand (that is the maximum 30-minute average electricity demand the municipality is allowed to take from the Eskom grid) which is fixed until the Eskom network to the area is improved, is currently under control. Backlogs in the supply of electricity connections at the end of the year

Chapter 5

amounted to 2792 households in the municipal and Eskom area of supply within the municipal area. The backlog is currently after the electrification of 519 houses in Pabalello, Rosedale and Louisevale town project was completed. The municipality and Eskom are addressing this backlog by continuous electrification programs.

CIVIL ENGINEERING SERVICES

The level of access to basic services in terms of Civil Engineering Services (Water, Sanitation and Roads) varies throughout the municipality, with the greatest backlogs still existing in the historically disadvantaged areas. The following is a summary of the level of access to basic services as at 30 June 2024:

1. Water: 51% of all households on formal stands have access to house connections, while 41% of households on formal stands have access to a water connection via a standpipe in the yard. A further 4% of households on formal stands are serviced through communal standpipes within 200meters. A total of 676 households, forming 2% of the total number of households do not have access to a water service at or above the RDP standard and are serviced through mobile water tanks & Boreholes. 1% of formal erven are still vacant and are not provided with a water service.

Overall 97% of households on formal stands have access to a functional water service.

2. Sanitation: 65% of all households on formal stands have access to a full flush-to-network sanitation service, while 6% of households on formal stands have access to a full flush-to-conservancy-tank sanitation service. A further 6% and 3% of households on formal stands are serviced through Ventilated Pit Latrines (VIP) and Urinal Diversion Systems (UDS), respectively. A total of 4871 households, forming 17% of the total number of households on formal stands, do not have access to a sanitation service at or above the RDP standard and are serviced through the bucket system. A further 2% of households makes use of pit latrines which are not ventilated, forming 1% of the total number of households on formal stands. 4% of formal erven is still vacant and are not provided with a sanitation service. There are 507 households without services.

Overall 80% of households on formal stands have access to a functional sanitation service.

Backlogs survey plays critical role in the Municipal planning process thus further attention need to be given more resources need to be made available for the Municipality to have accurate data. The initial plan was to develop a new database to overcome repetition of surveys to areas already surveyed. We have concluded a desktop study in 2023/2024 and also went to verify the areas which were not available on our desktop analysis of services. A comprehensive survey will be done in the 2024/2025 FY and will start in September 2024.

T5.8.1

COMMENT ON BACKLOGS:

DEVELOPMENT & PLANNING

Sufficient MIG projects were registered to make it possible to address the DORA allocation for the next financial year (2023/2024) and Sufficient business plans is submitted for approval to address the 2024/2025 DORA allocation.

The main focus point remains current backlogs in road infrastructure and maintenance; bulk water and sanitation services.

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ELECTRICAL SERVICES

The municipality and Eskom have continued the electrification program and projects for the next financial year are in planning. Despite the continuous electrification program, the backlog is still 10,9%. The projects that are now in progress and planned will bring the backlog below 10%, but unless more funding can be obtained it will take at least another 4 years to eradicate the backlog.

CIVIL ENGINEERING SERVICES

The Municipality is very optimistic to provide basic services to all the people living in the Municipal jurisdiction however the growth rate of our economy is not as much the population rate is. This results in the dilemma that we are facing today having a large number of people without the necessary economic activities that can sustain the municipality.

This results in a high number of bucket using households not decreasing even with the number of projects that are being implemented. The Council needs to weigh the option to assess the ratios of the people living in the municipal area. High rate of people with low income is very discouraged. We need to have more serviced sites where people who can pay for services are given preference for a sustainable economy of the municipality.

The use of services below the national standard basics is a sign that our communities are growing in the wrong direction. The other factor contributing to the poor eradication of backlogs is that small municipalities have a large number of indigent people, which means the number of people contributing financially in the municipality is limited. The Municipality however makes provision of Pre-paid meter services for most of the indigent people so that additional use of water is based on the user's ability to purchase additional water.

The Municipality uses the bucket system to provide sanitation services for households that are being formalized through after the people have already settled. The bucket services are meant to be a temporary solution but due to the demand it is impossible to finance development for these areas with immediate effect thus buckets are used for some time. The burden of servicing the bucket is also felt by the Municipality as it constantly requires a large number of personnel, trucks and maintenance.

T5.8.4

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COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

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.

Receivables from exchange and non-exchange transactions represent the largest of the current assets. It is therefore necessary for the municipality to obtain effective means to convert these outstanding receivables into cash to improve the cash and cash equivalents at the municipality.

T5.9.0

Chapter 5

5.9 CASH FLOW

DAWID KRUIPER MUNICIPALITY



Cash Flow Statement for the Year Ended 30 June 2024

	Note	2024 R	2023 R
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts			
Ratepayers and other		661,294,359	613,623,400
Government Grants and Subsidies - Operational	18	133,526,235	127,789,456
Government Grants and Subsidies - Capital	18	53,842,109	80,204,899
Interest		20,646,906	11,855,506
Payments			
Suppliers and employees		(735,490,636)	(675,601,797)
Transfers and Grants	34	(1,203,435)	(994,169)
Finance Costs	30	(23,119,587)	(22,445,212)
Net Cash flow from operating activities	35.1	109,495,953	134,432,082
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchase of Property, Plant and Equipment	1.1	(91,304,252)	(114,661,822)
Gains / (Loss) on Sale of Assets	1.1 - 1.3	11,823,828	(2,011,214)
Purchase of Intangible assets	1.2	-	(212,963)
Purchase of Investment Property	1.3	-	(1,094,545)
Disposal of Investment Property	1.3	1,487,513	1,134,103
Disposal of Intangible Assets		5,405	72,109
Disposal of PPE	1.1	485,976	531,637
Decrease in Non-Current Receivables		-	-
Net Cash From Investing Activities		(77,501,530)	(116,242,696)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Loans Repaid		(16,541,973)	(15,800,805)
New Loans Raised		-	16,200,000
Increase / (Decrease) in Consumer Deposits		127,055	86,406
Net Cash From Financing Activities		(16,414,918)	485,601
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS FROM ACTIVITIES		15,579,505	18,674,987
Cash and cash equivalents at the beginning of the year		32,994,584	14,319,596
Cash and cash equivalents at the end of the year	35.2	48,574,090	32,994,584
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		15,579,506	18,674,988

The difference between the Purchase of the PPE in note 1.1 and the amount disclosed in the cash flow statement is due to donated assets which is non-cash and therefore excluded from the cash flow and outstanding capital suppliers being deducted from purchases of PPE.

The difference between the Purchase of the Intangible Assets in note 1.2 and the amount disclosed in the cash flow statement is due to outstanding capital suppliers being deducted from purchases of Intangible Assets.

Chapter 5

COMMENT ON CASH FLOW OUTCOMES:

Cash and cash equivalents amounted to a positive amount of R48,574,090 as at the end of 2023/2024. The net cash inflow (increase) for 2022/2023 was R15,579,506.

The municipality have not taken up any new loans and repaid R16.5million of loans during the year. This will help with future cashflow of the municipality

T5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

For the 2023/2024 financial year, no new external loans were taken up.

Other loans were previously restructured to ensure the repayments are made on time.

Grant project were counter-funding was needed; it was provided through CRR funds. Counter-funding was also provided through CRR to ensure that investment in assets did take place.

Investments are made on a continuous basis as surplus cash becomes available from time to time. Surplus cash are only invested at recognized financial institutions to receive maximum interest while also having surety that the investment will be safe and available when needed

T5.10.1

Actual Borrowings 2021/22 to 2023/24			
	R' 000		
Instrument	2021/2022	2022/2023	2023/2024
Municipality			
Long-Term Loans (annuity/reducing balance) Only long-term	72 525	71 179	53,297
Municipality Total	72 525	71 179	53,297
Municipal Entities	n/a	n/a	n/a
Entities Total	n/a	n/a	n/a

T5.10.2

Chapter 5



T5.10.3

Municipal and Entity Investments			
			R' 000
Investment* type	2021/22	2022/23	2023/24
	Actual	Actual	Actual
<u>Municipality</u>			
Deposits - Bank	5,039,560	11,534,778	36,577,199
Municipality sub-total	5,039,560	11,534,778	36,577,199
<u>Municipal Entities</u>	n/a	n/a	n/a
Entities sub-total	n/a	n/a	n/a
Consolidated total:	5,039,560	11,534,778	36,577,199

T5.10.4

Chapter 5

COMMENT ON BORROWING AND INVESTMENTS:

The Municipality paid off 1 loan in 2023/2024 and have a total of R72,378,374 outstanding as at 30 June 2024. All the other loans were repaid as per repayment schedules. The municipality has reached the borrowing-ceiling. The borrowing-ceiling relates to the maximum amount of loans the municipality can have before it cannot repay the instalments when it is due.

The balance of the capital budget was financed utilizing government grants and internally generated funds. The Municipality's cash position is monitored on a daily basis and any cash not required immediately to meet cash flow requirements is invested at approved institutions in strict accordance with Council's approved Cash and Investment Policy.

T5.10.5

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

Dawid Kruiper Municipality is currently not a partner in any Public Private Partnership.

T5.11.1

Chapter 5

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The municipality has made significant strides to ensure that the policies and procedures have been adhering too. Computer software has been advanced to ensure transparency within the municipality. Turnaround strategies has been developed to address short comings in the SCM units and regular audits are performed to address potential risks in the municipality.

The municipality prides itself in complying with the MFMA Act No 56 of 2003 and all other SCM related policies and regulations, by not allowing any councillor to serve on any of the SCM committees. Currently we have all our middle and senior managers that do comply with the required SCM competency levels.

T5.12.1

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

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. For example, GRAP 17 Property, Plant and Equipment, GRAP 16 Investment Property and GRAP 25 Provisions

Dawid Kruiper Municipality's financial statements for 30 June 2024 are fully GRAP compliant.

T5.13.1

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The Audit Reports and Management Report of the Auditor-General is attached as Annexure to this document.

T6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2022/2023

6.1 AUDITOR GENERAL REPORTS 2022/2023

The Audit Report is attached as Annexure hereto.

Chapter 6

COMPONENT B: AUDITOR-GENERAL OPINION 2023/2024

6.2 AUDITOR GENERAL REPORT YEAR 1

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2023/2024

Delete Directive note once comment is complete - Attach report

T6.2.3

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 2023/2024:

Delete Directive note once comment's completed - Provide comments from the Municipal Manager / CFO on the Auditor-General's opinion. Include comments on YEAR 0 if it provides useful context.

T6.2.4

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES: Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief financial Officer)  Dated 31 August 2024

T6.2.5

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” 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 “ <i>what we do</i> ”.
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.

GLOSSARY

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

GLOSSARY

	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 Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<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>

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time /Part Time FT/PT	Committees Allocated	Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
M Segede	FT	Mayoral Committee	PR	100	0
		Council		80	20
M Dodds	FT	Council	PR	100	0
M Andreas	PT	Budget and Treasury Committee	PR	88	22
		Mayoral Committee		89	11
		Council		70	30
J Assegaai	PT	Corporate Services Committee	PR	88	22
		Council		70	30
S Abel	PT	Planning and Development	W	100	0
		Community Services		100	0
		MPAC		100	0
		Council		100	0
F Basson	PT	Planning and Development	W	89	11
		Civil Engineering Services.		89	11
		Council		60	40
SL Beukes	PR	Civil Engineering Services.	W	88	22
		Mayoral Committee		100	0
		Council		70	30
M Eiman	PT	Planning and Development	PR	88	22
		Council		70	30
JC Esau	PT	Civil Engineering Services.	PR	67	33
		Council		70	30
G George	PT	Electro Mechanical Committee	W	67	33
		Council		100	0
PJ George	PT	Budget and Treasury Committee	W	88	22
		Community Services Committee		88	22
		MPAC		56	44
		Council		70	30
GDD Gewers	PT	Corporate Services Committee	W	56	44
		Council		90	10
ED Groenewaldt	PT	Civil Engineering Services.	W	89	11
		Electro Mechanical Committee		89	11
		MPAC		54	44

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		Council		100	0
NG Jood	PT	Corporate Services Committee	W	89	11
		Electro Mechanical Committee		100	0
		MPAC		100	0
		Council		100	0
FN Kefu	PT	Budget and Treasury Committee	W	89	11
		Council		100	0
SKN Komazi	PT	Community Services	W	100	0
		Council		22	78
SM Links	PT	Corporate Services Committee	W	100	0
		Mayoral Committee		89	11
		Council		100	0
Z Maasdorp	PT	Civil Engineering Services.	W	89	11
		Electro-Mechanical Services		78	22
		MPAC		56	44
		Council		80	20
E Mnyaka	PT	Electro Mechanical Committee	PR	89	11
		Mayoral Committee		100	0
		Council		80	20
F Olifant	PT	Planning and Development	W	56	44
		Mayoral Committee		78	22
		Council		70	30
JH Opperman	PT	Budget and Treasury Committee	W	89	11
		Council		80	20
WRS Peterson	PT	Corporate Services Committee	PR	0	100
		Community Services		0	100
		MPAC		44	56
		Council		50	50
H Roux	PT	Civil Engineering Services.	PR	89	11
		Electro-Mechanical Services		89	11
		MPAC		54	44
		Council		100	0
RBF Saal	PT	Budget and Treasury Committee	PR	78	22
		MPAC		100	0
		Council		60	40
S Sandlana	PT	Civil Engineering Services.	PR	67	33
		Council		60	40
ML September	PT	Budget and Treasury Committee	W	100	0
		MPAC		100	0
		Council		100	0
NMV Skei	PT	Budget and Treasury Committee	PR	22	78
		Planning and Development		22	78
		MPAC		44	54
		Council		60	40
EC Strauss	PT	Electro-Mechanical Services	PR	67	33
		Council		90	10
MP Titus	PT	Community Services	PR	78	22
		Council		80	20
PT van der Steen	PT	Electro Mechanical Committee	W	100	0

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		MPAC		67	33
		Council		90	10
AA van Zyl	PT	Community Services		100	0
		Council	PR	80	20
D Visagie	PT	Planning and Development		100	0
		Council		80	20
A Visser	PT	Community Services		100	0
		Mayoral Committee	W	100	0
		Council		100	0
					TA.1

APPENDICES

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

COMMITTEES (OTHER THAN MAYORAL) AND PURPOSES OF COMMITTEES	
Municipal Committees	Purpose of Committee
Committee for Civil Engineering Services	Civil Engineering Services (streets, roads, building construction, water and sewerage) Building Maintenance Client Services
Committee for Electro-Mechanical Services	Electrical Services Fleet Management
Committee for Budget and Treasury	The Financial Administration Audit reports Collection of debtors All items relating to financial administration of the Municipality: * Monthly section 71 report of the MFMA of 2003 * Monthly Supply Chain Management report. * Monthly expenditure on grants received as per the Division of Revenue Act. * Monthly report on Employee-related expenditure: Section 66 of MFMA of 2003. * Quarterly report of loans and investments made. * Quarterly report on Cash flow projections. * Quarterly progress on Audit Action Plan. * Annual MFMA Implementation Plan. * Progress reports on Capital Projects.
Committee for Community Services	Parks Swimming Pools Sport grounds and facilities Graveyards Licensing (vehicles, etc.) Protection Services (traffic, fire, security and disaster management) Libraries
Committee for Corporate Services	Communications Secretarial services Legal services Integrated Development Risk Management Performance Management Human Resources related matters including Affirmative action, Appointments, Remuneration, Evaluation of posts, Benefits, Conditions of Service, Labour Relations Organisational Structure, Work Study. Licensing (businesses)
Committee for Development and Planning	PMU Town Planning & Building Control LED, Tourism and Resorts Housing
T B	

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APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

THIRD TIER STRUCTURE	
Directorate	Director/Manager
Office of the Municipal Manager	Municipal Manager – Mr E Ntoba Senior Manager: Office of the Municipal Manager – Mr VE Mfusi Senior Manager: Internal Audit - Mrs E van Kradenburgh Manager Office of the Mayor & Speaker – Mrs N Mess Manager: Risk Management – Post is vacant Manager: PMS – Post is Vacant Manager Anti-Fraud & Corruption Unit – POST VACANT Office Manager (Satellite Office) – Ms K Dodds, until February 2024. Post is currently vacant.
Directorate Budget & Treasury	Chief Financial Officer Ms GM Schreiner Manager Financial & Asset Management – Mr R Strauss Manager Income & Debt Collection – Post is vacant Manager Financial Reporting – Ms T Louw Manager Supply Chain Management – Mr M Rooi Manager Asset Management – Mr M Andries Manager (Satellite Office) – Mr E Mouton ITC Manager - Mr J Marais
Directorate Corporate Services	Director Corporate Services - Mrs CM Newman Senior Manager: Human Resources – Post is vacant Senior Manager: Policies & Research – Post is vacant Manager: Secretariat – MR K Makatong Manager (Satellite Office) – Mr I van Wyk Chief/Head: Communications – Mr P Williams Chief/Head Administrative Official (Legal Services) - Mr B Fourie
Directorate Community Services	Director Community Services - Mr MG Bovu Senior Manager: Protection Services - Mr R Alexander Head: Security Services – Post is vacant Head: Traffic Services – WC Andrews Head: Fire Services – LL Fennie Manager: Parks – SM Magodongo Manager: Parks – W Brand Senior Librarian – Post is vacant
Directorate Electro – Mechanical Services	Acting Director Electro – Mechanical Services - Mr D Louw Electrical Networks & Distribution – RRV Tyers Electrical Maintenance - WTC Theron Metering & Planning – Mr C Mouton Chief Officer: Mechanical Workshop – Mr FJ Van Schalkwyk
Directorate Civil Engineering Services	Director Civil Engineering – Mr. P. Jonker Control Technician: Water Purification, Sewerage Treatment & Sanitation – Ms L Sago Control Technician: Water Distribution, Sewerage Collection & Maintenance – Ms Z. Seloane Control Technician: Roads & Storm Water Management – Mr R Diergaardt

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	Control Technician: Civil Service Planning & Projects – Mr MG Mnganga Chief: Client Services – Mr CA Mchizwa
Directorate Development & Planning	Director Development & Planning – Mr C Geldenhuys Senior Manager: Town Planning & Building Control – Post Vacant Manager: Housing & Human Settlement – Mr L Swartz Manager: Planning & Project Management – Mr H Wilson until March 2024. Post is vacant. Senior Manager: LED, Tourism & Resorts – Mr I Juries Chief Officer: IDP – Mrs B Howey
	TC

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APPENDIX D – FUNCTIONS OF MUNICIPALITY/ENTITY

MUNICIPAL / ENTITY FUNCTIONS		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes/No)*	Function Applicable to Entity (Yes/No)
Constitution Schedule 4, Part B functions:		
Air pollution	No	
Building regulations	Yes	
Child care facilities	Yes	
Electricity and gas reticulation	Yes	
Firefighting services	Yes	
Local tourism	Yes	
Municipal airports	No	
Municipal planning	Yes	
Municipal health services	No	
Municipal public transport	No	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	
Storm Water management systems in built-up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	
Constitution Schedule 5, Part B functions:		
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	Yes	
Facilities for the accommodation, care and burial of animals	Yes	
Fencing and fences	Yes	
Licensing of dogs	No	
Licensing and control of undertakings that sell food to the public	Yes	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	No	
Municipal abattoirs	No	
Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	
Pounds	Yes	
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	
T D		

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APPENDIX E – WARD REPORTING

Functionality of Ward Committees		
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Number of monthly Ward Committee meetings submitted to the office of the Speaker
Ward One (1)	ClIr Solly Abel	12
	Anna Pita	
	Elizabeth Dundee	
	Elizabeth Visagie	
	Francis Williams	
	Janorich Rose	
	Marietjie Klaaste	
	Martha Diergaardt	
	Monique Van Wyk	
	Leonie Montse	
	Lewyka Van Wyk	
Ward Two (2)	ClIr Elton Groenewaldt	12
	Angeline Beukes	
	Carli Van Kradenburg	
	Elsie Gewers	
	John Isaacs	
	Patricia Kock	
	Regina Pieterse	
	Sarah Swartz	
	Rodney Basson	
	Adriaan Bobejee	
	Lady Oor	
Ward Three (3)	ClIr F Olifant	12
	Anna Tadrous	
	Olivia Van Staden	
	Hester Beukes	
	Juanita Van Wyk	
	Anastasia Pienaar	
	Katriena Cloete	
	Elizabeth Van Wyk	
	Yugeshaan Alwyn	
	Beatrice Maclyn	
	Johannes Van Staden	
Ward Four (4)	ClIr L Nico Joodt	12
	Eben Bok	
	Fabian May	
	Katrina Beukes	
	Ragel Ruiters	
	Ricardo Hendriks	
	Elizabeth Januarie	

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	Annie Bok	
	Charmaine Jaarts	
Ward Five (5)	ClIr Godfrey George	12
	Arrie Van Wyk	
	Raymond Steenkamp	
	Magareth Malgas	
	Daniel Links	
	Daniel Van Rhyh	
	Anita Coetzee	
	Elizabeth Van Wyk	
	William Claasen	
	Jan Christie	
	Shaneece De Wee	
Ward Six (6)	ClIr Teddy Links	12
	Agnes Sandlana	
	Leticia Isaks	
	Neliswa Mjethu	
	Monde Old John	
	Yonela Dikela	
	Wendy Zaula	
	Alfred Prince	
	Catherine Smith	
	Leon Present	
Ward Seven (7)	ClIr S Komazi	9
Ward Eight (8)	ClIr Phillipus T Van der Steen	0
Ward Nine (9)	ClIr JH Opperman	12
	Adele Gomes	
	Anna Van Zyl	
	Adri Van Der Merwe	
	Carmen Bok	
	Daniel Mathee	
	Gustav Du Preez	
	Ilse Basson	
	Jacobus Van Der Bank	
	Petrus Muller	
	Erasmus Hanekom	
Ward Ten (10)	ClIr Zaida Maasdorp	12
	Katrina Jobson	
	Benedict Phillicks	
	Emmarensia Van Shalkwyk	
	Ida Gouws	
	Alet Marais	
	Rachel Ockhuizen	
	Felicia Bees	
	Edwin Freeman	
	Basil Brandt	
	Nicoleen Kopps	
Ward Eleven (11)	ClIr M September	12
	Sylvia Koopman	

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	Maria Springbok Valery Van Wyk Alfrieda Plaatjies Melany Thompies Redly Koopman Human Andreas Maria Matthys Dawid Willemse Annanias Klaak	
Ward Twelve (12)	Clr Adam Visser Gertruida Franse Nico Bok Susanna Nero Gordon Velskoen Magareth Strauss Benjamin Louw	12
Ward Thirteen (13)	Clr Family Kefu Branetta Wylbach Dawid Bostaander Hilda Olyn Victress Aaron Joyce Tywilli Maria Malgas Sonja Juala Grace Pasiya	12
Ward Fourteen (14)	Clr Franklin Basson Alexis Lottering Beverley Coetzee Dirk Ambraal Gert Van Rooi Jan Bothma Jakop Martiens Laura Sidoni Louise Jantjies Lydia Slinger Uenice Malo	12
Ward Fifteen (15)	Clr German Gewers Anna de Klerk Graham Jobson Nicoleen Peterson Patrick May Bertus Olyn Sinead Olyn Catherine Julius Arrie Steenkamp	12
Ward Sixteen (16)	Clr Peter George Anna Witbooi Padmaker Abrahams Nadia Eiman	12

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	Henry Eiman	
	Dina Engelbrecht	
	Mietha Joseph	
	Helena Busakwe	
	Derick Titus	
	Francois Jakobs	
	Nashley-Ann Van Heerden	
Ward Fifteen (17)	Clr Sandra Beukes	12
	Elizabeth Hendriks	
	Cornelius Visagie	
	Tinizia Du Plessis	
	Sarah De Koker	
	Johan Louw	
	Jan Julius	
	Jacoba Snyders	
	Dendoline Kassie	

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APPENDIX F – WARD INFORMATION

NOT APPLICABLE

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APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 1

The Audit Committee made the following most important recommendations to Council during the 2023/2024 financial year:

To achieve a better audit outcome:

- Must the audit recovery plan be monitored by management.
- Regular feedback must be provided to the Audit Committee to monitor implementation of remedial actions.
- The progress made on the implementation must be a standing item on the agenda of the Audit Committee.

Auditing of Employee Costs

Scope - The work of Internal Audit covered the following areas:

- To recruit effective and efficient human resources.
- The maintenance of personnel records, conditions of service and benefits.
- To ensure efficient and effective payroll administration.

Employee Costs: Housing Allowance - Non-Compliance to Council policy due to housing allowance paid on an erf and not on a home as required by Council Policy.

RECOMMENDATION

The Director Corporate Services must ensure that:

- That Council's Housing Allowance Policy requirements are adhered to.
- That sufficient internal control measures are implemented with the housing allowance verification function.
- That the Housing Allowance is cancelled and that the payment is recovered after consultation regarding the terms and conditions with the respective employee.

Employee Costs: Allowances (Follow-up audit) - Limitation of scope on allowances of former Mier Municipality officials

RECOMMENDATION

The Senior Manager Human Resources must ensure that:

- Government Gazette 2030 dated 25 July 2016 that determines as follows be implemented: *"All by -laws, town planning schemes and policies of the disestablished municipalities shall remain applicable in the areas that previously constituted the disestablished municipalities until such time as the municipality has adopted a single set of by -laws and policies."*
 - Allowances paid be in line with the Collective Agreement and Council Policies.
- Any deviations against Council Policies be rectified and be reported to Council.
- Proper systems are implemented to ensure that sufficient and appropriate audit evidence are available to support allowances paid to municipal officials.
- Allowances be investigated and the necessary corrections be done and sufficient and appropriate evidence be place on the employee's personnel files.
- The Senior Manager Human Resources made a commitment to compile a corrective Action Plan. Proof thereof must be submitted to Internal Audit and reporting on progress on a weekly basis to the Office of

APPENDICES

the Municipal Manager and Director Corporate Services Management should ensure that the corrective action plan includes at least the following information:

- the name(s) of the contact person(s) responsible for corrective action
- the corrective action planned
- the anticipated completion date

Employee Costs: Acting Allowance - Incorrect calculation done for acting allowance

RECOMMENDATION

The Senior Manager Human Resources and Chief Financial Officer must ensure:

- That legislative requirements with regards to acting allowances are adhered to.
- That the information on the Memorandum correlates with the information on the acting allowance application form.
- That sufficient internal control measures are implemented in the acting allowance verification function.
- Any acting allowances paid for in contradiction with legislation and Council policy must be investigated and tabled to Council.

Employee Costs: Housing Allowance – Follow-up as well as new sample audit: Internal Control Weaknesses regarding Housing Allowance still not addressed.

RECOMMENDATION

The Director Corporate Services must ensure that:

- Council's Housing Allowance Policy requirements are adhered to.
- Sufficient internal control measures are implemented regarding the housing allowance verification function.
- All outstanding documentation are requested from the respective employees. If the requirements are not met, the allowance must be cancelled and any overpayment for housing allowance received with is in contradiction with the policy, must be recovered as it could result in fruitless expenditure.
- All supporting documentation are filed on the employee's personnel file for control as well as audit purposes.

Employee Costs: Vehicle allowance in contradiction with Council Policy requirements

RECOMMENDATION

The Director Corporate Services must ensure:

- That Council vehicle allowance policy requirements are adhered to.
- That sufficient internal control measures are implemented during the verification of the vehicle allowance.
- That standard operating procedures be developed to ensure the correctness and completeness of Council Policy.
- All outstanding documentation be requested from the respective employees. If the requirements are not met, the vehicle allowance must be cancelled and any overpayment for the vehicle allowance in contradiction with the policy, must be recovered as it could result in irregular expenditure.
- All supporting documentation are filed on the employee's personnel file for control as well as audit purposes.

Employee Costs: Traffic Scheme/Allowance (Follow-up audit) – Non- compliance to the motor vehicle scheme/allowance for qualifying traffic officers due to insufficient supporting documentation

RECOMMENDATION

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The Senior Manager Human Resources must ensure:

- That the motor vehicle scheme/allowance for qualifying traffic officer's policy requirements and conditions are adhered to.
- That the required supporting documentation are filed on the employee's personnel file in order to substantiate the motor vehicle scheme/allowance granted and that it is kept for control and audit purposes.
- Benefits which were received be recovered if the implicated employees do not comply with Council Policy

Employee Costs: Annual Leave taken in contradiction with Section 20 (5)(b) BCEA No 1997

RECOMMENDATION

The Director Corporates services should ensure that:

- Standard operation procedures be compiled in line with the Basic Conditions of Employment Act and implemented by the applicable Human Resource Official
- The total 2022-2023 termination population been investigated to identify any non-adherence to the BCEA with regards to annual leave days taken by the employee that left the service of the Municipality.
- Substantive evidence for non-compliance be readily available for Internal Audit as well as external Audit purposes

Employee Costs: Non-compliance to Legislation regarding job description

RECOMMENDATION

The Director Corporate Services must ensure that:

- A new job description is filed on the employee's personnel file for control as well as audit purposes.
- Amendments made to the job description must be signed.
- That legislative requirements with regards to job descriptions are adhere to.

Employee Costs: Non-compliance to Council Policy regarding employees appointed to act in positions without meeting the required job requirements

RECOMMENDATION

The Director Corporate Services must ensure that:

- Employees who acts in positions do meet the required qualifications and necessary skills as indicated on the job description of the position in which the employee must act.
- The irregular expenditure be referred to the Council Committee for investigation in terms of Section 32(2)(b) of the MFMA.

Employee Costs: Over / under payment of leave days upon termination of service

RECOMMENDATION

The Senior Manager Human Resources must ensure that:

- The resignation mandate (Bedankingsmandaat) and all the relevant supporting documentation must be verified for accuracy and completeness before submitted to the Budget and Treasury Office for payment.
- Corrections be made on the leave days of the respective employees and submitted to the Budget and Treasury Office.
- The total population been revisited to ensure that all leave balances were correctly captured on the Resignation Mandate and any mistakes be rectified and submitted to the Budget and Treasury Office.

The Senior Manager Finance & Assets must ensure that:

APPENDICES

- Leave pay out calculation be substantiated with relevant supporting documentation and review for accuracy and completeness thereof before payment.
- Corrections be made to over and under payments to the respective employees.

Employee Costs: Over payment of Long-service bonus

RECOMMENDATION

The Senior Manager Finance & Assets must ensure that:

- Long services bonus calculations be substantiated with relevant supporting documentation and review for accuracy and completeness thereof before payment.
- Corrections be made to over payments to the respective employees.

Employee Costs: Tool allowance paid to employees before Policy was approved by Council.

RECOMMENDATION

The Senior Manager Human Resources must ensure that:

- An adequate internal control environment exists within in the municipality and that the deficiencies with regards to the administration of tool allowances are appropriately dealt with and by that:
- Policy requirements are adhered to.
- Compile standard operating procedures which is in line with the approved policy.
- All tool allowances paid before commencement of the new approved tool allowance policy be table to Council to consider the payment for condonation or repayment.

Auditing of Electro Mechanical Services – Distribution

Scope - The work of Internal Audit covered the following areas:

- Respond to 95% of repair requests on the electricity distribution network within 24 hours.
- Comply 90% to the NRS standards of breakdowns for customer outages.

Electro Mechanical Services: Distribution – Inadequate proof that monthly inspections at substations are done

RECOMMENDATION

- The Acting Director Electro Mechanical Services must ensure:
- Preventative maintenance is done on a monthly basis in order to:
 - Reduce accidents and save lives.
 - Minimizes costly breakdowns and unplanned shutdowns of production equipment.
 - Imminent problems can be identified and solutions applied before they become major problems requiring more expenses and time-consuming solutions.
 - Increased reliability of electrical equipment.
 - Improved safety.
 - Power system stability.
 - Increased production.
- The Standard Operating Procedures be followed that determines as follows:
- Substation logbooks are completed monthly/ each time a substation is visited and maintenance or switching is done by the electricians.
- Battery maintenance is recorded in a battery logbook.
- Both battery and substation logbooks are kept in the substations.
- It forms part of the maintenance plan of the department.

APPENDICES

- Logbooks is reviewed by Senior Superintendent Distribution to verify if maintenance or switching was indeed conducted.

Electro Mechanical Services: Distribution: Oil samples and analyses as well as oil replacements of transformer oil not done

RECOMMENDATION

The Acting Director Electro Mechanical Services must ensure:

- That the oil samples and analysis at miniature substations are done on a two yearly basis to determine the condition of the oil's insulation level as determined by the Standard Operating Procedures.
- That corrective measures be implemented based on the analysis to mitigate the risk of costly repairs or replacements.

Electro Mechanical Services: Distribution: Quarterly inspections on miniature substations not done

RECOMMENDATION

The Acting Director Electro Mechanical Services must:

- Inform Council that the Strategic Objectives will not be met as the risks are not mitigated.
- Compile an action plan as part of the above report and monitor the implementation thereof.
- Reporting to Council on progress made to the implementation of the action plan.

Electro Mechanical Services: Distribution: Complaints not captured and not updated on IMIS which leads to incorrect reporting to Council

RECOMMENDATION

The Acting Director Electro Mechanical Services must ensure that:

- All complaints received from consumers, are captured correct and timeously.
- Reporting to Council is correct and complete and by that ensure that:
 - The Senior Clerk Electro-Mechanical Services captures all complaints on the IMIS System.
 - Updating of the status of complaints on the IMIS System after complaints has being addressed and completed (responsibility must be decided by the Acting Director).
- All complaints have a Job Card that is completed by the relevant technical service division.
- The SOP be updated with the relevant information regarding the IMIS System. (who is responsible to captured the complaints on IMIS and who is responsible to update the progress of the complaints.)

Auditing of Electro Mechanical Services – Maintenance.

Scope - The work of Internal Audit covered the following areas:

- Respond to 95% of repair requests on Street lights within 7 working days.
- Respond to 95% of requests on installation within 24 hours.

Electro Mechanical Services: Maintenance: Maintenance programme (street, high mast lighting and electrical installations) not provided for audit purposes

RECOMMENDATION

The Acting Director Electro Mechanical Services must:

APPENDICES

- Table a report to Council regarding the following key deliverables that cannot be performed:
 - Approved Maintenance program (streetlight and high must lighting) and proof of execution
 - Weekly and Monthly Maintenance Program
 - Replacing outdated lights program and proof of execution
- The report must include the root causes as identified for instance the vehicle, staff shortages and financial constraints which are hampering service delivery targets and that effective & preventative maintenance that cannot be done.
- The report must include a corrective action plan (short-term and long-term) as part of the above report and monitor the implementation thereof. Management should ensure that the corrective action plan includes at least the following information:
 - the name(s) of the contact person(s) responsible for corrective action
 - the corrective action planned
 - the anticipated completion date
 -
- Reporting to the Committee for Electro Mechanical Services on progress made to the implementation of the action plan on a monthly basis.

Electro Mechanical Services: Street Lights and Electrical Installation Section: Non-compliance to standard operating procedures and service delivery targets

RECOMMENDATION

The Director Electro Mechanical Services must ensure that the Senior Superintendent Electrical Maintenance as part of the management controls:

- Implement Standard Operating Procedures.
- Implements controls which will enhance the achievement of service delivery targets.
- Ensure that all complaints are captured daily on IMIS, assigned to the relevant official, job cards be completed daily by the assigned official, status of the complaint be updated after job cards have been reviewed by the Senior Superintendent Electrical Maintenance.
- Extract weekly IMIS report and reconcile complaints received with physical job cards.
- Ensure that correct reporting is done to the Council with regards to complains received and completed and reason why complaints were addressed with 7 working days as determined by the approved 2023-2024 SDBIP.

Auditing of Electro Mechanical Services – Metering.

Scope - The work of Internal Audit covered the following areas:

- Inspect 90% of prepaid meters quarterly in terms of the inspection programme.
- Installation of electricity pre-paid meters for Indigent customers on request from Finance Department.
- Limit unaccounted for electricity to less than 11% by 30 June. $\{(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and/or Generated} \} \times 100\}$

Electro Mechanical Services: Metering: Non-compliance to Council Policy with regards to theft of electricity which could result in loss of income

RECOMMENDATION

The Acting Director Electro Mechanical Services and the Senior Technical Assistant Metering must ensure:

APPENDICES

- That all inspections are written down on an inspection form to ensure that all electricity thefts are levied.
- That all levies are made by completing a remittance advise for each electricity theft.
- That all remittance advices are submitted to Budget and Treasury Office for the levies on the Munsoft Financial System.
- That if someone refuses to have an inspection done at their home, a written notice must be given and ensure that if the owner/occupant does not respond and still refuses to have an inspection done, the power supply to that home is terminated as prescribed by Council Policy.

Electro Mechanical Services: Metering: Incorrect tariff amount used and Pre-paid meter installations not in-line with SOP.

RECOMMENDATION

The Director Electro Mechanical Services and the Senior Technical Assistant Metering must ensure that:

- Tariff policy is implemented on 1 July every year.
- Proper filing system is in place.

Auditing of Electro Mechanical Services: Fleet Management

Scope - The work of Internal Audit covered the following areas:

- 90% of vehicles and equipment serviced within 90 days from the service due date.
- Submit 90% of all accidents to the Insurer within 30 days
- 90% of vehicles licensing and roadworthiness completed within the vehicles' due date.
- Complete 200 monthly inspections on vehicles.
- Capture 90% of logbooks for all vehicles and equipment

Electro Mechanical Services: Fleet Management: Internal Control weakness in the processing of daily fuel transactions (Fuel Truck)

RECOMMENDATION

The Acting Director Electro Mechanical Services and the Acting Chief Officer Mechanical Workshop must ensure:

- To implement controls over daily processing and reconciling of fuel transactions.
- All daily fuel transaction captured on Munsoft are reviewed by the Chief Officer Mechanical Workshop for correctness thereof.
- All fuel transferred by the Assistant Accountant Stores from Store 1- Main Store (*Hoof Stoor*) to Substore 2 - Workshop (*Werkwinkel voorraad voorhande*) are reconciled with the actual liters of fuel per vehicle.
- All fuel transferred from Sub store 2- Workshop (*Werkwinkel voorraad voorhande*) to Substore 3 - Diesel truck (*Stoor brandstof trokkie*) are reconciled with the actual liters of fuel per vehicle.
- Fuel truck monthly dip readings be taken and reconcile with the fuel balance Substore 3 - Diesel truck (*Stoor brandstof trokkie*) on Munsoft.
- Register be implemented to ensure that Chief Officer Mechanical Workshop provides a copy of the fuel book to the Assistant Accountant Stores.

Electro Mechanical Services: Fleet Management: Internal Control deficiencies in the processing of daily fuel transactions

RECOMMENDATION

APPENDICES

The Acting Director Electro Mechanical Services and the Acting Chief Officer Mechanical Workshop must ensure:

- That the necessary due diligence be excised with the handling of fuel transactions due to high cost thereof for Council.
- To implement controls over daily processing and reconciling of fuel transactions.
- All daily fuel transaction captured on Munsoft are reviewed by the Chief Officer Mechanical Workshop for correctness thereof.
- All fuel transferred by the Assistant Accountant Stores from Store 1- Main Store (*Hoof Stoor*) to Substore 2 - Workshop (*Werkwinkel voorraad voorhande*) are reconciled with the actual liters of fuel per vehicle.
- Register be implemented to ensure that Chief Officer Mechanical Workshop provides a copy of the fuel book to the Assistant Accountant Stores.
- A corrective action plan be compiled and submitted to Acting Director Electro-Mechanical Services and continuously monitored. All recommendations be implemented and monitored.
- Management should ensure that the corrective action plan includes the following information and be presented to the Audit Committee on a quarterly basis:
 - the name(s) of the contact person(s) responsible for corrective action
 - the corrective action planned
 - the anticipated completion date
 - Progress of implementation against each recommendation

Electro Mechanical Services: Fleet Management: Internal Control deficiencies with regards to the daily inspection on vehicles

RECOMMENDATION

The Acting Director Electro Mechanical Services and the Acting Chief Officer Mechanical Workshop should ensure that:

- The prescribed “Vlootbeheer Weeklikse Voertuiginspeksies” form are amended to make provision for the signature of the Fuel Attendant.
- Standard Operating Procedure are as outline by Management are fully executed.
- Inspection is done on vehicles before fuel is issued by the Fuel Attendant and the driver.
- All fuel issued are supported by a prescribed “Vlootbeheer Weeklikse Voertuiginspeksies” form.

Electro Mechanical Services: Fleet Management: Renewed license disc not display on vehicles

RECOMMENDATION

The Acting Director Electro Mechanical Services and the Acting Chief Officer Mechanical Workshop should ensure that:

- Consequence management be implemented where non-compliance is identified.
- That all renewed license discs of vehicles are displayed on the vehicles and not be in the possession of the Fleet Management Unit in order to ensure compliance with Section 36 of the National Road Traffic Regulations, 2000.
- The responsible employees to whom license discs were issued, but the license could not be found, must be held accountable for the cost of the lost license as well as the cost for new license discs.
- Council policy be implemented and the importance of pre-and post-inspections be workshop with all drivers.
- That vehicles not be released by Fleet Management when detected during inspection that licenses expired.

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Electro Mechanical Services: Fleet Management: Misuse of Council vehicles not reported

RECOMMENDATION

The Acting Director Electro Mechanical Services and Acting Chief Officer Mechanical Workshop must ensure that:

- The finding be discussed with the Acting Chief Traffic to take responsibility of:
 - The current fines to be approved by the Senior Magistrate as required by Legislation.
 - If fines can be issued based on the information from the vehicle tracking system.
- Compliance to National Road Traffic Act No 93, 1996 and Council Fleet Management Policy.
- The vehicle tracking system which must be the control measurement to safe guard Municipal vehicles from theft, abuse and misuse must be used as a monitoring tool.
- All Municipal vehicles must be fitted vehicle tracking system which must be the control measurement to safe guard Municipal vehicles from theft, abuse and misuse must be used as a monitoring tool.
- Any non-compliance to Legislation and Council Policy must be reported to Senior Manager Human Resources, Labour Relations and Legal Services sections in order for enforcing consequence management.
- The Acting Chief Officer Mechanical Workshop must by no later than 10 working days after the end of each month submit monthly speed violation / exception reports to all Directors and Senior Manager Human Resources.
- Internal control measures are put place to manage and monitor the use of Municipal Fleet.
- When municipal vehicles are used without authority and for unofficial purposes, the Disciplinary Code must be implemented.

Electro Mechanical Services: Fleet Management: Inadequate control over the handling of fuel issued at fuel depot.

RECOMMENDATION

The Acting Director Electro Mechanical Services and the Acting Chief Officer Mechanical Workshop must ensure:

- That the Fuel Attendant completes the daily fuel sheet accurately for control and audit purposes.
- Daily spot checks be performed on issuing of fuel.
- No fuel be issued to vehicles where trips has not been authorized by Management and immediately reported to the Acting Chief Officer Mechanical Workshop.
- Investigation be conducted for the possibility of a trip and vehicle inspection automation program. Basic automation: saving time and reducing human errors by implementing automated trip and vehicle inspection.
- Review the fuel sheets on a daily basis for completeness and correctness.
- Enforce the control measurements.

Electro Mechanical Services: Fleet Management: Fuel inventory reconciliations not performed

RECOMMENDATION

The Acting Director Electro Mechanical Services and the Acting Chief Officer Mechanical Workshop must ensure:

- That controls be implemented to ensure that review daily, weekly or monthly fuel inventory reconciliations are performed and reviewed for completeness and correctness.
- Fuel issued are captured on a daily basis.
- Fuel difference found be investigated and the necessary correction be made.

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- Supplier Smart surf be contacted to substantiate with valid reasons why the following difference exist and the necessary corrections be made where applicable.
 - Fuel dip and ATG Fuel (APP) fuel level (Tank 01 Fuel Level (FLS) Diesel and Tank02 Fuel Level (FLS) Petrol.
 - Fuel differences between the actual individual fuel transactions between the fuel pump litres and ATG Fuel (APP).

Audit of Civil Engineering Services – Grant Management

Scope - The work of Internal Audit covered the following areas:

- Ability of the Municipality to comply with conditional grants and spending requirements.

Grant Management- Civil Engineering Services: Limitation of Scope

RECOMMENDATION

As Internal Audit cannot provide management with reasonable assurance that the risks are managed effectively, the Director Civil Engineering Services and the Control Technician: Civil Engineering Services, Planning & Project Management must ensure:

- Accountability by management.
- That information requested by Internal Audit are submitted timeously for auditing purposes.
- Standard operating procedures be developed, approved and implemented.
- That proper records are kept, properly filed and are readily available for control as well as auditing purposes.

Audit of Electro-Mechanical Service - Grant Compliance -: Limitation of Scope

Scope - The work of Internal Audit covered the following areas:

- Ability of the Municipality to comply with conditional grants and spending requirements.

RECOMMENDATION

As Internal Audit cannot provide management with reasonable assurance that the risks are managed effectively, the Acting Director Electro-Mechanical Services must ensure:

- Accountability by management.
- That information requested by Internal Audit are submitted timeously for auditing purposes.
- Standard operating procedures be developed, approved and implemented.
- That proper records are kept, properly filed and are readily available for control as well as auditing purposes.

Audit of Information Technology (IT)

Scope - The work of Internal Audit covered the following areas:

- Network 80% of all offices in the municipal buildings
- Maintenance of all hardware done per quarter as per IT maintenance schedule
- Train users on request
- Update the backup register monthly
- 80% of calls log completed within 7 working days
- Update the software licenses register annually and submit to Director: Financial Services by 30 June
- Attend quarterly ICT steering committee meetings
- Review the ICT related policies and submit to Council by 31 May

APPENDICES

IT: Security risk due to inadequate access control to IT Server Room

RECOMMENDATION

The IT Manager must ensure that:

- Measures are in place to regularly inspect and maintain physical security systems, such as surveillance cameras, access control lists, and server room door locks.
- The temperature sensor and surveillance camera can send data and images to a central monitoring system or dashboard, allowing you to view and analyze them in real time.
- The server room's biometric magnetic lock be immediately replaced with application software.
- Daily monitoring surveillance cameras to identify any unauthorized access or irregular activities.
- Quarterly monitoring and reviewing access logs against the physical daily access server room control register.
- Review the policy to outline the authorized personnel, access procedures, security measures, and consequences for unauthorized access.

IT: Inadequate network security regarding unknown devices getting access to the Municipalities' network

RECOMMENDATION

The IT Manager must ensure that:

- The Internet Access group should be included in the Active Directory to ensure that only authorized employees are added to this group. This will ensure that only users who are part of the Internet Access group will have access to the Internet.
- The municipalities network can differentiate between known and unknown devices, and unknown devices are investigated and blocked.
- Employees requesting Wi-Fi access should be advised that the one-time PIN must only be used for ICT equipment owned by DKM and not for personal use.

IT: Non-compliance Council policies with regards to firewall

RECOMMENDATION

The IT Manager must ensure that:

- The legislative compliance, best practice controls, and service efficiency should mitigate the risks associated with managing Operating System Security.
- Firewall rules and settings are scrutinized and reviewed as required by the policy.
- Firewall rules are tested for effectiveness.
- Personal laptops are not allowed to access the municipality's network if they are unrecognized devices.
- Operating System software firewalls are enabled as required by Council policy.

IT: Internet usage not monitored as required by Council Policy

RECOMMENDATION

The IT Manager must ensure that:

- Compliance to Council Policies to.
- Monitoring tools are implemented to regulate internet usage to determine misuse and preventing employees from spending more time browsing the internet rather than being productive and providing services to the community.
- The Electronic communication policy and IT Security controls policy are communicated to all users and ensuring that every user agrees in writing to Dawid Kruiper's right to intercept any communication and to take disciplinary actions in terms of the Electronic communication policy

APPENDICES

IT Department: Non-compliance to the IT Security Control Policy regarding software licensing and monitoring **RECOMMENDATION**

The IT Manager must:

- Conduct a detailed investigation to determine the necessity of all software in conjunction with management and the IT steering committee.
- After the approval by the IT Steering Committee, the ICT resources must be set-up in such manner that only authorised software can be installed by the IT department.
- Ensure that all licenses are approved by the IT Steering Committee.
- Ensure that licenses renewal must be done timeously.

IT Department: Non-compliance to IT Patch Management Policy due to inadequate monitoring of patches **RECOMMENDATION**

The IT Manager should ensure:

- That the Patch Management Policy is reviewed by Council to includes guidance:
 - Regarding emergency changes and the impact thereof.
 - Regarding the prioritizing / scheduling of changes (patches).
 - For the process of rolling out patches over the network to ensure that all workstations (PCs and or Laptops) being updated with the latest releases of security patches and upgrades, which could render the network vulnerable.
- A formally documented and approved patch management process, including the testing of patches.

IT: Non-compliance to the Operating System Security Controls Policy as not all devices are protected from malware and viruses

RECOMMENDATION

The IT Manager must ensure that:

- The anti-virus program, Bitdefender Endpoint Security Tools, are installed and managed on all devices of Council for protection against malware and viruses.
- That Bitdefender Endpoint Security Tools is in a working condition and up to date on all Council devices as required by the Policy.

IT: Lack of maintenance to mitigate the risk of network downtime/ equipment failures

RECOMMENDATION

The IT Manager must:

- Compile a detailed corrective and preventative maintenance schedule to mitigate the risk of network downtime and equipment failure.
- Adhere to Council policies
- Monitor the execution of the maintenance schedule
- Keep proof of execution for control as well as audit purposes.
- Rectify the Risk Register in conjunction with Risk Management.

IT: Outdated IT related Policies

RECOMMENDATION

The Chief Financial Officer and the IT Manager should review all IT related polices and ensure that:

APPENDICES

- Policies and procedures align with current operations, systems and structures
- Reviewed policies comply with new laws and regulations.
- All reviewed policies are approved by Council
- Request Council for condonation where changes to Policies were made and implemented without Council approval.
- Standard operating procedures be compiled to give a clear, step-by-step outline of how to go about what needs to be done.

IT Department: Inadequate controls over the reset of passwords

RECOMMENDATION

The Chief Financial Officer and the IT Manager must mitigate the Security risks regarding the reset of passwords by ensuring:

- Compliance against the IT Operating System Security Controls Policy.:
- That passwords are only being reset if the correct procedure is being followed.
- Amend the policy to make provision for the new procedures regarding the electronic reset of passwords.
- That a proper filing system is implemented.

IT: Identified strategic and operational risk not management effectively

RECOMMENDATION

The IT Manager must ensure:

- that identified strategic and operational risk are evaluated and managed effectively.
- reports submitted for audit purposes are reviewed for correctness and completeness.
- to promote an effective culture for risk management.
- accurate and completed information are submitted for SDBIP evaluations.

IT: Non-compliance to Section 9 of the IT Security Control Policy

RECOMMENDATION

The Chief Financial Officer and the IT Manager must ensure:

- Compliance to Council Policies are adhered to.
- All incoming open ports be approved by the IT Steering Committee.
- Entire network is scan to identify vulnerabilities, and take action to remediate vulnerabilities, and reduce the risk of an attack.
- Wi-Fi password configuration is in line with Council policy.

IT: Amendments of email addresses in contradiction with the Municipal Systems Act and as well as non-compliance to Email Address Allocation and Naming Policy

RECOMMENDATION

The Chief Financial Officer and the IT Manager must ensure:

- Compliance against the Municipal Systems Act
- To table the draft Email Address Allocation and Naming Policy to Council and also request Council for condonation for amending the email addresses without the necessary approval by Council.

IT Department: Ineffective and inadequate user account management which could result in unauthorised access to and loss of data from systems.

RECOMMENDATION

APPENDICES

The Chief Financial Officer and the IT Manager must mitigate the risk of unauthorised access to the systems and by that ensure:

- To request the necessary corrections by the respective directorates.
- That proper filing system is in place to ensure that all access rights forms is at one locations.

IT Department: Non-compliance with regards to the implementation and execution of the IT Backup Policy **RECOMMENDATION**

The Chief Financial Officer and the IT Manager must ensure effective business continuity and by that implement the following mitigating controls:

- The IT department must ensure that the policy is reviewed and any changes that the department makes other than what is stated in the policy must be made in the policy to ensure that the policy agrees with the work that is done at the IT department.
- Disaster recovery controls by means of backups in line with Policy requirements to ensure that service delivery will not be interrupted in the event of a disaster.
- Proper control measurements must be implemented and monitored to prevent the loss of data due to accidental deletion or corruption of data, system failure, or disaster.

Auditing of Predetermined Objectives – Quarter 1

Scope - The work of Internal Audit covered the following areas:

- Develop measurable, specific, relevant, accurate and timeous KPI's.
- Compliance with prescribe legislations on performance management.
- Timeously submission of evidence
- Compliance with prescribe legislations on performance management.

Predetermined Objectives Q1: Performance Management: Quarterly audit on PDO's not conducted

RECOMMENDATION

The Senior Manager in the Office of the Municipal Manager and the Chief Financial Officer must ensure that:

- The Supplier of the Performance Management System be paid in time to ensure access to the system.
- The following possible consequence on non-payment be acknowledged by the Chief Financial Officer and Senior Manager: Office of the Municipal Manager.
 - The Municipality will not have access to Ignite web-based system
 - KPI owners will not be able to upload performance information for evaluation and audit purposes
 - No Performance evaluation will be conducted by PMS Unit.
 - No performance evaluation reports will be submitted to Council for decision making purposes.

Auditing of Predetermined Objectives – Quarter 2

Scope - The work of Internal Audit covered the following areas:

- Develop measurable, specific, relevant, accurate and timeous KPI's.
- Compliance with prescribe legislations on performance management.
- Timeously submission of evidence
- Compliance with prescribe legislations on performance management.

Predetermined Objectives Q2: KPI not SMART as required by legislation, incorrectly evaluated and insufficient evidence to support the scoring.

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RECOMMENDATION

The Acting Manager Performance Management must ensure that:

- Targets relevance are thoroughly discussed with the KPI owners before updating the Departmental SDBIP.
- Supporting documentation is verified against the targets as this could easily result in incorrect evaluation of departments which will reflect negatively on the performance of the municipality.
- The calculations done during the performance evaluations are correct and substantiated by correct supporting documentation.
- Evaluations are reviewed for correctness and completeness.

The Acting Manager PMS must in consultation with Senior Management review KPI's set in the SDBIP to ensure that the KPI's comply with legislative requirements as it must be:

- Specific - the nature and the required level of performance can be clearly identified.
- Measurable - the required performance can be measured.
- Achievable - the target is realistic given existing capacity.
- Relevant - the required performance is linked to the achievement of a goal.
- Time - bound - the time period or deadline for delivery is specified.

Predetermined Objectives Q2: Discrepancies between approved IDP, approved SDBIP and approved Budget.

RECOMMENDATION

The Manager Performance Management must ensure to:

- Align the SDBIP with the IDP and Budget in order for performance evaluations and monitoring based on the objectives that was set.
- Reconcile the SDBIP with the IDP and Budget and correct any deviations on the SDBIP.
- Comply with legislative requirements.

Predetermined Objectives Q2: Targets not designed in a manner that enables the municipality to detect early indications of under-performance

RECOMMENDATION

The Acting Manager Performance Management should ensure:

- Compliance against Section 13 of the Municipal planning and performance Management Regulations 2001.
- Compliance against Section 5.2.2 of the Performance Management Framework.
- Compliance to legislation.

APPENDICES

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Lease of a portion of Plot 460, Olyfenhoutsdrift Settlement, known as Die Eiland Holiday Resort to Khethiwe Group Holdings (Pty) Ltd, Registration Number: 2022/221067/07, for a period of 15 years.

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APPENDICES

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Not Applicable

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APPENDICES

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

IN ANNUAL FINANCE STATEMENTS

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

IN ANNUAL FINANCE STATEMENTS

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

IN ANNUAL FINANCE STATEMENTS

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

IN ANNUAL FINANCE STATEMENTS

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

IN ANNUAL FINANCE STATEMENTS

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

IN ANNUAL FINANCE STATEMENTS

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

IN ANNUAL FINANCE STATEMENTS

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 1

IN ANNUAL FINANCE STATEMENTS

APPENDICES

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2023/2024

Capital Programme by Project by Ward: 2023/2024			R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)	
Water			
Refurbishment of water supply	Ward 8,14	Yes	
New Project Bulk Water Supply Upgrade Designs	CBD, surrounding	No	
Sanitation/Sewerage			
Upgrading of eastern bulk outfall sewer line (EBOS)	Ward 1, 4	Yes	
Rehabilitation and Upgrade of KWWTW	Ward 1, 2, 3, 4, 6, 7, 8, 9, 10, 13, 15	Yes	
Refuse removal			
Fencing of De Duine Landfill Site	All	Yes	
Stormwater and Roads			
Rehabilitation of Roads (Thusano Program)	All	Continuous	
Sports, Arts & Culture			
Rehabilitation of Mxolisi Dicky Jacobs Stadium and Upgrades	All	No	
Erecting fence at SC Kearns Stadium Phase two	5	No	
Fencing at Town swimming pool	9	No	
Cemeteries			
EIA For Extension of Rietfontein & Paballelo cemeteries	17,7	Yes	
			T O

APPENDICES

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Oranje Noord Primary School (322)				
Franciscus Primary School (2861)				
Oranje Oewer Primary School (2861)				
Op die Voorpos Primary School (2334/2329)				
Voorbereiding Skool Fanie Malan (2336)				
Frank Biggs Primary School (38/114)		X		
Swarthmore Primary School (230/38)		X		
Keidebees Primary School (3212)				
Westerkim Primary School (5679)				
Vooruitsig Primary School (3268)				
Olyvenhoudtsdrift Primary School (1)				
Vela Langa Primary School (10348)				
Lukhanyiso Primary School (10348)				
Simbruner Primary School (3313)				
Leerkrans Primary School (43)		X		
Kalksloot Primary School (774)		X		
Rosendal Primary School (4333)				
Karos Primary School (442)		X		
New Louisvale Road Primary School (1033)				
HIGH SCHOOLS				
Upington High School (2331)				
Carlton van Heerden High School (3212)				
Duineveld High School (318)				
AJ Ferreira High School (5677)				
SC Kearns High School (758)				
Paballelo High School (11576)				
Saul Damon High School (5023)				
New Paballelo Primary School (21906)				
Clinics (NAMES, LOCATIONS)				
Louisvale Road Clinic (1101)				
Town Clinic (2336)				
Progress Clinic (6071)				
Sarah Strauss-Rosedale Clinic (5701)				
Lingeletu-Paballelo Clinic (14968)				
Karos Clinic		X		
Leerkrans Clinic		X		
Raaswater Clinic		X		
Kalksloot Clinic		X		
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				

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APPENDICES

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
Housing:		
Licencing and Testing Centre:		
Reseviors		
Schools (Primary and High):		
Karos Primary School	No water-borne toilets	Septic Tank - No infrastructure
Frank Biggs Primary School	No water-borne toilets	Septic Tank - No infrastructure
Sports Fields:		

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APPENDICES

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: 2023/2024				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value 2023/2024 R' 000	Total Amount committed over previous and future years
Donations	Grant	None		n/a
No loans are given by the Municipality				
<i>* Loans/Grants - whether in cash or in kind</i>				T R

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

MFMA SECTION 71 RETURNS NOT MADE DURING 2020/2021 ACCORDING TO REPORTING REQUIREMENTS	
None - All reports were submitted as per MFMA Act.	n/a
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APPENDIX T – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services	Dawid Kruiper Municipality strives to better the living conditions of its community by the continuous process of improving services and standard of services as set out in this document.	
Output: Implementation of the Community Work Programme		
Output: Deepen democracy through a refined Ward Committee model	All Ward Committees are established and functional	

APPENDICES

Output: Administrative and financial capability		
T T		

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VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

The Unaudited Financial Annual Statements has been provided under separate cover.

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VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

UNAUDITED FINANCIAL STATEMENTS 2023/2024

AUDIT COMMITTEE REPORT FOR 2023/2024 FINANCIAL YEAR

DAWID KRUIPER MUNICIPALITY

AUDIT COMMITTEE REPORT FOR 2023/2024 FINANCIAL YEAR

Annual Report of the Audit Committee

The Audit Committee takes pleasure in presenting its annual report for the financial year ended 30th June 2024.

Audit committee members and attendance

- The Audit Committee was appointed for the period 1 February 2021 till 31 January 2024.
- After the resignation of the Chairperson, Council appointed D Pieterse as the Chairperson of the Audit Committee from 1 August 2022.
- Council appointed a new member, A May as member of the Committee from 1 August 2022.
- During the 2022/2023 financial year the Audit Committee had 7 official meetings. A summary of the meetings held as well as the attendance of the members of the previous Audit Committee is as follows:

	Committee member	Meetings scheduled	Meetings Attended	Percentage attendance
1.	D Pieterse (Chairperson)	6	6	100%
2.	J Venter	6	2	33%
3.	A May	6	6	100%

LEGISLATIVE MANDATE

Section 166 of the MFMA, Act No 56 of 2003 requires from the Audit Committee amongst other matters:

“To advise the Municipal Council, Political office bearers, the Accounting officer and management staff on matters relating to:

- a. Performance management and evaluation,*
- b. Internal financial control and internal audits.*
- c. Risk Management.*
- d. Accounting policies.*
- e. The adequacy, reliability and accuracy of financial reporting and information.*
- f. Effective governance*
- g. Compliance with MFMA, DORA and any other applicable legislation.”*

AUDIT COMMITTEE AND MANAGEMENT RESPONSE

1. PREDETERMINED OBJECTIVES AND EVALUATION

The performance indicators are audited on a quarterly basis by Internal Audit. This audit consists out of various tests like:

Determine if the indicators are SMART,
If there is a linkage between the IDP, Budget and SDBIP,
If objectives are met, and
Reliability of the information in the SDBIP.

The audit reports consist out of the findings and recommendations and are tabled to the Audit Committee. During the financial year, Internal Audit also test the reliability of the information disclosed in the Annual Report against the IDP and SDBIP.

2. ADVISING TO COUNCIL AND ACCOUNTING OFFICER
All reports of the Audit Committee are tabled before the Executive Committee and Council on a regular basis after every meeting. These reports cover activities and findings, areas of concern and recommendations of the Audit Committee.
3. ADVISING OF MUNICIPAL STAFF
When discussing audit reports, the relevant managers are invited to attend the Audit Committee meeting. These platforms are used to communicate the findings of Internal Audit, the view of the Audit Committee and the recommendations of the committee to address the findings.
4. INTERNAL FINANCIAL CONTROL
During the previous year the Auditor General made several findings and recommendations to improve internal control. Based on the findings in the management report, management compiled an audit recovery plan to address the findings. The plan was monitored by the Audit Committee and the Executive Committee on a regular basis. Internal Audit conducted regular audits on the implementation of the audit recovery plan.
5. INTERNAL AUDITS
The Internal Audit Department functions effectively. All reports issued by Internal Audit are tabled to the Audit Committee and implementation of recommendations is enforced by the committee. Progress on the implementation on the pre-approved audit plan is monitored by the audit committee on a quarterly basis.
6. RISK MANAGEMENT
All departmental heads together with the Risk Officer have identified their major departmental risks which are recorded in the Risk register as well as mitigating factors to manage risks. The results of the risk assessments form the basis of the risk based audit plan.
7. FINANCIAL REPORTING AND INFORMATION
A 'Clean Audit' report
The municipality is striving towards a better outcome. During the 2022/23 financial year, the Dawid Kruiper Municipality received an unqualified audit outcome.
8. Review of annual financial statements
The Audit Committee reviewed the annual financial statements prior to submission to the Auditor General.
9. OTHER MFMA REQUIREMENTS
All other MFMA requirements of the Audit Committee are dealt with at the pre-scheduled meetings with senior management.

Annual audit and reports of the Auditor General

An audit recovery plan was compiled after the audits were conducted for both disestablished municipalities. The audit recovery plan consisted out of the management reports of both municipalities and the implementation of remedial actions were monitored by the Audit Committee.

Audit committee responsibilities

The Audit committee reports that it has complied with its responsibilities as far as practically possible, arising from Section 166 (2) of the MFMA No 56 of 2003.

Audit committee charter

The Audit committee has reviewed its Audit Charter for the 2023/2024 year where after the Charter has been approved by Council. It confirms that it has performed its responsibilities during the 2023/2024 financial year in line with the terms of the Audit Committee Charter.

D PIETERSE
AUDIT COMMITTEE CHAIRPERSON

DRAFT

COMPONENT A

AUDIT REPORT

2022/2023

Report of the auditor-general to the Northern Cape Provincial Legislature and the council on Dawid Kruiper Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Dawid Kruiper Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statements of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Dawid Kruiper Local Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 34 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2023.

Material losses – water

8. As disclosed in note 43.02 to the financial statements, material water losses of R16 119 107 (2022: R19 025 643) was incurred.

Material impairments – Trade receivables from exchange and non-exchange transactions

9. As disclosed in note 3 to the annual financial statement, material provision for bad debts on trade receivables from exchange and non-exchange transactions to the amount to R180 511 205 (2021: R169 064 027) was incurred as a result of impairment of total exchange debtors, total non-exchange debtors and traffic debtors.

Other matters

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

Unaudited disclosure notes

11. 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.

Unaudited supplementary schedules

12. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

13. 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.
14. 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

15. 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.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
18. I selected the following development priorities presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected development priorities that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Development priority	Page numbers	Purpose
Water Resources and Services	x – x	Develop, manage and maintain necessary infrastructure and facilities required to improve the provision of water services.
Energy and Electricity	x – x	Provide, manage and maintain essential infrastructure required to improve the provision of electrical services.
Sanitation, Waste Management and Waste Removal	x – x	Regulate and manage waste disposal to prevent pollution of the natural environment and natural resources.

19. I evaluated the reported performance information for the selected development priorities 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.
20. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

22. I did not identify any material findings on the reported performance information for the selected development priorities.

Other matter

23. I draw attention to the matters below.

Achievement of planned targets

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

Water Resources and Services

<i>Targets achieved: 80%</i> <i>Budget spent: 66%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
95% of the quarterly water samples meet the minimum Blue Drop biological standards in terms of SANS 241 during the 2022/2023 financial year	95%	92%

Energy and Electricity

Targets achieved: 67%		
Budget spent: 55%		
Key service delivery indicator not achieved	Planned target	Reported achievement
Spend 95% of the allocated budget for the electrification of 157 houses - Louisvale by 30 June	95%	1.39%
Spend 95% of the allocated budget for the high mast lighting by 30 June	95%	66.44%

Sanitation, Waste Management and Waste Removal

Targets achieved: 43%		
Budget spent: 82%		
Key service delivery indicator not achieved	Planned target	Reported achievement
80% of quarterly effluent samples meet the minimum Green Drop biological standards during the 2022/2023 financial year	80%	77.33%
Render vacuum tank services as per service delivery programme - (Satellite area)	100%	93.5%
Clean 100% OF (UDS/VIP) Toilets as per programme by 30 June	100%	0%
Render Bucket removal sanitation services as per service delivery programme per quarter	100%	85.55%

Material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Energy and Electricity development priority. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

Report on compliance with legislation

26. 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.
27. 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.

28. 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.
29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Procurement and contract management

30. The preference point system was not applied for some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.

Expenditure management

31. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
32. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R8 895 413, as disclosed for the current year in note 37.09 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 interest on late payment of creditors.

Other information in the annual report

33. 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 development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.
34. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
35. 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 development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
36. 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

37. 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.
38. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
39. The municipality did not comply with applicable legislation. Material findings on compliance with legislation were raised in the year under review. The municipality's internal processes and system did not prevent fruitless and wasteful expenditure from recurring and creditors were not always paid within 30 days.
40. The municipality did not update their policies and procedures to take into account the changes in legislation. As a result, there was material non-compliance with procurement and contract management during the period under review.

Auditor-General

Auditor-General

Kimberley

30 November 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b), Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)

Legislation	Sections or regulations
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

COMPONENT B

AUDIT REPORT

2023/2024

DRAFT

2022/2023 AUDIT RECOVERY PLAN

VOLUME II

Audit Action Plan - 2022/2023 Joint Action Item List (JAIL)

Date: 31 May 2024

Purpose: The purpose of this JAIL is to track the situation and status of project scheme

Task Identified
Work in progress
Completed



No.	Finding	Rating	Classification	Target Date	Prog%	Responsibility	Directorate within the Municipality
1	1. ISS 4: Internal Control Deficiency: PPE (Movable assets with duplicate and no asset numbers)	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Internal control	30-Jun-24	80%	Chief Financial Officer	Budget and Treasury Office
3	3. ISS 1: Business Process - SCM - SCM Policy not updated for new PPR regulations	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Internal control	28-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
4	4. ISS 7: Internal Control Deficiency: Intangible and Movable Assets (No amortisation/depreciation on disposed assets)	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Internal control	30-Jun-24	80%	Chief Financial Officer	Budget and Treasury Office
5	5. ISS 6: Non-compliance: Payments not made within 30 days	Matters that will be reported in the auditor's report and should be addressed urgently.	Compliance	30-Jun-24	80%	Chief Financial Officer	Budget and Treasury Office
6	6. ISS 8: Internal Control Deficiency: VAT	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Internal control	30-Jun-24	80%	Chief Financial Officer	Budget and Treasury Office
7	7. 1. ISS 10: Provision for Landfill Sites (No licence)	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Compliance	30-Jun-24	80%	Chief Financial Officer	Budget and Treasury Office
8	8. 1. ISS 18: Die Etand: Holiday Resort (Lease agreement)	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	15-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
9	9. 1. ISS 21: Overtime out-of office	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	13-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
10	10. ISS 15: General economic: AFS issues - Casting errors and note references	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Internal control	15-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
11	11. 3. ISS 13: Commission paid to agents and received from principal misstated	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	15-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
12	12. 4. ISS 20: Financial instruments overstated	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	15-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
13	13. 1. ISS 26: Misstatement of metered and pre-paid water and electricity	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	16-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
14	14. 1. ISS 29: Reasonable steps were not taken to prevent fruitless and wasteful expenditure	Matters that will be reported in the auditor's report and should be addressed urgently.	Compliance	30-Jun-24	80%	Chief Financial Officer	Budget and Treasury Office
15	15. 2. ISS 28: Accuracy of interest on receivables	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	24-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
16	16. 1. ISS 23: Investment Property (Rights and Existence)	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	28-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
17	17. ISS 31: UIFW Investigations not conducted properly	Matters that do not have a direct impact on the audit outcome or a significant impact on audited performance, but were communicated to assist with improving processes and mitigating risks.	Internal control	30-Jun-24	80%	Chief Financial Officer	Budget and Treasury Office
18	18. 2. ISS 30: PPE (Transfer to Investment Property) (Misstatement)	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	28-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
19	19. 3. ISS 12: PPE (No disclosure of change in estimate)	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	28-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
20	20. 1. ISS 20: Financial instruments overstated	Matters that should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future. Also includes matters that significantly affected audited performance.	Financial	15-Nov-23	100%	Chief Financial Officer	Budget and Treasury Office
TOTAL PROGRESS					82%		

2022/2023 ANNUAL PERFORMANCE REPORT (UNDER SEPARATE COVER



ANNUAL PERFORMANCE REPORT
2023/2024 FINANCIAL YEAR

Dawid Kruijer Municipality
2023/2024: Annual Performance Report

Office of the Municipal Manager

Ref	National KPA	HOP Objective	KPI Name	Baseline	Development Priority	Performance Comment	Corrective Measures	Overall Performance	
								Target	Actual
TL38	Good Governance and Public Participation	Developing a capable and Development State	Submit the Performance Report (Section 46) to the Auditor-General by 31 August		1 Administration and Institutional Capacity	Performance Report Submitted to the AG		1	1
TL39	Municipal Financial Viability and Management	Developing a capable and Development State	Spent 95% of the municipal capital budget on capital projects by 30 June.	95%	Administration and Institutional Capacity	Although budget was available, planned spending could not be done due to cash flow constraints.	Cash should be made available.	95%	92,47%
TL40	Municipal Financial Viability and Management	Developing a capable and Development State	Spent 95% of the total operating budget by 30 June.	95%	Administration and Institutional Capacity			95%	96,39%
TL41	Good Governance and Public Participation	Developing a capable and Development State	3 year Risk Based Audit Plan and annual operational plan submitted to Audit Committee and Accounting Officer for approval by 30 June.	1	Administration and Institutional Capacity	3 year Risk Based Audit Plan and annual operational plan was submitted to Audit Committee and Accounting Officer for approval		1	1
TL42	Good Governance and Public Participation	Developing a capable and Development State	Submit Risk Management Plan to Council by 30 June.	1	Administration and Institutional Capacity	Risk Management Plan submitted to Council for approval		1	1
TL43	Good Governance and Public Participation	Developing a capable and Development State	Report to Council on the progress with the implementation of the Audit Recovery Plan	2	Administration and Institutional Capacity	Progress Report were submitted to Council		2	2

Budget and Treasury Services

Ref	National IPA	NOP Objective	KPI Name	Baseline	Development Priority	Performance Comment	Corrective Measures	Overall Performance	
								Target	Actual
T1.1	Basic Service Delivery	Economy and Development	Provide free basic electricity to indigent households as at 30 June. (Number of registered indigents receiving the service/ total number of indigents)x100	95%	Administration and Institutional Capacity	98.12% of indigent received this service.		95%	98.12%
T1.2	Municipal Financial Viability and Management	Developing a capable and Development State	Financial viability measured in terms of the debt coverage as at 30 June ((Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grants)x100	45%	Administration and Institutional Capacity			45%	9%
T1.3	Municipal Financial Viability and Management	Developing a capable and Development State	Financial viability measured in terms of the outstanding service debtors as at 30 June. ((Total outstanding service debtors/ revenue received for services)x100)	20%	Administration and Institutional Capacity	Consumers experienced difficulty in honouring their municipal debt due to the current economic conditions.	Starker measures are in place for debt collection and policies was adjusted.	20%	45%
T1.4	Municipal Financial Viability and Management	Developing a capable and Development State	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June ((Fixed Cash Expenditure - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	1	Administration and Institutional Capacity			1	1
T1.5	Good Governance and Public Participation	Developing a capable and Development State	Complete and submit the annual financial statement to the Auditor General (AGESA) by 31 August.	1	Administration and Institutional Capacity	Annual financial statements submitted		1	1
T1.6	Basic Service Delivery	Economy and Development	Provide free basic refuse removal to indigent households as at 30 June. ((Number of registered indigents receiving the service/ total number of indigents)x100)	95%	Administration and Institutional Capacity	98.75% of indigent received this service.		95%	98.75%

TL7	Basic Service Delivery	Economy and Development	Provide free basic services to indigent households as at 30 June. (Number of registered indigents receiving the service/ total number of indigents)(x100)	95% Administration and Institutional Capacity	95-96% of indigent received the service.	95%	96.36%
TL8	Basic Service Delivery	Economy and Development	Provide free basic water to indigent households as at 30 June. (Number of registered indigents receiving the service/ total number of indigents)(x100)	95% Administration and Institutional Capacity	95-96% of indigent received the service.	95%	96.36%

Corporate Services

Ref	National KPA	NDP Objective	KPI Name	Baseline	Development Priority	Performance Comment	Overall Performance	
							Target	Actual
TL31	Municipal Transformation and Institutional Development	Developing a capable and Development State	The number of people from the employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan by 30 June.	80%	Administration and Institutional Capacity	66.66% of people employed in terms of EE in the three highest levels. Due to financial constraints the Management vacant posts could not be filled.	80%	66.66%
TL32	Municipal Transformation and Institutional Development	Improving education, training and innovation	Percentage of municipality training budget actually spent on implementing its workplace skills plan measured as at 30 June.	90%	Administration and Institutional Capacity	Due to financial constraints / cash flow the main focus was on Legislative Occupational Health & Safety Training programmes. Training providers (on the Board of Service Providers) up to 30 June 2021 were not accredited and/or registered with the relevant SETA's / institutions OR their <i>accreditation has been suspended</i> .	90%	73.7%
TL33	Good Governance and Public Participation	Developing a capable and Development State	Limit the vacancy rate to less than 20% quarterly	20%	Administration and Institutional Capacity	Part of the reasons that the target is not met is the fact that there are vacant posts on the Organogram and that due to financial constraints, the municipality is unable to fill all vacant posts.	20%	27.44%

Community Services

Ref	National KPA	NDP Objective	KPI Name	Baseline	Development Priority	Performance Comment	Corrective Measures	Overall Performance	
								Target	Actual
TL29	Basic Service Delivery	Healthcare for all	100% Realising of refuse removal services as per service delivery programme per quarter	100%	Sanitation, Waste Management and Waste Removal	Refuse removal service 100% executed		100%	100%
TL30	Basic Service Delivery	Healthcare for all	100% Realising of refuse removal services as per service delivery programme per quarter (Sapelle area)	100%	Sanitation, Waste Management and Waste Removal	93,21% of the plan executed due to shortage of vehicles and lack of staff	Staff to be appointed and alternative measures to be put in place to ensure that the service are rendered.	100%	93,21%
TL59	Basic Service Delivery	Economy and Development	Spend 95% of the budget allocated for the Security Cameras by 30 June.	New key performance indicator for 2023/2024	Administration and Institutional Capacity	Although budget was available, the project could not be done as planned due to cash-flow constraints	Cash should be made available	95%	74,29%
TL60	Basic Service Delivery	Health care for all	Spend 95% of the budget allocated for the De Duane Landfill Site by 30 June.	New key performance indicator for 2023/2024	Sanitation, Waste Management and Waste Removal	99,79% of allocated budget spent		95%	99,76%
TL63	Basic Service Delivery	Economy and Development	Spend 95% of the budget allocated for the Dely Jacob's Stadium by 30 June.	New key performance indicator for 2023/2024	Community Development and Facilities	The initial scope needed to be revised providing to the available budget since additional funding could not be obtained. The project still needs to be advanced on tender for the remaining budget which will be spent on the new addition blocks to be build	Tender should be advertised to ensure that the allocated budget is being spent.	95%	54,26%

Electro Mechanical Services

Ref	National KPA	NDP Objective	KPI Name	Baseline	Development Priority	Performance Comment	Corrective Measures	Overall Performance	
								Target	Actual

TL34	Municipal Financial Viability and Management	Economy and Development	Limit unaccounted for electricity to less than 11% by 30 June. (Number of Electricity Units Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) x 100	13% Energy and Electricity	Electricity losses are 8.19%	33%	0.10%
TL35	Local Economic Development	Economy and Development	The number of full time equivalent jobs (FTEs) created through municipality's capital projects.	8	More projects should be executed to ensure that FTEs are created.	8	5.25
TL37	Basic Service Delivery	Economy and Development	Spend 95% of the allocated budget for the ELECTRIFICATION OF 322 Houses by 30 June.	New key performance indicator for 2023/2024	91.24% of allocated budget spent. Project is completed.	95%	91.24%
TL54	Basic Service Delivery	Economy and Development	Spend 95% of the allocated budget for the Automation of Substation by 30 June.	New key performance indicator for 2023/2024	Contractor only submitted the invoice in the 30/04/2025 financial year.	90%	94.33%
TL55	Basic Service Delivery	Economy and Development	Spend 95% of the allocated budget for the Electrification of 127 Houses by 30 June.	95%	80.81% of allocated budget spent. Project is completed.	95%	80.81%
TL61	Basic Service Delivery	Economy and Development	Spend 95% of the allocated budget for the Electrification Louisa & Kameelmond by 30 June.	New key performance indicator for 2023/2024	97.97% of allocated budget spent	95%	97.97%
TL62	Basic Service Delivery	Economy and Development	Spend 95% of the allocated budget for the Uptington North bulk supply by 30 June	New key performance indicator for 2023/2024	100% of allocated budget spent	95%	100%

Civil Engineering

Ref	National KPA	NDP Objective	KPI Name	Baseline	Development Priority	Overall Performance	
						Performance Comment	Target Actual
						Corrective Measures	

TL13	Basic Service Delivery	Transforming human settlements	Provide mobile water according to programme	95% Water Resources and Services	Mobile water provided according to programme	95%	100%
TL20	Basic Service Delivery	Healthcare for all	Render Bucket removal sanitation services as per service delivery programme per quarter	100% Sanitation, Waste Management and Waste Removal	85,9% of the plan was executed as a result of shortage of staff and breakdown of vehicles within the department.	100%	85,9%
TL21	Basic Service Delivery	Economy and Development	Execute the approved stormwater maintenance plan 100% by 30 June	100% Roads, Transport and Stormwater Drainage	Stormwater maintenance plan 100% executed	100%	100%
TL22	Basic Service Delivery	Economy and Development	Execute the approved roads maintenance plan by 30 June	100% Roads, Transport and Stormwater Drainage	Roads maintenance plan 100% executed	100%	100%
TL24	Basic Service Delivery	Economy and Development	Spend 95% of budget for the rehabilitation of Roads by 30 June	95% Roads, Transport and Stormwater Drainage	96,08 of allocated budget spent	95%	99,39%
TL26	Basic Service Delivery	Economy and Development	Spend 95% of the Upgrade of WTW and Reservoirs by 30 June	New Key performance indicator for 2023/2024	100% of allocated budget spent	95%	100%
TL27	Basic Service Delivery	Economy and Development	Spend 95% of the budget allocated for the Upgrade of Bulk Water Network by 30 June	New Key performance indicator for 2023/2024	100% of allocated budget spent	95%	100%
TL33	Basic Service Delivery	Economy and Development	Spend 95% of the budget allocated for the Upgrading Bulk Outfall Sewerage (Phase 2) by 30 June	95% Sewerage	The amount budget for was the savings on the project that is completed with the intention that it will be utilize on the extension of scope. The extension was therefore more than the amount budgeted for.	95%	0%
TL44	Basic Service Delivery	Economy and Development	Spend 95% of the budget allocated for the Metkonin Bourgat by 30 June	New Key performance indicator for 2023/2024	100% of allocated budget spent	95%	100%

TL05	Basic Service Delivery	Economy and Development	Spend 95% of the budget allocated for the Bourgat 2 Rehabilitation by 30 June.	New key performance indicator for 2023/2024	Water Resources and Services	100% of allocated budget spent	95%	100%
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Planning and Development

Ref	National KPA	NDP Objective	KPI Name	Baseline	Development Priority	Performance Comment	Overall Performance	
							Target	Actual
TL44	Local Economic Development	Economy and Development	The number of full time equivalent jobs in COGASTA through municipality's capital projects	10	Economic Growth and Job Creation	18.44 FTE's created	10	18.44
TL45	Municipal Transformation and Institutional Development	Developing a capable and Development State	Quarterly reporting to COGASTA and department of rural development of all land use planning applications in terms of SP/LUMA.	4	Spacial Development, Town Planning and Land Use Management	Quarterly reporting to COGASTA and department of rural development of all land use planning applications in terms of SP/LUMA.	4	4
TL46	Municipal Transformation and Institutional Development	Developing a capable and Development State	Sulami Municipal quarterly report on progress for accredited municipalities on level 1 and 2 to COGASTA.	4	Human Settlements and Housing	Municipal quarterly report on progress for accredited municipalities on level 1 and 2 to COGASTA submitted	4	4
TL48	Basic Service Delivery	Economy and Development	Spend 95% of the allocated budget for the Naledi Cemetery by 30 June.	New key performance indicator for 2023/2024	Community Development and Facilities	Project completed	95%	100%
TL49	Basic Service Delivery	Economy and Development	Spend 95% of the allocated budget for the Kallidoo Internal Streets by 30 June.	New key performance indicator for 2023/2024	Roads, Transport and Stormwater Drainage	100% of allocated budget spent	95%	100%
TL51	Basic Service Delivery	Economy and Development	Spend 95% of the allocated budget for the Morning Glory Cemetery by 30 June.	95%	Community Development and Facilities	100.80% of allocated budget spent	95%	100.80%

TL52	Basic Service Delivery	Economy and Development	Spent 95% of the allocated budget for the Rehabilitation of the sewerage network for various areas (RMA5) by 30 June.	New key results, Transport and Stormwater Drainage performance indicator for 2023/2024	100% of allocated budget spent	95%	100%
TL58	Basic Service Delivery	Economy and Development	Spent 95% of the allocated budget for the Mankweng Bulk Sewer Provision by 30 June.	95% Sewerage	Person for under expenditure on Mankweng Bulk Sewer in the 2023/2024 financial year is due to the fact that Ekam has not yet provided the Municipality with a quotation for a connection point to provide power to the plant. Ekam did a survey in July 2024 and quotation is expected in 5 months for the connections.	95%	0%