

2023/2024 ANNUAL REPORT



31 March 2025

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

1.1. MAYOR’S FOREWORD



It is my distinct honour to present the 2023/2024 Annual Report of Swartland Municipality, a testament to our unwavering commitment to excellence even in the face of challenging economic conditions and the intricacies of the contemporary social landscape within which local governance operates.

Swartland Municipality continues to make remarkable strides toward realizing its vision of a brighter, more dignified life for all its residents. We firmly believe in the power of community involvement, and we have actively engaged with our local citizens through various platforms, including ward committee meetings, the Swartland Municipal Advisory Forum, and direct one-on-one engagements with stakeholders. We are dedicated to enhancing our policy performance and delivery by forging stronger partnerships with our valued citizens, communities, civil society organizations, interest groups, businesses, and other stakeholders.

Our journey has not been without challenges, particularly as municipalities often bear the brunt of public frustration, even in cases where we lack direct control over certain issues, such as insufficient National Government funding for vital human settlement projects. Swartland Municipality witnessed a substantial in-migration between 2011 and 2016, with a yearly increase of 3.3%. By 2022, we had become the second-largest municipality in the West Coast District with a population of 148 331.

During the 2023/2024 financial year, we diligently executed the previous Integrated Development Plan (IDP) and concentrated our efforts on five strategic goals:

- Goal 1 - Community Safety and Wellbeing
- Goal 2 - Economic Transformation
- Goal 3 - Quality and Reliable Services
- Goal 4 - A Healthy and Sustainable Environment
- Goal 5 - A Connected and Innovative Local Government

Each of these strategic goals were carefully mapped with key performance indicators and targets, leading to significant improvements in service delivery across the Swartland area. These indicators were closely monitored on a monthly basis throughout the year and were meticulously recorded in an electronic performance management system.

We take pride in our financial stability, as underscored by Ratings Afrika's assessment, which shows Swartland's unwavering financial strength. We've continued to align our strategic documents with Provincial and National Government policies and directives, including the National Development Plan, the Medium-Term Strategic Framework, the Integrated Urban Development Framework, the Western Cape Provincial Strategic Plan, and the Western Cape Provincial Spatial Development Framework.

Our commitment to sound financial management remains unwavering, and in the 2023/2024 fiscal year, we maintained healthy liquidity levels, ending with a positive cash balance of R470.5 million (Excluding the long-term investment of R300 million that will mature on 29 June 2026), excluding non-cash transactions. Basic service delivery remains a top priority, with 100% of registered urban residential properties enjoying access to minimum service delivery levels or better. While challenges persist for some informal settlements and backyard dwellers, we continue to support registered indigent and impoverished households through monthly subsidies covering sewerage (R278.33 pm), refuse removal (R164.55 pm), water (R135.01 pm), and electricity (R73.45) fees. Indigent households receive 50 kWh of free electricity, 6 kl of water monthly, free refuse removal, free access to sanitation, and exemption from rates if the property value is less than R105,000 (R15 000 impermissible tax excluded).

In our commitment to job creation, we've excelled in generating opportunities. The Municipality's registered Expanded Public Works Programme (EPWP) projects created 307 jobs in the 2023/2024 financial year, and an additional 186 jobs were realized through our own capital projects (contracts exceeding R200,000).

I extend my heartfelt gratitude to my fellow councillors, as well as our dedicated management team, for their tireless efforts in upholding Swartland Municipality's reputation for excellence in service delivery and management. I also express my sincere appreciation for the unwavering support and optimism of our community members. Thank you for putting your trust in us.

Alderman Harold Cleophas

EXECUTIVE MAYOR

1.2 EXECUTIVE SUMMARY

1.2.1 MUNICIPAL MANAGER'S OVERVIEW



Navigating the intricate landscape of municipal governance has presented its share of challenges in recent years, and the 2023/2024 financial year proved to be no exception. Yet, as we reflect on the year gone by, we find ourselves celebrating another year of achievements and milestones. The Swartland Municipality has once again showcased its resilience and commitment to excellence. While a comprehensive account of our performance is detailed elsewhere in this annual report, I wish to emphasize a few key highlights.

GOOD GOVERNANCE AWARDS:

Not only is Swartland Municipality the best small-town municipality in the Western Cape, but it is also the best municipality overall in South Africa. This is according to the Governance Performance Index for 2024 issued by independent research company, Good Governance Africa.

This index considered data across four (only for small town municipalities), categories, giving the most weight and consideration to the core mandate of municipalities which is service delivery.

According to the overview provided by 2024 GPI they measured all municipalities in South Africa according to:

- Service delivery – Ensuring basic service delivery which includes the delivery of piped water, sanitation and electrical services and refuse removal. The measurement for this category not only considered the availability of this service, but also the quality as well as the support municipalities provide to the most vulnerable (indigent) households in the area.
- Planning, Monitoring and Evaluation – The extent to which a municipality meet their responsibilities in annual planning, monitoring, and evaluation requirements.
- Leadership and Management – Political and administrative leadership to ensure a functional government.
- Administration and Governance – Accountability, compliance, financial management, financial soundness, and human resource management.

Swartland Municipality excelled in all these aspects, showing that we are considered, by independent opinion as the best municipality in South Africa.

SEVICE EXCELENCE AWARDS:

The Service Excellence Awards (SEA) is an annual intervention within the Western Cape Government (WCG) which promotes a citizen centric culture, entrenches professionalism, as well as recognises and rewards excellence. The purpose is to entrench the Western Cape Government value of caring by appreciating and recognising employees in exemplary cases. The awards this year further explores a WCG recognition system, that extends to WCG citizens and provincial municipalities for encouragement of service excellence.

Swartland Municipality competed in various categories including Best Municipal Project, Best Red Tape Reduction/Ease of Doing Business team as well as Best Municipality category.

Our town planning/land use unit received the silver award in their category of Best Ease of Doing Business /Red Tape Reduction Unit. This award focuses on units who make every effort to make doing business with the municipality as easy as possible, especially for investors and developers. This includes the effective and efficient processing of building plans, zoning applications and other administrative requirements.

Our proudest achievement at this years' Service Excellence Awards was being crowned the Best Municipality in the Western Cape. This follows the Good Governance Africa rating that Swartland is considered as the best municipality in South Africa.

These recognitions do not mean we are in any way perfect. It does however demonstrate our commitment to service delivery all our residents. Our core mandate is to ensure services and access to services to our residents, and that is what we continue to make a priority. By delivering the best services possible, we make Swartland a desirable destination for investment and residents, which in turn creates economic growth and opportunities.

AUDIT:

The Municipality has achieved twelve clean audits up to the 2023/2024 financial year which confirms its reputation as one of the best managed municipalities in South Africa. This in itself speaks to and is proof of the dedication of management and personnel to meet and maintain high standards of performance at all times.

FINANCIAL STRENGTH:

The Swartland Municipality has successfully concluded another year of enhanced service delivery without jeopardizing our financial stability. We have not only managed to fund our ongoing operations but have also fortified our reserves to support future capital expansion and refurbishment. Our financial sustainability led to a positive cash balance of R470.5 million (Excluding the long-term investment of R300 million that will mature on 29 June 2026) for the 2023/2024 fiscal year, demonstrating our commitment to effective and sustainable service delivery.

Our sustainable financial management is further underscored by an outstanding current ratio of 4.63:1 for the year under review, surpassing the already impressive 5.75:1 ratio achieved in 2022/2023. This reflects our ability to implement sound financial and governance principles effectively.

The 2023/2024 debtors' collection rate was 95.83% compared to an average of 96.55 for the previous four years. This achievement, taking into account written-off bad debts, serves as testament to a strong culture of payment among Swartland's ratepayers. It highlights the effectiveness of our diligent revenue management system and consistent adherence to the Debt Collection Policy.

The Municipality's Capital Replacement Reserve, a critical cash-backed reserve for future capital expenditures, stood at R299.4 million as of June 2024. This substantial figure

demonstrates our unwavering commitment to securing the future of our community. Our approach in terms of sustainable financial management is further evident in the reduction of outstanding external loans, which declined to R38.8 million by the close of the 2023/2024 financial year compared to R90.9 million at 30 June 2023 and R99.5 million at 30 June 2022.

Personnel costs remained well within the national norm, amounting to 32.99% of total expenditure for 2023/2024, a slight increase from 31.98% in 2022/2023. This demonstrates our ability to manage personnel costs effectively. However, the challenge remains to sustain this balance as we meet rising expectations for improved service delivery.

Total operating income witnessed a notable increase of 21.40%, reaching R1.291 billion by June 2024, compared to R1.063 billion in 2022/2023. Importantly, operating expenditure remained under control, rising by just 6.86% to R989.7 million during the same period, excluding Gains and Losses. These figures illustrate our commitment to responsible financial management.

LOCAL ECONOMIC DEVELOPMENT:

According to 2023 SEP Report the Swartland economy expanded by an estimated 1.9% in 2022, creating an additional 2 708 formal and informal jobs and the GDPR of the area has fully recovered from the COVID-19-induced recession of 2020.

The 2023 SEP Report projected a deceleration in economic activity in 2023 due to the impact of loadshedding on farmers, manufacturing enterprises and households. Additionally, elevated interest and inflation rates were anticipated to diminish business confidence and the purchasing power of households. The agricultural sector was expected to contract further, influenced by increased input costs and adverse weather conditions. However, a degree of stabilisation was anticipated in 2024, with GDPR forecasted to expand by 1.9%, indicating a potential recovery in economic performance.

According to 2023 SEP Report the three main contributors to Swartland's GDPR of R10 billion in 2021 were Manufacturing (22.9% or R2.3 billion), Wholesale and Retail Trade (16.8% or R1.7 billion), and Agriculture, Forestry, and Fishing (15.1% or R1.5 billion). These sectors continue to play a pivotal role in our economic landscape. Swartland was the second largest contributor to the GDPR of the West Coast District (26.7%). These sectors were also the leading sources of formal employment in the Swartland municipal area.

SERVICES:

Our commitment to essential services led to several significant capital projects in 2023/2024, including road resealing, water system improvements, housing development, new road construction, and recreational node development.

In terms of efficiency, electricity losses remained in line at 5.62%, and water losses increased to 18.79% during the rolling 12 months of 2023/2024. Moreover, 19.05 km of roads were resealed during the fiscal year, accompanied by the successful repair of 1800 potholes. Our projected spending on road resealing reflects our commitment to maintaining infrastructure to a high standard.

PLANNING AND DEVELOPMENT:

In 2023/2024, the Municipality approved 917 building plan applications, totalling R986 million. This represents a 62.17% increase in total value compared to the previous year and reflects changing dynamics in our communities.

IMPROVING ORGANIZATIONAL MANAGEMENT AND PERFORMANCE:

Swartland Municipality demonstrated its commitment to results-oriented governance by excelling in its Performance Management System and Service Delivery and Budget Implementation Plan (SDBIP). We meticulously measured 239 indicators for the Municipal Manager and Directors throughout the year, reflecting our dedication to achieving our strategic objectives.

TOP FIVE RISKS:

Our proactive approach to risk management is evident in our identification of the top risks for which we have developed management action plans.

The top five risks according to the Integrated Development Plan are:

- In-migration, population growth and land invasion
- Ageing infrastructure
- Lack of capacity in respect of infrastructure
- Expansion in waste, pollution, road congestion and increasing pressure on existing infrastructure
- Failed state (external risk)

CHALLENGES OF THE 2023/2024 FINANCIAL YEAR

The most significant challenge of the year was maintaining the high standards of service delivery for which the Municipality is renowned while ensuring affordability for our ratepayers and service users within a challenging economic environment. Our success in achieving planned targets for providing basic services to low-income households reflects our diligent budget management.

There has been growing discontent concerning housing matters, particularly considering new directives from the Department of Human Settlements. We are committed to enhancing our community's understanding of the responsibilities of various government spheres related to housing and basic services. Ward councillors and ward committee members play a vital role in this effort.

CONCLUSION

I take great pleasure in reporting that the management team of Swartland Municipality is firmly established. The unwavering commitment and hard work of our personnel throughout the year have significantly contributed to the success of 2023/2024.

I extend my heartfelt appreciation to Council, and particularly to the Executive Mayor, the Executive Deputy Mayor, the Speaker, the Mayoral Committee, the chairpersons of the Portfolio Committees, and all Councillors, for their enduring support and positive leadership. Their contributions have created an environment in which my team and I have been able to maintain our focus on service delivery and overcome the challenges that came our way. We look forward to another year of progress and achievement.

Joggie Scholtz
MUNICIPAL MANAGER

1.2.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

(a) Population composition and growth (2022 Census StatsSA)

| Group | 2011 | % | 2016 | % | Annual Growth 2011-2016 | 2022 | % | Annual Growth 2011-2022 |
|------------------------|----------------|---------------|----------------|---------------|----------------------------|----------------|---------------|----------------------------|
| Black African | 20 805 | 18.3% | 20 965 | 15.7% | 0.15% | 27 073 | 18.3% | 2.42% |
| Coloured | 73 753 | 64.8% | 87 070 | 65.1% | 3.38% | 95 106 | 64.1% | 2.34% |
| Indian or Asian | 585 | 0.5% | 795 | 0.6% | 6.33% | 530 | 0.4% | -0.89% |
| White | 17 780 | 15.6% | 24 932 | 18.6% | 7.00% | 23 343 | 15.7% | 2.51% |
| Other / Unspecified | 838 | 0.7% | - | - | - | 2 279 | 1.5% | 9.42% |
| TOTAL SWARTLAND | 113 762 | 100.0% | 133 762 | 100.0% | 3.29% | 148 331 | 100.0% | 2.44% |

(b) Households and dwelling type (2022 Census StatsSA)

| Households | 2011 | | 2022 | |
|------------------------|--------|------------|--------|------------|
| Total households | 29 324 | | 44 856 | |
| Average household size | 3.9 | | 3.3 | |
| Type of main dwelling | 2011 | Dwelling % | 2022 | Dwelling % |
| • Formal dwelling | 26 650 | 90.9% | 40 133 | 89.5% |
| • Traditional dwelling | 97 | 0.3% | 638 | 1.4% |
| • Informal dwelling | 2 205 | 7.5% | 3 864 | 8.6% |
| • Other | 372 | 1.3% | 221 | 0.5% |

(c) Economic Performance

According to 2023 SEP Report Swartland was the second largest contributor to the GDPR of the West Coast District in 2021 (26.7%). The three main contributors to Swartland's GDPR of R10 billion in 2021 were Manufacturing (22.9% or R2.3 billion), Wholesale and Retail Trade (16.8% or R1.7 billion), and Agriculture, Forestry, and Fishing (15.1% or R1.5 billion). These sectors continue to play a pivotal role in our economic landscape. These sectors were also the leading sources of formal employment in the Swartland municipal area.

GDPR contribution per sector - 2021

| Sector | % |
|--|------|
| Finance, insurance; real estate and business services | 12.1 |
| Manufacturing | 22.9 |
| Agriculture, forestry and fishing | 15.1 |
| Wholesale and retail trade, catering and accommodation | 16.8 |
| General government | 11.6 |

| | |
|---|--------------|
| Construction | 3.8 |
| Transport, storage and communication | 4.8 |
| Community, social and personal services | 10.8 |
| Electricity, gas and water | 2.0 |
| Mining and quarrying | 0.2 |
| Total | 100.1 |

Source: Swartland Socio-economic Profile, 2023

(d) Comment on background data

None

1.2.3 SERVICE DELIVERY OVERVIEW

(a) Introduction

Basic Services were delivered as follows by 30 June 2024:

- Water - 22 060
- Electricity - 17 913
- Sanitation - 21 850
- Refuse removal - 21 631

Out of these free basic services were delivered to indigent household in the following manner:

- Electricity - 50 kWh free
- Water - 6 kl free
- Sanitation - R278.33 per month levy (VAT excl)
- Refuse removal - R164.55 per month levy for one removal per week (VAT excl)

(b) Proportion of poor households with access to basic services (current year)

| Service | Access to free services | Free access percentage |
|--------------------------|-------------------------|------------------------|
| Electricity Distribution | 8 244 | 91.50% |
| Rates Services | 8 021 | 89.02% |
| Refuse Removal | 9 010 | 100.00% |
| Sewerage Services | 8 650 | 96.00% |
| Water Services | 8 966 | 99.51% |

1.2.4 FINANCIAL HEALTH OVERVIEW

(a) Introduction

The municipality is currently still in a healthy financial position but good financial management practices and the effect of cost pressures on financial resources requires a continuous evaluation of the financial position of the municipality. These cost pressures include the maintenance of the ageing infrastructure, as well as items beyond the control of the municipality, such as the effect of Eskom increases of 18.49% as well as the collective agreements on employee related costs of 5.4%. Total revenue for the year amounts to R1 292.8m while operating expenditure amounts to R 1 025.5m, with the budgeted surplus being R 267.3m.

The Municipal Finance Management Act 2003, together with the implementation of Generally Recognised Accounting Practices (GRAP) in local government, shifted the focus from the traditional "short-term balanced Income and Expenditure budgets" to sustainability over at least the medium term with emphasis on cash-funding. The municipality closed the financial year with more cash than the previous financial year and must still put controls in place to ensure that cash recourses do not deplete. The demand for infrastructure investment, and especially the replacement of ageing infrastructure, requires a significant amount of cash, and the municipality identified the preservation of its cash resources while also attending to the investment requirements, as a critical strategic area to be addressed in each future budget.

The population growth in the municipal area is amongst the highest in the Western Cape, standing on 148 331 according to the 2022 census. Naturally that requires additional capital infrastructure, as well as an increased demand for services. In terms of the Constitution, local government is entitled to its fair share of revenue raised nationally. This is being distributed in the form of an Equitable Share to all municipalities. With the population growth and increased unemployment, Swartland's Equitable Share households also increases. A benchmarking tool was developed for Municipalities, which they can use to measure itself against set benchmarks and against its peers, in order to continuously improve and to ensure financial viability. Below is a summary of the key benchmarks and the municipality's results for the financial year.

(b) Ratios

| Viability Information | Indicative Benchmark | 2024 | 2023 |
|--------------------------------|----------------------|----------|----------|
| Current Ratio | 2 : 1 | 4.63:1 | 5.75:1 |
| Collection Rate | >95% | 95.83% | 97.09% |
| Cash Generated from operations | 20% | 24.42% | 22.59% |
| Cost Coverage | >4 months | 5 Months | 9 Months |
| Debtors Turnover Days | <75 Days | 53 days | 54 days |
| Long Term Debt as % Revenue | <40% | 3.07% | 8.78% |
| Capital Cost | 5% | 5.92% | 2.02% |
| Creditors Payment Period | <30 Days | 15 days | 24 days |
| Cash Funded Budget | 100% | 100% | 100% |

From the above it is clear that the municipality equals or exceeds the benchmarks in nearly all areas and is on the right track in managing its financial resources. Some areas, however, indicate a decline against the previous year and will be continuously monitored and strategies developed to ensure acceptable levels.

(c) Financial Overview - 2023/2024

| Description | Original Budget | Adjustment Budget | Actual |
|---------------------------|-----------------|-------------------|----------------|
| Grants | R273 832 000 | R292 006 265 | R283 874 832 |
| Taxes, Levies and tariffs | R764 743 787 | R744 764 138 | R793 829 134 |
| Other | R153 909 394 | R215 652 310 | R215 116 630 |
| Income | R1 192 485 181 | R1 252 422 713 | R1 292 820 596 |
| Less Expenditure | R1 071 330 062 | R1 071 352 206 | R1 025 495 260 |
| Net Total | R121 155 119 | R181 070 507 | R267 325 336 |

(d) Operating Ratios

| Expenditure Type | Ratio |
|-----------------------|--------|
| 1 Employees | 31.85% |
| 2 Contracted Services | 6.99% |
| 3 Other | 61.16% |

(d) Comment on operating ratios

Total revenue is 3.2% over budget, mainly due to the following:

- **Service charges:** Electricity revenue: The suspension of loadshedding resulted in higher revenue than expected.
- **Service charges:** Sanitation revenue: The increased sewerage due to the expansion of commercial client is more than expected.
- **Agency services:** Collections were lower than expected.
- **Interest earned from receivables:** Recovery of debt was lower than expected.
- **Rental from fixed Assets:** A number of lease contracts were suspended that were expected to be renewed.
- **Operational revenue (non-exchange):** Availability charges were lower than expected for the year.
- **Gains:** Land sales were lower than expected.

Total expenditure is 4.3% under budget, mainly due to the following:

- **Debt impairment:** The debt impairment was higher than expected as a reduction for traffic fine impairment was expected

- **Inventory consumed:** The municipality received a credit note of R5.7m for the water resulting in a budget surplus.
- **Contracted services:** Various savings on the use of consultants.
- **Operational costs:** Savings are due to projects that were moved to the next year
- **Irrecoverable debts written off:** The traffic fines write off was lower than expected.
- **Losses on Disposal of Assets:** The carrying value of assets disposed due to replacement was lower than expected.
- **Losses:** The water loss was lower than expected due to the credit note for the water

Employee costs (including Councillors Remuneration) represent 32.01% of total operating expenditure, which is in line with expected norms set by the National Treasury. Should depreciation and bulk purchases be excluded from expenses, the employee cost as a percentage of operating expenditure is 54.50%, which is well above the benchmark.

Repairs and Maintenance costs represents 6.97% of total operating expenditure. This is in line with National Treasury's expected norm of 8%. Should depreciation and bulk purchases be excluded from expenses, the repairs and maintenance as a percentage of operating expenditure is 12.3% which is above the National Treasury's expected norm.

Depreciation charges are well above the average as a result of the deemed cost approach as described in the financial overview above. Various discussions were held in this regard and it was decided to stay on the current method of calculating for only that portion that is affordable by the community to contribute to the CRR in cash.

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. It also improves understand ability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from "Ratepayers and other" to be provide for as cash inflow based on actual performance. In other words the actual collection rate of billed revenue, and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Swartland's cash coverage remained at 9 months as the previous financial year , which is well above the benchmark of between 1 to 3 months, keeping in mind that Unspent conditional grants, Depreciation and Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets are excluded.

(e) Total Capital Expenditure

| Original Budget | Adjustment Budget | Actual Expenditure |
|-----------------|-------------------|--------------------|
| R209 052 395 | R248 689 919 | R238 109 605 |

(f) Comment on capital expenditure

Expenditure on the capital budget was underspent by **4.25%**. The main reason were the following:

- The loadshedding relief grant was only made available after a March special adjustments budget. The shortfall is the unspent grants for the period
- **Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions):** The Donated property, plant and equipment could not be anticipated during the budget phase.

(g) Cost containment measures

| Cost Containment In-Year Report Measures | 2023/2024 YTD Budget | Actual Expenditure Q1 | Actual Expenditure Q2 | Actual Expenditure Q3 | Actual Expenditure Q4 | Savings |
|---|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------|
| Use of professional services | R 16 398 466 | R 2 236 970 | R 2 419 454 | R 1 458 686 | R 5 569 734 | R 4 713 623 |
| Travel and Subsistence | R 701 936 | R 16 289 | R 40 768 | R 53 274 | R 99 784 | R 491 821 |
| Domestic accommodation | R 130 188 | R - | R 3 987 | R - | R 4 870 | R 121 331 |
| Sponsorships, events and catering | R 469 737 | R 49 828 | R 36 935 | R 55 057 | R 186 558 | R 141 359 |
| Overtime Pay | R 12 004 651 | R 2 821 639 | R 3 072 126 | R 3 133 723 | R 4 079 701 | -R 1 102 538 |
| Communication | R 3 066 925 | R 443 791 | 805 066 | 580 084 | 634 943 | R 603 041 |
| Telephone cost | R 716 710 | R 114 056 | R 154 054 | R 159 846 | R 188 713 | R 100 040 |
| Vehicles used for political office -bearers | None | None | None | None | None | |
| Number of Credit Cards | None | None | None | None | None | |
| Grand Total | R 33 488 613 | R 5 682 573 | R 6 532 390 | R 5 440 669 | R 10 764 303 | |

1.2.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

Swartland Municipality aims to ensure service delivery of the best possible quality for all the inhabitants of the Municipality. To achieve this, a prime goal of the Municipality's Human Resource Strategy is: **To create a flexible organisation that enables optimal performance by developing and retaining a properly skilled and representative workforce.** Swartland Municipality considers its human resources as one of its most critical assets.

1.2.6 AUDITOR GENERAL REPORT

Follow on the next page.

The report was issued on 29 November 2024 in accordance with the requirements set in the MFMA section 126(3)(b).

Report of the auditor-general to the Western Cape Provincial Parliament and the council on Swartland Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Swartland Municipality set out on pages 6 to 119, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Swartland Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the 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 2023 (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 62 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2024.

Significant subsequent events

8. We draw attention to note 68 in the financial statements, which deals with the possible effects of the future implications of a catastrophe - flood on the municipality's prospect, performance, and cash flows. Our opinion is not modified in this regard.

Material impairments

9. As disclosed in note 3 to the financial statements, the municipality has provided for impairment of receivables from exchange transactions amounting to R15 969 130 (2022-23: R11 896 680).
10. As disclosed in note 4 to the financial statements, the municipality has provided for impairment of receivables from non-exchange transactions amounting to R42 214 240 (2022-23: R35 290 310).

Other matters

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

Unaudited supplementary schedules

12. The supplementary schedules set out on page 120 to 124 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.

Unaudited disclosure notes

13. 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 financial statements and accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
15. 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

16. 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.
17. 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

18. 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 strategic goal presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
19. I selected the following strategic goal presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected a strategic goal that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

| Strategic goal | Page numbers | Purpose |
|---|--------------|--|
| Strategic goal 3: Quality and reliable services | 41 - 43 | The strategic goal contains service delivery indicators (percentage of households with access to basic level of water, sanitation, electricity and solid waste removal) and this is the core functions that the municipality is primarily responsible for in terms of its mandate. |

20. I evaluated the reported performance information for the selected strategic goal 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.
21. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives

- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
 - there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.
22. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
23. I did not identify any material findings on the reported performance information for the strategic goal.

Other matters

24. I draw attention to the matter below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.
26. The table that follow provide information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 41 to 43.

Strategic goal 3: Quality and reliable services

| <i>Targets achieved: 77 %</i> <i>Budget spent: 69%</i> | | |
|---|----------------|----------------------|
| Key service delivery indicator not achieved | Planned target | Reported achievement |
| Supplying of sanitation services to municipal residential account holders as at 30 June | 22 124 | 21 850 |

| | | |
|---|--------|--------|
| <i>Targets achieved: 77 %</i> <i>Budget spent: 69%</i> | | |
| Number of residential account holders receiving refuse removal services as at 30 June | 22 265 | 21 631 |

Report on compliance with legislation

27. 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.
28. 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.
29. 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.
30. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

31. 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 strategic goal presented in the annual performance report that have been specifically reported on in this auditor's report.
32. 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.
33. 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 strategic goal presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

34. The final annual report was not received in time for us to perform this procedure. We will report this in the auditor's report and indicate that any material misstatements identified when we receive it that are not corrected might result in us retracing the auditor's report and reissuing an amended report.

Internal control deficiencies

35. 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.
36. I did not identify any significant deficiencies in internal control.

Auditor-General

Cape Town

29 November 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected strategic goal 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 | <p>Section 1 — paragraph (a), (b) & (d) of the definition: irregular expenditure,</p> <p>Section 1 — definition: service delivery and budget implementation plan,</p> <p>Sections: 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii)</p> <p>Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f)</p> <p>Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a)</p> <p>Sections: 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)</p> |
| MFMA: Municipal Budget and Reporting Regulations, 2009 | Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c) |
| MFMA: Municipal Investment Regulations, 2005 | Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3) |
| MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2017 | Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1) |
| MFMA: Municipal Supply Chain Management Regulations, 2017 | <p>Regulations: 5, 12(1)(c), 13(b), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a)</p> <p>Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i)</p> <p>Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)</p> |
| Construction Industry Development Board Act 38 of 2000 | Section: 18(1) |
| Construction Industry Development Board Regulations, 2004 | Regulations: 17, 25(7A) |
| Division of Revenue Act | Section: 11(6)(b), 12(5), 16(1); 16(3) |
| Municipal Property Rates Act 6 of 2004 | Section: 3(1) |
| Municipal Systems Act 32 of 2000 | Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2) |

| Legislation | Sections or regulations |
|---|---|
| | Sections: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b) |
| MSA: Disciplinary Regulations for Senior Managers, 2011 | Regulations: 5(2), 5(3), 5(6), 8(4) |
| MSA: Municipal Planning and performance Management Regulations, 2001 | Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii) |
| MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006 | Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3) |
| MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014 | Regulations: 17(2), 36(1)(a) |
| MSA: Municipal Staff Regulations | Regulations: 7(1), 31 |
| Prevention and Combating of Corrupt Activities Act 12 of 2004 | Section: 34(1) |
| Preferential Procurement Policy Framework Act 5 of 2000 | Sections: 2(1)(a), 2(1)(f) |
| Preferential Procurement Regulations, 2017 | Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(8), 7(1), 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(4), 5(1), 5(4) |

1.2.7 STATUTORY ANNUAL REPORT PROCESS

| No. | Activity | Timeframe |
|------------|--|------------------|
| 1 | Consideration of next financial year’s Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period | August |
| 2 | Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting). | |
| 3 | Finalise the 4th quarter Report for previous financial year | |
| 4 | Municipality submits draft Annual Performance Report including consolidated annual financial statements to Auditor General | October |
| 5 | Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase | |
| 6 | Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data | February |
| 7 | Municipalities receive and start to address the Auditor General’s comments | March-April |
| 8 | Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General’s Report | |
| 9 | Audited Annual Report is made public and representation is invited | |
| 10 | Oversight Committee assesses Annual Report | April-May |
| 11 | Council adopts Oversight report | |
| 12 | Oversight report is made public | |
| 13 | Oversight report is submitted to relevant provincial councils | |
| 14 | Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input | |

CHAPTER 2 – GOVERNANCE

2.1 INTRODUCTION

Governance is seen by Swartland Municipality as the exercise of economic, political and administrative authority to manage the municipality's affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. To ensure good governance, which is – among other things – participatory, transparent and accountable – the Municipality views the four components dealt with in this Chapter as interrelated and mutually reinforcing.

2.2 POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.2.1 INTRODUCTION

Section 151(3) of the Constitution states that the council of a municipality has the right to govern, on its own initiative, the local government affairs of the local community. Political governance is the process of decision-making to formulate policy, whereas administrative governance is the system of policy implementation.

Swartland Municipality strives towards achieving the following characteristics of efficient government in both the above legs of governance:

- Participation
- Rule of law
- Transparency
- Responsiveness
- Consensus orientation
- Equity
- Effectiveness and efficiency
- Accountability
- Strategic vision.

2.2.2 POLITICAL GOVERNANCE

(a) Introduction

Swartland Municipality has a mayoral executive system combined with a ward participatory system, whereby executive leadership vests in the executive mayor who is assisted by a mayoral committee. In terms of delegation, all legislative powers vest in the executive mayor, except for those listed by law for exclusive decision-making by the full council.

Recommendations on their respective portfolios are made for consideration to the executive mayor by four committees, appointed in terms of section 79 of the Structures Act, 1998, i.e. committees dealing with matters relating to -

- (1) Municipal Manager, Administration and Finance

Annual Report for 2023/2024

- (2) Civil and Electrical Services
- (3) Development Services
- (4) Protection Services

Ward committees for each of the twelve wards within the municipal area contribute by advising the municipality on matters affecting the respective wards.

The Performance, Risk and Audit Committee provides opinions and recommendations on the overall control environment, financial processes, risk management and performance to Council, and also provides comments to the Municipal Public Accounts Committee (MPAC) on the Annual Report.

Swartland Municipality has established a Municipal Public Accounts Committee (MPAC) as an oversight committee, comprised of non-executive councillors, with the specific purpose of providing the Council with comments and recommendations on the Annual Report. The Municipal Public Accounts Committee's (MPAC) report will be published separately in accordance with MFMA guidance.

(b) Political structure

MAYOR



Ald H Cleophas

DEPUTY MAYOR



Clr A de Beer

SPEAKER



Clr M Rangasamy

MAYORAL COMMITTEE MEMBERS



Clr A Warnick



Clr D Bess



Clr N Smit



Ald T van Essen

(c) Councillors

The Municipal Council of the Municipality has twenty three councillors, as determined by the Provincial Minister, of which twelve are ward councillors and eleven are proportionally elected councillors. Refer to Appendix A where a full list of councillors can be found. Also refer to Appendix B which sets out committees and committee purposes.

(d) Political decision-taking

Section 53 of the Municipal Systems Act (Act 32 of 2000) stipulates inter alia that the respective roles and areas of responsibility of each political structure and political office bearer of the Municipality and of the municipal manager must be defined. The section below is based on the Section 53 role clarification that was approved at the council meeting of May 2016.

- **Municipal Council**

- governs by making and administering laws, raising taxes and taking decisions that affect people's rights;
- is a tax authority that may raise property taxes and service levies;
- is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political office bearers or officials;
- can delegate responsibilities and duties for the purposes of fast and effective decision making;
- must strive towards the constitutional objects of local government;
- must consult the community with respect to local government matters; and
- is the only decision maker on non-delegated matters such as the approval of the IDP and budget.

- **Executive Mayor**

- is the executive and political leader of the Municipality and is in this capacity supported by the mayoral committee;
- is the ceremonial head of the Municipality;
- must identify the needs of the Municipality and must evaluate progress against key performance indicators;
- is the defender of the public's right to be heard;
- has many responsibilities with respect to the annual budget, the budget process, budget control and various other financial matters; and
- performs the duties and exercise the responsibilities that were delegated to him by the council.

- **Mayoral Committee**

- its members are elected by the Executive Mayor from the ranks of councillors, with the exception of the Deputy Executive Mayor who is elected by the council and is an ex officio member of the mayoral committee;
- its functional responsibility area is linked to that of the Executive Mayor to the extent that he must operate together with the members of the mayoral committee;
- its primary task is to assist the Executive Mayor in the execution of his powers - it is in fact an "extension of the office of Executive Mayor"; and
- the committee has no powers of its own – decision making remains that of the Executive Mayor.

2.2.3 ADMINISTRATIVE GOVERNANCE

(a) Introduction

By law, the Municipal Manager automatically is the head of administration as well as the accounting officer. The Municipal Manager has extensive statutory and delegated powers and duties, as well as powers and duties that can be inferred from such statutory and delegated powers and duties.

The Municipal Manager is, amongst others, responsible –

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

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

The Swartland Municipality adopted an Integrated Development Plan for 2022-2027 with the following five strategic goals:

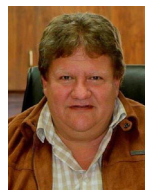
- Community safety and wellbeing
- Economic transformation
- Quality and reliable services
- A healthy and sustainable environment
- A connected and innovative local government

The IDP strategic goals, objectives, initiatives, key performance indicators and annual targets are clearly linked with the annual budget and the Municipality’s performance system. These linkages make it possible for the management team to work towards achieving the objectives and outcomes of the Municipality.

The Municipal Manager of a municipality is the accounting officer of the municipality and must provide guidance to political structures; political office bearers, and officials of the municipality.

(b) Top administrative structure

MUNICIPAL MANAGER



Joggie Scholtz

DIRECTORS

**FINANCIAL
SERVICES**



Mark Bolton

**CORPORATE
SERVICES**



Madelaine Terblanche

**CIVIL ENGINEERING
SERVICES**



Louis Zikmann

**ELECTRICAL ENGINEERING
SERVICES**



Thys Möller

**DEVELOPMENT
SERVICES**



Jo-Ann Krieger

**PROTECTION
SERVICES**



Philip Humphreys

2.3 INTERGOVERNMENTAL RELATIONS

2.3.1 NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on National level:

- SALGA meetings

2.3.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on Provincial level:

- SALGA meetings
- MinMayTech
- MinMay
- Premiers Coordinating Forum
- Municipal Managers Forum

2.3.3 DISTRICT INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on District level:

- DCFTech
- DCF

2.4 PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4.1 PUBLIC MEETINGS

(a) Communication, participation and forums

Public participation in Swartland is done in a **structured** way. The directive from national government on how community participation should be structured is the ward committee system. Most of the liaison with communities is done through ward committee meetings.

Although ward committees provide for representation of communities on a geographical basis, there are also a number of sector interests not covered by ward committees that play a major role within the municipal area, such as education, business and agriculture. Liaison with and involvement of such sector groups is therefore also crucial in order to get a full picture of the current reality in our area. Liaison with sector groups is done mainly through the Mayoral Consultative Forum.

The Municipality also communicates through a well-structured website www.swartland.gov.za as well as its Facebook Page www.facebook.com/SwartlandMunicipality.

| Nature and purpose of meeting | Date of meeting | Number of Participants | | | Dates and manner of feedback given to the community |
|---|-------------------|------------------------|--------------------------|-----------------------------|---|
| | | Municipal Councillors | Municipal Administrators | Community members attending | |
| IDP Engagement Ward 1 | 30 October 2023 | 2 | 5 | 12 | Meeting, 4 May 2023 |
| IDP Engagement Ward 2 | 30 October 2023 | 3 | 4 | 17 | Meeting, 4 May 2023 |
| IDP Engagement Ward 5 | 31 October 2023 | 5 | 4 | 28 | Meeting, 4 May 2023 |
| IDP Engagement Ward 6 | 31 October 2023 | 3 | 4 | 27 | Meeting, 4 May 2023 |
| IDP Engagement Ward 9 | 1 November 2023 | 2 | 4 | 17 | Meeting, 4 May 2023 |
| IDP Engagement Ward 3 | 2 November 2023 | 2 | 4 | 5 | Meeting, 4 May 2023 |
| IDP Engagement Ward 4 | 2 November 2023 | 1 | 4 | 3 | Meeting, 4 May 2023 |
| IDP Engagement Ward 8 | 6 November 2023 | 1 | 4 | 9 | Meeting, 4 May 2023 |
| IDP Engagement Ward 10 | 6 November 2023 | 2 | 4 | 14 | Meeting, 4 May 2023 |
| IDP Engagement Ward 11 | 7 November 2023 | 1 | 4 | 4 | Meeting, 4 May 2023 |
| IDP Engagement Ward 12 | 7 November 2023 | 1 | 4 | 6 | Meeting, 4 May 2023 |
| IDP Engagement Ward 7 | 9 November 2023 | 1 | 11 | 14 | Meeting, 4 May 2023 |
| Strategy Workshop | 12 December 2023 | | | | |
| Darling GBVF Meeting | 19 July 2023 | 0 | 1 | 15 | Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection) |
| ECD Management meeting held | 28 July 2023 | 0 | 1 | 10 | Partnerships relationships with potential ECD facilities Implementation services from West Coast College Roll out of the Level training programmes |
| Darling GBVF Planning Meeting | 16 August 2023 | 0 | 1 | 15 | Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection) |
| Swartland Local Drug Action Committee Executive Meeting | 10 August 2023 | 0 | 2 | 4 | Facilitate, monitor and review programmes according to the following focus areas namely: LDAC/GBVF |
| Swartland SMME Interim Forum Meeting | 11 August 2023 | 0 | 4 | 4 | Facilitate, monitor and review programmes according to the following focus areas namely: LDAC/GBVF |
| Swartland Local Drug Action Committee Monthly Meeting | 30 August 2023 | 2 | 4 | 21 | Facilitate, monitor and review programmes according to the following focus areas namely: LDAC/GBVF |
| SSDF Meeting | 12 September 2023 | 0 | 5 | 26 | Facilitate, monitor and review programmes according to the following focus areas namely: Child protection/ECD; Substance Abuse/ LDAC; Victim Empowerment/ GBVF and Trauma Rooms and School Drop Outs Review and monitoring of programmes (Successes |
| Darling GBVF Stakeholders | 11 October 2023 | 0 | 1 | 15 | Services rendered towards children and families (Health, GBVF, |

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| | | | | | |
|--|------------------|---|---|----|--|
| Meeting | | | | | Substance Abuse and Child Protection) |
| Malmesbury Emerging Small Farmers | 12 October 2023 | 2 | 3 | 10 | Meeting in person which highlights dates and times for relocation |
| Darling GBVF Stakeholders | 08 November 2023 | 0 | 1 | 12 | Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection) |
| SSDF Meeting | 07 December 2023 | 1 | 1 | 8 | Facilitate, monitor and review programmes according to the following focus areas namely: Child protection/ECD; Substance Abuse/ LDAC; Victim Empowerment/ GBVF and Trauma Rooms and School Drop Outs |
| Swartland LDAC Executive meeting | 19 January 2024 | 0 | 4 | 3 | Facilitate, monitor and review programmes according to the following focus areas namely: LDAC/GBVF |
| Swartland SMME Interim Forum meeting | 26 January 2024 | 0 | 2 | 2 | Facilitate, monitor and review programmes according to the following focus areas namely: SMME Developmetn |
| Swartland LDAC monthly meeting | 31 January 2024 | 2 | 6 | 14 | Facilitate, monitor and review programmes according to the following focus areas namely: LDAC/GBVF |
| Swartland ECD Management Meeting | 30 January 2024 | 0 | 1 | 7 | Partnerships relationships with potential ECD facilities Implementation services from West Coast College Roll out of the Level training programmes |
| Swartland LDAC monthly meeting | 28 February 2024 | 2 | 6 | 12 | Facilitate, monitor and review programmes according to the following focus areas namely: LDAC/GBVF |
| Swartland Educational and Development Forum (ECD) engagement | 16 March 2024 | 0 | 1 | 73 | Partnerships relationships with potential ECD facilities Implementation services from West Coast College Roll out of the Level training programmes |
| Darling GBVF Stakeholders Meeting | 20 March 2024 | 0 | 1 | 10 | Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection) |
| Small farmers meeting | 25 March 2024 | 0 | 3 | 5 | Meeting in person which highlights dates and times for relocation |
| Swartland Social Development Forum Meeting | 26 March 2024 | 3 | 4 | 11 | Facilitate, monitor and review programmes according to the following focus areas namely: Child protection/ECD; Substance Abuse/ LDAC; Victim Empowerment/ GBVF and Trauma Rooms and School Drop Outs |
| Swartland LDAC Moorreesburg Substance Abuse Initiatives | 09 April 2024 | 0 | 4 | 10 | Facilitate, monitor and review programmes according to the following focus areas namely: LDAC/GBVF |
| Discipline starts at home session with learners Moorreesburg High School | 09 April 2024 | 0 | 3 | 55 | Capacitate learners & parents with the 7 building blocks of the Discipline starts at home programme |
| Youth Dialogue Discussion with Youth Volunteers | 02 May 2024 | 0 | 5 | 5 | Capacitate youth with the Forward thinking 2040 IDP goals |

| | | | | | |
|---|--------------|---|---|----|--|
| Moorreesburg Substance Abuse initiative @ New Moorreesburg High | 07 May 2024 | 0 | 3 | 45 | Capacitate learners and parents with awareness on substance abuse, GBVF and Discipline starts at home |
| Darling Stakeholders Meeting | 12 June 2024 | 0 | 1 | 12 | Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection) |
| SSDF Executive Meeting | 11 June 2024 | 0 | 2 | 6 | Implementation of new programmes Review and monitoring of programmes (Successes |
| SSDF Meeting | 19 June 2024 | 1 | 9 | 19 | Facilitate, monitor and review programmes according to the following focus areas namely: Child protection/ECD; Substance Abuse/ LDAC; Victim Empowerment/ GBVF and Trauma Rooms and School Drop Outs |
| GBVF 100 Day Challenge Engagement | 17 July 2024 | 0 | 2 | 23 | Services rendered towards children and families (Health, GBVF, Substance Abuse and Child Protection) |
| Swartland Educational and Development Forum | 20 July 2024 | 0 | 1 | 74 | Partnerships relationships with potential ECD facilities Implementation services from West Coast College Roll out of the Level training programmes |
| LDAC monthly meeting was held at Wesbank Community Hall. | 31 July 2024 | 1 | 5 | 15 | Facilitate, monitor and review programmes according to the following focus areas namely: LDAC/GBVF |

(b) Ward committees

Section 152(1)(e) of the Constitution of the Republic of South Africa, read with sections 72 to 78 of the Structures Act, gives a direct mandate to municipalities to encourage the involvement of communities and community organisations in matters of local government and to establish community participatory systems.

Sections 8(g and h), 9(f) and 72 of the Structures Act, authorise municipalities to establish ward participatory systems as mechanisms to enhance participatory democracy in local government.

A ward committee is an advisory body of the community. A ward committee serves as the official public participatory structure of the Municipality and must as such –

- (a) assist the ward councillor in identifying challenges and needs of residents;
- (b) disseminate information in the ward concerning municipal affairs such as the budget, the integrated development plan (IDP) and service delivery options;
- (c) obtain inputs from residents regarding municipal affairs such as the budget, the integrated development planning and service delivery options;
- (d) receive queries and complaints from residents concerning municipal service delivery; and
- (e) interact with other forums and organisations on matters affecting the ward.

It was important to establish a ward committee for each of the twelve wards as soon as possible after the November 2021 elections. Thereafter much time was spent on induction, specifically on the Rules and Procedures for ward committees, the IDP and budget process. Ward committee members had the opportunity to participate in the development of Area Plans for each ward, containing, amongst others, the five most important service delivery priorities for each ward.

2.4.2 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 |

2.5 CORPORATE GOVERNANCE

2.5.1 OVERVIEW

The King-report listed discipline, transparency, independence, accountability, responsibility, fairness and social responsibility as primary characteristics of good governance. These traits have to be evident in municipal operations from the municipal council at the top to departmental staff at the bottom.

Corporate governance is the system by which municipalities/companies are directed and controlled and is essentially for effective leadership. Leaders need to define strategy, provide direction and establish the ethics and values that will influence and guide practices and behaviour with regard to sustainability performance. The framework of rules and practices ensures accountability, fairness, and transparency in a municipality's relationship with its stakeholders (financiers, customers, suppliers, management, employees, government, and the community).

2.5.2 INTERNAL AUDIT

An Internal Audit Activity (IAA) exists within Swartland Municipality which reports administratively to the Municipal Manager and functionally to the Performance, Risk and Audit Committee (PRAC). The purpose of Internal Audit is to provide an independent, objective assurance and consulting services designed to add value and improve the municipality's operations. The IAA helps Swartland Municipality accomplish its objectives by bringing a systematic, risk-based, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. Furthermore, the IAA reports on matters relating to:

- Safeguarding of assets
- Internal Control
- Compliance with laws, regulations, policies, accounting practices and contractual obligations
- Reliability and integrity of information
- Risk and risk management
- Performance Management.

The Chief Audit Executive follows a risk based audit approach whereby an annual audit plan is compiled and approved by the PRAC. Included in the plan are special tasks or projects requested by Management and the PRAC. Reporting is done on a monthly basis to the Municipal Manager regarding the activities of the unit such as audits and investigations performed, audit findings not yet implemented and any other concerns. Quarterly PRAC meetings are held where risk management, performance management, audit reports issued and performance against the audit plan are discussed.

2.5.3 RISK MANAGEMENT

Risk Management is one of management's core responsibilities according to section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of a municipality. It is a systematic and formalised process to identify, assess, manage, monitor, report and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of the Swartland Municipality. When properly executed risk management provides reasonable assurance that the institution will be successful in achieving its goals and objectives.

Risk Assessments are conducted bi-annually by Internal Audit, as part of their consulting service to Management, through facilitating the process of identifying and assessing risk per Directorate to determine the magnitude of risk exposure by assessing the likelihood of the risk materialising and the impact that it would have on the achievement of objectives. The identified risks are prioritised which enables Management to focus more time, effort and resources on higher risk areas. Management informs Internal Audit immediately when business processes change and/or when the severity of a risk area change due the increase or decrease in the likelihood rating for them to update the risk registers accordingly.

To mitigate the risks it is confronted with, Management implements control activities by establishing policies and appropriate procedures such as approvals, authorisations, segregation of duties, reconciliations and physical safeguards.

In addition, Internal Audit reports quarterly to the PRAC on work performed and other operating measures that are of interest to the Committee.

The following strategic risks of the municipality have been identified by Management:

- In-migration, population growth and land invasion
- Community safety and compliance with laws and regulations
- Potential developers not investing in Swartland
- Inadequate IT management and IT systems, business continuity and disaster recovery processes
- Insufficient revenue from tax base and trading services to meet all other service demands
- Insufficient access to water resources
- Unsafe and unhealthy working conditions and environment
- Imbalance between the three pillars of sustainable development i.e. environment, economy and people
- Ineffective governance
- Ageing and non-expansion key of infrastructure.
- Failed state (External Risk)
- Global warming (External Risk)

2.5.4 ANTI-CORRUPTION AND FRAUD

Swartland Municipality subscribes to the principles of good corporate governance, which requires the conducting of business in an honest and transparent fashion. Consequently Swartland Municipality is committed to fight fraudulent behaviour at all levels within the organisation.

The Strategy is premised on the organisations core ethical values driving the business of Swartland, the development of its systems, policies and procedures, interactions with ratepayers, the public and other stakeholders, and even decision-making by individual managers representing the organisation. This means that in practice all departments and business units of Swartland and even external stakeholders must be guided by the Strategy as the point of reference for their conduct in relation to Swartland.

The policy of Swartland is zero tolerance to fraud and corruption. In addition, all fraud and corruption will be investigated and followed up by the application of all remedies available within the full extent of the law and the implementation of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in the systems, policies and procedures of Swartland.

It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their immediate manager. All managers are responsible for the detection, prevention and investigation of fraud and corruption and must report all incidents and allegations of fraud and corruption to the Municipal Manager. The Municipal Manager will initiate an investigation into the matter. Should employees or any member of the public wish to report allegations of fraud and corruption anonymously, they can contact the Municipal Manager and/or the Internal Audit Unit directly or the Public Service Corruption Hotline on 0800 701 701.

Any fraud or corruption committed by an employee or any other person will be pursued by thorough investigation and to the full extent of the law, including (where appropriate) consideration of:

- In case of employees, taking disciplinary action within a reasonable period of time after the incident;
- Instituting civil action to recover losses;
- Initiating criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency; and
- Any other appropriate and legal remedy available.

Managers are required to ensure that losses or damages suffered by Swartland as a result of all reported acts committed or omitted by an employee, ratepayer or any other person are recovered from such an employee, ratepayer or other person if he or she is found to be liable for such losses.

Policies, processes and systems are implemented by which the Municipality is directed, controlled and held to account with the trend towards greater corporate responsibility and the conduct of business within acceptable ethical standards. Transparency, accountability and openness are embedded in reporting and disclosure of information, both operational and financial to all stakeholders. Councillors' and Employees' work are governed by the municipality's rules, regulations and procedures and the Codes of Conduct for employees and Councillors to which they are expected to abide by, which includes guidelines on gifts, professional and personal behaviour and conflicts of interest. Segregation of duties exists within the procurement function and politicians are excluded from procurement and tender processes.

2.5.5 PERFORMANCE, RISK AND AUDIT COMMITTEE

A combined Performance, Risk and Audit Committee (PRAC) has been established and is functional. The overall responsibility of the committee is to assist Council members of Swartland Municipality in discharging their responsibilities relating to the safeguarding of assets, the operation of adequate and effective systems and control processes, the preparation of fairly presented financial statements in compliance with all applicable legal and regulatory requirements and accounting standards, and the oversight of the external and internal audit functions, as well as Performance- and Risk Management. The PRAC is an advisory committee and not an executive committee and as such it must not perform any managerial functions or assume any management responsibilities. The PRAC operates in accordance with their Charter which is approved by Council and is an independent function that excludes politicians and excludes officials as voting members.

2.5.6 SUPPLY CHAIN MANAGEMENT

The Supply Chain Policy of Swartland Municipality complies with the prescribed framework as set out in section 110-119 of the Municipal Finance Management Act, 2003. No shortfalls were identified regarding long term contracts.

2.5.7 BY-LAWS

(a) *By-laws Introduced during financial year*

| Name | Newly Developed | Revised | Public Participation Conducted Prior to Adoption of By-law? | Public Participation Date | By-law Gazetted? | Date Of Publication |
|---|-----------------|---------|---|---------------------------|------------------|---------------------|
| Swartland Municipality: Municipal Land Use Planning By-law | | Revised | Yes | 2024-02-06 | Yes | 2024-04-12 |
| Swartland Municipality: Credit Control and Debt Collection By-law | | Revised | Yes | 2024-03-28 | Yes | 2024-06-14 |

(b) *Comment on by-laws*

By-laws are passed by the Council to regulate the affairs and the services it provides within its area of jurisdiction. A municipality derives the powers to pass a by-law from the Constitution of the Republic of South Africa, which gives certain specified powers and competencies to local government as set out in Part B of Schedule 4 and Part B of Schedule 5 to the Constitution.

2.5.8 MUNICIPAL WEBSITE - CURRENT YEAR

| Documents published on the Municipality's / Entity's Website | Yes / No | Publishing Date |
|---|----------|-------------------------------------|
| Current annual and adjustments budgets and all budget-related documents | Yes | 31 May 2024 |
| All current budget-related policies | Yes | 31 May 2024 |
| The previous year's annual report | Yes | 28 March 2024 |
| The annual report published/to be published | Yes | 28 March 2024 |
| All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards | Yes | 19 June 2024 |
| All service delivery agreements | Yes | Various dates during year |
| All long-term borrowing contracts | Yes | N/a |
| All supply chain management contracts above a prescribed value (R100 000) | Yes | Various dates during year |
| 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 fin year | N/a | N/a: Not prescribed by legislation |
| Contracts agreed in to which subsection (1) of section 33 apply, subject to subsection (3) of that section | N/a | N/a |
| Public-private partnership agreements referred to in section 120 | N/a | N/a |
| All quarterly reports tabled in the council in terms of section 52 (d) | Yes | 27/07/03;26/10/03;30/01/04;30/04/04 |

2.5.9 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No Client Satisfaction Survey was done since 2017.

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE

3.1 TOP LEVEL REPORTING

3.1.1 KPI'S AND TARGETS FROM THE IDP FOR 2023/2024

Because Chapter 3 of the Annual Report is divided according to service and not according to IDP goals, the following table is added. It is taken from the Municipality's Integrated Development Plan (IDP) that was approved by Council on 25 May 2023 and displays the top-level indicators and targets according to the five strategic goals in Chapter 4 of the IDP. It also displays the general key performance indicators as prescribed in the Municipal Planning and Performance Management Regulations, 2001. The last column of the table refers to the sections in this chapter where the indicators are found under the relevant service.

(a) Strategic Goal 1: Community Safety and Wellbeing

| <i>Strategic Initiative</i> | <i>Key Performance Indicator</i> | <i>Target</i> | <i>Actual</i> | <i>Notes</i> | <i>Reference</i> |
|---|--|------------------------|--------------------------------|---|------------------|
| 1.1 SMME development | SMME Policy developed and approved by Council by June 2024 | 1 by June 2024 | 1 by 21 May 2024 | SMME Policy was adopted by Council on 21 May 2024 | 3.5.1(b) |
| 1.2 Social regeneration | Social Regeneration Strategy developed and approved by Council by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.5.1(b) |
| 1.3 Take action against Gender-Based Violence and Femicide (GBVF) | GBVF Strategy developed and approved by Council by June 2026 | 1 by June 2026 | N/a (2025/2026 financial year) | | 3.5.1(b) |
| 1.4 Youth Development | Youth Policy developed and approved by Council by June 2027 | 1 by June 2027 | N/a (2026/2027 financial year) | | 3.5.1(b) |
| 1.5 Improve the prosecution of law enforcement offenders | Establishment and financial viability of a municipal court investigated and reported to Council by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.7.1(c) |
| 1.6 Animal pound for the Swartland area | (1) Animal bylaw developed and approved by Council by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.7.1(c) |
| | (2) Available land identified and the possibility of a pound investigated by June 2026 | 100% by June 2026 | N/a (2025/2026 financial year) | | 3.7.1(c) |
| 1.7 Integrated operational emergency room | (1) Viability and feasibility study in collaboration with all role-players conducted by June 2026 | 100% by June 2026 | N/a (2025/2026 financial year) | | 3.7.1(c) |
| | (2) CCTV camera bylaw developed by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.7.1(c) |
| 1.8 Increase law enforcement presents in all towns | Establishment of law enforcement offices in all Swartland towns investigated and reported to Council | 100% by June 2028 year | N/a (2027/2028 financial year) | | 3.7.1(c) |

| Strategic Initiative | Key Performance Indicator | Target | Actual | Notes | Reference |
|--|---|-------------------|--------------------------------|--|------------------|
| | by June 2028 | | | | |
| 1.9 Document management | Document storage facility / space secured by June 2024 | 100% by June 2024 | 100% | Quotations were received on 6 November 2023 for document space, but due to lack of funding could not proceed | 3.7.1(c) |
| 1.10 Strategic establishment and placement | Study on the issue of structural fires and veld fires finalised and reported to Council by June 2024 | 1 by June 2024 | 1 on 12 June 2024 | | 3.7.2(c) |
| 1.11 Extension of Traffic and Law Enforcement Services | Establishment of a learner's licence centre for Riebeek Valley by June 2026 | 100% by June 2026 | N/a (2025/2026 financial year) | | 3.7.1(c) |
| 1.12 Sufficient office space for Protection Services | Do a feasibility study in respect of new offices for Protection Services in Malmesbury and report to Council by June 2027 | 1 by June 2027 | N/a (2026/2027 financial year) | | 3.9.7(a) |

(b) Strategic Goal 2: Economic Transformation

| Strategic Initiative | Key Performance Indicator | Target | Actual | Notes | Reference |
|--|---|-------------------|--------------------------------|--|------------------|
| 2.1 Skills development | Investigate the establishment of a skills development centre by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.4.2(d) |
| 2.2 Global networks and an active participant in global knowledge exchange | Investigate global partnerships and submit a proposal to the Mayoral Committee by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.4.2(d) |
| 2.3 Investment Promotion / Marketing | (1) Collaborate with other levels of government and other organisations to promote Swartland as a preferred destination for business and investment and report bi-annually to the management team | 2 for the year | 2 | Report provided to the management team 26 April and 26 June 2024 | 3.4.2(d) |
| | (2) Improve investment by creating an online platform by June 2026 to share information with investors | 100% by June 2026 | N/a (2025/2026 financial year) | | 3.4.2(d) |

| Strategic Initiative | Key Performance Indicator | Target | Actual | Notes | Reference |
|--|---|-------------------|--------------------------------|--------------|------------------|
| 2.4 Assist and support SMME | (1) Ensure the development of an SMME Policy and submit to Council by June 2024 | 1 by June 2024 | 1 by 21 May 2024 | | 3.4.2(d) |
| | (2) Ensure the organisation of an annual SMME summit or indaba | 1 annually | 1 on 17 May 2024 | | 3.4.2(d) |
| | (3) Ensure the investigation of SMME hubs in the Swartland area and submit report to Mayoral committee by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.4.2(d) |
| 2.5 Improving the ease of doing business | Create a one stop shop for all business enquiries by June 2025 | 100% by June 2025 | N/a (2024/2025 financial year) | | 3.4.2(d) |

(c) Strategic Goal 3: Quality and Reliable Services

| Strategic Initiative | Key Performance Indicator | Target | Actual | Notes | Reference |
|---|---|--------------------|--------------------------------|--------------|------------------|
| 3.1 Water resource augmentation | (1) Berg River Voëlvele Augmentation Scheme (BRVAS) - conclusion of section 33 process by July 2023 | 1 by July 2023 | 1 by 27 July 2023 | | 3.2.1(f) |
| | (2) Submit report to Council by November 2023 to consider a water supply agreement with the DWS to partake in the BRVAS | 1 by November 2023 | 1 by 27 July 2023 | | 3.2.1(f) |
| 3.2 Bulk water supply system that is fit for future | (1) Develop a 15 year priority project list by December 2025 | 1 by December 2025 | N/a (2025/2026 financial year) | | 3.2.1(f) |
| | (2) Submit report to Council by March 2025 to consider direct purchase of water for Chatsworth from City of Cape Town. | 1 by March 2025 | N/a (2024/2025 financial year) | | 3.2.1(f) |
| 3.3 Extension of the Highlands landfill site | (1) Development of cell 2 by March 2027 | 1 by March 2027 | N/a (2026/2027 financial year) | | 3.2.4(d) |
| | (2) Identify measures and report to Council on organic waste diversion by June 2027 | 1 by June 2027 | N/a (2026/2027 financial year) | | 3.2.4(d) |
| 3.4 Ensure sufficient infrastructure that is fit for future | Master plans reviewed and updated if required annually by June | 1 annually by June | 1 by 28 March 2024 | | 3.2.1(f) |

| Strategic Initiative | Key Performance Indicator | Target | Actual | Notes | Reference |
|--|--|------------------------|--------------------------------|--|------------------|
| 3.5 Maintenance and upgrading that sustain and improve the current condition of surfaced roads | Investigate and report to the Portfolio Committee annually by June on the status quo condition of surfaced roads | 1 annually by June | 0 | Report could not be compiled due to late completion of roads capital projects. Roads projects only completed in June and information required for report is only available upon final completion. Corrective Measure: Report to be submitted to the following Portfolio Committee. | 3.3.1(g) |
| 3.6 Wheeling framework development | (1) Develop a draft Wheeling Framework by June 2024 | 1 by June 2024 | 1 by August 2023 | | 3.2.3(d) |
| | (2) Submit Wheeling Framework to Council for approval by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.2.3(d) |
| 3.7 Ensure bulk infrastructure capacity that is adequate for future developments | Master plans reviewed and updated if required annually by June | 1 annually by June | 1 by March 2024 | | 3.2.3(d) |
| 3.8 Optimally maintain electrical network infrastructure | Submit motivated budget to the Budget Office annually by November (minimum 6% of annual electricity revenue allocation is a Nersa license condition) | 1 annually by November | 1 by 31 October 2023 | | 3.2.3(d) |
| 3.9 Submit application to Nersa for approval annually by June | Submit application to Nersa for approval annually by June | 1 annually by June | 1 by 2 March 2024 | | 3.2.3(d) |
| 3.10 Facilitate grid access for renewable energy generation | Develop a bylaw for small-scale embedded generation (SSEG) by June 2024 | 1 by June 2024 | 1 | Instead of developing a new By-Law the Electricity By-Law was amended to include wheeling and SSEG. Provincial Gazette published on 11 August 2023 | 3.2.3(d) |

General KPI's linked to Strategic Goal 3

| Regulation | Key Performance Indicator | Target | Actual | Notes | Reference |
|--|--|---------------|---------------|--|------------------|
| Reg 10(a): The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal | Supplying of piped water service points to residential account holders which are connected to the municipal water infrastructure network as at 30 June | 21 942 | 22 060 | | 3.2.1(f) |
| Reg 10(a): The percentage of households with access to basic level of water, sanitation, electricity and | Supplying of sanitation services to municipal residential account holders as at 30 June | 22 124 | 21 850 | The data sets were re-evaluated in accordance with the revised KPI criteria for the purpose of future reporting. | 3.2.2(d) |

| Regulation | Key Performance Indicator | Target | Actual | Notes | Reference |
|--|--|---------------|---------------|--|------------------|
| solid waste removal | | | | <u>Corrective measure:</u> Baseline will be amended with the next mid-year review. | |
| Reg 10(a): The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal | Number of residential account holders receiving refuse removal services as at 30 June | 22 265 | 21 631 | The data sets were re-evaluated in accordance with the revised KPI criteria for the purpose of future reporting. <u>Corrective measure:</u> Baseline will be amended with the next mid-year review. | 3.2.4(d) |
| Reg 10(a): The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal | Supplying of electricity services to residential account holders for electrical metering | 16 326 | 17 325 | The data sets were re-evaluated in accordance with the revised KPI criteria for the purpose of future reporting. <u>Corrective measure:</u> Baseline will be amended with the next mid-year review. | 3.2.3(d) |

(d) Strategic Goal 4: A Healthy and Sustainable Environment

| Strategic Initiative | Key Performance Indicator | Target | Actual | Notes | Reference |
|--|--|-------------------|--------------------------------|--------------|------------------|
| 4.1 Maintain a balance between non-paying and paying households through the increased provision of affordable housing, Finance Linked Individual Subsidy Programme (FLISP) housing, Gap housing and social housing in the Swartland Area | (1) Investigate and report to council the advantages of Municipal housing accreditation by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.2.5(c) |
| | (2) Develop a housing pipeline annually by May | 1 annually by May | 1 by 9 November 2023 | | 3.2.5(c) |
| | (3) Obtain land use rights and secure funding for mixed housing developments annually | 100% annually | 100% by 6 June 2024 | | 3.2.5(c) |
| | (4) Appoint credible social housing institution to build and manage social housing by June 2025 | 100% by June 2025 | N/a (2024/2025 financial year) | | 3.2.5(c) |
| 4.2 Alignment of capital expenditure framework between spatial planning, engineering and financial services | Develop a capital expenditure framework in collaboration with DEADP and the Development Bank of SA and submit a report to Council by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.4.1(c) |
| 4.3 Climate change study | Do a study of climate change mitigation and adaptation and report to council by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.4.1(c) |

(e) Strategic Goal 5: A Connected and Innovative Local Government

| Strategic Initiative | Key Performance Indicator | Targets | Actual | Notes | Reference |
|---|---|----------------|--------------------------------|--------------|------------------|
| 5.1 Innovative local government | Ensure the development of an innovation policy and submit to the Mayoral Committee by June 2026 | 1 by June 2026 | N/a (2025/2026 financial year) | | 3.9.6(a) |
| 5.2 Inter-connected towns and Municipal buildings | Ensure the development of an ICT masterplan for connectivity and submit to the Mayoral Committee by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.10.6(b) |
| 5.3 "Smart City" concept | Ensure the development of a proposal for implementing the "Smart City" concept in the Swartland and submit to the Mayoral Committee by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.10.6(b) |
| 5.4 Increased use of digital technology | Ensure the development of a proposal for the increased use of digital technology to support business and the economy and submit to the Mayoral Committee by June 2026 | 1 by June 2026 | N/a (2025/2026 financial year) | | 3.9.6(a) |
| 5.5 Improved corporate image and communication | (1) Develop a proposal for innovative ways to use existing and new platforms to engage with residents and businesses and submit to the Mayoral Committee by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.9.2(a) |
| | (2) Investigate and submit a report to the Mayoral Committee by June 2026 on a digital people-centred application | 1 by June 2026 | N/a (2025/2026 financial year) | | 3.9.2(a) |
| | (3) Investigate the feasibility of a 24/7 customer care centre and submit a report to the Mayoral Committee by June 2025 | 1 by June 2025 | N/a (2024/2025 financial year) | | 3.9.2(a) |
| | (4) Finalise and establish a corporate identity manual and submit to Mayoral Committee by June 2024 | 1 by June 2024 | 1 by May 2024 | | 3.9.2(a) |

General KPI's linked to Strategic Goal 5

| Regulation | Key Performance Indicator | Target | Actual | Notes | Reference |
|---|--|------------------------------|---------------|--|------------------|
| Reg 10(b): The percentage of households earning less than R1100 per month with access to free basic services | Manage the provision of free basic service subsidies in line with council's policy annually | 100% at 30 June | 100% | 9010 Indigent households by end of June 2024 | 3.9.5(a) |
| Reg 10(c): Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan | Spend 95% of capital budget by the end of June | 95% by end of June | 95.75% | | 3.9.6(a) |
| Reg 10(d): The number of jobs created through municipality's LED initiatives including capital projects | Create 150 jobs through Municipality's capital projects (contracts > R200 000) by 30 June | 150 jobs by 30 June | 186 | | 3.4.2(d) |
| Reg 10(e): The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan | % of appointments made in the 3 highest levels of management which comply with the Employment Equity Plan, measured by the number of appointments in the 3 highest levels of management, which comply with Employment Equity targets/Total appointments made in 3 highest levels of management x 100 | 100% annually by end of June | 100% | | 3.9.2(a) |
| Reg 10(f): The percentage of a municipality's budget actually spent on implementing its workplace skills plan | Spent 90% of the Municipality's training budget on implementing its Workplace Skills Plan by end of June | 90% by end of June | 100% | | 3.9.2(a) |
| Reg 10(g): Financial viability as expressed by the following ratios: | Measure the % of debt coverage ratio for the current financial year | 45% | 8.93% | Result is well below the norm | 3.9.5(a) |
| | Measure the % of the outstanding service debtors | 20% | 7.85% | The result is well below the norm of 20% | 3.9.5(a) |
| | Measure financial viability in terms of cost coverage ratio for the current financial year | 3 months | 9 months | The 2022-23 ratio is well above the norm of 3 months | 3.9.5(a) |

3.1.2 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

In terms of Section 13G of the Broad-Based Black Economic Empowerment Act 53 of 2003 as amended by Act 46 of 2013 ("the B-BBEE Act"), read with regulation 12 of the B-BBEE Regulations, all spheres of government, public entities and organs of state must report on their compliance with broad-based black economic empowerment in their audited annual financial statements and annual reports.

A compliance report required to be included annually in terms of section 13G(1) of the Act from a sphere of government, public entity or an organ of state must reflect the state of compliance in respect of (i) ownership where applicable; (ii) management control; (iii) skills development; (iv) enterprise and supplier development; (v) socio-economic development; and (vi) any other sector specific element. The following tables contain the required information applicable to Swartland Municipality:

(a) Management Control

| Categories | Number for each category | Race classification (indicate number i.t.o. Africans, Coloureds & Indians) | Gender (indicate number in terms of Female & Male) | Age (provide number in chronological order) | Location (indicate number in each Province) | Disability (indicate number in terms of Female & Male) |
|-------------------------------|---------------------------------|---|---|--|--|---|
| Municipal Manager & Directors | 3 | A=0, C=3, I=0 | CF=1, CM=2 | 58, 59, 64 | Western Cape | 0 |
| Senior Management | 5 | A=0, C=5, I=0 | CF=3, CM=2 | 36, 40, 40, 51, 55 | Western Cape | 1 |

(b) Skills Development

| Total Leviabe Amount: | | | | | | | |
|------------------------------|---------------------------------|--|---|--|--|---|---|
| Categories | Number for each category | Race classification (indicate number in terms of Africans, Coloureds & Indians) | Gender (indicate number in terms of Female & Male) | Age (provide number in chronological order) | Location (indicate number in each Province) | Disability (indicate number in terms of Female & Male) | Total Amount Spent |
| Black employees | 103 | A=16 C=87 | AF=0, AM=16 CF=19, CM=68 | <35=27 35-55=72 >55=4 | Western Cape | F=4, M=13 | R1 950 043 |
| Black non-employees | 0 | | | | | | |
| Black People on - | | | | | | | |
| Internships | 11 | A=3 C=8 | AF=1, M=2 CF=5, M=3 | <35=11 35-55=0 | Western Cape | 0 | Own funding, not included in the figure above |
| Apprenticeship | 2 | C=2 | AF=0, AM=0 CF=0, CM=2 | 35-55=2 | Western Cape | 0 | Included in the figure above |
| Bursaries | 17 | A=2 C=15 | AF=0, AM=2 CF=9, CM=6 | <35=5 35-55=11 | Western Cape | F=1, M=1 | DG grant of R225 000,00 received for |

| | | | | | | | |
|--|----|-------------|------------------------------|-----------------------------|--------------|----------|---|
| | | | | >55=1 | | | 5 officials not included in the figure above |
| Learnership | 64 | A=9 C=55 | AF=0, AM=9 CF=8, CM=47 | <35=16 35-55=46 >55=2 | Western Cape | F=2, M=9 | |
| Adult Education and Training (AET) | 20 | A=5 C=15 | AF=0, M=5 CF=2, M=13 | <35=6 35-55=13 >55=1 | Western Cape | F=1, M=3 | Included in the figure above |
| Unemployed black people on any programme under the learning programme matrix | 45 | A=4 C=41 | AF=2, M=2 CF=26, CM=15 | <35=45 | Western Cape | 0 | DG grant of R 1 477 770,00 received, not included in the figure above |
| Black people absorbed at end of learnership, internship and apprenticeship | 1 | C=1 | AF=0, AM=0 CF=1, CM=0 | <35=1 | Western Cape | 0 | |

(c) Enterprise and Supplier Development

| Total Procurement Spent: | | | | |
|---------------------------------|---------------------|--------------------------|--------------------------|--------------------------------|
| Supplier | Total Number | Total Value Spend | | |
| TOTAL | | | % Black Ownership | % Black women ownership |
| EME | | | | |
| QSE | | | | |
| Large Suppliers | | | | |

| Total Value of 2% NPAT or 0.2% of allocated Budget: | | | | | | |
|--|---------------------|--------------------------|--------------------------|--------------------------------|-----------------|---------------|
| Supplier | Total Number | Total Value Spend | % Black Ownership | % Black women ownership | Location | Sector |
| EMEs | | | | | | |
| QSEs | | | | | | |

| Total Value of 1% NPAT or 0.1% of allocated Budget: | | | | | | |
|--|---------------------|--------------------------|--------------------------|--------------------------------|-----------------|---------------|
| Supplier | Total Number | Total Value Spend | % Black Ownership | % Black women ownership | Location | Sector |
| EMEs | | | | | | |
| QSEs | | | | | | |

(d) Socio-Economic Development

| Total Value of 1% NPAT or 0.1% of allocated Budget: | | | |
|--|--|---|---|
| Number of participants | Race classification (indicate number in terms of Africans, Coloureds & Indians) | Gender (indicate number in terms of Female & Male) | Geographical indication (indicate nr in each Province) |
| 0 | | | |
| Total Value Spend: R0 | | | |

3.2 BASIC SERVICES

3.2.1 WATER SERVICES

(a) Introduction

Swartland Municipality is the Water Services Authority for its service area. Water is abstracted from two bulk sources, i.e. Voëlvlei Dam and the Misverstand Dam. The West Coast District Municipality provides bulk water as well as water purification and treatment services to Swartland Municipality through the Withoogte and Swartland bulk supply schemes. The West Coast DM was also appointed by Swartland Municipality as a Water Services Provider in terms of the Water Services Act following a section 78 investigation which was concluded in 2018/2019.

All residents in urban areas in the service area of Swartland Municipality have access to water services and free basic water is provided to indigent households.

Ageing infrastructure remains one of the key focus areas for the Municipality and therefore a pipe replacement programme was developed and is in the process of implementation.

It is estimated that Swartland Municipality would require access to an increased allocation from the Western Cape Water Supply System by around 2032. The Municipality has therefore expressed interest to partake in the so-called BRVAS scheme. The scheme will augment yield of Voelvlei dam by about 23 million cubic meters per annum and will be implemented by the Department of Water Affairs. The initial allocation for Swartland Municipality was 0.66 million cubic meters per annum. The Municipality has consequently applied for a revision of the allocation given its limited access to alternative resources. The Department of Water Affairs favourably considered the application and the final allocation from the BRVAS for Swartland Municipality is 1.66 million cubic meters per annum. Council has resolved upon following a Section 33 process to enter into a Water Supply Agreement with the Department of Water Affairs for an allocation from the BRVAS.

(b) Total Use of Water by Sector (cubic meters)

| Agriculture | Forestry | Industrial | Domestic | Unaccountable Water Losses | Total |
|-------------|----------|------------|-----------|----------------------------|-----------|
| 99 144 | 0 | 1 114 070 | 3 139 157 | 961 874 | 5 314 245 |

(c) Comment on water use by sector

Swartland Municipality continues to implement its Water Conservation and Water Demand Management strategy through the continued implementation of, amongst others, pressure control in distribution networks, leak detection and repairs.

(d) Households - Water Service Delivery Levels - 2022 Census

Above minimum level

| Description | Non-Urban | Urban | Total |
|---|-----------|---------------|---------------|
| Piped (tap) water inside dwelling/institution | 0 | 40 624 | 40 624 |
| Piped (tap) water inside yard | 0 | 3 500 | 3 500 |
| Piped (tap) water on community stand: distance less than 200m from dwelling/institution | 0 | 246 | 246 |
| TOTAL | 0 | 44 370 | 44 370 |

Below minimum level

| Description | Non-Urban | Urban | Total |
|--|-----------|------------|------------|
| No access to piped (tap) water | 0 | 324 | 324 |
| Piped (tap) water more than 200m from dwelling | 0 | 162 | 162 |
| Unspecified - Not applicable | 0 | 0 | 0 |
| TOTAL | 0 | 486 | 486 |

(e) Households - Water Service Delivery Levels below the minimum service level - 2022 Census

| Service | Criteria | Formal Settlements: Households < minimum level | | Informal Settlements: Households < minimum level | |
|----------------|--------------------------------------|---|------------|---|------------|
| | | Number | Percentage | Number | Percentage |
| Water Services | Available within 200 m from dwelling | 486 | 1.10% | 0 | 0.00% |

(f) Water Service performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|--|----------------------|----------------------|---------------------|--------------------|--------------------------------|-------|--------------------|---------------------------|
| 1 General KPI's | | | | | | | | | | |
| Access to water, sanitation and refuse removal | D36 | Supplying of piped water service points to residential account holders which are connected to the municipal water infrastructure network as at 30 June | | | 0 | 21 942 | 22 060 | 5 | 21 942 | |
| 2 Indicators from IDP | | | | | | | | | | |
| 3.1 Water resource augmentation | D39 | Berg River Voëlvelei Augmentation Scheme (BRVAS) - conclusion of section 33 process by July 2023 | | | 0 | 1 by July 2023 | 1 by July 2023 | 5 | | Concluded on 27 July 2023 |
| 3.1 Water resource augmentation | D40 | Submit report to Council by November 2023 to consider a water supply agreement with the DWS to partake in the BRVAS | | | 0 | 1 by November 2023 | 1 by 27 July 2023 | 5 | | |
| 3.2 Bulk water supply system that is fit for future | D41 | Develop a 15 year priority project list by December 2025 | | | 0 | 1 by December 2025 | N/a (2025/2026 financial year) | 0 | | |
| 3.2 Bulk water supply system that is fit for future | D42 | Submit report to Council by March 2025 to consider direct purchase of water for Chatsworth from City of Cape Town | | | 0 | 1 by March 2025 | N/a (2024/2025 financial year) | 0 | 1 by March 2025 | |
| 3.4 Ensure sufficient infrastructure that is fit for future | D45 | Master plans reviewed and updated if required annually by June | | | 0 | 1 annually by June | 1 by 28 March 2024 | 5 | 1 annually by June | |
| 3 Indicators Directors | | | | | | | | | | |
| Improved water sustainability | D35 | Manage the % water losses within the National Treasury norm annually by end of June | | | 0 | 21% by end of June | 18.78% | 5 | 21% by end of June | |

(g) Employees: Water Services

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 12 | 15 | 15 | 0 | 0.00% |
| 04 - 06 | 12 | 11 | 12 | 1 | 8.33% |
| 07 - 09 | 5 | 6 | 6 | 0 | 0.00% |
| 10 - 12 | 6 | 6 | 6 | 0 | 0.00% |
| 13 - 15 | 1 | 2 | 2 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 36 | 40 | 41 | 1 | |

(h) Financial Performance: Water Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|---------------------|---------------------|--------------------|--------------------------|
| 1 Employees | R22 657 749 | R22 923 323 | R22 950 823 | R24 571 749 | 107.19% |
| 2 Contracted Services | R4 428 491 | R4 772 852 | R5 085 223 | R4 512 614 | 94.55% |
| 3 Other | R58 761 050 | R79 652 911 | R73 454 403 | R62 760 380 | 78.79% |
| TOTAL | R85 847 290 | R107 349 086 | R101 490 449 | R91 844 743 | |

(i) Capital Expenditure: Water Services

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|---|-----------------|-------------------|------------|--------------------------|
| 23/24 Generator for Wesbank Water Tower and Boosters | R0 | R1 286 760 | R1 286 760 | 0.00% |
| 23/24 Donated PPE: Water Infrastructure (De Werf) | R0 | R6 588 070 | R9 117 018 | 0.00% |
| 23/24 Connections: Water Meters (New/Replacements) (Materials and Supplies) | R10 000 | R787 216 | R455 138 | 4551.38% |
| 23/24 Generator Installation: Kalbaskraal Water Pumpstation | R0 | R1 468 956 | R1 468 956 | 0.00% |
| 23/24 Generator Installation: Wesbank Water Tower & Boosters | R0 | R1 085 749 | R1 085 749 | 0.00% |
| 23/24 Swartland System System S3.3 & S3.4 Panorama to Wesbank I1/4 - CRR | R1 000 000 | R0 | R0 | 0.00% |

| | | | | |
|--|-------------------|--------------------|--------------------|---------|
| 23/24 Water: Upgrading water reticulation network: PRV's, flow control, zone metering and water augm | R100 000 | R100 000 | R50 923 | 50.92% |
| 23/24 Generator Installation: Riverlands Water Pumpstation | R0 | R1 338 488 | R1 338 488 | 0.00% |
| 23/24 Darling SDW2.4 & SDW2.5, SDW1.2 & SDW2.1 water network upgrades (for housing project) | R700 000 | R700 000 | R699 988 | 100.00% |
| 23/24 Water networks: Upgrades and Replacement (CRR) | R2 000 000 | R0 | R0 | 0.00% |
| 23/24 Chatsworth/Riverlands upgrade bulk water supply | R500 000 | R500 000 | R499 156 | 99.83% |
| 23/24 Equipment : Water | R51 000 | R52 723 | R52 448 | 102.84% |
| 23/24 Bulk water infrastructure (emergency spending) | R2 000 000 | R2 500 000 | R2 452 081 | 122.60% |
| 23/24 Generator Installation: Rustfontein Water Pumpstation | R0 | R1 139 969 | R1 139 969 | 0.00% |
| 23/24 Connections: Water Meters (New/Replacements) (Acquisitions:Outsourced) | R787 216 | R10 000 | R0 | 0.00% |
| 23/24 Replace Existing Water pipe: Illinge Lethu | R0 | R300 000 | R300 000 | 0.00% |
| 23/24 Water: CK15380 Isuzu 250 Crew Cab | R915 600 | R730 957 | R730 957 | 79.83% |
| TOTAL | R8 063 816 | R18 588 888 | R20 677 630 | |

(j) Comment on water services performance overall

The IDP has five strategic goals and water provision are aligned to strategic goal three: Quality and Reliable Services.

Various actions have been developed to ensure that the strategic outcomes are achieved. These include the minimisation of distribution losses, the increase on maintenance spending and the implementation of water conservation and demand management measures.

A project to install back up power generation at critical water supply pump stations, waste water treatment works and critical sewer pump stations was implemented. The project is funded from a Provincial Government allocation to the amount of R10 945 000 and own funding to the amount of R3 700 000.

The Master Plan for bulk water services has identified a link between the Pella Reservoirs of the City of Cape Town and the Chatsworth Reservoirs as a solution to augment water supply to the area of Chatsworth. In this regard formal discussion on a technical level was initiated with the City and consultants were appointed for preliminary investigations.

3.2.2 SEWERAGE SERVICES

(a) Introduction

Swartland Municipality operates four activated sludge waste water treatment works and three oxidation pond systems. Sewer is conveyed to the treatment works and oxidation pond systems by either a water borne collector system or a vacuum tanker service.

All residents in urban areas in the service area of Swartland Municipality have access to sewerage services above minimum level. It must be noted that recipients of below minimum level sewerage services, do exist. However, these consumers reside outside urban areas on farms.

Wet industries are monitored continuously to ensure that industrial effluent charges can be raised according to the loading of the effluent.

The Municipality participated in the Green Drop audit of the Department of Water Affairs and achieved a score of 89% which is third in the Western Cape.

The Riebeeck Valley and Malmesbury works received awards for the best run works in the Western Cape from the Department of Water Affairs while an operator at the Malmesbury works received an award for the best process controller.

(b) Households - Sewerage services delivery levels - 2022 Census

Above minimum level

| Description | Non-Urban | Urban | Total |
|--|-----------|---------------|---------------|
| Other - Not applicable | 0 | 81 | 81 |
| Chemical toilet | 0 | 108 | 108 |
| Flush toilet (with septic tank) | 0 | 2 279 | 2 279 |
| Ecological toilet (e.g. urine diversion, enviroloo, etc) | 0 | 13 | 13 |
| Pit toilet with ventilation (VIP) | 0 | 73 | 73 |
| Flush toilet (connected to sewerage system) | 0 | 41 152 | 41 152 |
| TOTAL | 0 | 43 706 | 43 706 |

Below minimum level

| Description | Non-Urban | Urban | Total |
|--------------------------------|-----------|--------------|--------------|
| None | 0 | 148 | 148 |
| Pit toilet without ventilation | 0 | 57 | 57 |
| Bucket toilet | 0 | 944 | 944 |
| TOTAL | 0 | 1 149 | 1 149 |

(c) Households - Sewerage services delivery levels below the minimum - 2022 Census

| Service | Criteria | Formal Settlements: Households < minimum level | | Informal Settlements: Households < minimum level | |
|-------------------|--------------------------------------|---|------------|---|------------|
| | | Number | Percentage | Number | Percentage |
| Sewerage Services | Households with at least VIP service | 1 149 | 2.56% | 0 | 0.00% |

(d) Sewerage Services performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|---|-------------------------|----------------------------|---------------------------|--------|--------|-------|---------------------|---|
| 1 General KPI's | | | | | | | | | | |
| Access to water, sanitation and refuse removal | D37 | Supplying of sanitation services to municipal residential account holders as at 30 June | | | 0 | 22 124 | 21 850 | 5 | 22124 | The data sets were re-evaluated in accordance with the revised KPI criteria for the purpose of future reporting. Corrective measure: Baseline will be amended with the next mid year review |

(e) Employees: Sewerage Services

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies as Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 5 | 2 | 2 | 0 | 0.00% |
| 04 - 06 | 12 | 14 | 15 | 1 | 6.67% |
| 07 - 09 | 11 | 10 | 10 | 0 | 0.00% |
| 10 - 12 | 3 | 4 | 4 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 32 | 31 | 32 | 1 | |

(f) Financial Performance: Sewerage Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R12 736 349 | R13 155 089 | R13 171 589 | R13 734 674 | 104.41% |
| 2 Contracted Services | R5 729 402 | R7 365 683 | R8 453 254 | R7 328 628 | 99.50% |
| 3 Other | R37 226 449 | R42 070 298 | R41 991 277 | R44 044 681 | 104.69% |
| TOTAL | R55 692 200 | R62 591 070 | R63 616 120 | R65 107 983 | |

(g) Capital Expenditure: Sewerage Services

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-----------------|-------------------|------------|--------------------------|
| 23/24 Donated PPE: Sewerage Infrastructure (De Werf) | R0 | R605 040 | R578 318 | 0.00% |
| 23/24 Equipment : Sewerage | R32 000 | R32 000 | R31 916 | 99.74% |
| 23/24 Equipment : Sewerage Telemetry | R38 000 | R38 000 | R38 000 | 100.00% |
| 23/24 Generator Installation: Abbotsdale Sewer Pumpstation | R0 | R1 207 596 | R1 207 556 | 0.00% |
| 23/24 Generator Installation: Darling WWTW & Pumpstation | R0 | R2 204 138 | R2 204 138 | 0.00% |
| 23/24 Generator Installation: Moorreesburg WWTW | R0 | R61 621 | R61 621 | 0.00% |
| 23/24 Replace: Darling Drum Screens | R1 520 000 | R1 250 000 | R1 106 840 | 72.82% |

| | | | | |
|--|-------------------|--------------------|--------------------|---------|
| 23/24 Schoonspruit: Pipe Replacement | R1 500 000 | R3 900 000 | R3 895 678 | 259.71% |
| 23/24 Sewerage Works Chatsworth: Fencing | R1 100 000 | R1 316 000 | R1 212 326 | 110.21% |
| 23/24 Sewerage Works: Darling (CRR) | R102 000 | R161 684 | R140 926 | 138.16% |
| 23/24 Sewerage Works: Moorreesburg (CRR) | R1 008 681 | R1 402 118 | R1 402 118 | 139.01% |
| 23/24 Upgrading of bulk collectors: Darling | R300 000 | R300 000 | R300 000 | 100.00% |
| 23/24 Upgrading of bulk collectors: Moorreesburg | R200 000 | R200 000 | R200 000 | 100.00% |
| TOTAL | R5 800 681 | R12 678 197 | R12 379 438 | |

(h) Comment on sewerage services performance overall

The IDP has five strategic goals and the provision of sewerage services are aligned to strategic goal three: Quality and reliable services.

Various actions have been developed to ensure that the strategic outcomes are achieved. These include the increase on maintenance spending and the implementation of an asset management plan.

3.2.3 ELECTRICITY DISTRIBUTION

(a) Introduction

All formal and informal households within the licensed area of electricity supply of Swartland Municipality occupying a proclaimed plot has access to electricity and no service backlogs exist in this respect.

Top three service delivery priorities

(1) Upgrading of obsolete electrical networks

The annual projects for the renewal, upgrading and refurbishment of obsolete electrical networks and associated infrastructure remained in place and for the 2023/24 financial year and R6.6m was spent during the year towards the upkeep of the network. Major improvement of the electricity networks enhancing safety and reliability was effected including the upgrading of obsolete and operationally hazardous minisubstations and switchgear. Upgrading of obsolete low voltage networks in Malmesbury, Moorreesburg and Darling was undertaken. At this stage significant progress has been made with the departmental replacement of overhead low voltage networks in Moorreesburg and Darling with more than 90% of the networks having being converted to underground.

(2) Completion of capital projects

For the 2023/24 financial year the department spent more than 98% of the available capital budget. The phased construction of the De Hoop 132/11kV 20MVA substation has proceeded and phase 3, which entailed the foundations, steelwork, transformer plinths were constructed and major electrical equipment were procured for installation in 2024/25. The 132/11 kV transformers forms part of the longlead time material that was ordered for delivery in 2024/25. This substation will ultimately provide electricity capacity for the south western areas of Malmesbury to allow for the planned development of low cost residential settlements and major commercial developments to proceed.

(3) Compliance with service delivery performance indicators and targets

All performance targets regarding service delivery with respect to availability and reliability of electricity supply were complied with and in certain instances the required targets were exceeded. In terms of the NERSA license conditions Quality of Service specification, 30% of all power failure must be attended to within 1.5 hours. The municipality achieved a performance of more than 70% in this regard.

Improvement of performance and efficiencies

As a result of the allocation of experienced, technically skilled personnel and resources towards revenue protection which includes data analysis skills, engineering and technical expertise, law enforcement certification as well as negotiation and mediation capabilities, the total of technical and non-technical electrical energy losses was maintained at nominal levels below 6% for 2023/24. Considering all the challenges faced in this regard this is an exceptional performance when compared to the NERSA benchmark of 10%.

The municipality took over the maintenance and installation of additional streetlights in the Eskom areas of supply (Chatsworth, Riverlands, Kalbaskraal, Abbotsdale, Koringberg, Riebeek Wes and Riebeek Kasteel) from Eskom in November 2022. This has proved to be a challenging job due to the condition of the network and existing infrastructure that Eskom "handed over" to the municipality. Based on available resources and budget it will take quite a long time to normalise the network to acceptable levels. The team are however very committed to attend to requests within the means available. It can be reported that some areas that never had any streetlights are now also lit up at night but there are still vast areas that needs to be addressed over the next few years.

A Power Purchase Agreement (PPA) with Darling Green Utility was signed during November 2023 based on the tender that was awarded in the previous financial year. Once the construction of the 1 MVA Solar plant is completed the municipality will buy excess energy generated from the developer at a rate that is lower than the Eskom purchase price. This will over time assist in reducing the purchase cost of bulk electricity and have a positive impact on future tariff increases.

The total number of consumers with SSEG (Small Scale Embedded Generation) installations in the Swartland Municipal area has increase to 582 with an installed capacity of 7080 KVA. The high levels of Load shedding during the year and the added incentive of income tax reductions for the installation of solar panels have definately sparked interest in alternative solutions to curb the impact of load shedding.

The municipal Council took a decision to make two parcels of land available for long term lease to prospective Solar Plant developers and has started the process to obtain environmental approval and the necessary land use approval use for the specific pieces of land. Once these approvals have been obtained the process will be initiated to invite potential developers to lease the land and potentially provide renewable energy to the municipality.

The municipality continues to enjoy the approval that was previously given by Eskom to exclude the Voëlville dam water treatment plant from load shedding. A further submission has been made to Eskom for the 2024/25 financial year which should be evaluated during August 2024.

Major successes achieved and challenges

The decrease in annual total technical and non-technical energy losses since inception of the departmental revenue protection initiatives in 2010 from 9.7% to 5.28% in 2022/23 represents a major improvement in efficiency. For the 2023/24 financial year the energy losses has been maintained below the NERSA benchmark of 10% which is exceptional.

At least 98% expenditure of the capital budget was achieved despite the severe rain that we experienced during the latter part of the year.

The NERSA electricity distribution license requirement is that 30% of reported electricity disruptions shall be attended to within 1.5 hours. Swartland is maintining a level of above 70% for this particuar KPI.

The following capital projects were successfully implemented and commissioned:

- The next phase of the multiyear De Hoop substation project has kicked off and all major civil foundations, catchment pits and transformer plinths were completed while some of the steelworks were erected. The major equipment such as the transformers, VT's, CT's and breakers will be installed in the 2024/25 financial year.
- The finalisation of the electrification of houses in the informal area of Illinge Lethu Block A & B was accomplished and a further 30 stands were electrified in a earmarked area.
- The municipality managed to install a new generator at the municipal head office that is capable of supplying the full load requirement which enables municipal staff to be efficient during load shedding and providing a service to the community. In addition to this the installation of batteries and inverters at some of the service centres were also completed.

The municipality managed to start and complete an electricity cost of supply study, as one of the requirements of NERSA, to support our tariff increase application. The study also included a tariff restructuring proposal which will be shared during a public participation process during the 2024/25 financial year with the view of implementing the new tariffs in the 2025/26 financial year.

The Department of Mineral Resources and Energy issued regulations during the previous finacial year that required all municipal buildings larger than 1000m² to be registered on a national database by August 2024 and that the energy performance for the particular builing to be displayed at the entrance to the building by December 2025. The electricity department managed to register our buildings and do the necessary assessment and verification before the end of June and we are proud to say that we have acheived the December 2025 target in June 2024 in that the energy performance certificate (EPC) is already displayed at the entrance to the buildings that were assessed.

Service provision by municipal entities

None additional

(b) Households - Electricity Distribution Delivery Levels - 2022 Census

| Description | Non-Urban | Urban | Total |
|---|-----------|--------|--------|
| Electricity from mains | 0 | 43 806 | 43 806 |
| Other | 0 | 677 | 677 |
| Other source of electricity (e.g. generator etc.) | 0 | 68 | 68 |
| Solar | 0 | 305 | 305 |

(c) Households - Electricity Distribution Delivery Levels below the minimum - 2022 Census

| Service | Criteria | Formal Settlements: Households < minimum level | | Informal Settlements: Households < minimum level | |
|--------------------------|---------------------|---|------------|---|------------|
| | | Number | Percentage | Number | Percentage |
| Electricity Distribution | Service connections | 677 | 1.51% | 0 | 0.00% |

(d) Electricity Distribution performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|--|----------------------|----------------------|---------------------|------------------------------------|--------------------------|-------|------------------------------------|-------|
| 1 General KPI's | | | | | | | | | | |
| Reg 10 (a) : Improved access to electricity | D109 | Supplying of electricity services to residential account holders for electrical metering | | | 0 | 16 326 residential account holders | 17 325 | 5 | 16 326 residential account holders | |
| 2 Indicators from IDP | | | | | | | | | | |
| 3.6 Wheeling framework development | D110 | (1) Develop a draft Wheeling Framework by June 2024 | | | 0 | 1 by June 2024 | 1 by August 2023 | 5 | | |
| 3.6 Wheeling framework development | D111 | (2) Submit Wheeling Framework to Council for approval by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial | 0 | 1 by June 2025 | |

| | | | | | | | | | | |
|--|------|--|--|--|---|------------------------|----------------------|-----|------------------------|--|
| | | | | | | | year) | | | |
| 3.7 Ensure bulk infrastructure capacity that is adequate for future developments | D112 | Master plans reviewed and updated if required annually by June | | | 0 | 1 annually by June | 1 by March 2024 | 5 | 1 annually by June | |
| 3.8 Optimally maintain electrical network infrastructure | D113 | Submit motivated budget to the Budget Office annually by November (minimum 6% of annual electricity revenue allocation is a Nersa license condition) | | | 0 | 1 annually by November | 1 by 31 October 2023 | 4.9 | 1 annually by November | |
| 3.9 Ensure sustainable electricity tariffs | D114 | Submit application to Nersa for approval annually by June | | | 0 | 1 annually by June | 1 by 2 March 2024 | 5 | 1 annually by June | |
| 3.10 Facilitate grid access for renewable energy generation | D115 | Develop a bylaw for small-scale embedded generation (SSEG) by June 2024 | | | 0 | 1 by June 2024 | 1 | 5 | | Instead of developing a new By-Law the Electricity By-Law was amended to include wheeling and SSEG. Provincial Gazette published on 11 August 2023 |
| 3 Indicators Directors | | | | | | | | | | |
| Improved energy sustainability | D107 | Manage the % of electricity losses within the NERSA benchmark norm annually by end of June | | | 0 | 10% | 5.62% | 5 | 10% | |

(e) Employees: Electricity Distribution

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 19 | 19 | 19 | 0 | 0.00% |
| 07 - 09 | 6 | 6 | 6 | 0 | 0.00% |
| 10 - 12 | 10 | 10 | 10 | 0 | 0.00% |
| 13 - 15 | 4 | 4 | 4 | 0 | 0.00% |
| 16 - 18 | 2 | 2 | 2 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 41 | 41 | 41 | 0 | |

(f) Financial Performance: Electricity Distribution

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|---------------------|---------------------|---------------------|--------------------------|
| 1 Employees | R21 937 390 | R24 252 128 | R24 135 528 | R23 447 639 | 96.68% |
| 2 Contracted Services | R3 235 809 | R2 461 340 | R3 900 893 | R3 422 356 | 139.04% |
| 3 Other | R301 792 367 | R372 803 038 | R350 238 647 | R347 951 314 | 93.33% |
| TOTAL | 326 965 566 | R399 516 506 | R378 275 068 | R374 821 309 | |

(g) Capital Expenditure: Electricity Distribution

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-----------------|-------------------|-------------|--------------------------|
| 23/24 Connections: Electricity Meters (New/Replacements) (Acquisitions:Outsourced) | R20 000 | R | R | 0.00% |
| 23/24 Connections: Electricity Meters (New/Replacements) (Materials and Supplies) | R830 000 | R950 000 | R926 001 | 111.57% |
| 23/24 Darling 184 IRDP erven. Electrical bulk supply, infrastructure and connections | R200 000 | R200 000 | R200 000 | 100.00% |
| 23/24 Donated PPE: Electrical Infrastructure (De Werf) | R | R11 800 000 | R8 406 199 | 0.00% |
| 23/24 Elec: CK29443 Isuzu N Series & Crane | R1 581 300 | R1 996 092 | R1 994 950 | 126.16% |
| 23/24 Electrical Infrastructure (Donated) (non-cash) | R | R | R9 207 295 | 0.00% |
| 23/24 Emergency Power Supply | R150 000 | R619 000 | R445 888 | 297.26% |
| 23/24 Equipment: Electricity | R360 000 | R306 000 | R302 864 | 84.13% |
| 23/24 LV Upgrading: Swartland (Acquisitions:Outsourced) | R100 000 | R58 400 | R58 315 | 58.32% |
| 23/24 LV Upgrading: Swartland (Materials and Supplies) | R1 100 000 | R1 041 600 | R936 272 | 85.12% |
| 23/24 Malmesbury De Hoop 132/11kV Substation, transmission line & serv (Acquisitions:Outsourced) | R16 042 000 | R10 639 640 | R10 639 606 | 66.32% |
| 23/24 Malmesbury De Hoop 132/11kV Substation, transmission line & serv (Compensation of Employees) | R300 000 | R291 800 | R278 546 | 92.85% |
| 23/24 Malmesbury Illinge Lethu 220 erven. Electrical bulk supply, infrastructure and connections | R500 000 | R1 919 824 | R1 114 716 | 222.94% |
| 23/24 Malmesbury Security Operational Centre: Communication, Monitoring & Other infrastructure equip | R200 000 | R713 372 | R706 802 | 353.40% |
| 23/24 Malmesbury: Saamstaan/De Hoop area: Upgrading of bulk electricity supply: Phase 1 | R23 658 000 | R23 658 000 | R23 657 999 | 100.00% |
| 23/24 MV Upgrading: Swartland (Materials and Supplies) | R1 000 000 | R940 100 | R864 212 | 86.42% |
| 23/24 MV Upgrading: Swartland (Acquisitions:Outsourced) | R100 000 | R100 000 | R80 305 | 80.31% |
| 23/24 Outdoor Skid mounted Generator for Malmesbury Head Office building (Acquisitions:Outsourced) | R1 100 000 | R811 000 | R810 677 | 73.70% |
| 23/24 Outdoor Skid mounted Generator for Malmesbury Head Office building (Materials and Supplies) | R100 000 | R70 000 | R69 473 | 69.47% |
| 23/24 Protection and Scada Upgrading: Swartland | R350 000 | R420 000 | R393 685 | 112.48% |
| 23/24 Replace oil insulated switchgear and equipment (Acquisitions:Outsourced) | R4 500 000 | R4 949 442 | R4 389 928 | 97.55% |

| | | | | |
|---|--------------------|--------------------|--------------------|---------|
| 23/24 Replace oil insulated switchgear and equipment (Materials and Supplies) | R500 000 | R50 558 | R46 452 | 9.29% |
| 23/24 Replacement of obsolete air conditioners | R200 000 | R470 000 | R465 389 | 232.69% |
| 23/24 Streetlight, kiosk and polebox replacement: Swartland | R650 000 | R599 900 | R300 242 | 46.19% |
| 23/24 Substation Fencing: Swartland (Acquisitions:Outsourced) | R180 000 | R180 000 | R144 868 | 80.48% |
| 23/24 Substation Fencing: Swartland (Materials and Supplies) | R20 000 | R20 000 | R18 290 | 91.45% |
| TOTAL | R53 741 300 | R62 804 728 | R66 458 975 | |

(h) Comment on electricity distribution performance overall

PRIORITY OF 4 LARGEST CAPITAL PROJECTS

New 132/11kV De Hoop substation

The largest capital project with the highest priority is the establishment of the 132/11kV De Hoop substation to allow planned developments south west of Malmesbury to proceed. The project is undertaken by means of multiple phases and is incorporated into the municipal multiyear budget. Electricity capacity cannot be made available for any additional new developments in Malmesbury west of the N7 after completion of the 395 erf De Hoop Saamstaan housing project that was completed in 2022/23. Phase 1 of the De Hoop substation project was undertaken in 2021/22 and Phase 2 was done in 2022/23. Phase 3 of the project commenced in 2023/24 and will roll over into 2024/25.

Upgrading of electrical infrastructure

One of the largest in-house capital projects is the on-going annual replacement, upgrading and refurbishment of obsolete electrical network components and infrastructure. Sections of the electrical networks have exceeded their design lifespan of 40-50 years and in terms of NERSA license conditions all municipalities are required to allocate at least 6% of electricity revenue towards this end. The priority is to first replace network components such as obsolete switchgear where operator safety is at risk and subsequently medium voltage and low voltage networks.

The following large projects in this regard were completed in 2023/24:

- (1) Construction of the De Hoop 132/11 kV substation.
- (3) Replacement of obsolete miniature substations and switchgear in all the supply areas (Malmesbury, Moorresburg, Darling and Yzerfontein.)
- (4) The installation/replacement of oil filled Ring Main Units
- (5) Upgrading of the ICT Infrastructure to provide a back-up solution and a new Servers to the municipality which is essential for service delivery across all departments in the municipality.

(6) To ensure continued service delivery by other departments provision was made for back-up generator at the Malmesbury Head office and battery with an Inverter was installed at the Law Enforcement office.

VARIANCES BETWEEN BUDGET AND ACTUAL

The capital underspending is 4.25%.

PERFORMANCE RELATED TO ESKOM AGREEMENTS

Swartland Municipality is in the process of constructing the new De Hoop 132/11 kV substation which will be our first supply point at 132 kV from Eskom. As part of the project the municipality will also be constructing the 132 kV line and the Eskom 132 kV switching station. It is anticipated that the assets will be in full operation by June 2026.

The municipality also applied to Eskom for an increase in Notified Maximum Demand at Yzerfontein and at Darling as well as at Klipfontein in Malmesbury. Once the additional Capacity is made available it will allow growth and expansion in the towns of Yzerfontein where there is a lot of potential for additional housing and commercial developments. The increase in capacity at Darling will allow for additional municipal housing projects and commercial developments while the increased capacity at Klipfontein in Malmesbury will cater for the growth in the northern parts of Malmesbury where the new De Zwartland Markt shopping centre and the Crest Care hospital were constructed. The municipality has also had a number of engagements with developers regarding new housing developments in the Klipfontein area that will take up the available capacity.

Some of the "growth" that the municipality has seen on the maximum demand as recorded by Eskom can be ascribed to the impact that Load shedding has on the network. When the power is switched back after load shedding there is a high demand for electricity, especially around the peak times (18h00 and 20h30) in the evening. This causes the load to spike with a resultant impact on the purchase price for bulk electricity.

3.2.4 REFUSE REMOVAL

(a) Introduction

A weekly household refuse removal service is available for all urban households in the Swartland and a limited service is provided outside urban areas. Households outside urban areas have access to various landfill sites in the Swartland as well as several waste transfer stations and skip bins.

Illegal dumping remains a concern for Swartland Municipality. The clearing of illegal dumping consumes valuable resources. It's been noted that the volume of illegal dumping waste removed is substantial and originates from both business and household sources.

The recycling at the Highlands Landfill remains successful and a saving of 25% air space was achieved. The site is well managed and continues with its compliance track record of more the 99%.

(b) Households - Refuse Removal Delivery Levels - 2022 Census

Above minimum level

| Description | Non-Urban | Urban | Total |
|---|-----------|--------|--------|
| Removed by local authority/private company at least once a week | 0 | 39 195 | 39 195 |

Below minimum level

| Description | Non-Urban | Urban | Total |
|---|-----------|--------------|--------------|
| No rubbish disposal | 0 | 246 | 246 |
| Other | 0 | 333 | 333 |
| Communal container/central collection point | 0 | 1 382 | 1 382 |
| Own refuse dump | 0 | 2 403 | 2 403 |
| Communal refuse dump | 0 | 689 | 689 |
| Removed by local authority/private company less often | 0 | 607 | 607 |
| TOTAL | 0 | 5 660 | 5 660 |

(c) Households - Refuse Removal Delivery Levels below the minimum - 2022 Census

| Service | Criteria | Formal Settlements: Households < minimum level | | Informal Settlements: Households < minimum level | |
|----------------|---------------------------------|---|------------|---|------------|
| | | Number | Percentage | Number | Percentage |
| Refuse Removal | Kerbside collection once a week | 5 660 | 12.62% | 0 | 0.00% |

(d) Refuse Removal performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|---|----------------------|----------------------|---------------------|-----------------|--------------------------------|-------|------------------|---|
| 1 General KPI's | | | | | | | | | | |
| Access to water, sanitation and refuse removal | D38 | Number of residential account holders receiving refuse removal services as at 30 June | | | 0 | 22 265 | 21 631 | 5 | 22265 | The data sets were re-evaluated in accordance with the revised KPI criteria for the purpose of future reporting. Corrective measure: Baseline will be amended with the next mid year review |
| 2 Indicators from IDP | | | | | | | | | | |
| 3.3 Extension of the Highlands landfill site | D43 | Development of cell 2 by March 2027 | | | 0 | 1 by March 2027 | N/a (2026/2027 financial year) | 0 | | |
| 3.3 Extension of the Highlands landfill site | D44 | Identify measures and report to Council on organic waste diversion by June 2027 | | | 0 | 1 by June 2027 | N/a (2026/2027 financial year) | 0 | | |

(e) Employees: Refuse Removal

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 50 | 48 | 50 | 2 | 4.00% |
| 04 - 06 | 10 | 10 | 10 | 0 | 0.00% |
| 07 - 09 | 14 | 14 | 14 | 0 | 0.00% |
| 10 - 12 | 2 | 2 | 2 | 0 | 0.00% |
| 13 - 15 | 1 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 78 | 75 | 77 | 2 | |

(f) Financial Performance: Refuse Removal

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R21 899 629 | R21 683 254 | R21 709 254 | R21 233 689 | 97.93% |
| 2 Contracted Services | R19 329 785 | R16 471 184 | R18 746 623 | R19 838 047 | 120.44% |
| 3 Other | R18 920 883 | R19 899 744 | R23 205 434 | R18 648 969 | 93.71% |
| TOTAL | R60 150 297 | R58 054 182 | R63 661 311 | R59 720 705 | |

(g) Capital Expenditure: Refuse Removal

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|---|-----------------|-------------------|------------|--------------------------|
| 23/24 Boreholes for Landfill sites | R500 000 | R0 | R0 | 0.00% |
| 23/24 Equipping Donated Vehicle with Equipment | R150 000 | R275 765 | R275 765 | 183.84% |
| 23/24 Equipment : Refuse bins, traps, skips (Swartland) | R150 000 | R24 235 | R0 | 0.00% |
| 23/24 Equipment : Refuse Removal | R26 000 | R23 509 | R23 509 | 90.42% |
| 23/24 Highlands: Development of new cell | R2 000 000 | R2 500 000 | R2 097 879 | 104.89% |
| 23/24 Koringberg: New Transfer Station | R500 000 | R0 | R0 | 0.00% |
| 23/24 Refuse: CK43134 Nissan UD35A | R681 450 | R875 000 | R875 000 | 128.40% |

| | | | | |
|--------------|-------------------|-------------------|-------------------|--|
| TOTAL | R4 007 450 | R3 698 509 | R3 272 153 | |
|--------------|-------------------|-------------------|-------------------|--|

(h) Comment on refuse removal performance overall

Illegal dumping remains a problem throughout the Municipal area. The present mode of dealing with the problem focus only on reactive clearing. This is not sustainable as it requires an increase in resources with urban expansion.

An Organic Waste Diversion Plan was compiled in order to maximise air space savings at the landfill sites, and will subsequently be implemented as feasible. To this end, a chipper was purchased and put to service. Garden refuse is now chipped and diverted from the landfill

All refuse landfill sites of Swartland Municipality are licensed and externally audited annually, except for the Highlands Landfill site that is audited quarterly.

Detail planning and design for the construction of a new cell at the Highlands landfill has commenced and it is envisaged to commence with construction in the 2024/2025 financial year. It is estimated that the new cell will be required in the 2026/2027 financial year.

3.2.5 HOUSING

(a) Introduction

Swartland Municipality's strategy is to promote, facilitate and develop integrated and sustainable human settlements. The Human Settlement Housing Pipeline of the Municipality is of great importance as it allows the Municipality to clearly and concretely present their municipal housing strategy in terms of specific housing projects with accompanying budgets for the short, medium and long term.

The successful completion of some projects is however subject to funding, suitable land and some bulk infrastructure upgrades.

(b) Percentage of households with access to basic housing - 2022 Census

| Census Year | Households In Formal Settlements | Households In Informal Settlements | Total Number Of Households |
|-------------|----------------------------------|------------------------------------|----------------------------|
| 2022 | 44 856 | 0 | 44 856 |

(c) Housing performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|--|----------------------|----------------------|---------------------|-------------------|--------------------------------|-------|-------------------|-------------------------------------|
| 2 Indicators from IDP | | | | | | | | | | |
| 4.1 Maintain a balance between non-paying and paying households through the increased provision of affordable housing, Finance Linked Individual Subsidy Programme (FLISP) housing, Gap housing and social housing in the Swartland Area | D195 | (1) Investigate and report to council the advantages of Municipal housing accreditation by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 4.1 Maintain a balance between non-paying and paying households through the increased provision of affordable housing, Finance Linked Individual Subsidy Programme (FLISP) housing, Gap housing and social housing in the Swartland Area | D196 | (2) Develop a housing pipeline annually by May | | | 0 | 1 annually by May | 1 by 9 November 2023 | 5 | 1 annually by May | |
| 4.1 Maintain a balance between non-paying and paying households through the increased provision of affordable housing, Finance Linked Individual Subsidy Programme (FLISP) housing, Gap housing and social housing in the Swartland Area | D197 | (3) Obtain land use rights and secure funding for mixed housing developments annually | | | 0 | 100% annually | 100% by 6 June 2024 | 5 | 100% annually | Email was sent to MM on 6 June 2024 |
| 4.1 Maintain a balance between non-paying and paying households through the increased provision of affordable | D198 | (4) Appoint credible social housing institution to build and manage social housing by June 2025 | | | 0 | 100% by June 2025 | N/a (2024/2025 financial | 0 | 100% by June 2025 | |

| | | | | | | | | | | |
|--|--|--|--|--|--|--|-------|--|--|--|
| housing, Finance Linked Individual Subsidy Programme (FLISP) housing, Gap housing and social housing in the Swartland Area | | | | | | | year) | | | |
|--|--|--|--|--|--|--|-------|--|--|--|

(d) Employees: Housing Services

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 1 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 3 | 3 | 3 | 0 | |

(e) Financial Performance: Housing Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R2 407 962 | R3 114 384 | R3 038 384 | R2 575 495 | 82.70% |
| 2 Contracted Services | R22 485 475 | R95 000 | R279 520 | R358 868 | 377.76% |
| 3 Other | R1 280 326 | R1 491 439 | R1 446 549 | R1 815 588 | 121.73% |
| TOTAL | R26 173 763 | R4 700 823 | R4 764 453 | R4 749 951 | |

(f) Capital Expenditure: Housing Services

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-----------------|-------------------|-------------|--------------------------|
| 23/24 Malmesbury De Hoop Serviced Sites Phase 1 (Streets & Stormwater) | R27 500 000 | R22 685 342 | R23 973 312 | 87.18% |
| 23/24 Malmesbury De Hoop Serviced Sites (Bulk) | R500 000 | R60 000 | R0 | 0.00% |

| | | | | |
|---|--------------------|--------------------|--------------------|---------|
| 23/24 Malmesbury De Hoop Serviced Sites Phase 1 (Water) | R6 500 000 | R5 361 990 | R4 600 628 | 70.78% |
| 23/24 Darling Serviced Sites (186) Phase 1 (Sewerage) | R0 | R160 000 | R160 000 | 0.00% |
| 23/24 Darling Serviced Sites (186) Phase 1 (Water) | R0 | R190 000 | R156 909 | 0.00% |
| 23/24 Malmesbury De Hoop Serviced Sites (Phola Park) | R1 736 000 | R393 635 | R390 807 | 22.51% |
| 23/24 Darling Serviced Sites (186) Phase 1 | R2 000 000 | R0 | R0 | 0.00% |
| 23/24 Malmesbury De Hoop Serviced Sites (Bulk) Water | R0 | R440 000 | R0 | 0.00% |
| 23/24 Malmesbury De Hoop Serviced Sites (Sewerage) | R7 800 000 | R6 434 388 | R5 964 094 | 76.46% |
| 23/24 Malmesbury De Hoop Serviced Sites (Prof Fees) | R3 200 000 | R10 518 280 | R10 518 280 | 328.70% |
| 23/24 Malmesbury De Hoop Serviced Sites (Phola Park) (Prof Fees) | R124 000 | R885 234 | R480 426 | 387.44% |
| 23/24 Darling Serviced Sites (327) Prof Fees Phase 2 | R454 000 | R454 000 | R454 000 | 100.00% |
| 23/24 Purchasing of Land: Silvertown | R0 | R5 466 909 | R0 | 0.00% |
| 23/24 Darling Serviced Sites (186) Phase 1 (Streets & Stormwater) | R0 | R683 091 | R683 090 | 0.00% |
| 23/24 Moorreesburg (Professional Fees) | R2 200 000 | R3 200 000 | R3 200 000 | 145.45% |
| 23/24 Malmesbury De Hoop Serviced Sites (Phola Park) (Sewerage) | R0 | R331 483 | R329 102 | 0.00% |
| 23/24 Malmesbury De Hoop Serviced Sites (Phola Park) (Streets & Stormwater) | R0 | R1 346 648 | R1 336 973 | 0.00% |
| 23/24 Malmesbury De Hoop (Professional Fees) | R2 300 000 | R500 000 | R454 017 | 19.74% |
| 23/24 Darling 186 (Professional Fees) | R1 000 000 | R1 396 000 | R1 396 000 | 139.60% |
| TOTAL | R55 314 000 | R60 507 000 | R54 097 637 | |

(g) Comment on Housing performance overall

The De Hoop Housing Project (395 Top Structures) was completed end of April 2023. All the houses have been handed over to the approved beneficiaries in the project. Also note that 385 title deeds have been registered and is in the process of being handed over to respective owners of the houses. The project also make provision for 29 disable persons (10 wheelchair and 19 partially/total movement loss).

3.2.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

(a) Introduction

The criteria for assistance to indigent households, in terms of the 2023 Indigent Policy of Swartland Municipality (For the 2023-2024 Financial year), entail the following:

- where the property occupied by such owner is valued at R105 000 or less, or as determined by council annually, provided that the R15 000 exemption as contemplated in section 17(1)(h) of the Act shall be excluded from the R105 000 and the combined income of all the persons residing on the property does not exceed R4 515;
- where the property that is occupied by the owner is valued at more than R105 000, but the combined income of the occupants does not exceed R4 515; or
- where the occupier is not the owner of the property and the combined income of the occupants does not exceed R4 515; and where it is found that a state official whether from a national, provincial or local department is resident on a property, the indigent subsidy will not be granted or cancelled as the case may be.

None of the persons residing on a property, mentioned above, may own any other immovable property.

Subject to sustainability and affordability, financial assistance to an indigent household shall be appropriated as follows -

- 50 kWh electricity per month, which shall include the basic charge of electricity for the month where a conventional meter is still applicable;
- sanitation fees or the fees payable in respect of the pumping of a suction tank to an amount equal to the tariff determined;
- fees for waste removal;
- 6 kl water per month; which shall include the water network charge for the month; and
- rates payable to a maximum amount calculated at the tariff multiplied by R105 000 or less, provided that the R15 000 exemption as contemplated in section 17(1)(h) of the Act shall be excluded.

Sewerage blockages for indigent households will be subject to a reduced sewerage service fee as determined by the director of finance and subject to the municipality's rates and tariff policies.

(b) Free Basic Services To Low Income Households (current year)

| Total Number Of Households | Number Of PoorHouseholds |
|----------------------------|--------------------------|
| 44 856 | 9 010 |

| Service Name | Households | Percentage |
|--------------------------|------------|------------|
| Electricity Distribution | 8 244 | 91.50% |
| Rates Services | 8 021 | 89.02% |
| Refuse Removal | 9 010 | 100.00% |
| Sewerage Services | 8 650 | 96.00% |
| Water Services | 8 966 | 99.51% |

(c) Financial Performance: Cost to Municipality of Free Basic Services Delivered (current year)

| Service | Original Budget | Adjustment Budget | Actual |
|--------------------------|-----------------|-------------------|-------------|
| Electricity Distribution | R9 495 128 | R9 495 128 | R8 449 445 |
| Rates Services | R3 330 768 | R3 330 768 | R3 148 292 |
| Refuse Removal | R18 206 198 | R18 206 198 | R17 735 693 |
| Sewerage Services | R30 626 075 | R30 626 075 | R28 820 237 |
| Water Services | R14 953 047 | R14 953 047 | R13 585 359 |

(d) Comment on free basic services and indigent support

The following services are subsidised to indigent households:

- 50 kWh electricity per month, which shall include the basic charge for electricity for the month where a conventional meter is still applicable;
- sanitation fees or the fees payable in respect of the pumping of a suction tank to an amount equal to the tariff determined;
- fees for waste removal;
- 6 kl water per month; which shall include the water network charge for the month;
- rates payable to a maximum amount calculated at the tariff multiplied by R105 000, or less, provided that the R15 000.00 exemption as contemplated in section 17(1)(h) of the Act shall be excluded;
- Sewerage blockages for indigent households will be subject to a reduced sewerage service fee as determined by the director of finance and subject to the municipality's rates and tariff policies.

All the new low-cost housing schemes have immediate access to free basic services. Swartland Municipality also assist indigent households situated in areas where Eskom is the service provider for electricity with free basic electricity in terms of a service agreement entered into between Swartland Municipality and Eskom.

Free Basic Services to indigent households have decreased from 9205 on 30 June 2023 to 9010 on 30 June 2024.

3.3 ROAD TRANSPORT

3.3.1 PROCLAIMED ROADS, STREETS AND STORM WATER

(a) Introduction

ROADS

The urban road network in Swartland Municipality comprises 64km of gravel roads and 337km of permanently surfaced roads.

Securing sufficient funding for the maintenance of roads remain a challenge and therefore the municipality has taken a strategic decision to increase the spending on infrastructure maintenance. To this end, R 9 251 164 was spent on the resurfacing of roads.

The roads Master Plan for Malmesbury has been updated and new bulk services charges has been calculated.

STORM WATER

The storm water drainage network in urban areas in the Swartland municipal area comprises a piped system and open drainage channels with a length of approximately 224 km. The drainage system is in a fair condition with some instances of poor conditions. There are still some areas where there are no formal drainage networks and this causes flooding during winter. The upgrading of roads however contributes to the addressing of this backlog as storm water drainage is installed together with the construction of roads.

The misuse of the storm water system remains a matter of concern. Blockages that cause flooding frequently occur due to foreign matter entering drainage pipes. Maintaining and cleaning the system is an ever increasing expense and effort.

(b) Kilometres Gravel Road Infrastructure

| Total Gravel Roads | New Gravel Roads Constructed | Gravel Roads Upgraded To Tar | Gravel Roads Graded / Maintained |
|--------------------|------------------------------|------------------------------|----------------------------------|
| 64 | 0 | 4 | 64 |

(c) Kilometres Tarred Road Infrastructure

| Total Tarred Roads | New Tar Roads | Existing Tar Roads Retarred | Existing Tar Roads Resheeted | Tar Roads Maintained |
|--------------------|---------------|-----------------------------|------------------------------|----------------------|
| 337 | 4 | 0 | 6 | 337 |

(d) Kilometres Storm water Infrastructure

| Total Stormwater Measures | New Stormwater Measures | Stormwater Measures Upgraded | Stormwater Measures Maintained |
|---------------------------|-------------------------|------------------------------|--------------------------------|
| 224 | 3 | 0 | 224 |

(e) Cost of Construction/Maintenance - Roads

| Gravel New | Gravel - Tar | Gravel Maintained | Tar New | Tar Re-Worked | Tar Maintained |
|------------|--------------|-------------------|-------------|---------------|----------------|
| 0 | 0 | R6 541 529 | R21 553 580 | R20 758 050 | R22 437 241 |

(f) Cost of Construction/Maintenance – Storm water

| New Stormwater Measures | Upgraded Stormwater Measures | Maintained Stormwater Measures |
|-------------------------|------------------------------|--------------------------------|
| 3 | 0 | R20 313 510 |

(g) Streets and Storm Water performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|--|----------------------|----------------------|---------------------|--------------------|--------|-------|--------------------|---|
| 2 Indicators from IDP | | | | | | | | | | |
| 3.5 Maintenance and upgrading that sustain and improve the current condition of surfaced roads | D46 | Investigate and report to the Portfolio Committee annually by June on the status quo condition of surfaced roads | | | 0 | 1 annually by June | 0 | 4 | 1 annually by June | Report could not be compiled due to late completion of roads capital projects. Roads projects only completed in June and information required for report is |

| | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | only available upon final completion. Corrective Measure: Report to be submitted to the following Portfolio Committee. |
|--|--|--|--|--|--|--|--|--|--|--|

(h) Employees: Streets and Storm Water

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 27 | 21 | 21 | 0 | 0.00% |
| 04 - 06 | 21 | 26 | 26 | 0 | 0.00% |
| 07 - 09 | 20 | 18 | 19 | 1 | 5.26% |
| 10 - 12 | 4 | 4 | 4 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 73 | 70 | 71 | 1 | |

(i) Financial Performance: Streets and Storm Water

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R19 510 827 | R21 516 966 | R21 540 466 | R20 616 325 | 95.81% |
| 2 Contracted Services | R6 399 892 | R6 490 543 | R7 511 490 | R7 475 244 | 115.17% |
| 3 Other | R41 198 542 | R54 012 288 | R48 353 762 | R41 958 761 | 77.68% |
| TOTAL | R67 109 261 | R82 019 797 | R77 405 718 | R70 050 330 | |

(j) Capital Expenditure: Streets and Storm Water

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-----------------|-------------------|----------|--------------------------|
| 23/24 Ward Committee Projects: Roads (Acquisitions:Outsourced) | R1 000 000 | R1 000 000 | R840 630 | 84.06% |

| | | | | |
|--|--------------------|--------------------|--------------------|---------|
| 23/24 Construction of side walks and recreational nodes in Illinge Lethu and Wesbank | R1 224 943 | R1 200 108 | R1 200 108 | 97.97% |
| 23/24 Donated PPE: Stormwater Infrastructure (De Werf) | R0 | R2 168 711 | R1 529 395 | 0.00% |
| 23/24 Donated PPE: Roads Infrastructure (De Werf) | R0 | R12 880 433 | R4 069 339 | 0.00% |
| 23/24 Roads: CK18925 UD85 | R1 316 175 | R1 182 000 | R1 182 000 | 89.81% |
| 23/24 Stormwater Network (Materials and Supplies) | R20 000 | R3 603 | R0 | 0.00% |
| 23/24 Upgrading of N7/Voortrekker Northern Interchange | R2 381 500 | R2 381 500 | R2 381 050 | 99.98% |
| 23/24 Roads Swartland: Construction of New Roads (MIG) | R14 708 000 | R14 178 506 | R14 178 506 | 96.40% |
| 23/24 Roads Swartland: Resealing of Roads (CRR) | R10 000 000 | R9 251 164 | R9 251 164 | 92.51% |
| 23/24 Stormwater Network (Acquisitions:Outsourced) | R200 000 | R200 000 | R199 836 | 99.92% |
| 23/24 Ward Committee Projects: Roads (Materials and Supplies) | R100 000 | R100 000 | R0 | 0.00% |
| 23/24 Equipment: Streets and Stormwater | R64 000 | R64 000 | R62 612 | 97.83% |
| 23/24 Roads Swartland: Construction of New Roads (CRR) | R9 000 000 | R10 950 000 | R10 950 000 | 121.67% |
| 23/24 Asphalt Sidewalks: Landbou Street, Moorreesburg | R0 | R500 000 | R500 000 | 0.00% |
| 23/24 Access road and Intersection Upgrading: Illinge Lethu | R0 | R666 891 | R666 891 | 0.00% |
| 23/24 Stormwater Network (Compensation of Employees) | R30 000 | R46 397 | R46 397 | 154.66% |
| TOTAL | R40 044 618 | R56 773 313 | R47 057 927 | |

(k) Comment on the performance of proclaimed roads and streets overall

The amount of R 9 251 164 was spent on the resealing and the rehabilitation of roads.

The amount of R 25 128 506 was spent on the construction of new roads with a length of 4km.

A new traffic circle with access roads at the northern N7 interchange in Malmesbury was completed in the 2023/24 financial year. This is provide access to a mall develeppment to the North of Malmesbury.

The IDP has five strategic goals and proclaimed roads, streets and stormwater are aligned to the following strategic goals:

Strategic Goal 3 - Quality and Reliable Services

(l) Comment on the performance of storm water overall

The IDP has five strategic goals and proclaimed roads, streets and stormwater are aligned to the following strategic goals:

One: Community Safety and Wellbeing

Two: Economic Transformation

Three: Quality and Reliable Services

Various actions have been developed to ensure that the strategic goals are achieved. These include the increase on maintenance spending and the implementation of an asset management plan.

3.4 PLANNING AND ECONOMIC DEVELOPMENT

3.4.1 BUILT ENVIRONMENT

(a) Introduction

This municipality has amended their Land Use Planning By-Law and implemented the new by-law from 25 March 2020.

Swartland Municipality has adopted the 2023-2027 Amendment of the Spatial Development Framework in terms of above By-Law in May 2023.

All land use applications whereby no objections have been received within the public participation are finalised by the authorised employee within 90 days. All other land use applications with comments/objections be dealt with by the Municipal Planning Tribunal.

Since January 2020 all new building plan applications are uploaded to our electronic building control Portal on our web site. Many challenges have been dealt with and progress has been made. The Town Planning Division assists the Building Control Division to such an extent that all town planning matters be clarified before building plans officially be submitted to the Portal.

Our new date of valuation is 1 July 2023 and the new General Valuation Role be implemented on 1 July 2024. Thereafter two Supplementary Valuations Roles to follow annually.

Since May 2024 all new land use applications are uploaded electronically to the Land Use Portal on our website. The submission process has been streamlined and technical problems has been resolved.

(b) Applications for Built Environment

| | Subdivision | | Rezoning | | Building Plans | |
|---------------------------------------|---------------|--------------|---------------|--------------|----------------|--------------|
| Application Category | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year |
| Planning application received | 60 | 37 | 1050 | 27 | 38 | 917 |
| Applications withdrawn | 0 | 0 | 0 | 0 | 0 | 0 |
| Applications outstanding at year end | 5 | 3 | 6 | 0 | 0 | 3 |
| Determination made in year of receipt | 49 | 34 | 568 | 23 | 28 | 386 |
| Determination made in following year | 6 | 0 | 482 | 1 | 4 | 531 |

(c) Built Environment performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|--|----------------------|----------------------|---------------------|----------------|--------------------------------|-------|------------------|-------|
| 2 Indicators from IDP | | | | | | | | | | |
| 4.2 Alignment of capital expenditure framework between spatial planning, engineering and financial services | D199 | Develop a capital expenditure framework in collaboration with DEADP and the Development Bank of SA and submit a report to Council by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 4.3 Climate change study | D200 | Do a study of climate change mitigation and adaptation and report to council by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |

(d) Employees: Planning, Valuation

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|-----------|---------------------|-----------|-------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 1 | 0 | 0 | 0 | 0.00% |

| | | | | | |
|--------------|----------|----------|----------|----------|-------|
| 10 - 12 | 0 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 3 | 3 | 3 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0.00% |
| TOTAL | 6 | 6 | 6 | 0 | |

(e) Employees: Building Control

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 1 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 1 | 2 | 2 | 0 | 0.00% |
| 10 - 12 | 3 | 3 | 3 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 6 | 6 | 6 | 0 | |

(f) Financial Performance: Planning, Valuation

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|--------------------|-------------------|--------------------------|
| 1 Employees | R5 883 455 | R6 099 836 | R6 138 336 | R6 484 442 | 106.31% |
| 2 Contracted Services | R2 436 087 | R2 371 922 | R3 067 805 | R2 202 187 | 92.84% |
| 3 Other | R706 057 | R1 094 250 | R808 229 | R612 377 | 55.96% |
| TOTAL | R9 025 599 | R9 566 008 | R10 014 370 | R9 299 006 | |

(g) Financial Performance: Building Control

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R3 164 480 | R3 677 004 | R3 698 004 | R3 578 119 | 97.31% |
| 2 Contracted Services | R0 | R0 | R0 | R0 | 0.00% |
| 3 Other | R39 829 | R102 587 | R102 837 | R69 304 | 67.56% |
| TOTAL | R3 204 309 | R3 779 591 | R3 800 841 | R3 647 423 | |

(h) Capital Expenditure: Built Environment

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|---|-----------------|-------------------|----------|--------------------------|
| 23/24 LED Units/Trading Stalls:Darling | R500 000 | R500 000 | R450 045 | 90.01% |
| 23/24 LED Units/Trading Stalls:Darling (RSEP) | R500 000 | R500 000 | R500 000 | 100.00% |

(i) Comment on Built Environment overall

The three Divisions within the Department: Development Management understand their role towards economic development in the Swartland to enhance job creation as part of the value chain.

The administration processes are streamlined in order to enhance decision-making to promote economic development and job creation in our area.

The Municipality won a Silver Award (second place) in the Category Red Tape Reduction/Ease of Doing Business of the 2024 Service Excellence Awards of the Western Cape Government

3.4.2 ECONOMIC DEVELOPMENT

(a) Introduction

The Swartland Economic Development Plan was approved by the Mayoral Committee in May 2023. The plan outlines Swartland Municipality's strategic initiatives and key performance indicators for economic development, aligning with national and provincial policies, including the South African Economic Reconstruction and Recovery Plan and the Western Cape Economic Recovery Plan. It emphasizes collaboration with entities like Wesgro and the Western Cape Department of Agriculture to contribute to local, regional, and national development goals. The strategy is based on three pillars namely (1) Boost industries, (2) Stimulate the Market and (3) Overcome binding constraints and reform.

It provides a basis for the development of implementation commitments by first identifying national and provincial initiatives to which local government can contribute and secondly by listing other initiatives discussed in the document to which local government can contribute.

The Municipality cannot grow the economy or create jobs. Therefore, to implement this plan, a partnership between the public and private sector is inevitable.

The national, provincial and other initiatives identified above provides a framework within Swartland Municipality can develop its own implementation commitments, i.e. how and where the Municipality can become involved or provide support to economic development and recovery initiatives.

(b) Jobs Created by LED Initiatives (Excluding EPWP projects)

| Description | Jobs Created |
|---|--------------|
| Capital projects (contracts > R200 000) | 5 |
| Capital projects (contracts > R200 000) | 17 |
| Capital projects (contracts > R200 000) | 12 |
| Capital projects (contracts > R200 000) | 15 |
| Capital projects (contracts > R200 000) | 20 |
| Capital projects (contracts > R200 000) | 36 |
| Capital projects (contracts > R200 000) | 5 |
| Capital projects (contracts > R200 000) | 4 |
| Capital projects (contracts > R200 000) | 12 |
| Capital projects (contracts > R200 000) | 28 |

(c) Job creation through EPWP projects

| Number Of Jobs | Notes |
|----------------|-------|
| 307 | |

(d) Economic Development performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|---|----------------------|----------------------|---------------------|---------------------|--------|-------|---------------------|-------|
| 1 General KPI's | | | | | | | | | | |
| Reg 10(d): The number of jobs created through municipality's LED initiatives including capital | D60 | Create 150 jobs through Municipality's capital projects (contracts > R200 000) by 30 June | | | 0 | 150 jobs by 30 June | 186 | 5 | 150 jobs by 30 June | |

| | | | | | | | | | | |
|--|-----|---|--|--|---|-------------------|--------------------------------|---|----------------|---|
| projects | | | | | | | | | | |
| 2 Indicators from IDP | | | | | | | | | | |
| 2.1 Skills development | D61 | Investigate the establishment of a skills development centre by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 2.2 Global networks and an active participant in global knowledge exchange | D62 | Investigate global partnerships and submit a proposal to the Mayoral Committee by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 2.3 Investment Promotion / Marketing | D63 | (1) Collaborate with other levels of government and other organisations to promote Swartland as a preferred destination for business and investment and report bi-annually to the management team | | | 0 | 2 for the year | 2 | 5 | 2 for the year | Reports provided to the management team 26 April and 26 June 2024 |
| 2.3 Investment Promotion / Marketing | D64 | (2) Improve investment by creating an online platform by June 2026 to share information with investors | | | 0 | 100% by June 2026 | N/a (2025/2026 financial year) | 0 | | |
| 2.4 Assist and support SMME | D65 | (1) Ensure the development of an SMME Policy and submit to Council by June 2024 | | | 0 | 1 by June 2024 | 1 by 21 May 2024 | 5 | | SMME Policy was adopted by Council on 21 May 2024 |
| 2.4 Assist and support SMME | D66 | (2) Ensure the organisation of an annual SMME summit or indaba | | | 0 | 1 annually | 1 | 5 | 1 annually | SMME Indaba was held on 17 May 2024 |
| 2.4 Assist and support SMME | D67 | (3) Ensure the investigation of SMME hubs in the Swartland area and submit report to Mayoral committee by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |

| | | | | | | | | | | |
|--|-----|--|--|--|---|-------------------------------|--------------------------------|---|-------------------------------|-------------------------------------|
| 2.5 Improving the ease of doing business | D68 | Create a one stop shop for all business enquiries by June 2025 | | | 0 | 100% by June 2025 | N/a (2024/2025 financial year) | 0 | 100% by June 2025 | |
| 3 Indicators Directors | | | | | | | | | | |
| Liaison with business role-players | D47 | Hold a annual event with local businesses before end of June | | | 0 | 1 annually before end of June | 1 | 5 | 1 annually before end of June | SMME Indaba was held on 17 May 2024 |
| LED fund management | D48 | Spend 90% of the LED funds by end of June | | | 0 | 90% by end of June | 93.3% | 5 | 90% by end of June | R26 126.85 of R28 000.00 spent |

(e) Comment on Economic Development overall

Monitoring and evaluation of LED progress will be enhanced to speed up learning and skills in LED. The purpose of evaluation is to measure progress, reflect on what worked as planned and what did not. And then to learn from the new insights gained. Working smarter increases the scale of future results. Without evaluation, mistakes are repeated. Evaluation will be integrated with the monitoring system and will focus on the measurement of actual output, outcomes and impact resulting from economic development initiatives. To make the evaluation process easier, the LED performance framework provides a default set of performance indicators.

3.5 COMMUNITY AND SOCIAL SERVICES

3.5.1 COMMUNITY DEVELOPMENT AND THUSONG SERVICE CENTRES

(a) Introduction

The Community Development division consists of a manager, a principal clerk, a community development officer (Youth Focus) who are supported by an administrative assistant, community development officer (ECD) and one Thusong Service Centre Officer who are supported by one administrative assistant, a caretaker. The team worked hard to achieve goals and to work more integrated with the new focus on social regeneration that strengthened the Division to have more effective events/workshops/training. This was demonstrated with collaborative projects like the Thusong outreaches and GBVF Wards Based Awareness programme that have awareness on 36 days of activism campaigns. The Division reached out to the communities together with NGO's and government partners to provide integrated service delivery in the social sector. The division also made a shift towards outcome based programmes and not once off projects. Furthermore, programmes were implemented together with the beneficiaries and were focussed on establishing structures that will make it easier for communities to work in collaboration with service providers. This approach stems from the vision of the Swartland Municipal Social Development Policy and Strategy 2017 and the Social Regeneration strategy to strengthen the social fabric of the community.

(b) Community Development performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|---|----------------------|----------------------|---------------------|----------------|--------------------------------|-------|------------------|---|
| 2 Indicators from IDP | | | | | | | | | | |
| 1.1 SMME development | D191 | SMME Policy developed and approved by Council by June 2024 | | | 0 | 1 by June 2024 | 1 on 21 May 2024 | 4.7 | | SMME Policy was adopted by Council on 21 May 2024 |
| 1.2 Social regeneration | D192 | Social Regeneration Strategy developed and approved by Council by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 1.3 Take action against Gender-Based Violence and Femicide (GBVF) | D193 | GBVF Strategy developed and approved by Council by June 2026 | | | 0 | 1 by June 2026 | N/a (2025/2026 financial year) | 0 | | |
| 1.4 Youth Development | D194 | Youth Policy developed and approved by Council by June 2027 | | | 0 | 1 by June 2027 | N/a (2026/2027 financial year) | 0 | | |

(c) Employees: Community Development

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|-----------|---------------------|-----------|-------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 2 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 2 | 2 | 2 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |

| | | | | | |
|--------------|----------|----------|----------|----------|--|
| TOTAL | 5 | 4 | 4 | 0 | |
|--------------|----------|----------|----------|----------|--|

(d) Employees: Thusong Service Centres

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 1 | 1 | 1 | 0 | 0.00% |
| 07 - 09 | 1 | 2 | 2 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 3 | 4 | 4 | 0 | |

(e) Financial Performance: Community Development

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R2 811 925 | R3 714 471 | R3 601 471 | R3 113 166 | 83.81% |
| 2 Contracted Services | R265 983 | R370 000 | R370 800 | R300 116 | 81.11% |
| 3 Other | R405 674 | R409 120 | R666 968 | R144 087 | 35.22% |
| TOTAL | R3 483 582 | R4 493 591 | R4 639 239 | R3 557 369 | |

(f) Financial Performance: Thusong Service Centres

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R1 287 243 | R1 392 691 | R1 395 191 | R1 381 457 | 99.19% |
| 2 Contracted Services | R20 129 | R51 295 | R48 342 | R18 633 | 36.33% |
| 3 Other | R155 647 | R235 491 | R256 589 | R193 883 | 82.33% |
| TOTAL | R1 463 019 | R1 679 477 | R1 700 122 | R1 593 973 | |

(g) Capital Expenditure: Community Development

No capital projects

(h) Comment on the performance of Community Development and Thusong service centres overall

An extensive range of programmes and twas carried out in the field of social development in 2023/2024. Programmes that was implemented was part of the SOCIAL REGENERATION intitatives to ensure that the places where people live, now and in the future, create new opportunities, promote wellbeing and reduce inequalities so that people have better lives, in stronger communities, and achieve their potential. Social and economic development are very important for sustainable development therefore entrepreneurs were given access to the economy and projects focussed on Early Childhood Development and the legalisation of child facilities, child development, youth development, co-ordination and collaboration, access to economy, vulnerable groups. Social Regeneration is incorporated within the six focus areas of the Swartland Municipal Social Development Policy and Strategy.

SOCIAL REGENERATION PROJECTS:

Promote the legalisation of Early Childhood facilites and Early Childhood Development;

A total of nineteen (19) capacity building sessions were organised for the Early Childhood Development Sector. The ECD forum and creches were capacitated with the seven building blocks of the Discipline starts at home programme to train local coaches in order to stregthen overall discipline of learners. Assistance to 19 ECD facilities was rendered in order to legalise and register facilities. In total 2 facilities obtained registration at the Department of Social Development and 5 creches are waiting for their certificates.

Promote Child Development:

School holiday programmes was implemented from 2-6 October 2023, 8-12 January 2024 and 25-28 March 2024..A total of 2390 children benefitted from the school holiday program and 145 youth volunteers assisted with the programme. Towns that participated was: Koringberg, Riebeek-West, Riebeek-Kasteel, Riverlands, Chatsworth, Kalbaskraal, Malmesbury Elkana, Malmesbury Sinethemba, Moorreesburg, Abbotsdale and Darling Urban (Darling Outreach).

Youth development

The number of youth and people from the whole of the Swartland community assisted with career guidance and information about economic opportunities was 6858 for the year. In terms of youth development a total of 1558 youth received assistance with job applications and 84 were placed in job opportunities. 147 youth were placed in learnership, internship and apprenticeships programmes with a stipend for a period of time. They are learning a new skill which makes them equipped for possible job opportunities and earn an income on a monthly basis. The target for the youth assistance in career guidance was 3000 for the year. The Annual Career Exhibition was held on 14-17 May 2024 were 3161 learners was reached (Ilinglethu Secondary School, Swartland High School, Schoonspruit Secondary School, Wesbank Secondary School and Riebeek Valley Special School, New Moorreesburg High School and Malmesbury High School (Chatsworth).

Collaboration and coordination

In terms of collaboration and co-ordination the Swartland Social Development Forum's extension via the Local drug Action Committee had capacity building sessions that was focussed on Koringberg and Moorreesburg to do awareness on the negative impact of drug abuse. GBVF were also addressed as part of the awareness. This was done in partnership with DSD, WCDM, WCDOE, SAPS, NGO's and government departments.

Access to economy

To provide access to the economy 267 people attended the entrepreneurial workshops which included SEDA, WCDM and service providers that capacitated entrepreuneurs on how to

register their business and become sustainable. The people are now aware of the local content production procedures, how to get documentation in order and regulations that are relevant to enhance and sustain their businesses. Through the Social Regeneration program an Interim SMME forum was established and a youth control group as part of the interventions of SMME development.

Vulnerable groups

The Thusong programme, by means of the Thusong Mobile Outreaches were held and reached 3279 people by assisting them to access essential government services. A total of ten mobile outreaches were held for people within the Swartland Municipal area. This made essential government services accessible to the rural communities. Thusong Mobiles held in: Moorreesburg, Riebeek-West, SARS outreach in Moorreesburg, SARS outreach in Riebeek-Kasteel, SARS outreach in Riebeek-West, Darling x2; Chatsworth, Home Affairs outreach in Moorreesburg and Kalbaskraal.

3.5.2 LIBRARIES

(a) Introduction

Swartland has 9 libraries in its area. All libraries' opening hours are from Monday to Friday 09:00 until 17:00. The libraries have 33 permanent library personnel. There are also 3 EPWP workers who act as cleaners at three of the libraries. Libraries are financed through the conditional grant and municipal replacement fund from the Department of Cultural Affairs and Sport.

(b) Employees: Libraries

| Level | PreviousYearPosts | Employees | Posts | Vacancies | VacanciesAsPercentage |
|--------------|-------------------|-----------|-----------|-----------|-----------------------|
| 00 - 03 | 1 | 1 | 1 | 0 | 0.00% |
| 04 - 06 | 21 | 21 | 21 | 0 | 0.00% |
| 07 - 09 | 8 | 7 | 8 | 1 | 12.50% |
| 10 - 12 | 3 | 2 | 2 | 0 | 0.00% |
| 13 - 15 | 0 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 33 | 32 | 33 | 1 | |

(c) Financial Performance: Libraries

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R10 801 602 | R11 033 958 | R11 029 958 | R11 521 656 | 104.42% |
| 2 Contracted Services | R89 834 | R129 906 | R129 906 | R97 282 | 74.89% |
| 3 Other | R1 066 382 | R1 422 287 | R1 438 277 | R1 724 059 | 121.22% |
| TOTAL | R11 957 818 | R12 586 151 | R12 598 141 | R13 342 997 | |

(d) Capital Expenditure: Libraries

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|---|-----------------|-------------------|---------|--------------------------|
| 23/24 Equipment Insurance (Libraries) Office Equipment (non-cash) | R0 | R0 | R73 570 | 0.00% |
| 23/24 Equipment: Libraries | R50 000 | R50 000 | R48 004 | 96.01% |

(e) Comment on the performance of libraries overall

All nine libraries have free internet access available to the public through the ICT project funded by the Department of Cultural Affairs and Sport. Most libraries have young people called "Yeboneers" which are on a programme from Provincial Government where they assist library users with computer usage, CV's etc.

The average monthly circulation of books between the libraries are +- 18 000. Between the 9 libraries, they do an average of 63 outreach programmes per month. Riebeek Kasteel library offers a programme "Library for the Blind" whereby audio books are available to the visually impaired. Moorreesburg library offers educational games sponsored by the Bill and Melinda Gates Foundation.

There is a partnership between the Swartland Municipality and UNISA where students may use the libraries for certain student activities. The libraries also act as a courier service for study material for the students.

3.5.3 CEMETERIES**(a) Introduction**

Swartland Municipality operates and maintains ten cemeteries. The services provided include the timely and correct preparation of graves for use, maintaining a register of graves and the maintenance of cemeteries to an acceptable level of tidiness. EPWP projects were also implemented for the maintenance of cemeteries. Vandalism of cemeteries and the theft of fences remain a problem throughout the Swartland and the Municipality do not have the resources to effectively deal with this problem. The extension of existing cemeteries and the development of new cemeteries are also problematic due to the tedious public consultation processes and environmental authorisation processes that must be followed.

(b) Financial Performance: Cemeteries

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-----------------|-------------------|----------|--------------------------|
| 1 Employees | R264 737 | R309 700 | R310 700 | R353 643 | 114.19% |
| 2 Contracted Services | R176 825 | R221 072 | R190 286 | R157 895 | 71.42% |
| 3 Other | R302 828 | R462 401 | R479 336 | R477 794 | 103.33% |

| | | | | | |
|--------------|-----------------|-----------------|-----------------|-----------------|--|
| TOTAL | R744 390 | R993 173 | R980 322 | R989 332 | |
|--------------|-----------------|-----------------|-----------------|-----------------|--|

(c) Capital Expenditure: Cemeteries

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|------------------------|--------------------------|---------------|---------------------------------|
| 23/24 Wesbank Cemetery: Extension | R200 000 | R200 000 | R23 704 | 11.85% |
| 23/24 New Cemetery Fencing: Moorreesburg | R900 000 | R540 000 | R452 513 | 50.28% |

(d) Comment on the performance of cemeteries overall

The IDP has five strategic goals and the provision of cemeteries is aligned to strategic goal three: Quality and Reliable Services.

3.6 OCCUPATIONAL HEALTH AND SAFETY (INCLUDING POLLUTION CONTROL)

(a) Introduction

Air Quality

Swartland Municipality's Air Quality Management Plans (AQMP) forms part of the greater West Coast District Municipality's AQMP. The AQMP forms Swartland Municipality's IDP and was approved by Council.

A public participation process took place to inform all people in the Swartland municipal area about the AQMP.

Dust and odour control forms part of the AQMP.

The Municipality also compiled a database of all Fuel burning processes that are within its area of jurisdiction.

An Air Quality Officer for Swartland Municipality have been appointed.

The Municipality also appointed a Noise Control Officer for Swartland Municipal area.

The designation of an Environmental Management Inspector (EMI), (Grade 2) has also been concluded.

Promote a clean and healthy environment

To address all health complaints and applying the By-Law relating to the prevention and suppression of Nuisances – and ensure that all identified erven in urban areas are compliant.

Pest control – only on municipal premises as well as a Annual Pest Control programme where we deal with crawling insects as well as rodents in the municipal sewerage / storm water drain system.

Application for Authorisation for the Installation of Fuel Burning Equipment relating to Swartland Municipal Air Quality By-Law.

(b) Employees: Occupational Health and safety

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 2 | 2 | 2 | 0 | |

(c) Financial Performance: Occupational Health and safety

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R1 802 322 | R1 972 020 | R1 993 020 | R1 962 149 | 99.50% |
| 2 Contracted Services | R35 736 | R78 947 | R78 347 | R45 770 | 57.98% |
| 3 Other | R33 324 | R68 165 | R68 209 | R51 997 | 76.28% |
| TOTAL | R1 871 382 | R2 119 132 | R2 139 576 | R2 059 916 | |

(d) Comment on the performance of occupational health and safety overall

Measures taken to improve performance and achievements: Performance objectives – key performance indicators and targets are set. Monthly monitoring is done by the Strategic Manager.

Support is given to those communities that are living in poverty through:

- Properly address all environmental complaints
- Ensuring that all identified erven in urban areas are complaint with standards
- Monitoring air pollution in the area
- Annual pest control programme
- Handling of noise control complaints to adhere to the Noise Control Regulations of June 2013
- Handling of dust control regulations, referring to Air Quality By-law (Swartland Municipality)
- Appointed as Environmental Management Inspector (Grade 2)

3.7 SECURITY AND SAFETY

3.7.1 TRAFFIC AND LAW ENFORCEMENT SERVICES (INCLUDING LICENCING AND REGISTRATION SERVICES)

(a) Introduction

The Swartland Municipal Council decided to restructure the Municipal Police to become a Traffic and Law Enforcement service from 1 July 2013. Ever since 1 July 2013 Swartland Municipality have a functional Traffic & Law Enforcement service. The core functions of the Swartland Traffic and Law Enforcement Service (STLES) are to proactively police the Municipal by-laws and to enforce the National Road Traffic Act and to reduce road accident fatalities within the Swartland. During the financial year 2023/2024 STLES rendered successful services in traffic and by-law enforcement. Performance within the STLES is subject to resources which includes human resources and vehicles. Two specialized units (Dog-unit & LEAP) were established with grant funding from The Western Cape Provincial Government. The Swartland Municipality is divided into 12 wards and the STLES service all these wards. Traffic and by-law campaigns were given at schools and to NGO's.

Road safety programs assist motorists and pedestrians to act proactively and to change negative behaviour towards road safety. The risk of accidents was reduced through visibility and road safety educational programs.

(b) Traffic Policing and By-law Enforcement

| Category | Previous Year Actual Number | Actual Number |
|---|-----------------------------|---------------|
| Number of law enforcement officers on duty on an average day | 50 | 50 |
| Number of law enforcement officers in the field on an average day | 58 | 58 |
| Number of road traffic accidents during the year | 0 | 0 |
| Number of by-law infringements attended | 1064 | 1826 |

(c) Traffic Policing and By-law Enforcement performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|--|----------------------|----------------------|---------------------|----------------|--------------------------------|-------|------------------|-------|
| 2 Indicators from IDP | | | | | | | | | | |
| 1.5 Improve the prosecution of law enforcement offenders | D236 | Establishment and financial viability of a municipal court investigated and reported to Council by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |

| | | | | | | | | | |
|--|------|---|--|---|-------------------|--------------------------------|---|----------------|--|
| 1.6 Animal pound for the Swartland area | D237 | (1) Animal bylaw developed and approved by Council by June 2025 | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 1.6 Animal pound for the Swartland area | D238 | (2) Available land identified and the possibility of a pound investigated by June 2026 | | 0 | 100% by June 2026 | N/a (2025/2026 financial year) | 0 | | |
| 1.7 Integrated operational emergency room | D239 | (1) Viability and feasibility study in collaboration with all role-players conducted by June 2026 | | 0 | 100% by June 2026 | N/a (2025/2026 financial year) | 0 | | |
| 1.7 Integrated operational emergency room | D240 | (2) CCTV camera bylaw developed by June 2025 | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 1.8 Increase law enforcement presents in all towns | D241 | Establishment of law enforcement offices in all Swartland towns investigated and reported to Council by June 2028 | | 0 | 100% by June 2028 | N/a (2027/2028 financial year) | 0 | | |
| 1.9 Document management | D242 | Document storage facility / space secured by June 2024 | | 0 | 100% by June 2024 | 100% | 5 | | Quatations were received on 6 November 2023 for document space, but due to lack of funding could not proceed |
| 1.11 Extension of Traffic and Law Enforcement Services | D244 | Establishment of a learners licence centre for Riebeeck Valley by June 2026 | | 0 | 100% by June 2026 | N/a (2025/2026 financial year) | 0 | | |

| 3 Indicators Directors | | | | | | | | | | |
|--|------|--|--|--|---|-----------------|----|---|-----------------|---|
| Effective monitoring of informal settlements | D235 | Report monthly to the Portfolio Committee on any new informal dwellings / structures erected | | | 0 | 12 for the year | 12 | 5 | 12 for the year | All reports was submitted when the Portfolio committee agenda closes which is within the first 10 days of a month |

(d) Employees: Traffic Policing and By-law Enforcement

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 33 | 31 | 32 | 1 | 3.13% |
| 10 - 12 | 46 | 44 | 46 | 2 | 4.35% |
| 13 - 15 | 2 | 2 | 2 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 82 | 78 | 81 | 3 | |

(e) Financial Performance: Traffic Policing and By-law Enforcement

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R43 517 348 | R44 551 017 | R44 605 017 | R45 744 463 | 102.68% |
| 2 Contracted Services | R4 192 512 | R4 466 400 | R5 461 871 | R5 906 659 | 132.25% |
| 3 Other | R29 499 403 | R29 348 139 | R36 263 124 | R32 635 831 | 111.20% |
| TOTAL | R77 209 263 | R78 365 556 | R86 330 012 | R84 286 953 | |

(f) Capital Expenditure: Traffic Policing and By-law Enforcement

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|---|-----------------|-------------------|-----------------|--------------------------|
| 23/24 Traffic: CK43672 Chevrolet Aveo | R329 123 | R329 123 | R288 298 | 87.60% |
| 23/24 Traffic: CK39217 Chevrolet Aveo 1.6 | R329 123 | R329 123 | R288 298 | 87.60% |
| TOTAL | R658 246 | R658 246 | R576 596 | |

(g) Comment on the performance of Traffic Policing and By-law Enforcement overall

The Swartland Traffic & Law Enforcement Service (STLES) **key performance areas** are traffic policing and by-law enforcement and has the following key performance indicators which is measured monthly and quarterly:

- Foot patrols
- Roadblocks
- By-law enforcement
- Vehicle check points (VCP) & visible blue light patrols
- Issuing of driving and learners licenses and roadworthiness of vehicles

A grant funded K9- Unit and LEAP Officers is also operational in the municipal area supporting the SAPS with crime prevention and addressing the usage and selling of drugs.

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3.7.2 FIRE FIGHTING SERVICES

(a) Introduction

Swartland Municipality has a Fire Fighting Service consisting of 6 full-time fire officers and 27 voluntary trained municipal workers. The top service delivery priorities for the year under review were:

- Preventing the outbreak or spread of fires
- The saving of lives and property
- To react rapidly with the available resources to extinguish reported fires.

During the year under review (2023/2024) the Swartland Fire Service reacted to 856 fires and 334 other incidents within the average turnout time especially within urban areas. The service delivery within the rural areas is still challenging due to the lack of resources. People living in informal settlements were given fire prevention tips to help them as a first line of response to the fires. Fire prevention campaigns were also aimed at the poor and a close relationship exists with schools and crèches in the municipal area.

The Fire Fighting Service is also responsible for the disaster management function.

(b) Municipal Fire Service Data

| Category | Previous Year Actual Number | Actual Number |
|--|-----------------------------|---------------|
| Total of other incidents attended in the year | 293 | 334 |
| Total fire appliances at year end | 8 | 9 |
| Average number of appliance off the road during the year | 5 | 2 |
| Total fires attended in the year | 629 | 856 |
| Fire fighters in post at year end | 33 | 6 |
| Average turnout time - urban areas | 12 minutes | 12 minutes |
| Average turnout time - rural areas | 18 minutes | 18 minutes |

(c) Fire Service Policy performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|--|----------------------|----------------------|---------------------|----------------|-------------------|-------|------------------|---|
| 2 Indicators from IDP | | | | | | | | | | |
| 1.10 Strategic establishment and placement | D243 | Study on the issue of structural fires and veld fires finalised and reported to Council by June 2024 | | | 0 | 1 by June 2024 | 1 on 12 June 2024 | 5 | | Report to Portfolio Committee on 12 June 2024 |

(d) Employees: Fire Services

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 4 | 4 | 4 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 6 | 6 | 6 | 0 | |

(e) Financial Performance: Fire Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R6 789 335 | R6 816 318 | R6 822 318 | R7 816 724 | 114.68% |
| 2 Contracted Services | R801 025 | R590 670 | R1 184 507 | R1 107 992 | 187.58% |
| 3 Other | R1 664 637 | R2 594 662 | R2 648 596 | R2 561 323 | 98.72% |
| TOTAL | R9 254 997 | R10 001 650 | R10 655 421 | R11 486 039 | |

(f) Capital Expenditure: Fire Services

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-------------------|-------------------|-------------------|--------------------------|
| 23/24 Equipment : Fire Fighting | R160 000 | R160 000 | R140 598 | 87.87% |
| 23/24 Fire Fighting Equipment | R926 000 | R926 000 | R926 000 | 100.00% |
| 23/24 Fire: CK38172 Nissan Cabstar (Replace with Light Pumper) | R1 950 000 | R1 100 933 | R1 100 933 | 56.46% |
| TOTAL | R3 036 000 | R2 186 933 | R2 167 531 | |

(g) Comment on the performance of fire services overall

The available resources are used to do the best we can to safeguard the community and to respond rapidly to any fire. We are privileged to have the support of **West Coast District Municipal Fire Fighting Service** who are keen to help where they can.

3.7.3 CIVIL PROTECTION (INCLUDING DISASTER MANAGEMENT)**(a) Introduction**

Disaster management within the municipality is still a big challenge. There is no dedicated staff responsible for disaster management. The Chief Fire and Disaster Officer is taking the responsibility of disaster management. The top service delivery priorities for the Municipality are: to proactively prevent, mitigate, respond and recover from the effects of all disasters. The municipality depends heavily on the support of the West Coast Disaster Management Centre for any back-up to a disaster.

(b) Financial Performance: Civil protection (including disaster management)

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-----------------|-------------------|-----------------|--------------------------|
| 1 Employees | R0 | R0 | R0 | R0 | 0.00% |
| 2 Contracted Services | R438 949 | R360 000 | R118 000 | R85 147 | 23.65% |
| 3 Other | R14 037 | R20 000 | R1 046 100 | R810 973 | 4054.87% |
| TOTAL | R452 986 | R380 000 | R1 164 100 | R896 120 | |

(c) Capital Expenditure: Civil protection (including disaster management)

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|---------------------------|-----------------|-------------------|---------|--------------------------|
| 23/24 Equipment : K9 Unit | R40 000 | R40 000 | R28 339 | 70.85% |

(d) Comment on the performance of Civil protection (including disaster management) overall:

No capital allocations are made in the budget for disaster management per se. In the operational budget an amount of R320 000 are set aside to help community members who have losses through fires destroying their living places.

Disaster Management is also taken seriously by the Civil and Development Departments as they recognise the linkage between disasters and development. The allocation of funds to address any disaster is still a great challenge.

3.8. SPORT AND RECREATION

3.8.1 SPORT, PARKS AND RECREATIONAL AREAS AND SWIMMING POOLS

(a) Employees: Sport, Parks and Recreational Areas and Swimming Pools

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 1 | 1 | 1 | 0 | 0.00% |
| 07 - 09 | 2 | 3 | 4 | 1 | 25.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 3 | 4 | 5 | 1 | |

(b) Financial Performance: Sport, Parks and Recreational Areas and Swimming Pools**Sport**

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|--------------------|--------------------------|
| 1 Employees | R3 424 368 | R2 785 403 | R2 869 403 | R3 257 057 | 116.93% |
| 2 Contracted Services | R1 182 502 | R1 023 322 | R1 417 232 | R1 190 055 | 116.29% |
| 3 Other | R3 163 494 | R3 435 355 | R3 439 126 | R6 480 043 | 188.63% |
| TOTAL | R7 770 364 | R7 244 080 | R7 725 761 | R10 927 155 | |

Parks and Recreational Areas

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R15 476 817 | R17 445 728 | R17 366 728 | R16 454 588 | 94.32% |
| 2 Contracted Services | R1 140 398 | R1 049 185 | R1 212 508 | R1 266 368 | 120.70% |
| 3 Other | R2 456 167 | R3 689 199 | R4 180 106 | R2 700 499 | 73.20% |
| TOTAL | R19 073 382 | R22 184 112 | R22 759 342 | R20 421 455 | |

Swimming Pools

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R2 320 012 | R2 706 882 | R2 712 882 | R2 790 903 | 103.10% |
| 3 Other | R938 764 | R1 173 654 | R1 183 674 | R994 035 | 84.70% |
| 2 Contracted Services | R389 921 | R610 663 | R490 663 | R307 498 | 50.35% |
| TOTAL | R3 648 697 | R4 491 199 | R4 387 219 | R4 092 436 | |

(c) Capital Expenditure: Sport, Parks and Recreational Areas and Swimming Pools**Sport**

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|--------------------|--------------------|--------------------|--------------------------|
| 23/24 Viewing Centres: Broadcasting equipment & related infrastructure | R75 000 | R75 495 | R75 495 | 100.66% |
| 23/24 Upgrading of Ilinge Lethu Sports Fields | R1 300 000 | R900 000 | R889 154 | 68.40% |
| 23/24 Upgrading of Ilinge Lethu Sports Fields (MIG) | R10 000 000 | R8 876 494 | R8 876 132 | 88.76% |
| 23/24 Upgrading of Netball Courts: Moorreesburg | R966 000 | R966 374 | R966 374 | 100.04% |
| TOTAL | R12 341 000 | R10 818 363 | R10 807 155 | |

Parks and Recreational Areas

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-------------------|-------------------|-------------------|--------------------------|
| 23/24 Equipment: Parks | R64 000 | R134 000 | R129 284 | 202.01% |
| 23/24 Equipment Insurance (Parks) Office Equipment (non-cash) | R0 | R0 | R10 170 | 0.00% |
| 23/24 Parks: CK43400 Trailer with Roller | R136 500 | R116 500 | R116 500 | 85.35% |
| 23/24 Parks: CK16683 Nissan NP300 | R438 375 | R435 304 | R435 304 | 99.30% |
| 23/24 Equipment Insurance (Parks) Machinery and Equipment (non-cash) | R0 | R0 | R53 610 | 0.00% |
| 23/24 Parks: CK28881 John Deere Tractor | R577 889 | R620 000 | R620 000 | 107.29% |
| 23/24 Ward Committee Projects: Parks (Materials and Supplies) | R100 000 | R62 300 | R174 630 | 174.63% |
| 23/24 Ward Committee Projects: Parks (Acquisitions:Outsourced) | R1 000 000 | R1 037 700 | R1 037 700 | 103.77% |
| TOTAL | R2 316 764 | R2 405 804 | R2 577 198 | |

Swimming Pools

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|-----------------|-------------------|------------|--------------------------|
| 23/24 Swimming Pool: Wesbank | R12 000 000 | R7 300 000 | R7 300 000 | 60.83% |
| TOTAL | | | | |

(d) Comment on the performance of sport, parks and recreational areas and swimming pools overall

The IDP has five strategic goals and the provision of sport facilities, parks and swimming pools are aligned to the following strategic goals:

One: Community Safety and Wellbeing

Three: Quality and Reliable Services

Various actions have been developed to ensure that the strategic goals are achieved.

3.8.2 CARAVAN PARK YZERFONTEIN**(a) Introduction**

The caravan park is situated near the beach and has 127 camping sites which all have braai places and are provided with water and 10 amp electricity supply points. There are 5 ablution blocks, each with bath and shower with hot and cold running water. One of these blocks has a dedicated physically disabled ablution facility. Shops and restaurants are all within walking distance from the park. There are 4 holiday house units situated in a quiet part of the park and are all six-sleepers. They are fully equipped but bedding, towels and braai grid are not supplied.

The following amenities are available in or near the park:

1. Children's play park for up to 14 year olds.
2. Laundry with washing machines and a dryer.
3. A large community hall, tennis courts and a bowling green.

(b) Employees: Caravan Parks

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 4 | 4 | 4 | 0 | 0.00% |
| 07 - 09 | 1 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 6 | 6 | 6 | 0 | |

(c) Financial Performance: Caravan Parks

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R2 053 555 | R2 187 176 | R2 303 176 | R2 288 665 | 104.64% |
| 2 Contracted Services | R191 288 | R217 618 | R207 571 | R159 982 | 73.52% |
| 3 Other | R664 598 | R688 959 | R704 038 | R830 172 | 120.50% |
| TOTAL | R2 909 441 | R3 093 753 | R3 214 785 | R3 278 819 | |

(d) Capital Expenditure: Caravan Parks

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|-----------------------------------|-----------------|-------------------|-----------------|--------------------------|
| 23/24 Equipment: YZF Caravan Park | R32 000 | R30 873 | R30 873 | 96.48% |
| 23/24 YZF Caravan Park: Expansion | R700 000 | R619 618 | R531 320 | 75.90% |
| TOTAL | R732 000 | R650 491 | R562 193 | |

(e) Comment on the performance of Caravan Parks overall

The Yzerfontein Caravan Park is a very popular caravan park in the West Coast and is fully booked during December holidays as well as Easter Weekend.

It has a 90% and higher booking rate for weekends of February and March as well as long weekends during the summer.

The caravan park also has a good annual customer rating.

Newly built ablution facility at the Yzerfontein Caravan Park which is a wheelchair friendly facility.

3.9. CORPORATE MANAGEMENT

3.9.1 MANAGEMENT INFRASTRUCTURE AND CIVIL ENGINEERING SERVICES

(a) Infrastructure and Civil Engineering Services performance results

| PerformanceObjective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|---|----------------------|----------------------|---------------------|--------------------|-------------------------|-------|--------------------|---|
| 3 Indicators Directors | | | | | | | | | | |
| Capital expenditure in line with budget and time frames | D01 | Spend 95% of capital budget by the end of June | | | 0 | 95% by end of June | 92.85% | 5 | 95% by end of June | Budget: R116 764 942, YTD Actual: R108 415 097 (includes R212 779.74 non-cash transactions) Reason for underspending: Funds have been in operational budget. This is the end result of a multi budget of three years. Corrective measure: None required |
| Operating expenditure in line with budget and time frames | D03 | Spend 90% of the operating budget by the end of June | | | 0 | 90% by end of June | 98.47% | 5 | 90% by end of June | Budget: R326 001 705, Actual: R321 005 505 |
| Workforce training roll-out | D04 | Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June | | | 0 | 95% by end of June | 100% | 5 | 95% by end of June | |
| Council decision implementation | D05 | Initiate/implement 100% of council decisions monthly | | | 0 | 100% | 100% for past 12 months | 5 | 100% | |
| Performance and financial monitoring | D06 | Ensure that monthly performance assessments are held | | | 0 | 11 for the year | 12 | 5 | 11 for the year | 12 meetings held in 2023/2024 (10 Jul, 28 Aug, 26 Sep, 9 Oct, 20 Nov, 11 Dec, 15 Jan, 26 Feb, |

| | | | | | | | | | | |
|--|-----|--|--|--|---|---------------------------------|-------------------------------|---|---------------------------------|--|
| | | | | | | | | | | 25 Mar, 15 Apr, 27 May, 27 Jun) |
| Annual Report inputs provided by departments | D07 | Complete departmental input to the annual report on the AR Framework annually by end of October | | | 0 | 100% annually by end of October | 100% | 5 | 100% annually by end of October | All inputs were received by 24 August 2023 |
| Budget inputs provided by departments | D08 | Submit budget requests to the financial department by end of October | | | 0 | 1 by end of October | 1 by 31 October 2023 at 15:14 | 5 | 1 by end of October | |
| Assignments from the municipal manager completed | D09 | Number of written warnings received from the municipal manager by the end of June | | | 0 | 0 by end of June | 0 | 5 | 0 by end of June | No warnings received for period worked |
| Equal employment opportunity management | D10 | Ensure that 90% of new appointments comply with the employment equity targets | | | 0 | 90% | 100% (9/9 employees) | 5 | 90% | |
| Audit issues resolved | D13 | % of internal audit actions implemented by 30 June | | | 0 | 100% by 30 June | 100% | 5 | 100% by 30 June | Dates of internal audit findings addressed in 2023/2024: 15 Dec, 20 Feb, 22 Apr, 30 Apr, 24 Jun, 26 Jun |
| Audit issues resolved | D14 | % of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days | | | 0 | 100% | N/a (No COMAFs) | 0 | 100% | |
| Audit issues resolved | D15 | % of Auditor General's findings implemented by 30 June | | | 0 | 100% by 30 June | N/a (No COMAFs) | 0 | 100% by 30 June | |
| Risk identification and control implementation | D16 | Complete bi-annual departmental risk assessments | | | 0 | 2 for the year | 2 | 5 | 2 for the year | Risk assessments for the first half of the year was held between 17-20 Oct and for the second half of the year between 22 - 30 April |
| Risk identification and | D17 | % of Risk Action Plans | | | 0 | 100% by 30 | 100% by | 5 | 100% by 30 | Risk action plan was |

| | | | | | | | | | | |
|---------------------------------------|-----|---|--|--|---|-----------------|-------------------|---|-----------------|--|
| control implementation | | implemented by 30 June | | | | June | 28 June 2024 | | June | implemented on 28 June that are within control of department and excluding extended implementation actions to be considered by MM |
| Invocoms held | D21 | Ensure that monthly invocoms are held | | | 0 | 10 for the year | 15 | 5 | 10 for the year | Invocoms were held on the following dates in 2023/2024: 19 Jul, 28 Aug, 19 Sep, 12 Oct, 14 Oct, 24 Nov, 19 Dec, 5 Jan, 22 Feb, 27 Feb, 6 Mar, 3 Apr, 3 May, 8 May, 5 Jun |
| Average duration of vacancies reduced | D22 | Fill vacancies within 6 months after decision was taken by management to fill the post | | | 0 | Within 6 months | Within 1.6 months | 5 | Within 6 months | |
| Productive workforce | D23 | Monitor the percentage of person days lost per month due to sick leave | | | 0 | 4% | 2.48% | 5 | 4% | |
| EPWP monitoring | D25 | Monitor the number of EPWP work opportunities created by 30 June | | | 0 | 296 | 307 | 5 | 296 | 277 for the directorate 307 for the whole organisation |
| Asset safeguarding | D26 | Complete a condition assessment and a review of the remaining useful life of all assets in the department and submit a certification in this regard to the Head Asset Management within the first week after the financial year end | | | 0 | 1 | 1 by 1 July 2024 | 5 | 1 | |
| Asset safeguarding | D27 | Report all moveable assets quarterly that became unusable or that were lost or stolen in the prescribed | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Reported on the following dates in 2023/2024: 4 Aug, 3 Nov, 1 Dec, 10 Jan, 2 Feb, 1 Mar, 5 Apr, 10 Apr, 3 May, 7 |

| | | | | | | | | | | |
|--|-----|--|--|--|---|------------------------------|---------------------------|---|------------------------------|---|
| | | manner to the Head: Asset Management | | | | | | | | June, 5 Jul |
| Communication Strategy implementation | D28 | Submit a plan of all planned communication activities for the next financial year in terms of the Communication Strategy to the Communication Officer by end of June | | | 0 | 1 by end of June | 1 by 30 May 2024 | 5 | 1 by end of June | |
| Communication Strategy implementation | D29 | Submit quarterly reports on all communication activities undertaken by the directorate submitted to the Communication Officer | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Quarterly reports was submitted on the following dates: Q1 15 Oct 2023, Q2 17 Jan 2024, Q3 9 Apr 2024, Q4 28 June 2024 |
| Issuing of safety clothing | D30 | Ensure that all safety clothing are issued by the end of March | | | 0 | 100% by end of March | 100% by 15 March 2024 | 5 | 100% by end of March | |
| Spending of grants | D31 | Spend 100% of operational and capital grants by the end of June | | | 0 | 100% by end of June | 100% | 5 | 100% by end of June | |
| Ensure that accurate revenue estimates are prepared in relation to operating requirements | D32 | Submit projected tariff increases determined for the new budget annually by end of October | | | 0 | 1 annually by end of October | 1 by 31 Oct 2023 at 15:14 | 5 | 1 annually by end of October | |
| Ensure timeous submission of capital payment invoices and payment certificates to the finance department | D33 | Submit all capital unbundling packs with all outstanding invoices annually to the Finance Department by 10 July | | | 0 | 100% annually by 10 July | 100% | 5 | 100% annually by 10 July | All unbundling packs was submitted between 27 January 2023 and 5 July 2023 |
| Training needs of staff | D34 | Submit training needs of staff to HR at meetings held with all departments | | | 0 | 1 during November annually | 1 | 5 | 1 during November annually | Training needs was completed on 24 November 2023 |

| | | | | | | | | | | |
|--|--|--------------------------|--|--|--|--|--|--|--|--|
| | | during November annually | | | | | | | | |
|--|--|--------------------------|--|--|--|--|--|--|--|--|

(b) Employees: Infrastructure and Civil Engineering Services

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 2 | 2 | 2 | 0 | 0.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 3 | 3 | 3 | 0 | 0.00% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0.00% |
| TOTAL | 6 | 6 | 6 | 0 | |

(c) Financial Performance: Infrastructure and Civil Engineering Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R2 981 846 | R3 075 340 | R3 096 940 | R3 320 615 | 107.98% |
| 2 Contracted Services | R261 | R1 842 | R1 842 | R1 723 | 93.54% |
| 3 Other | R648 597 | R750 152 | R786 096 | R721 262 | 96.15% |
| TOTAL | R3 630 704 | R3 827 334 | R3 884 878 | R4 043 600 | |

(d) Capital Expenditure: Infrastructure and Civil Engineering Services

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|-------------------------|-----------------|-------------------|---------|--------------------------|
| 23/24 Equipment : Civil | R54 000 | R53 751 | R53 318 | 98.74% |

3.9.2 MANAGEMENT CORPORATE SERVICES

(a) Corporate Services performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|--|----------------------|----------------------|---------------------|-----------------------------|--------------------------------|-------|------------------------------|--|
| 1 General KPI's | | | | | | | | | | |
| Reg (10) : People from employment equity target groups employed | D151 | The % of appointments made in the 3 highest levels of management which comply with the Employment Equity Plan, measured by the number of appointments in the 3 highest levels of management, which comply with Employment Equity targets/Total appointments made in 3 highest levels of management x 100 | | | 0 | 90% annually by end of June | 100% | 5 | 100% annually by end of June | |
| Reg 10 (f): Budget spent on implementing the workplace skills plan | D152 | Spent 90% of the Municipality's training budget on implementing its Workplace Skills Plan by end of June | | | 0 | 90% by end of June | 100% | 5 | 90% by end of June | R2 042 364/R2 042 364 of training budget spent |
| 2 Indicators from IDP | | | | | | | | | | |
| 5.5 Improved corporate image and communication | D153 | (1) Develop a proposal for innovative ways to use existing and new platforms to engage with residents and businesses and submit to the Mayoral Committee by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |

| | | | | | | | | | | |
|---|------|--|--|--|---|--------------------|--------------------------------|---|--------------------|--|
| 5.5 Improved corporate image and communication | D154 | (2) Investigate and submit a report to the Mayoral Committee by June 2026 on a digital people-centred application | | | 0 | 1 by June 2026 | N/a (2025/2026 financial year) | 0 | | |
| 5.5 Improved corporate image and communication | D155 | (3) Investigate the feasibility of a 24/7 customer care centre and submit a report to the Mayoral Committee by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 5.5 Improved corporate image and communication | D156 | (4) Finalise and establish a corporate identity manual and submit to Mayoral Committee by June 2024 | | | 0 | 1 by June 2024 | 1 by May 2024 | 5 | | |
| 3 Indicators Directors | | | | | | | | | | |
| Capital expenditure in line with budget and time frames | D116 | Spend 95% of the capital budget by the end of June | | | 0 | 95% by end of June | 143.17% | 5 | 95% by end of June | Budget: R165 813, Actual: R237 386 (includes R73 570 non-cash transactions) |
| Operating expenditure in line with budget and time frames | D118 | Spend 90% of the operating budget by the end of June | | | 0 | 90% by end of June | 95.98% | 5 | 90% by end of June | Budget = R43 765 927, YTD Actual = R42 007 672 |
| Workforce training roll-out | D119 | Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June | | | 0 | 95% by end of June | 100% | 5 | 95% by end of June | |
| Council decision implementation | D120 | Initiate/implement 100% of council decisions monthly | | | 0 | 100% | 100% | 5 | 100% | 326/326 resolutions initiated/implemented for the year |
| Performance and financial monitoring | D121 | Ensure that monthly performance assessments are held | | | 0 | 11 for the year | 12 | 5 | 11 for the year | Meetings were held on the following dates in 2023/2024: 11 Jul, 30 Aug, 27 Sep, 11 Oct, 21 Nov, 11 Dec, 17 Jan, 27 Feb, 27 Mar, 17 Apr, 30 May, 25 Jun |

| | | | | | | | | | | |
|--|------|---|--|--|---|---------------------------------|-------------------------------------|---|---------------------------------|--|
| Annual Report inputs provided by departments | D122 | Complete departmental input to the annual report on the AR Framework annually by end of October | | | 0 | 100% annually by end of October | 100% by 20 October 2023 | 5 | 100% annually by end of October | |
| Budget inputs provided by departments | D123 | Submit budget requests to the financial department by end of October | | | 0 | 1 by end of October | 1 by 25 October 2023 | 5 | 1 by end of October | |
| Assignments from the municipal manager completed | D124 | Number of written warnings received from the municipal manager by the end of June | | | 0 | 0 by end of June | 0 | 5 | 0 by end of June | No warnings received for period worked |
| Equal employment opportunity management | D125 | Ensure that 90% of new appointments comply with the employment equity targets | | | 0 | 90% | 50% | 5 | 90% | 2/4 appointments made in terms of EE Plan for the year. Corrective measure: None required |
| Audit issues resolved | D128 | % of internal audit actions implemented by 30 June | | | 0 | 100% by 30 June | 100% | 5 | 100% by 30 June | Dates of internal audit findings addressed: 1 Apr 2023, 25 Aug 2023, 11 Sept 2023, 30 Apr 2024, 19 Jun 2024 |
| Audit issues resolved | D129 | % of Auditor General's findings implemented by 30 June | | | 0 | 100% by 30 June | N/a (no COMAFs) | 0 | 100% by 30 June | |
| Risk identification and control implementation | D131 | Complete bi-annual departmental risk assessments | | | 0 | 2 for the year | 2 | 5 | 2 for the year | Risk assessment was held: 18-27 Sept 2023, 25 March - 5 Apr 2024 |
| Risk identification and control implementation | D132 | % of Risk Action Plans implemented by 30 June | | | 0 | 100% by 30 June | N/a (No action plans for 2023/2024) | 0 | 100% by 30 June | |
| Invocoms held | D136 | Ensure that monthly invocoms are held | | | 0 | 10 for the year | 11 | 4 | 10 for the year | Invocoms were held on the following dates in 2023/2024: 31 Jul; 30 Aug; 28 Sep; 27 Oct; 30 Nov; 29 Jan; 28 Feb; 27 Mar; 29 Apr; 30 May; 25 Jun |

| | | | | | | | | | | |
|---------------------------------------|------|---|--|--|---|------------------|------------------|---|------------------|---|
| Average duration of vacancies reduced | D137 | Fill vacancies within 6 months after decision was taken by management to fill the post | | | 0 | Within 6 months | Within 1 month | 5 | Within 6 months | 9 vacancies filled within a average of 1 months after decision was taken to fill the post during the current financial year |
| Productive workforce | D138 | Monitor the percentage of person days lost per month due to sick leave | | | 0 | 4% | 2.39% | 5 | 4% | |
| EPWP monitoring | D140 | Monitor the number of EPWP work opportunities created by 30 June | | | 0 | 296 | 307 | 5 | 296 | 4 for the directorate 307 for the whole organisation |
| Assets safeguarding | D141 | Complete a condition assessment and review of the remaining useful life of all assets in the department and submit a certification in this regard to the Head Asset Management within the first week after financial year end | | | 0 | 1 | 1 by 6 July 2024 | 4 | 1 | |
| Assets safeguarding | D142 | Report all moveable assets quarterly that became unusable or that were lost or stolen in the prescribed manner to the Head: Asset Management | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Reporting was done on: 30 Sep 2023, 31 Dec 2023, 9 Apr 2024, 2 July 2024 |
| Communication Strategy implementation | D143 | Submit a plan of all planned communication activities for the next financial year in terms of the Communication Strategy to the Communication Officer by end of June | | | 0 | 1 by end of June | 1 by 13 May 2024 | 5 | 1 by end of June | |
| Communication Strategy | D144 | Submit quarterly reports | | | 0 | 4 for the | 4 | 5 | 4 for the | Qrt 1 - 19 Oct 2023, Qrt 2 - 11 |

| | | | | | | | | | | |
|--|------|---|--|--|---|------------------------------|-----------------------|---|------------------------------|--|
| implementation | | on all communication activities undertaken by the directorate submitted to the Communication Officer | | | | year | | | year | Jan 2024, Qrt 3 - 26 Mar 2024, Qrt 4 - 24 June 2024 |
| Issuing of safety clothing | D145 | Ensure that all safety clothing are issued by the end of March | | | 0 | 100% by end of March | 100% by 25 March 2024 | 4 | 100% by end of March | |
| Spending of grants | D146 | Spend 100% of operational and capital grants by the end of June | | | 0 | 100% by end of June | 100% | 5 | 100% by end of June | |
| Ensure that accurate revenue estimates are prepared in relation to operating requirements | D147 | Submit projected tariff increases determined for the new budget annually by end of October | | | 0 | 1 annually by end of October | 1 on 31 October 2024 | 3 | 1 annually by end of October | |
| Ensure timeous submission of capital payment invoices and payment certificates to the finance department | D148 | Submit all capital unbundling packs with all outstanding invoices annually to the Finance Department by 10 July | | | 0 | 100% annually by 10 July | 100% | 5 | 100% annually by 10 July | Department does not have capital unbundling but submission of property sales was done on 30 May 2023 |
| Training needs of staff | D149 | Submit training needs of staff to HR at meetings held with all departments during November annually | | | 0 | 1 during November annually | 1 by 20 November 2023 | 5 | 1 during November annually | |
| Promote employment equity through continuous planning | D150 | Review and update the employment equity plan by end of June as a result of any major event or restructuring that occurred during the financial year | | | 0 | 1 by end of June | 1 by 26 June 2024 | 5 | 1 by end of June | |

(b) Employees: Corporate Services

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 2 | 2 | 2 | 0 | 0.00% |
| 07 - 09 | 3 | 3 | 3 | 0 | 0.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 2 | 2 | 2 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0.00% |
| TOTAL | 8 | 8 | 8 | 0 | |

(c) Financial Performance: Corporate Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R8 194 781 | R9 434 541 | R9 501 541 | R8 733 469 | 92.57% |
| 2 Contracted Services | R1 772 129 | R2 126 211 | R3 164 974 | R2 155 143 | 101.36% |
| 3 Other | R1 852 514 | R2 224 359 | R2 158 077 | R1 793 722 | 80.64% |
| TOTAL | R11 819 424 | R13 785 111 | R14 824 592 | R12 682 334 | |

(d) Capital Expenditure: Corporate Services

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|-----------------------------|-----------------|-------------------|----------------|--------------------------|
| 23/24 Equipment : Corporate | R26 000 | R20 796 | R20 796 | 79.98% |
| TOTAL | R26 000 | R20 796 | R20 796 | |

3.9.3 MANAGEMENT DEVELOPMENT SERVICES

(a) Development Services performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|---|----------------------|----------------------|---------------------|--------------------|--------|-------|--------------------|---|
| 3 Indicators Directors | | | | | | | | | | |
| Capital expenditure in line with budget and time frames | D157 | Spend 95% of the capital budget by the end of June | | | 0 | 95% by end of June | 89.49% | 3 | 95% by end of June | Budget: R62 290 745, Actual: R55 743 129 Silvertown purchase of land: The municipality was unable to successfully conclude a binding sales agreement due to various legal considerations which were only concluded in July of 2024. The unspent amount for the De Hoop/Phola Park project (UISP) was allocated by the Department of Infrastructure for re-location, survey and registration costs; which is not applicable to the Phola Park project and will not be utilized by the municipality. |
| Operating expenditure in line with budget and time frames | D159 | Spend 90% of the operating budget by the end of June | | | 0 | 90% by end of June | 94.99% | 5 | 90% by end of June | Budget: R31 731 116, Actual: R30 139 811 |
| Workforce training roll-out | D160 | Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June | | | 0 | 95% by end of June | 100% | 5 | 95% by end of June | All planned training opportunities for the year were attended before end June |
| Council decision | D161 | Initiate/implement 100% | | | 0 | 100% | 99.71% | 5 | 100% | 205/206 resolutions |

| | | | | | | | | | | |
|--|------|--|--|--|---|---------------------------------|----------------------|---|---------------------------------|--|
| implementation | | of council decisions monthly | | | | | | | | initiated/implemented for the year. Director to ensure that officials address resolutions within prescribed timeframe of two months. Corrective measure: Ensure updating of council decisions on the Collab system |
| Performance and financial monitoring | D162 | Ensure that monthly performance assessments are held | | | 0 | 11 for the year | 12 | 5 | 11 for the year | Meetings were held on the following dates in 2023/2024: 11 Jul; 30 Aug; 27 Sep; 12 Oct; 21 Nov; 12 Dec; 17 Jan; 27 Feb; 27 Mar; 16 Apr; 28 May; 25 Jun |
| Annual Report inputs provided by departments | D163 | Complete departmental input to the annual report on the AR Framework annually by end of October | | | 0 | 100% annually by end of October | 100% | 5 | 100% annually by end of October | Inputs was completed by 13 Oct 2023 |
| Budget inputs provided by departments | D164 | Submit budget requests to financial department Submit budget requests to financial department by end of October | | | 0 | 1 by end of October | 1 by 13 October 2023 | 5 | 1 by end of October | |
| Assignments from the municipal manager completed | D165 | Number of written warnings received from the municipal manager by the end of June | | | 0 | 0 by end of June | 0 | 5 | 0 by end of June | No warnings received for period worked |
| Equal employment opportunity management | D166 | Ensure that 90% of new appointments comply with the employment equity targets | | | 0 | 90% | 0% | 5 | 90% | 0/1 appointment made in terms of the EE Plan. Vacancy advertised externally. No candidates from the designated group applied. Corrective measure: None required |
| Audit issues resolved | D169 | % of internal audit actions | | | 0 | 100% by 30 | 100% by | 5 | 100% by 30 | |

| | | | | | | | | | | |
|--|------|--|--|--|---|-----------------|-----------------|---|-----------------|---|
| | | implemented by 30 June | | | | June | 30 Apr 2024 | | June | |
| Audit issues resolved | D170 | % of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days | | | 0 | 100% | N/a (No COMAFs) | 0 | 100% | |
| Audit issues resolved | D171 | % of Auditor General's findings implemented by 30 June | | | 0 | 100% by 30 June | N/a (No COMAFs) | 0 | 100% by 30 June | |
| Risk identification and control implementation | D172 | Complete bi-annual departmental risk assessment | | | 0 | 2 for the year | 2 | 5 | 2 for the year | 3 - 5 October 2023 8 - 11 April 2024 |
| Risk identification and control implementation | D173 | % of Risk Action Plans implemented by 30 June | | | 0 | 100% by 30 June | 100% | 5 | 100% by 30 June | All risk action plans implemented before 30 June that is within the departments control and excluding actions to be considered by the MM |
| Invocoms held | D177 | Ensure that monthly invocoms are held | | | 0 | 11 for the year | 12 | 5 | 11 for the year | Invocoms were held on the following dates in 2023/2024: 21 Jul, 23 Aug, 27 Sep, 24 Oct, 22 Nov, 5 Dec, 24 Jan, 21 Feb, 26 Mar, 24 Apr, 23 May, 25 Jun |
| Average duration of vacancies reduced | D178 | Fill vacancies within 6 months after decision was taken by management to fill the post | | | 0 | Within 6 months | Within 2 months | 5 | Within 6 months | |
| Productive workforce | D179 | Monitor the percentage of person days lost per month due to sick leave | | | 0 | 4% | 1.27% | 5 | 4% | |
| EPWP monitoring | D181 | Monitor the number of EPWP work opportunities created by 30 June | | | 0 | 296 | 307 | 5 | 296v | 10 for the directorate 307 for the whole organisation |

| | | | | | | | | | | |
|---------------------------------------|------|---|--|--|---|----------------------|-----------------------|---|----------------------|--|
| Assets safeguarding | D182 | Complete a condition assessment and a review of the remaining useful life of all assets in the department and submit a certification in this regard to the Head Asset Management within the first week after the financial year end | | | 0 | 1 | 1 | 5 | 1 | Email was sent to Head of Assets Management on 27 June 2024 |
| Assets safeguarding | D183 | Report all moveable assets quarterly that became unusable or that were lost or stolen in the prescribed manner to the Head: Asset Management | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Reported on the following dates: 30 sept 2023, 31 Dec 2023, 28 Mar 2024, 27 June 2024 |
| Communication Strategy implementation | D184 | Submit a plan of all planned communication activities for the next financial year in terms of the Communication Strategy to the Communication Officer by end of June | | | 0 | 1 by end of June | 1 on 28 June 2024 | 5 | 1 by end of June | |
| Communication Strategy implementation | D185 | Submit quarterly reports on all communication activities undertaken by the directorate submitted to the Communication Officer | | | 0 | 4 for the year | 4 | 5 | 4 for the year | 1st quarter - 06 October 2023 (15:23pm), 2nd quarter - 17 January 2024, 3rd quarter - 03 April 2024 (09:10 am), 4th quarter - 28 June 2024 (13:01) |
| Issuing of safety clothing | D186 | Ensure that all safety clothing are issued by the end of March | | | 0 | 100% by end of March | 100% by 13 March 2024 | 5 | 100% by end of March | All safety clothing were issued by 13 March 2024 as per memorandums on the system |
| Spending of grants | D187 | Spend 100% of operational and capital grants by the | | | 0 | 100% by end of | 89.4% | 4 | 100% by end of June | Silvertown purchase of land: The municipality was unable |

| | | | | | | | | | | |
|--|------|---|--|--|---|------------------------------|----------------------|---|------------------------------|--|
| | | end of June | | | | June | | | | to successfully conclude a binding sales agreement due to various legal considerations which were only concluded in July of 2024. The unspent amount for the De Hoop/Phola Park project (UISP) was allocated by the Department of Infrastructure for re-location, survey and registration costs; which is not applicable to the Phola Park project and will not be utilized by the municipality. Mun Accreditation and Capacity Building: Underspending because the official resigned. |
| Ensure that accurate revenue estimates are prepared in relation to operating requirements | D188 | Submit projected tariff increases determined for the new budget annually by end of October | | | 0 | 1 annually by end of October | 1 by 11 October 2023 | 5 | 1 annually by end of October | |
| Ensure timeous submission of capital payment invoices and payment certificates to the finance department | D189 | Submit all capital unbundling packs with all outstanding invoices annually to the Finance Department by 10 July | | | 0 | 100% annually by 10 July | 1 by 4 July 2023 | 5 | 100% annually by 10 July | |
| Training needs of staff | D190 | Submit training needs of staff to HR at meetings held with all departments during November annually | | | 0 | 1 during November annually | 1 by 9 November 2023 | 5 | 1 during November annually | |

(b) Employees: Development Services

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 1 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0.00% |
| TOTAL | 2 | 2 | 2 | 0 | |

(c) Financial Performance: Development Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R2 310 191 | R2 385 001 | R2 397 001 | R2 604 013 | 109.18% |
| 2 Contracted Services | R0 | R1 842 | R1 842 | R0 | 0.00% |
| 3 Other | R188 157 | R392 402 | R392 486 | R206 539 | 52.63% |
| TOTAL | R2 498 348 | R2 779 245 | R2 791 329 | R2 810 552 | |

(d) Capital Expenditure: Development Services

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-----------------|-------------------|-----------------|--------------------------|
| 23/24 Equipment : Development Services | R44 000 | R133 254 | R133 254 | 302.85% |
| TOTAL | R44 000 | R133 254 | R133 254 | |

3.9.4 MANAGEMENT ELECTRICAL ENGINEERING SERVICES

(a) Electrical Engineering Services performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|--|----------------------|----------------------|---------------------|------------------------------|-----------------------|-------|------------------------------|--|
| 3 Indicators Directors | | | | | | | | | | |
| Communication Strategy implementation | D100 | Submit a plan of all planned communication activities for the next financial year in terms of the Communication Strategy to the Communication Officer by end of June | | | 0 | 1 by end of June | 1 on 28 May 2024 | 5 | 1 by end of June | |
| Communication Strategy implementation | D101 | Submit quarterly reports on all communication activities undertaken by the directorate submitted to the Communication Officer | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Communication reports were submitted to the CO on the following dates in 2023/2024: Q1 - 1 Sep, Q2 - 18 Dec, Q3 - 3 Apr, Q4 - 26 Jun |
| Issuing of safety clothing | D102 | Ensure that all safety clothing are issued by the end of March | | | 0 | 100% by end of March | 100% by 25 March 2024 | 4 | 100% by end of March | |
| Spending of grants | D103 | Spend 100% of operational and capital grants by the end of June | | | 0 | 100% by end of June | 100% | 5 | 100% by end of June | |
| Ensure that accurate revenue estimates are prepared in relation to operating requirements | D104 | Submit projected tariff increases determined for the new budget annually by end of October | | | 0 | 1 annually by end of October | 1 on 31 October 2023 | 3 | 1 annually by end of October | |
| Ensure timeous submission of capital payment invoices and payment certificates to | D105 | Submit all capital unbundling packs with all outstanding invoices | | | 0 | 100% annually by 10 July | 100% on 8 July | 5 | 100% annually by 10 July | |

| | | | | | | | | | | |
|---|------|---|--|--|---|---------------------------------|-------------------------|---|---------------------------------|--|
| the finance department | | annually to the Finance Department by 10 July | | | | | 2023 | | | |
| Training needs of staff | D106 | Submit training needs of staff to HR at meetings held with all departments during November annually | | | 0 | 1 during November annually | 1 by 20 November 2023 | 5 | 1 during November annually | |
| Minimum competencies attained | D108 | Complete the required number of unit standards of the MMCP by June 2024 | | | 0 | 15 by June 2024 | 15 by April 2024 | 5 | | Attended last 5 Unit standards, exams passed and final assignments handed in during April 2024 |
| Capital expenditure in line with budget and time frames | D73 | Spend 95% of capital budget by the end of June | | | 0 | 95% by end of June | 105.66 % | 5 | 95% by end of June | Budget = R63 808 632, Actual = R67 419 582 (includes R9 207 294.85 non-cash transactions) |
| Operating expenditure in line with budget and time frames | D75 | Spend 90% of operating budget by the end of June | | | 0 | 90% by end of June | 100.38 % | 5 | 90% by end of June | Budget = R388 207 098, Actual = R389 700 543 |
| Workforce training roll-out | D76 | Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June | | | 0 | 95% by end of June | 100% | 5 | 95% by end of June | |
| Council decision implementation | D77 | Initiate/Implement 100% of council decisions monthly | | | 0 | 100% | 100% for past 12 months | 5 | 100% | |
| Performance and financial monitoring | D78 | Ensure that monthly performance assessments are held | | | 0 | 11 for the year | 12 | 5 | 11 for the year | PMS meetings for 2023/2024 held on 10 Jul, 28 Aug, 26 Sep, 9 Oct, 20 Nov, 11 Dec, 15 Jan, 26 Feb, 25 Mar, 15 Apr, 27 May, 24 Jun |
| Annual Report inputs provided by departments | D79 | Complete departmental input to the annual report on the AR Framework annually by end of October | | | 0 | 100% annually by end of October | 100% by 27 Aug 2023 | 5 | 100% annually by end of October | |

| | | | | | | | | | | |
|--|-----|--|--|--|---|---------------------|-------------------------------|---|---------------------|---|
| Budget inputs provided by departments | D80 | Submit budget requests to the financial department by end of October | | | 0 | 1 by end of October | 1 by 31 October 2023 at 15:27 | 5 | 1 by end of October | |
| Assignments from the municipal manager completed | D81 | Number of written warnings received from the municipal manager by the end of June | | | 0 | 0 by end of June | 0 | 5 | 0 by end of June | No warnings received for period worked |
| Equal employment opportunity management | D82 | Ensure that 90% of new appointments comply with the employment equity targets | | | 0 | 90% | 100% (2/2 employees) | 5 | 90% | |
| Audit issues resolved | D85 | % of internal audit actions implemented by 30 June | | | 0 | 100% by 30 June | 100% | 5 | 100% by 30 June | All findings were addressed on the following dates in 2023/2024: 15 Nov, 17 Nov, 29 Feb, 22 Apr, 30 Apr, 19 Jun, 24 June |
| Audit issues resolved | D86 | % of Auditor General's queries (COMAFs) for which an action plan was submitted within 5 working days | | | 0 | 100% by 30 June | N/a (no COMAFs) | 0 | 100% by 30 June | |
| Audit issues resolved | D87 | % of Auditor General's findings implemented by 30 June | | | 0 | 100% by 30 June | N/a (no COMAFs) | 0 | 100% by 30 June | |
| Risk identification and control implementation | D88 | Complete bi-annual departmental risk assessments | | | 0 | 2 for the year | 2 | 5 | 2 for the year | Risk assessments for the first half of the year was held on 23 Oct and for the second half of the year between 29 Apr and 6 May |
| Risk identification and control implementation | D89 | % of Risk Action Plans implemented by 30 June | | | 0 | 100% by 30 June | 100% by 24 June 2024 | 5 | 100% by 30 June | |
| Invocoms held | D93 | Ensure that monthly | | | 0 | 10 for the | 12 by | 5 | 10 for the | Invocoms were held on the |

| | | | | | | | | | | |
|---------------------------------------|-----|---|--|--|---|-----------------|------------------|---|-----------------|--|
| | | invocoms are held | | | | year | 24 June 2024 | | year | following dates in 2023/2024: 24 Jul, 28 Aug, 26 Sep, 9 Oct, 20 Nov, 11 Dec, 15 Jan, 26 Feb, 25 Mar, 15 Apr, 27 May, 24 Jun |
| Average duration of vacancies reduced | D94 | Fill vacancies within 6 months after decision was taken by management to fill the post | | | 0 | Within 6 months | Within 1 month | 5 | Within 6 months | 3 vacancies filled within a average of 1 months after decision was taken to fill the post during the current financial year |
| Productive workforce | D95 | Monitor the percentage of person days lost per month due to sick leave | | | 0 | 4% | 1.87% | 5 | 4% | |
| EPWP monitoring | D97 | Monitor the number of EPWP work opportunities created by 30 June | | | 0 | 296 | 307 | 5 | 296 | 7 for the directorate 307 for the whole organisation |
| Assets safeguarding | D98 | Complete a condition assessment and a review of the remaining useful life of all assets in the department and submit a certification in this regard to the Head Asset Management within the first week after the financial year end | | | 0 | 1 | 1 on 5 July 2023 | 5 | 1 | |
| Assets safeguarding | D99 | Report all moveable assets quarterly that became unusable or that were lost or stolen in the prescribed manner to the Head: Asset Management | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Reports were submitted to the Head: Asset Management on the following dates in 2023/2024: Q1 - 1 Sep, Q2 - 18 Dec, Q3 - 3 Apr, Q4 - 26 Jun |

(b) Employees: Electrical Engineering Services

The employees of the Electrical Engineering Services Department are incorporated under paragraph 3.2.3(e) Employees: Electricity Distribution.

(c) Financial Performance: Electrical Engineering Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R1 408 147 | R1 427 355 | R1 436 955 | R1 688 721 | 118.31% |
| 2 Contracted Services | R0 | R0 | R0 | R0 | 0.00% |
| 3 Other | R52 886 | R74 136 | R78 636 | R50 445 | 68.04% |
| TOTAL | R1 461 033 | R1 501 491 | R1 515 591 | R1 739 166 | |

(d) Capital Expenditure: Electrical Engineering Services

None under this section

3.9.5 MANAGEMENT FINANCIAL SERVICES

(a) Financial Services performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|---|----------------------|----------------------|---------------------|--------------------|----------|-------|--------------------|---|
| 1 General KPI's | | | | | | | | | | |
| Ensure general financial viability | D279 | Measure the % of the outstanding service debtors | | | 0 | 20% | 7.85% | 5 | 20% | The result is well below the norm of 20% |
| Ensure general financial viability | D280 | Measure financial viability in terms of cost coverage ratio for the current financial year | | | 0 | 3 months | 9 months | 5 | 3 months | The 2022-23 ratio is 9 months which is well above the norm of 3 months |
| Ensure general financial viability | D281 | Measure the % of debt coverage ratio for the current financial year | | | 0 | 45% | 8.93% | 5 | 45% | Result is well below the norm |
| Access to free basic services | D282 | Manage the provision of free basic service subsidies in line with council's policy annually | | | 0 | 100% at 30 June | 100% | 5 | 100% | 9010 Indigent households by end of June 2024 (9205 by end of June 2023). Indigent households showed an improvement of 2.12% |
| 3 Indicators Directors | | | | | | | | | | |
| Capital expenditure in line with budget and time frames | D246 | Spend 95% of the capital budget by the end of June | | | 0 | 95% by end of June | 126.82 % | 5 | 95% by end of June | Budget: R2 538 856, Actual: R3 219 840 (includes R681 000 non-cash transactions) |
| Operating expenditure in line with budget and time frames | D248 | Spend 90% of the operating budget by the end of June | | | 0 | 90% by end of June | 89.06% | 4 | 90% by end of June | Budget = R66 216 197, YTD Actual = R58 973 813 Corrective measure: No corrective measure as the underspending was outside the control of CFO as the biggest savings related to salaries and appointments |

| | | | | | | | | | | |
|--|------|---|--|--|---|---------------------------------|-------------------------------|---|---------------------------------|--|
| | | | | | | | | | | that could not be made. |
| Workforce training roll-out | D249 | Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June | | | 0 | 95% by end of June | 100% | 5 | 95% by end of June | |
| Council decision implementation | D250 | Initiate/implement 100% of council decisions monthly | | | 0 | 100% | 100% for past 12 months | 5 | 100% | |
| Performance and financial monitoring | D251 | Ensure that monthly performance assessments are held | | | 0 | 11 for the year | 12 | 5 | 11 for the year | 12 meetings held in 2023/2024: 10 Jul, 28 Aug, 28 Sep, 9 Oct, 20 Nov, 11 Dec, 15 Jan, 26 Feb, 20 Mar, 16 Apr, 27 May, 26 Jun |
| Annual Report inputs provided by departments | D252 | Complete departmental input to the annual report on the AR Framework annually by end of October | | | 0 | 100% annually by end of October | 100% by 23 October 2023 | 5 | 100% annually by end of October | |
| Budget inputs provided by departments | D253 | Submit budget requests to the financial department by the end of October | | | 0 | 1 by end of October | 1 by 31 October 2023 at 15:56 | 5 | 1 by end of October | |
| Assignments from the municipal manager completed | D254 | Number of written warnings received from the municipal manager by the end of June | | | 0 | 0 by end of June | 0 the past 3 years | 5 | 0 by end of June | 0 written warnings received the past 3 years |
| Equal employment opportunity management | D255 | Ensure that 90% of new appointments comply with the employment equity targets | | | 0 | 90% | 100% | 5 | 90% | 4/4 employees appointed in terms of the EE Plan |
| Audit issues resolved | D258 | % of internal audit actions implemented by 30 June | | | 0 | 100% by 30 June | 100% | 5 | 100% by 30 June | Dates of internal audit findings addressed in 2023/2024: 14 |

| | | | | | | | | | | |
|--|------|--|--|--|---|----------------------------|------------------------------|---|-----------------|--|
| | | | | | | | | | | Aug, 30 Apr, 15 Dec, 29 Feb, 20 Feb (x2), Jan, 24 Jun |
| Audit issues resolved | D259 | % of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days | | | 0 | 100% within 5 working days | 100% within 3.6 working days | 5 | 100% | Five Comafs were received which were responded to within an average of 3.6 working days |
| Audit issues resolved | D260 | % of Auditor General's findings implemented by 30 June | | | 0 | 100% by 30 June | 100% by 24 April 2024 | 5 | 100% by 30 June | |
| Risk identification and control implementation | D261 | Complete bi-annual departmental risk assessments | | | 0 | 2 for the year | 2 | 5 | 2 for the year | Risk assessments for the first half of the year was held between 4-21 Sept and for the second half of the year between 11 - 20 March |
| Risk identification and control implementation | D262 | % of Risk Action Plans implemented by 30 June | | | 0 | 100% by 30 June | 100% by 24 June 2024 | 5 | 100% by 30 June | |
| Invocoms held | D266 | Ensure that monthly invocoms are held | | | 0 | 10 for the year | 14 | 5 | 10 for the year | Invocoms were held on the following dates in 2023/2024: 31 Jul, 31 Aug, 28 Sep, 9 Oct, 20 Nov, 1 Dec, 22 Jan, 1 & 26 Feb, 20 Mar, 18 Apr, 27 May, 7 & 26 Jun |
| Average duration of vacancies reduced | D267 | Fill vacancies within 6 months after decision was taken by management to fill the post | | | 0 | Within 6 months | Within 2 months | 5 | Within 6 months | |
| Productive workforce | D268 | Monitor the percentage of person days lost per month due to sick leave | | | 0 | 4% | 2.68% | 5 | 4% | |
| Asset safeguarding | D269 | Complete a condition | | | 0 | 1 | 2 | 5 | 1 | Assessment was done on 31 |

| | | | | | | | | | | |
|---------------------------------------|------|--|--|--|---|----------------------|-----------------------|---|----------------------|---|
| | | assessment and a review of the remaining useful life of all assets in the department and submit a certification in this regard to the Head Asset Management within the first week after the financial year end | | | | | | | | March and 27 June |
| Asset safeguarding | D270 | Report all moveable assets quarterly that became unusable or that were lost or stolen in the prescribed manner to the Head: Asset Management | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Reporting in 2023/2024: Q1 - 10 Oct, Q2 - 2 Feb, Q3 - 8 April, Q4 - 1 Jul. Average was 13 days. |
| Communication Strategy implementation | D271 | Submit a plan of all planned communication activities for the next financial year in terms of the Communication Strategy to the Communication Officer by end of June | | | 0 | 1 by end of June | 1 on 26 June 2024 | 5 | 1 by end of June | |
| Communication Strategy implementation | D272 | Submit quarterly reports on all communication activities undertaken by the directorate submitted to the Communication Officer | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Reports were submitted on the following dates in 2023/2024: Q1 - 6 Oct, Q2 - 16 Jan, Q3 - 28 Mar, Q4 - 26 Jun |
| Issuing of safety clothing | D273 | Ensure that all safety clothing are issued by the end of March | | | 0 | 100% by end of March | 100% by November 2023 | 5 | 100% by end of March | Completed by November 2023 |
| Spending of grants | D274 | Spend 100% of operational and capital | | | 0 | 100% by end of June | 100% | 5 | 100% by end of June | |

| | | | | | | | | | | |
|--|------|---|--|--|---|-------------------------------|-------------------------------|---|-------------------------------|---------------------------|
| | | grants by the end of June | | | | | | | | |
| Ensure that accurate revenue estimates are prepared in relation to operating requirements | D275 | Submit projected tariff increases determined for the new budget annually by end of October | | | 0 | 1 annually by end of October | 1 on 30 October 2023 at 09:34 | 5 | 1 annually by end of October | |
| Ensure timeous submission of capital payment invoices and payment certificates to the finance department | D276 | Submit all capital unbundling packs with all outstanding invoices annually to the Finance Department by 10 July | | | 0 | 100% annually by 10 July | 100% | 5 | 100% annually by 10 July | Finalised by 27 June 2023 |
| Training needs of staff | D277 | Submit training needs of staff to HR at meetings held with all departments during November annually | | | 0 | 1 during November annually | 1 on 27 June 2023 | 5 | 1 during November annually | |
| Ensure that accurate revenue estimates are prepared in relation to realistically anticipated revenue streams | D278 | Projected tariff increases determined for the budget of the new financial year annually by end of February | | | 0 | 1 annually by end of February | 1 on 28 February 2024 | 5 | 1 annually by end of February | |

(b) Employees: Financial Services

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 1 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0.00% |
| TOTAL | 2 | 1 | 1 | 0 | |

Other employees of Financial Services are incorporated under the separate Financial Services functions.

(c) Financial Performance: Financial Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R27 922 409 | R31 649 006 | R31 694 006 | R31 089 564 | 98.23% |
| 2 Contracted Services | R1 209 898 | R6 075 249 | R4 148 299 | R1 351 190 | 22.24% |
| 3 Other | R5 425 458 | R13 924 372 | R22 166 460 | R10 739 200 | 77.13% |
| TOTAL | R34 557 765 | R51 648 627 | R58 008 765 | R43 179 954 | |

(d) Capital Expenditure: Financial Services

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|---|-------------------|-------------------|-------------------|--------------------------|
| 23/24 Finance: CK22572 Nissan NP300 Hardbody | R459 480 | R721 582 | R721 582 | 157.04% |
| 23/24 Finance: CK40700 Citi Golf 310 | R282 765 | R508 116 | R508 110 | 179.69% |
| 23/24 Deeds (non-cash) | R0 | R0 | R681 000 | 0.00% |
| 23/24 Meterreading Handhelds | R80 000 | R50 910 | R50 910 | 63.64% |
| 23/24 Asset Recording Handhelds | R16 500 | R16 500 | R16 500 | 100.00% |
| 23/24 Finance: CK14227 Chevrolet Aveo | R282 765 | R254 058 | R254 055 | 89.85% |
| 23/24 Finance: CK42165 Chevrolet Aveo (Replace with Bakkie) | R459 480 | R360 791 | R360 791 | 78.52% |
| 23/24 Finance: CK41089 Chevrolet Aveo | R282 765 | R254 058 | R254 055 | 89.85% |
| 23/24 Finance: CK18439 Chevrolet Aveo | R282 765 | R254 058 | R254 055 | 89.85% |
| 23/24 Equipment : Financial | R45 000 | R118 783 | R118 783 | 263.96% |
| TOTAL | R2 191 520 | R2 538 856 | R3 219 840 | |

(e) Debt Efficiency

| Details | Previous Year Actual Billed | Previous Year Percentage | Billed In Year | Actual Billed | Percentage |
|----------------|--------------------------------|-----------------------------|----------------|---------------|------------|
| Electricity | R364 616 492 | 94.47% | R399 716 198 | R443 249 370 | 110.89% |
| Other | R- | 0.00% | R- | R- | 0.00% |
| Property Rates | R152 166 871 | 102.63% | R167 829 933 | R163 174 552 | 97.23% |
| Refuse | R32 770 450 | 100.55% | R32 996 867 | R33 962 559 | 102.93% |
| Sanitation | R52 451 707 | 101.26% | R52 364 274 | R60 460 874 | 115.46% |
| Water | R841 141 514 | 104.15% | R91 856 867 | R92 981 779 | 101.22% |

3.9.6 MANAGEMENT OFFICE OF THE MUNICIPAL MANAGER

(a) Office of the Municipal Manager performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|---|----------------------|----------------------|---------------------|--------------------|--------------------------------|-------|--------------------|---|
| 1 General KPI's | | | | | | | | | | |
| Reg 10(c): Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan | D59 | Spend 95% of capital budget by the end of June | | | 0 | 95% by end of June | 95.75% | 5 | 95% by end of June | Budget: R248 689 919, Actual: R238 109 605 (includes R10 198 945 non-cash transactions) |
| 2 Indicators from IDP | | | | | | | | | | |
| 5.1 Innovative local government | D69 | Ensure the development of an innovation policy and submit to the Mayoral Committee by June 2026 | | | 0 | 1 by June 2026 | N/a (2025/2026 financial year) | 0 | | |
| 5.4 Increased use of digital technology | D72 | Ensure the development of a proposal for the increased use of digital technology to support business and the economy and submit to the Mayoral Committee by June 2026 | | | 0 | 1 by June 2026 | N/a (2025/2026 financial year) | 0 | | |
| 3 Indicators Directors | | | | | | | | | | |
| Sound management | D49 | Hold monthly management meetings | | | 0 | 10 for the year | 12 | 5 | 10 for the year | |
| Legally compliant procurement | D50 | Monitor the number of appeals monthly against | | | 0 | 0 | 0 | 5 | 0 | There were no appeals against the municipality regarding the |

| | | | | | | | | | | |
|--|------|--|--|--|---|------------------------------|-------------------------|---|------------------------------|---|
| | | the municipality regarding the awarding of tenders that were upheld | | | | | | | | awarding of tenders that were upheld and also no litigation costs against the municipality for the 2023/2024 financial year |
| Performance and financial monitoring | D51 | Ensure that monthly performance review sessions are held | | | 0 | 11 for the year | 12 | 5 | 11 for the year | Last PMS meeting was held on 25 June |
| Annual report compilation and approval | D52 | Table the Annual Report as required by MFMA (121) to Council annually by end of January | | | 0 | 1 annually by end of January | 1 | 5 | 1 annually by end of January | The Annual Report was tabled and adopted by Council on 30 January 2024, it included the AG final review report |
| Council decision implementation | D53 | Submit the Annual Report to Council as required by section 129 of the MFMA (121) approval annually by end of March | | | 0 | 1 annually by end of March | 1 | 5 | 1 annually by end of March | Annual Report approved by council 28 March 2024 without reservations |
| Council decision implementation | D54 | Implement 100% of council decisions quarterly | | | 0 | 100% | 100% for past 12 months | 5 | 100% | |
| Functional macrostructure maintained | D56 | Review the macro structure annually | | | 0 | 1 annually | 2 | 5 | 1 annually | The Macro structure was reviewed on 13 December 2023 and in March 2024 again |
| MFMA Section 131(1): Ensure that any issues raised by the Auditor-General in an audit report are addressed | D57 | % of issues raised by the Auditor-General in an audit report addressed by 30 June | | | 0 | 100% by 30 June | 100% by 12 April 2024 | 5 | 100% by 30 June | |
| Training needs of staff | D58 | Submit training needs of staff to HR at meetings held with all departments during November annually | | | 0 | 1 during November annually | 1 on 22 November 2023 | 5 | 1 during November annually | |
| Performance evaluation of the Section 57 managers | D737 | Conduct a formal performance evaluation of | | | 0 | 1 annually | 1 on 15 Septem | 5 | 1 annually | |

| | | | | | | | | | | |
|--|--|--|--|--|--|--|-------------|--|--|--|
| | | the Section 57 managers in terms of their signed performance agreements annually | | | | | ber 2023 | | | |
|--|--|--|--|--|--|--|-------------|--|--|--|

(b) Employees: Office of the Municipal Manager

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 0 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 2 | 0 | 1 | 1 | 100.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0.00% |
| TOTAL | 3 | 2 | 3 | 1 | |

(c) Financial Performance: Office of the Municipal Manager

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R3 219 226 | R2 593 667 | R3 143 667 | R3 736 739 | 144.07% |
| 2 Contracted Services | R0 | R1 842 | R1 842 | R0 | 0.00% |
| 3 Other | R43 132 | R170 970 | R170 970 | R122 786 | 71.82% |
| TOTAL | R3 262 358 | R2 766 479 | R3 316 479 | R3 859 525 | |

(d) Capital Expenditure: Office of the Municipal Manager

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-----------------|-------------------|----------------|--------------------------|
| 23/24 Council: CK15265 Caravelle Kombi 2.5 TDI | R680 000 | R0 | R0 | 0.00% |
| 23/24 Equipment : Council | R12 000 | R12 000 | R11 061 | 92.17% |
| 23/24 Equipment : MM | R12 000 | R20 632 | R20 631 | 171.93% |
| TOTAL | R704 000 | R32 632 | R31 692 | |

3.9.7 MANAGEMENT PROTECTION SERVICES

(a) Protection Services performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|---|----------------------|----------------------|---------------------|--------------------|--------------------------------|-------|--------------------|---|
| 2 Indicators from IDP | | | | | | | | | | |
| 1.12 Sufficient office space for Protection Services | D245 | Do a feasibility study in respect of new offices for Protection Services in Malmesbury and report to Council by June 2027 | | | 0 | 1 by June 2027 | N/a (2026/2027 financial year) | 0 | | |
| 3 Indicators Directors | | | | | | | | | | |
| Capital expenditure in line with budget and time frames | D201 | Spend 95% of the capital budget by the end of June | | | 0 | 95% by end of June | 98.53% | 5 | 95% by end of June | Budget = R3 088 299, Actual = R3 042 878 (includes R24 300 non-cash transactions) |
| Operating expenditure in line with budget and time frames | D203 | Spend 90% of the operating budget by the end of June | | | 0 | 90% by end of June | 100.55% | 5 | 90% by end of June | Budget = R79 008 833, YTD Actual = R79 441 230 |
| Workforce training roll-out | D204 | Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June | | | 0 | 95% by end of June | 100% | 5 | 95% by end of June | |
| Council decision implementation | D205 | Initiate/implement 100% of council decisions monthly | | | 0 | 100% | 100% | 5 | 100% | 106/106 council resolutions initiated/implemented for the year |
| Performance and financial monitoring | D206 | Ensure that monthly performance assessments are held | | | 0 | 11 for the year | 12 | 5 | 11 for the year | Meetings were held on the following dates in 2023/2024: 10 Jul, 28 Aug, 27 Sep, 9 Oct, 20 Nov, 11 Dec, 15 Jan, 26 Feb, 25 Mar, 15 Apr, 28 May, 24 Jun |

| | | | | | | | | | | |
|--|------|--|--|--|---|---------------------------------|-------------------------|-----|---------------------------------|--|
| Annual Report inputs provided by departments | D207 | Complete departmental input to the annual report on the AR Framework annually by end of October | | | 0 | 100% annually by end of October | 100% by 30 October 2023 | 3.8 | 100% annually by end of October | |
| Budget inputs provided by departments | D208 | Submit budget requests to the financial department by end of October | | | 0 | 1 by end of October | 1 by 26 October 2023 | 5 | 1 by end of October | |
| Assignments from the municipal manager completed | D209 | Number of written warnings received from the municipal manager by the end of June | | | 0 | 0 by end of June | 0 | 5 | 0 by end of June | No warnings received for period worked |
| Equal employment opportunity management | D210 | Ensure that 90% of new appointments comply with the employment equity targets | | | 0 | 90% | 67% | 5 | 90% | 2/3 employees appointed in terms of the EE Plan for the year. Vacancy of Examiner of Driving Licenses was advertised externally. The successful candidate from the designated group did not accept the offer of employment. Candidate from Shortlist 2 (based on merit) was appointed. Corrective measure: None required |
| Audit issues resolved | D213 | % of internal audit actions implemented by 30 June | | | 0 | 100% by 30 June | 100% by 24 Jun 2024 | 5 | 100% by 30 June | |
| Audit issues resolved | D214 | % of Auditor General's queries (COMAFs) for which an action plan was submitted within 5 working days | | | 0 | 100% by 30 June | N/a (no COMAFs) | 0 | 100% by 30 June | |
| Audit issues resolved | D215 | % of Auditor General's findings implemented by | | | 0 | 100% by 30 June | N/a (no COMAFs) | 0 | 100% by 30 June | |

| | | | | | | | | | | |
|--|------|---|--|--|---|-----------------|------------------|---|-----------------|--|
| | | 30 June | | | | s) | | | | |
| Risk identification and control implementation | D216 | Complete bi-annual departmental risk assessments | | | 0 | 2 for the year | 2 | 5 | 2 for the year | Risk register were reviewed on 10 October 2023 and on 16-17 April 2024 |
| Risk identification and control implementation | D217 | % of Risk Action Plans implemented by 30 June | | | 0 | 100% by 30 June | 100% | 5 | 100% by 30 June | All risk action plans implemented before 30 June that is within the departments control and excluding actions to be considered by the MM |
| Invocoms held | D221 | Ensure that monthly invocoms are held | | | 0 | 10 for the year | 11 | 4 | 10 for the year | Invocoms were held on the following dates in 2023/2024: 26 Jul, 23 Aug, 18 Sep, 26 Oct, 29 Nov, 25 Jan, 27 Feb, 27 Mar, 25 Apr, 28 May, 27 Jun |
| Average duration of vacancies reduced | D222 | Fill vacancies within 6 months after decision was taken by management to fill the post | | | 0 | Within 6 months | Within 2 months | 5 | Within 6 months | 8 vacancies filled within a average of 2 months after decision was taken to fill the post during the current financial year |
| Productive workforce | D223 | Monitor the percentage of person days lost per month due to sick leave | | | 0 | 4% | 3.01% | 5 | 4% | |
| EPWP monitoring | D225 | Monitor the number of EPWP work opportunities created by 30 June | | | 0 | 296 | 307 | 5 | 296 | 9 for the directorate 307 for the whole organisation |
| Assets safeguarding | D226 | Complete a condition assessment and review of the remaining useful life of all assets in the department and submit a certification in this regard to the Head Asset Management within the first week after the financial year end | | | 0 | 1 | 1 on 6 July 2023 | 4 | 1 | |

| | | | | | | | | | | |
|---|------|--|--|--|---|------------------------------|----------------------|---|------------------------------|---|
| Assets safeguarding | D227 | Report all moveable assets quarterly that became unusable or that were lost or stolen in the prescribed manner to the Head: Asset Management | | | 0 | 4 for the year | 4 | 5 | 4 for the year | Quarterly reports were send on the following dates in 2023/2024: 2 Oct, 4 Jan, 4 Apr, 9 Jul |
| Communication Strategy implementation | D228 | Submit a plan of all planned communication activities for the next financial year in terms of the Communication Strategy to the Communication Officer by end of June | | | 0 | 1 by end of June | 1 on 31 May 2024 | 5 | 1 by end of June | |
| Communication Strategy implementation | D229 | Submit quarterly reports on all communication activities undertaken by the directorate submitted to the Communication Officer | | | 0 | 4 for the year | 4 | 4 | 4 for the year | Communication reports was submitted on the following dates in 2023/2024: 10 Oct, 17 Jan, 9 Apr, 28 Jun |
| Issuing of safety clothing | D230 | Ensure that all safety clothing are issued by the end of March | | | 0 | 100% by end of March | 95% | 3 | 100% by end of March | Traffic & Law Enforcement had problems to get reputable service providers. Had to request tenders twice. Corrective measure: None required. |
| Spending of grants | D231 | Spend 100% of operational and capital grants by the end of June | | | 0 | 100% by end of June | 100% | 5 | 100% by end of June | |
| Ensure that accurate revenue estimates are prepared in relation to operating requirements | D232 | Submit projected tariff increases determined for the new budget annually by end of October | | | 0 | 1 annually by end of October | 1 on 26 October 2023 | 5 | 1 annually by end of October | |
| Ensure timeous submission of capital payment invoices and payment certificates to | D233 | Submit all capital unbundling packs with all outstanding invoices | | | 0 | 100% annually by 10 July | 100% | 5 | 100% annually by 10 July | All documents was submitted by 4 July 2023 |

| | | | | | | | | | | |
|-------------------------|------|---|--|--|---|----------------------------|-----------------------|---|----------------------------|--|
| the finance department | | annually to the Finance Department by 10 July | | | | | | | | |
| Training needs of staff | D234 | Submit training needs of staff to HR at meetings held with all departments during November annually | | | 0 | 1 during November annually | 1 by 14 November 2023 | 5 | 1 during November annually | |

(b) Employees: Protection Services

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 1 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 1 | 1 | 1 | 0 | 0.00% |
| TOTAL | 2 | 2 | 2 | 0 | |

(c) Financial Performance: Protection Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R2 354 579 | R2 475 451 | R2 589 451 | R2 641 106 | 106.69% |
| 2 Contracted Services | R18 000 | R29 419 | R29 419 | R19 722 | 67.04% |
| 3 Other | R75 666 | R164 789 | R173 889 | R110 151 | 66.84% |
| TOTAL | R2 448 245 | R2 669 659 | R2 792 759 | R2 770 979 | |

(d) Capital Expenditure: Protection Services

| ProjectName | OriginalBudget | AdjustmentBudget | Actual | OriginalBudgetVariance |
|--|----------------|------------------|---------|------------------------|
| 23/24 Donated PPE: Furniture and Office Equipment | R0 | R10 435 | R74 935 | 0.00% |
| 23/24 Donated PPE: Operational Buildings (non-cash) | R0 | R0 | R22 900 | 0.00% |
| 23/24 Donated PPE: Computer Equipment | R0 | R27 685 | R27 685 | 0.00% |
| 23/24 Equipment Insurance (Fire) Office Equipment (non-cash) | R0 | R0 | R1 400 | 0.00% |
| 23/24 Replacement: Drones | R110 000 | R110 000 | R89 207 | 81.10% |
| 23/24 Equipment: Protection | R55 000 | R55 000 | R54 284 | 98.70% |

3.10. OTHER SERVICES

3.10.1 EXPENDITURE

(a) Expenditure performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|--|----------------------|----------------------|---------------------|--------------------|--------|-------|--------------------|---------------------------------|
| 4 Indicators Division Heads | | | | | | | | | | |
| Designated South African Revenue Service (SARS) Representative for Swartland Municipality | IIA675 | Perform a VAT apportion based on the accrual basis by 31 December | | | 0 | 1 by 31 December | 1 | 3 | 1 by 31 December | Filed on Performance server |
| Financial Planning and Reporting | IIA676 | Compile and submit the 1st Draft Salary Budget to the Director: Financial Services by 31 October | | | 0 | 1 by 31 October | 1 | 3 | 1 by 31 October | Saved on the performance Server |
| Designated South African Revenue Service (SARS) Representative for Swartland Municipality | IIA677 | Submit the VAT 201 to SARS by the last business day of the month | | | 0 | 12 for the year | 12 | 3 | 12 for the year | |
| Designated South African Revenue Service (SARS) Representative for Swartland Municipality | IIA678 | Ensure the IRP5 reconciliation as per the date determined by SARS (31 May) | | | 0 | 1 by 31 May | 1 | 5 | 1 by 31 May | Filed during April 2024 |
| Designated South African Revenue Service (SARS) Representative for Swartland Municipality | IIA679 | Ensure EMP 201 is submitted on a monthly basis by the 7th day of the month to SARS | | | 0 | 12 for the year | 12 | 3 | 12 for the year | |
| Manage the Expenditure and VAT Section | IIA680 | Pay creditors within 30 days after receipt of invoice | | | 0 | 97% within 30 days | 99.39% | 5 | 97% within 30 days | |
| Procedure, Systems and Controls | IIA681 | Review the Travel and Subsistence Policy and | | | 0 | 1 by 31 January | 1 | 3 | 1 by 31 January | |

| | | | | | | | | | | |
|---|--------|--|--|--|---|---|-------|---|---|--|
| | | submit to the Director: Financial Services by 31 January | | | | | | | | |
| Financial Planning and Reporting | IIA683 | Ensure the submission of the bank reconciliation by the 10th working day and submit to the Budget Office | | | 0 | 12 for the year | 12 | 3 | 12 for the year | |
| Personnel and Performance Management | IIA684 | Limit personnel days lost per month due to sick leave by 4% per month | | | 0 | 4% | 1.97% | 4 | 4% | |
| Personnel and Performance Management | IIA688 | Hold quarterly meetings with all direct reportees (INVOCOMS) | | | 0 | 4 for the year | 4 | 3 | 4 for the year | |
| Financial Planning and Reporting | IIA689 | Review the operational risk register bi-annually by 31 December and 30 June | | | 0 | 2 (by 31 December and 30 June) | 2 | 3 | 2 (by 31 December and 30 June) | |
| Procedure, Systems and Controls | IIA692 | Respond to AG queries within 5 working days (or prescribed by query) after the request was received | | | 0 | 100% | 100% | 3 | 100% | |

(b) Employees: Expenditure

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|---------|---------------------|-----------|-------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 2 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 5 | 7 | 7 | 0 | 0.00% |
| 10 - 12 | 3 | 3 | 3 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |

| | | | | | |
|--------------|-----------|-----------|-----------|----------|--|
| TOTAL | 11 | 11 | 11 | 0 | |
|--------------|-----------|-----------|-----------|----------|--|

3.10.2 BUDGET OFFICE AND COSTING

(a) Budget Office and Costing performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|---|----------------------|----------------------|---------------------|---------------------------|-------------------|-------|------------------|-------|
| 4 Indicators Division Heads | | | | | | | | | | |
| Procedures, Systems And Controls | IIA436 | Review the Virement Policy and submit to the Director: Financial Services by 31 January | | | 0 | 1 annually by 31 January | 1 in January 2024 | 3 | | |
| Procedures, Systems And Controls | IIA437 | Review the Budget Implementation Policy and submit to the Director: Financial Services by 31 January | | | 0 | 1 annually by 31 January | 1 in January 2024 | 3 | | |
| Budget Compilation and Financial Reporting | IIA438 | Submit the Mid-Year Adjustment Budget requests to the Director: Financial Services by 10 December | | | 0 | 1 annually by 10 December | 1 | 3 | | |
| Budget Compilation and Financial Reporting | IIA439 | Submit the verified multi-year draft operating and capital budgets to the Director: Financial Services by 31 December | | | 0 | 1 annually by 31 December | 1 | 3 | | |
| Personnel and Performance Management | IIA440 | Limit personnel days lost per month due to sick leave by 4% per month | | | 0 | 4% | 1.01% | 5 | | |
| Participation and Communication | IIA444 | Hold quarterly meetings with all direct reportees (INVOCOMS) | | | 0 | 4 for the year | 4 | 3 | | |

| | | | | | | | | | | |
|---------------------------------|--------|---|--|--|---|----------------|---|---|--|--|
| Participation and Communication | IIA445 | Review the operational risk register bi-annually by 31 December and 30 June | | | 0 | 2 for the year | 2 | 3 | | |
|---------------------------------|--------|---|--|--|---|----------------|---|---|--|--|

(b) Employees: Budget Office and Costing

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|---------|---------------------|-----------|-------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |

3.10.3 FINANCIAL STATEMENTS AND CONTROL**(a) Financial Statements and Control performance results**

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|---|----------------------|----------------------|---------------------|-----------------|--------|-------|------------------|-------|
| 4 Indicators Division Heads | | | | | | | | | | |
| Strategic Financial Management and Financial Planning of the Municipality's Priorities in line with the Municipality's Fiscal Objectives | IIA848 | Review the Department's Budget related policies accounting policies and submit to the Director Financial Services by 31 January | | | 0 | 1 by 31 January | 1 | 3 | 1 by 31 January | |
| Manage the Financial Statements Sub-Section of the Municipality as per Duties delegated by the CFO | IIA850 | Submit AFS and audit file by 31 August to the AG | | | 0 | 1 by 31 August | 1 | 3 | 1 by 31 August | |

| | | | | | | | | | | |
|--|--------|--|--|--|---|--------------------------------|-------|---|--------------------------------|--|
| Management of the Cash/Treasury Resources of the Municipality in Support to MM and CFO's Responsibilities in terms of the MFMA and MSA | IIA851 | Submit the recommendation of investment money by the 10th working day of the month to Director: Financial Services | | | 0 | 12 for the year | 12 | 3 | 12 for the year | |
| Manage Personnel Strategy and Operations as per Authority delegated by the CFO | IIA855 | Hold monthly meetings with all direct reportees (INVOCOMS) | | | 0 | 10 for the year | 12 | 5 | 10 for the year | |
| Directly influence and lead the Mitigation of Strategic Accounting Risks as per the Municipality's Audit Strategy | IIA856 | Review the operational risk register bi-annually by 31 December and 30 June | | | 0 | 2 (by 31 December and 30 June) | 3 | 3 | 2 (by 31 December and 30 June) | |
| Management of Reporting and Correspondence | IIA858 | Respond to AGSA findings within 5 working days (or prescribed by query) after the request was received | | | 0 | 100% | 100% | 3 | 100% | |
| Manage Personnel Strategy and Operations as per Authority delegated by the CFO | IIA859 | Limit personnel days lost per month due to sick leave by 4% per month | | | 0 | 4% | 4.36% | 3 | 4% | Reason: Due to valid sick leave Corrective measure: none required |

(b) Employees: Financial Statements and Control

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|---------|---------------------|-----------|-------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 0 | 0 | 0 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 1 | 2 | 2 | 0 | 0.00% |

| | | | | | |
|--------------|----------|----------|----------|----------|-------|
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 2 | 3 | 3 | 0 | |

3.10.4 INCOME

(a) Income performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|--|----------------------|----------------------|---------------------|--------------------------------|--------|-------|--------------------------------|-------|
| 4 Indicators Division Heads | | | | | | | | | | |
| Strategic planning and Reporting | IIA463 | Submit the budget related inputs report to the Budget office by 30 November | | | 0 | 1 by 30 November | 1 | 3 | 1 by 30 November | |
| Specialised Services | IIA464 | Calculate the monthly distribution losses and submit the information to the Directors Civil and Electrical Services by the 10th working day of the month | | | 0 | 12 for the year | 12 | 3 | 12 for the year | |
| Statutory Frameworks, Policies, and Procedures, Systems and Controls | IIA465 | Review the Tariff Policy and submit to the Senior Manager by the 15th January | | | 0 | 1 by 15 January | 1 | 3 | 1 by 15 January | |
| Divisional Strategic Reporting | IIA466 | Review the operational risk register bi-annually by 31 December and 30 June | | | 0 | 2 (by 31 December and 30 June) | 2 | 3 | 2 (by 31 December and 30 June) | |
| Debtors Control | IIA467 | Ensure the meter readings don't exceeding a 32 day period from the previous reading | | | 0 | 100% | 100% | 3 | 100% | |
| Divisional Strategic Matters | IIA471 | Hold monthly meetings | | | 0 | 10 for the | 10 | 3 | 10 for the | |

| | | | | | | | | | | |
|------------------------------|--------|---|--|--|---|------|-------|---|------|--|
| | | (INVOCOMS) with all direct reportees | | | | year | | | year | |
| Divisional Strategic Matters | IIA474 | Limit personnel days lost per month due to sick leave by 4% per month | | | 0 | 4% | 1.64% | 4 | 4% | |

(b) Employees: Income

| Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 3 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 12 | 11 | 11 | 0 | 0.00% |
| 07 - 09 | 18 | 17 | 17 | 0 | 0.00% |
| 10 - 12 | 3 | 3 | 3 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 37 | 32 | 32 | 0 | |

3.10.5 STRATEGIC MANAGEMENT**(a) Introduction**

The purpose of Strategic Management is to provide an efficient and pro-active strategic service to the Council, the Municipal Manager and the Organisation which includes -

- Development and management of strategic services
- Community participation as described in chapter 4 of the Municipal Systems Act
- Integrated development planning as described in chapter 5 of the Municipal Systems Act
- Performance management as described in chapter 6 of the Municipal Systems Act
- Programme and project management
- Intergovernmental alignment
- Local economic development

(b) Strategic Management performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|---|----------------------|----------------------|---------------------|--------------------------------|--------------------------|-------|--------------------------------|---|
| 4 Indicators Division Heads | | | | | | | | | | |
| Development and management of the Strategic Services function | IIA1072 | Hold 1 INVOCOM per quarter with direct reportees | | | 0 | 4 for the year | 4 | 3 | 4 for the year | |
| Development and management of the Strategic Services function | IIA1073 | Limit personnel days lost per month due to sick leave by 4% per month | | | 0 | 4% | 1.16% | 4 | 4% | |
| Development and management of the Strategic Services function | IIA1074 | Review the operational risk register bi-annually by 31 December and 30 June | | | 0 | 2 (by 31 December and 30 June) | 2 | 3 | 2 (by 31 December and 30 June) | |
| Development and management of the Strategic Services function | IIA1075 | Respond to requests from Internal Audit within 5 working days | | | 0 | 90% | 95.42% | 5 | 90% | |
| Community Participation | IIA1076 | Consult stakeholders bi-annually on the compilation of the IDP | | | 0 | 2 for the year | 2 | 3 | 2 for the year | IDP engagements were held with all ward committee members during October and November. Stakeholders were also consulted when the DRAFT IDP was advertised for comments. |
| Community Participation | IIA1077 | Conduct a strategic session with Councillors and management with the compilation and revision of the IDP by 30 November | | | 0 | 100% by 30 November | 100% on 12 December 2023 | 2 | 100% by 30 November | |
| Strategic Planning | IIA1078 | Develop a time schedule for the IDP and budget process by 31 August and submit to Council for approval | | | 0 | 1 by 31 August | 1 by 24 August 2023 | 4 | 1 by 31 August | Council approved the IDP/Budget time schedule on 24 August 2023 |

| | | | | | | | | | | |
|----------------------------|---------|---|--|--|---|----------------------------|----------------------|---|----------------------------|--|
| Local economic development | IIA1079 | Review Local Economic Development Policy and submit to the MM by 31 May | | | 0 | 1 by 31 May | 1 | 3 | 1 by 31 May | |
| Strategic Planning | IIA1080 | Review the Performance Management Policy/framework and submit to the MM by 31 May | | | 0 | 1 by 31 May | 1 in January 2024 | 5 | 1 by 31 May | |
| Strategic Planning | IIA1081 | Oversee the compilation and submission of the final IDP to Council by 31 May | | | 0 | 1 by 31 May | 1 | 3 | 1 by 31 May | |
| Performance Management | IIA1082 | Attend performance management meetings monthly | | | 0 | 10 for the year | 10 | 3 | 10 for the year | |
| Performance Management | IIA1083 | Hold performance evaluation session for section 57 managers annually by September | | | 0 | 100% annually by September | 100% | 3 | 100% annually by September | Annual panel evaluation of performance: 15 September 2023 |
| Performance Management | IIA1084 | Submit the Section 72 report to the Mayor by the 25th of January | | | 0 | 1 by the 25th of January | 1 | 3 | 1 by the 25th of January | |
| Performance Management | IIA1085 | Submit the Section 72 report to Council by 31 January | | | 0 | 1 by 31 January | 1 | 4 | 1 by 31 January | The S72 report was submitted to Council on 30 January 2024 |
| Performance Management | IIA1086 | Review Key performance indicators of Section 57 managers and submit a report to the Mayoral Committee by 31 January | | | 0 | 1 by 31 January | 1 on 24 January 2024 | 3 | 1 by 31 January | |
| Performance Management | IIA1087 | Submit the Final Top Layer SDBIP and the draft performance agreements of the S57 managers to the Executive Mayor | | | 0 | 1 | 1 on 14 June 2024 | 3 | 1 | |

| | | | | | | | | | | |
|----------------------------|---------|--|--|--|---|----------------|---|---|----------------|--|
| | | within 14 days after the budget has been approved by Council | | | | | | | | |
| Local economic development | IIA1088 | Report to the MM quarterly on economic development issues | | | 0 | 4 for the year | 4 | 3 | 4 for the year | |

(c) Employees: Strategic Management

Included under Administration Municipal Manager

(d) Financial Performance: Strategic Management

Included under Administration Municipal Manager

(e) Comment on the performance of Strategic Management overall

No comments.

3.10.6 INTERNAL AUDIT (INCLUDING RISK MANAGEMENT)

(a) Introduction

Internal Audit

The purpose of the Internal Audit Activity (IAA) is to provide an independent, objective assurance and consulting services designed to add value and improve Swartland Municipality's operations. The IAA helps the organisation to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The scope of work of the IAA is to determine whether the municipality's control processes, as designed and represented by management, are adequate and functioning in a manner to ensure amongst others the:

- i. Safeguarding of assets;
- ii. Compliance with laws, regulations and contractual obligations;
- iii. Reliability and integrity of information; and
- iv. Economic, efficient and effective use of resources.

The Senior Manager, Internal Audit follows a risk based audit approach whereby an annual audit plan is compiled and executed. Included in the plan are special tasks or projects requested by Management and the Performance, Risk and Audit Committee. Reporting to the Municipal Manager regarding the activities of the unit such as audits and investigations performed, audit findings not yet implemented and any other concerns is done on a monthly basis. Quarterly Performance, Risk and Audit Committee meetings are held where risk management, performance management, audit reports issued and performance against the audit plan are discussed. Audit findings raised by the Auditor-General are also discussed and the implementation thereof monitored. Minutes of these meetings are submitted to the Executive Mayoral Committee and noted at Council meetings as being received.

Risk Management

A fully functional Enterprise Risk Management unit has not been established within Swartland Municipality and the responsibility to assist management in compiling and updating risk registers assigned to Internal Audit. Risk Management is one of management's core responsibilities and therefore the Internal Audit unit as part of their consulting services, assists management with the implementation of risk management. The performance of risk assessments is done by Internal Audit through facilitating the process of identifying and assessing risks per Directorate.

Each Directorate in conjunction with Internal Audit has compiled Operational Risk Assessments as well as a Strategic Risk Assessment to determine the magnitude of risk exposure by assessing the likelihood of the risk materialising and the impact that it would have on the achievement of objectives. These Risk Assessments are reviewed regularly to identify changes in the risk exposure that will result from changes in the organisation as well as external factors. Risk Management has been implemented in a comprehensive and integrated way, throughout the municipality rather than only in selected business areas or disciplines. The identified risks are prioritised which enables management to focus more time, effort and resources on higher risk areas. Identified high risk areas form part of the IDP and the Performance Management system which ensures that it is monitored on a continuous basis. The BarnOwl system is utilised to assess risks and to compile risk registers.

(b) Internal Audit (including Risk Management) performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|--|--------------|---|----------------------|----------------------|---------------------|-----------------------|------------------------|-------|-----------------------|--|
| 4 Indicators Division Heads | | | | | | | | | | |
| Development of Policies and Procedures | IIA1096 | Review and submit Internal Audit Strategy and Work Procedures to PRAC annually by 30 June | | | 0 | 1 annually by 30 June | 1 by 22 August 2023 | 5 | 1 annually by 30 June | |
| Development of Policies and Procedures | IIA1097 | Review and submit Internal Audit Charter to the PRAC by 30 June | | | 0 | 1 annually by 30 June | 1 by 22 August 2023 | 5 | 1 by 30 June | |
| Development of Policies and Procedures | IIA1098 | Review and submit PRAC Charter to the EMC annually by 30 June | | | 0 | 1 annually by 30 June | 1 by 11 September 2023 | 5 | 1 annually by 30 June | Approved by Mayco on 11 September 2023 |

| | | | | | | | | | | |
|--|---------|---|--|--|---|-----------------------|----------------------|---|-----------------|---|
| Development of Policies and Procedures | IIA1099 | Review and submit Risk Management Strategic Plan to the PRAC by 30 June | | | 0 | 1 annually by 30 June | 1 by 28 May 2024 | 5 | 1 by 30 June | |
| Development of Policies and Procedures | IIA1100 | Review and submit Fraud and Anti-Corruption Policy to the Mayoral Committee by 30 June | | | 0 | 1 annually by 30 June | 1 by 8 December 2023 | 5 | 1 by 30 June | Approved by Mayco on 08 December 2023 |
| Development of Policies and Procedures | IIA1101 | Review and submit Risk Management Policy to the Mayoral Committee by 30 June | | | 0 | 1 annually by 30 June | 1 by 8 December 2023 | 5 | 1 by 30 June | Approved by Mayco on 08 December 2023 |
| Resource Management | IIA1102 | Limit personnel days lost per month due to sick leave by 4% per month | | | 0 | 4% | 2.67% | 4 | 4% | |
| Resource Management | IIA1103 | Hold 1 INVOCOM per quarter with direct reportees | | | 0 | 4 for the year | 4 | 3 | 4 for the year | |
| Execution of Audits | IIA1104 | Compile and submit monthly reports regarding internal audit activities to the Municipal Manager by the 10th working day | | | 0 | 12 for the year | 12 | 3 | 12 for the year | |
| Execution of Audits | IIA1105 | Prepare and submit quarterly progress reports to the PRAC on the implementation of the RBAP | | | 0 | 4 for the year | 4 | 3 | 4 for the year | |
| Ensure effective liaison with the Auditor-General and coordination of the implementation of the AGs findings | IIA1106 | Obtain documents/information as per Auditor General request for information within 2 working days | | | 0 | 100% | 100% | 3 | 100% | All RFI's attended to in the required time frames |
| Ensure effective liaison with the Auditor-General and coordination of the implementation of the AGs | IIA1107 | Obtain comments / action plan from responsible manager within 5 days from date of issue for all | | | 0 | 100% | 100% | 3 | 100% | All COMAF's responded to in 5 days |

| | | | | | | | | | | |
|--|---------|--|--|--|---|-----------------------|------------------|---|-----------------------|----------------------------------|
| findings | | COMAFS submitted by the AG | | | | | | | | |
| Reporting to the Performance, Risk and Audit Committee and Senior Management | IIA1108 | Submit quarterly risk report to PRAC | | | 0 | 4 for the year | 5 | 3 | 4 for the year | |
| Reporting to the Performance, Risk and Audit Committee and Senior Management | IIA1109 | Compile and submit the minutes of PRAC to the Mayoral Committee | | | 0 | 4 for the year | 4 | 3 | 4 for the year | |
| Reporting to the Performance, Risk and Audit Committee and Senior Management | IIA1110 | Develop and submit the Risk Based Audit Plan to the PRAC annually by 30 June | | | 0 | 1 annually by 30 June | 1 by 28 May 2024 | 5 | 1 annually by 30 June | Submitted to PRAC on 28 May 2024 |

(c) Employees: Internal Audit

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 1 | 0 | 1 | 1 | 100.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 2 | 1 | 2 | 1 | |

(d) Financial Performance: Internal Audit

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R1 769 137 | R1 908 340 | R1 912 340 | R1 806 730 | 94.68% |
| 2 Contracted Services | R171 850 | R285 823 | R703 854 | R157 601 | 55.14% |
| 3 Other | R38 309 | R1 111 795 | R1 111 795 | R62 305 | 5.60% |
| TOTAL | R1 979 296 | R3 305 958 | R3 727 989 | R2 026 636 | |

(e) Comment on the performance of Internal Audit (including Risk Management) overall

During the financial year, the Internal Audit Unit executed various audits and investigations of which the results were directly reported to the Performance, Risk and Risk Audit Committee, Municipal Manager and relevant Directors. Included in the internal audit reports against each audit finding an agreed management action plan, person responsible for implementation as well as a due date are indicated to facilitate the follow-up thereof. The implementation of findings issued by Internal Audit and the Auditor-General are managed by means of a list indicating "Findings not yet implemented" which is updated after the execution of the relevant follow-up audits.

Quarterly Performance, Risk and Audit Committee meetings were held and administered by the Senior Manager, Internal Audit. Risk registers and performance against the approved Risk Based Internal Audit Plan and Risk Management Strategic Plan are submitted to the committee and monitored.

Combined Assurance:

We have commenced with a process to implement combined assurance after the Performance, Risk and Audit Committee approved a combined assurance implementation plan on 23 November 2023. The implementation of the plan is still in progress and a combined assurance report will be tabled to management and the PRAC as soon as all the actions has been completed.

3.10.7 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

(a) Introduction

The ICT Department of Swartland Municipality provides the following services: telephone and e-mail communication, internet access, active directory authentication, file storing services, network connectivity between offices, various applications, for example MS Office, Promun and Collaborator. The Department also implements and gives support on all PC's, servers, printers, copiers, telephones, PABX systems, Access / TA (time and attendance) control, wired, fibre and wireless networks including both hardware and software. The Department consists of 4 full time officials, who support approximately 250 users. Most of the server infrastructure is virtualised and runs on 3 physical servers, connected to a central storage device. Certain of our services was moved to the cloud. The Department is responsible for the backup and restoration of the Municipality's data and also implements and maintains the Municipality's IT Disaster Recovery site.

Furthermore, the Department also limits the Municipality's expenditure by making use of new technology. The Department has installed a number of VoIP PABX systems at the larger satellite offices in order to utilize our wide area network and software-defined wide area network effectively, rather than relying on expensive Telkom lines. The Department distributes approximately 16 111 accounts via email to residents instead of posting printed accounts, which further results in savings on both printing and mailing costs. Some of the challenges the Department face are ageing infrastructure, increasing demand for storage space, bandwidth constraints, user training and cyber security.

During the year under review the department implemented an online backup solution for the Microsoft 365 environment to ensure we minimise the potential loss of information should we have a data breach or hacking incident. Keeping the information save and secure is essential for sustainable service delivery to all departments and divisions in the municipality.

The Department is heading up the updating of all our prepayment electricity meters as part of the TID (Token Identification) project. As at the end of June 2024 more than 11672 (98%) of the 11882 meters has been updated. Considering that the final date for converting all meters is only November 2024 this is indeed a good performance.

(b) ICT Services performance results

| Performance Objective | Objective ID | Key Performance Indicator | Previous Year Target | Previous Year Actual | Previous Year Score | Target | Actual | Score | Next Year Target | Notes |
|---|--------------|--|----------------------|----------------------|---------------------|----------------|--------------------------------|-------|------------------|-------|
| 2 Indicators from IDP | | | | | | | | | | |
| 5.2 Inter-connected towns and Municipal buildings | D70 | Ensure the development of an ICT masterplan for connectivity and submit to the Mayoral Committee by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |
| 5.3 Smart City concept | D71 | Ensure the development of a proposal for implementing the "Smart City" concept in the Swartland and submit to the Mayoral Committee by June 2025 | | | 0 | 1 by June 2025 | N/a (2024/2025 financial year) | 0 | 1 by June 2025 | |

(c) Employees: ICT Services

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 0 | 0 | 0 | 0 | 0.00% |
| 07 - 09 | 0 | 0 | 0 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 2 | 2 | 2 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 4 | 4 | 4 | 0 | |

(d) Financial Performance: ICT Services

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R4 441 189 | R4 678 995 | R4 750 995 | R4 744 968 | 101.41% |
| 2 Contracted Services | R165 779 | R557 635 | R534 166 | R207 552 | 37.22% |
| 3 Other | R9 750 577 | R12 839 047 | R12 693 383 | R10 811 876 | 84.21% |
| TOTAL | R14 357 545 | R18 075 677 | R17 978 544 | R15 764 396 | |

(e) Capital Expenditure: ICT Services

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-------------------|-------------------|-----------------|--------------------------|
| 23/24 Backup Solution | R560 000 | R0 | R0 | 0.00% |
| 23/24 Desktops | R264 000 | R264 000 | R248 090 | 93.97% |
| 23/24 Equipping Law Enforcement Office: Moorreesburg | R55 000 | R66 000 | R65 618 | 119.31% |
| 23/24 Equipment: Information Technology | R75 000 | R72 400 | R72 333 | 96.44% |
| 23/24 Notebooks | R375 000 | R425 000 | R419 345 | 111.83% |
| 23/24 Printers | R68 000 | R68 000 | R66 683 | 98.06% |
| 23/24 Scanner Replacements | R80 000 | R65 904 | R45 939 | 57.42% |
| 23/24 Terminals | R40 000 | R42 600 | R42 599 | 106.50% |
| TOTAL | R1 517 000 | R1 003 904 | R960 607 | |

(f) Comment on the performance of ICT Services overall

The IT strategy is aligned with the strategic objectives of Swartland Municipality's Integrated Development Plan (IDP). The IDP objectives are:

- Community safety and wellbeing
- Economic transformation
- Quality and reliable services
- A healthy and sustainable environment
- A connected and innovative local government

The ICT services aid and assist in achieving the IDP strategic objectives in the following manner.

- A stable technology environment and infrastructure to support business units and departments in achieving their objectives
- Reduced down time of systems
- Increased support and optimized application and infrastructure resulting in increased productivity within Swartland Municipality
- Secure and govern IT assets
- Reduce cost through IT without compromising support and productivity
- Bring innovation through IT when required to support economic growth.

The capital projects for 2023/24 were intended to upgrade aging infrastructure, to bring down operating and maintenance costs by making use of equipment with a longer life cycle. The department was able to spend just over 95% of the available Capital budget and implemented all projects resulting in a +/-5% saving.

3.10.8 MUNICIPAL PROPERTY MAINTENANCE

(a) Introduction

The Division : Buildings and Structures completed a total of 128 small projects for the 2023/2024 financial year scoring 97% on its overall performance and meeting its annual target of 90%. Two major projects were also completed within the same year that includes : Renovations and alterations of internal offices at Financial Services Malmesbury and Fitting of new Council committee hall Malmesbury.

(b) Employees: Municipal Property Maintenance

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 0 | 0 | 0 | 0 | 0.00% |
| 04 - 06 | 5 | 5 | 5 | 0 | 0.00% |
| 07 - 09 | 4 | 4 | 4 | 0 | 0.00% |
| 10 - 12 | 1 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 0 | 0 | 0 | 0 | 0.00% |
| 16 - 18 | 1 | 1 | 1 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 11 | 11 | 11 | 0 | |

(c) Financial Performance: Municipal Property Maintenance

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|
| 1 Employees | R5 083 747 | R5 723 393 | R5 731 393 | R5 463 173 | 95.45% |
| 2 Contracted Services | R4 141 229 | R4 828 871 | R4 818 897 | R4 509 047 | 93.38% |
| 3 Other | R7 652 461 | R9 617 985 | R10 660 674 | R17 423 593 | 181.16% |
| TOTAL | R16 877 437 | R20 170 249 | R21 210 964 | R27 395 813 | |

(d) Capital Expenditure: Municipal Property Maintenance

| Project Name | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|---|-------------------|-------------------|-------------------|--------------------------|
| 23/24 Fitting of Council Chambers (Std Bank Building) | R2 900 000 | R2 921 747 | R2 883 275 | 99.42% |
| 23/24 Land: Donated Property (non-cash) | R0 | R0 | R149 000 | 0.00% |
| 23/24 Buildings: CK23064 Nissan NP300 H | R976 500 | R704 870 | R704 870 | 72.18% |
| 23/24 Moorreesburg Stores Ablution Facilities | R100 000 | R53 000 | R48 416 | 48.42% |
| 23/24 Equipment : Buildings & Maintenance | R28 500 | R28 500 | R28 500 | 100.00% |
| TOTAL | R4 005 000 | R3 708 117 | R3 814 061 | |

(e) Comment on the performance of Municipal Property Maintenance overall

The Division : Buildings and Structures completed a total of 128 small projects for the 2023/2024 financial year scoring 97% on its overall performance and meeting its annual target of 90%. Two major projects were also completed within the same year that includes : Renovations and alterations of internal offices at Financial Services Malmesbury and Fitting of new Council committee hall Malmesbury.

3.10.9 TOWN AND COMMUNITY HALLS (INCLUDING PROPERTY AND LEGAL)

(a) Introduction

The Corporate Services Directorate is responsible for the administration of the Municipality's property portfolio, including the sale and lease of immovable properties and all transactions and contracts relating to same, and to ensure that all related actions and documents are legally compliant.

Legal Services are outsourced but the Directorate assists council, executive structures and the various municipal directorates with, inter alia –

- the interpretation and application of national and provincial legislation;
- policy formulation within the applicable legal frameworks;
- the assessment of legal risks and obtaining legal opinions where necessary; and
- the administration of legal actions and claims on behalf of and against the Municipality,

(b) Employees: Town and community halls (including property and legal)

| Job Level | Previous Year Posts | Employees | Posts | Vacancies | Vacancies As Percentage |
|--------------|---------------------|-----------|-----------|-----------|-------------------------|
| 00 - 03 | 8 | 4 | 4 | 0 | 0.00% |
| 04 - 06 | 10 | 11 | 12 | 1 | 8.33% |
| 07 - 09 | 2 | 1 | 1 | 0 | 0.00% |
| 10 - 12 | 0 | 1 | 1 | 0 | 0.00% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0.00% |
| 16 - 18 | 0 | 0 | 0 | 0 | 0.00% |
| 19 - 20 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL | 21 | 18 | 19 | 1 | |

(c) Financial Performance: Town and community halls (including property and legal)

| Operational Expenditure Type | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|------------------------------|----------------------|-------------------|-------------------|-------------------|--------------------------|
| 1 Employees | R4 016 904 | R4 944 839 | R4 872 839 | R4 587 749 | 92.78% |
| 2 Contracted Services | R145 798 | R263 144 | R263 144 | R153 650 | 58.39% |
| 3 Other | R1 046 697 | R1 292 605 | R1 704 394 | R1 524 376 | 117.93% |
| TOTAL | R5 209 399 | R6 500 588 | R6 840 377 | R6 265 775 | |

(d) Capital Expenditure: Town and community halls (including property and legal)

| Project | Original Budget | Adjustment Budget | Actual | Original Budget Variance |
|--|-----------------|-------------------|----------------|--------------------------|
| 23/24 Equipment Corporate: Buildings & Swartland Halls | R100 000 | R95 017 | R95 016 | 95.02% |
| TOTAL | R100 000 | R95 017 | R95 016 | |

(e) Comment on the performance of Town and community halls overall

Halls are utilised on a regular basis including standing users of which the WP Blood Transfusion Services and SASSA are examples.

Cleaning of halls is done by municipal cleaning staff, while maintenance of the buildings is the function of the Building Division. Maintenance is being carried out subject to the availability of funds.

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 INTRODUCTION

Swartland Municipality aims to ensure service delivery of the best possible quality for all the inhabitants of the Municipality. To achieve this, a prime goal of the Municipality's Human Resource Strategy is: **To create a flexible organisation that enables optimal performance by developing and retaining a properly skilled and representative workforce.** Swartland Municipality considers its human resources as one of its most critical assets. This chapter will focus on some of the key issues relating to human resources and other organisational management issues. Issues which will be addressed includes the staffing rate of the municipality, personnel cost, the status quo of retirement funds and medical aid schemes, human resource policies and practices, as well as the remuneration of senior officials and councillors.

4.2 MUNICIPAL PERSONNEL

(a) Employees

| Service Name | Posts | Employees | Vacancies | Vacancies As Percentage |
|--|-------|-----------|-----------|-------------------------|
| Asset and Fleet Management | 4 | 4 | 0 | 0,00% |
| Budget Office and Costing | 2 | 2 | 0 | 0,00% |
| Building Control | 6 | 6 | 0 | 0,00% |
| Caravan Park Yzerfontein | 6 | 6 | 0 | 0,00% |
| Cemeteries | 0 | 0 | 0 | 0,00% |
| Civil Protection (including Disaster Management) | 0 | 0 | 0 | 0,00% |
| Communication Management | 0 | 0 | 0 | 0,00% |
| Community Development | 4 | 4 | 0 | 0,00% |
| Council General Expenses | 0 | 0 | 0 | 0,00% |
| Electricity Distribution | 41 | 41 | 0 | 0,00% |
| Expenditure | 11 | 11 | 0 | 0,00% |
| Financial Statements and Control | 3 | 3 | 0 | 0,00% |
| Financial Systems Administration | 1 | 1 | 0 | 0,00% |
| Fire Fighting Services | 6 | 6 | 0 | 0,00% |
| Grants and subsidies Council | 0 | 0 | 0 | 0,00% |
| Grants and subsidies Financial Services | 0 | 0 | 0 | 0,00% |

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| | | | | |
|--|----|----|---|--------|
| Grants and subsidies FMG | 0 | 0 | 0 | 0,00% |
| Harbour Yzerfontein | 0 | 0 | 0 | 0,00% |
| Housing | 3 | 3 | 0 | 0,00% |
| Human Resources | 5 | 5 | 0 | 0,00% |
| ICT Services | 4 | 4 | 0 | 0,00% |
| Income | 32 | 32 | 0 | 0,00% |
| Internal Audit (including Risk Management) | 2 | 1 | 1 | 50,00% |
| Legal and Credit Control | 14 | 14 | 0 | 0,00% |
| Library and Client Services | 33 | 32 | 1 | 3,03% |
| Licencing and Registration Services | 26 | 24 | 2 | 7,69% |
| Local Economic Development | 0 | 0 | 0 | 0,00% |
| Management Civil Engineering Services | 6 | 6 | 0 | 0,00% |
| Management Corporate Services | 8 | 8 | 0 | 0,00% |
| Management Development Services | 2 | 2 | 0 | 0,00% |
| Management Electrical Engineering Services | 0 | 0 | 0 | 0,00% |
| Management Financial Services | 1 | 1 | 0 | 0,00% |
| Management Municipal Manager | 3 | 2 | 1 | 33,33% |
| Management Protection Services | 2 | 2 | 0 | 0,00% |
| Marketing and Tourism | 1 | 1 | 0 | 0,00% |
| Municipal Property Maintenance | 11 | 11 | 0 | 0,00% |
| Occupational Health and Safety (including Pollution Control) | 2 | 2 | 0 | 0,00% |
| Parks and Recreational Areas | 56 | 53 | 3 | 5,36% |
| Planning and Valuations | 6 | 6 | 0 | 0,00% |
| Proclaimed Roads | 4 | 4 | 0 | 0,00% |
| Rates Services | 3 | 3 | 0 | 0,00% |
| Refuse Removal | 77 | 75 | 2 | 2,60% |
| Secretariat and Archives | 6 | 6 | 0 | 0,00% |
| Sewerage Services | 32 | 31 | 1 | 3,13% |

| | | | | |
|---|------------|------------|-----------|--------|
| Sports Grounds | 5 | 4 | 1 | 20,00% |
| Strategic Management | 2 | 2 | 0 | 0,00% |
| Streets and Stormwater | 71 | 70 | 1 | 1,41% |
| Supply Chain Management | 12 | 12 | 0 | 0,00% |
| Swimming Pools | 5 | 5 | 0 | 0,00% |
| Thusong Service Centres | 4 | 4 | 0 | 0,00% |
| Town and Community Halls (including Property and Legal) | 19 | 18 | 1 | 5,26% |
| Traffic and Law Enforcement Services | 81 | 78 | 3 | 3,70% |
| Water Services | 41 | 40 | 1 | 2,44% |
| TOTAL | 663 | 645 | 18 | |

(b) Vacancy rate

| Designation | Total Approved Posts | Vacancies | Vacancy Percentage |
|---|----------------------|-----------|--------------------|
| a Municipal Manager | 1 | 0 | 0,00% |
| b Chief Financial Officer | 1 | 0 | 0,00% |
| c Other S56 Managers (excluding Finance Posts) | 5 | 0 | 0,00% |
| d Other S56 Managers (Finance Posts) | 0 | 0 | 0,00% |
| e Police Officers | 0 | 0 | 0,00% |
| f Fire fighters | 6 | 0 | 0,00% |
| g Senior Management: Levels 13-18 (excluding Finance Posts) | 42 | 0 | 0,00% |
| h Senior Management: Levels 13-18 (Finance Posts) | 9 | 0 | 0,00% |
| i Highly skilled supervision: Levels 9-12 (excluding Finance Posts) | 125 | 7 | 5,60% |
| j Highly skilled supervision: Levels 9-12 (Finance Posts) | 14 | 0 | 0,00% |

(c) Turn-over Rate

| Total Appointments as of beginning of Financial Year | Terminations during the Financial Year | Turn-Over Rate |
|--|--|----------------|
| 646 | 34 | 5,26% |

(d) Comment on municipal personnel

The stable environment of Swartland Municipality ensures that employees have stable careers and therefore there is a very low staff turnover of 2.8%.

4.3 MANAGING THE MUNICIPAL WORKFORCE

4.3.1 HR POLICIES AND PLANS

(a) HR policies and plans as on 30 June 2024

| Name Of Policy | Completed | Revised | Date Adopted | Comment |
|---|-----------|---------|--------------|--|
| Acting Allowance | 100,00% | 100,00% | 2022-10-01 | Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Alcohol and Drug Policy & Procedure | 100,00% | 100,00% | 2018-12-01 | |
| Coaching and Mentoring Policy | 100,00% | 0,00% | 2023-07-01 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Code of Conduct for employees | 100,00% | 0,00% | | Part of Municipal Systems Act |
| Delegations, Authorisation & Responsibility | 100,00% | 100,00% | 2024-05-31 | |
| Disability | 100,00% | 0,00% | 2018-12-01 | |
| Disciplinary Code and Procedures | 100,00% | 0,00% | | Collective Agreement |
| Dress Code | 100,00% | 0,00% | 2013-01-01 | |
| Employee Assistance / Wellness | 100,00% | 0,00% | 2018-12-01 | |
| Employment Equity | 100,00% | 100,00% | 2016-04-01 | |
| Essential Services | 0,00% | 0,00% | | |
| Exit Management | 100,00% | 0,00% | 2022-10-01 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| External Bursary Policy | 100,00% | 100,00% | 2017-04-01 | |
| Gift Policy | 100,00% | 0,00% | 2018-12-01 | |
| Grievance Procedures | 100,00% | 0,00% | | Part of Main Collective Agreement |
| HIV/Aids | 100,00% | 0,00% | 2016-04-01 | |
| Induction | 100,00% | 0,00% | 2022-10-01 | New policy in terms of Municipal Staff Regulations 890 |

| | | | | |
|--|---------|---------|------------|--|
| | | | | and 891 dated 20 September 2021 |
| Information Technology | 100,00% | 100,00% | 2022-06-15 | |
| Internal Staff Bursary | 100,00% | 100,00% | 2023-07-01 | Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Internship | 100,00% | 0,00% | 2016-04-01 | |
| Leave | 100,00% | 100,00% | 2016-12-01 | |
| Mentoring and Coaching Policy | 100,00% | 0,00% | 2023-06-13 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Occupational Health and Safety | 0,00% | 0,00% | | |
| Official Housing | 100,00% | 100,00% | 2009-11-01 | |
| Official transport to attend Funerals | 0,00% | 0,00% | | |
| Organisational Rights | 100,00% | 0,00% | | Part of Main Collective Agreement |
| Other | 0,00% | 0,00% | | |
| Overtime | 100,00% | 100,00% | 2022-10-01 | |
| Payroll Deductions | 100,00% | 0,00% | | Part of Main Collective Agreement |
| Performance Management and Development | 100,00% | 0,00% | 2022-08-01 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Privacy Policy | 100,00% | 0,00% | 2021-06-28 | |
| Private Work | 100,00% | 100,00% | 2018-12-01 | |
| Probationary Period | 100,00% | 0,00% | 2022-09-01 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Recruitment and Selection | 100,00% | 100,00% | 2022-09-01 | Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Relocation Assistance | 100,00% | 0,00% | 2022-10-01 | New policy |
| Remuneration Scales and Allowances | 0,00% | 0,00% | | Collective Agreement |
| Retention | 100,00% | 0,00% | 2022-09-01 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Scarce Skills | 100,00% | 0,00% | 2022-10-01 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Sexual Harassment | 100,00% | 0,00% | 2018-12-01 | |

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| | | | | |
|---------------------------------------|---------|---------|------------|--|
| Skills Development | 100,00% | 100,00% | 2023-05-01 | Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Smoking | 100,00% | 100,00% | 2018-12-01 | |
| Succession Planning | 100,00% | 0,00% | 2022-10-01 | Reviewed in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Talent Management | 100,00% | 0,00% | 2022-12-01 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| TASK Job Evaluation | 100,00% | 0,00% | 2023-05-01 | New policy in terms of Municipal Staff Regulations 890 and 891 dated 20 September 2021 |
| Telecommunications | 100,00% | 0,00% | 2016-04-01 | |
| Travel, Accommodation and Subsistence | 100,00% | 100,00% | 2023-05-01 | |
| Uniforms and Protective Clothing | 100,00% | 100,00% | 2022-10-21 | |
| Work Organisation | 0,00% | 0,00% | | |

(b) Comment on HR policies and plans

Policies are not static documents and therefore have to be revised regularly. During the 2022/23 period a revision process of all policies involving all stakeholders, namely employer, councillors and unions, commenced in terms of the Local Government: Municipal Staff Regulations that was promulgated on 21 September 2021, in order to ensure that the policies are in line with the new Regulations. As part of the process, during the 2023/24 period, one existing policy was reviewed and one new policy developed in terms of the Regulations for implementation with effect from 1 July 2024.

4.3.2 INJURIES, SICKNESS AND SUSPENSIONS

(a) Number and cost of injuries on duty

| Type Of Injury | Injury Leave Taken | Employees Using Injury Leave | Proportion Employees Using Sick Leave | Injury Leave Per Employee | Estimated Cost |
|---------------------------------------|--------------------|------------------------------|---------------------------------------|---------------------------|----------------|
| Required basic medical attention only | 480 | 25 | 5,21% | 18 | R327 092 |
| Temporary total disablement | 0 | 0 | 0,00% | 0 | R0 |
| Permanent disablement | 0 | 0 | 0,00% | 0 | R0 |
| Fatal | 0 | 0 | 0,00% | 0 | R0 |
| TOTAL | 480 | 25 | | | |

(b) Number of days and cost of sick leave (excluding injuries on duty)

| Salary Band | Total Days Sick Leave | Proportion Without Medical Certification | Employees Using Sick Leave | Total Employees In Post | Average Days Per Employee | Estimated Cost |
|--|-----------------------|--|----------------------------|-------------------------|---------------------------|----------------|
| a Lower skilled (Levels 1 - 2) | 0 | 0,00% | 0 | 0 | 0 | R0 |
| b Skilled (Levels 3 - 5) | 1445 | 30,10% | 164 | 211 | 9 | R845 355 |
| c Highly skilled production (Levels 6 - 8) | 1680 | 28,40% | 193 | 225 | 9 | R1 455 856 |
| d Highly skilled supervision (Levels 9 - 12) | 1171 | 20,90% | 127 | 153 | 9 | R1 563 317 |
| e Senior management (Levels 13 - 18) | 260 | 28,10% | 39 | 57 | 7 | R682 443 |
| f MM and S56 | 12 | 66,70% | 2 | 7 | 6 | R60 013 |

(c) Comment on injury and sick leave

The percentage of employees absent due to sick leave and injury on duty is monitored on a monthly basis and is also part of the performance management system. Whenever the figure exceeds 3%, measures are put in place to address problem areas. Levels of absenteeism due to these reasons are relatively low with an average absenteeism for the period 2023/24 for sick leave being 2.5% and for injury on duty 0.2%. All injuries are investigated thoroughly and if necessary, the Health and Safety Officer addresses the problem areas through training and counselling. Injuries are examined by the municipality's own doctors, and where long or regular periods of sick leave are taken, prognosis reports are requested in order to determine the employees' fitness for duty.

(d) Comment on suspensions and cases of financial misconduct

There were no suspension of more than 4 months and any cases of financial misconduct within Swartland Municipality.

4.4 CAPACITATING THE MUNICIPAL WORKFORCE

4.4.1 INTRODUCTION

MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

Swartland Municipality recognizes the obligations placed on it by the Skills Development Act to train and develop employees. In order to empower its employees and enhance its human capital, the Municipality provides various learning and development opportunities for employees, non-employees and councillors. The Workplace Skills Plan of the Municipality has been submitted to the Local Government SETA and annual implementation reports submitted. During 2023/2024 an amount of R1 950 043 was spent on efficiency development.

Swartland Municipality adopted a Succession Plan for the development of employees in order to prepare them for future vacancies through training and exposure to the required experience for the specific succession post. Bursaries are also awarded for succession candidates who need to complete formal qualifications. Currently there are 14 employees on the Succession Plan for various future vacancies.

4.4.2 SKILLS DEVELOPMENT AND TRAINING

(a) Annual Training Report: Number of employees trained as at 30 June 2024

| Occupational Category | No of Employees in post at 30 June 2024 | Type of Learning Intervention | | | | | | | | | | Total |
|---|---|-------------------------------|---------|-------------|-----|---------------------|---------------------------|------|------|------|------|-------|
| | | Apprenticeship (ARPL) | Bursary | Learnership | RPL | Skills Programme | Short Cours Non Credit | AET1 | AET2 | AET3 | AET4 | |
| Legislators, Senior Officials and Managers | 36 | 0 | 0 | 1 | 0 | 7 | 4 | 0 | 0 | 0 | 0 | 12 |
| Professionals | 27 | 0 | 3 | 2 | 0 | 8 | 4 | 0 | 0 | 0 | 0 | 17 |
| Technicians and Associate Professionals | 60 | 0 | 2 | 8 | 0 | 9 | 1 | 0 | 0 | 0 | 0 | 20 |
| Clerks | 113 | 0 | 7 | 4 | 0 | 12 | 1 | 0 | 0 | 0 | 0 | 24 |
| Service and Sales Workers | 107 | 1 | 3 | 4 | 0 | 10 | 0 | 0 | 0 | 0 | 1 | 19 |
| Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers | 15 | 0 | 0 | 0 | 0 | 9 | 0 | 0 | 0 | 0 | 0 | 9 |

| | | | | | | | | | | | | |
|--|------------|----------|-----------|-----------|----------|-----------|-----------|----------|----------|----------|-----------|------------|
| Plant and Machine Operators and Assemblers | 101 | 1 | 0 | 24 | 0 | 9 | 0 | 0 | 0 | 0 | 9 | 43 |
| Elementary Occupations | 194 | 0 | 2 | 21 | 0 | 17 | 0 | 0 | 0 | 3 | 7 | 50 |
| TOTAL PERMANENT | 653 | 2 | 17 | 64 | 0 | 81 | 10 | 0 | 0 | 3 | 17 | 194 |

(b) Financial Competency Development: Progress Report

| 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: 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)) |
|---|--|---|--------------------------------|--|---|--|
| a Accounting officer | 1 | 0 | 1 | 1 | 1 | 1 |
| b Chief financial officer | 1 | 0 | 1 | 1 | 1 | 1 |
| c Senior managers | 5 | 0 | 5 | 5 | 5 | 5 |
| d Any other financial officials | 82 | 0 | 82 | 0 | 0 | 0 |
| e Heads of supply chain management units | 3 | 0 | 3 | 2 | 2 | 2 |
| f Supply chain management senior managers | 1 | 0 | 1 | 1 | 1 | 1 |
| TOTAL | 93 | 0 | 93 | 10 | 10 | 10 |

(c) Skills Development Expenditure as at 30 June 2024

| Type of Learning Intervention | NQF Level | Number trained | | Actual Amount Spent |
|-------------------------------|-----------|----------------|------------|---------------------|
| | | Female | Male | |
| Apprenticeship | 1-4 | 0 | 2 | R14 400 |
| | 5-7 | 0 | 0 | R0 |
| | 8-10 | 0 | 0 | R0 |
| Adult Education & Training | 1 | 2 | 18 | R521 748 |
| Bursary | 1-4 | 0 | 0 | R0 |
| | 5-7 | 7 | 8 | R59 528 |
| | 8-10 | 1 | 1 | R0 |
| Learnership | 1-4 | 3 | 45 | R971 991 |
| | 5-7 | 5 | 11 | |
| | 8-10 | 0 | 0 | R0 |
| RPL | 1-4 | 0 | 0 | R0 |
| | 5-7 | 0 | 0 | R0 |
| | 8-10 | 0 | 0 | R0 |
| Skills Programme | 1-4 | 19 | 62 | R300 757 |
| | 5-7 | 0 | 0 | |
| | 8-10 | 0 | 0 | R0 |
| Short Course: Non-credit | | 7 | 3 | R41 979 |
| Unemployed Training | | | | R39 640 |
| TOTAL | | 44 | 150 | R1 950 043 |

(d) Comment on skills development and related expenditure and on the financial competency regulations

Swartland Municipality recognizes the obligations placed on it by the Skills Development Act to train and develop employees. In order to empower its employees and enhance its human capital, the Municipality provides various learning and development opportunities for employees, non-employees and councillors. The Workplace Skills Plan of the Municipality has been submitted to the Local Government SETA and annual implementation reports submitted. During 2023/2024 an amount of R1 950 043 was spent on skills development.

Swartland Municipality adopted a Succession Plan for the development of employees in order to prepare them for future vacancies through training and exposure to the required experience for the specific succession post. Bursaries are also awarded for succession candidates who need to complete formal qualifications. Currently there are 14 employees on the Succession Plan for various future vacancies.

4.5 MANAGING THE WORKFORCE EXPENDITURE

4.5.1 INTRODUCTION

Workforce expenditure is managed effectively, through regular (monthly) budget control meetings to discuss expenditure and rectify any overspending. No appointments are made unless the posts are funded and vacant on the post establishment. In order to obtain value for money from workforce expenditure, the mandate for appointment is to appoint the candidate on the minimum notch of the scale unless motivation exists for appointment on a higher notch. The consultation for appointment on a higher notch is done by the Senior Manager: Human Resources and the director concerned. Should consensus not be reached, there should be a cooling-down period of forty-eight (48) hours after which further consultation should take place to reach consensus. Consensus must be reached after the cooling-down period has elapsed.

4.5.2 EMPLOYEE EXPENDITURE

(a) Workforce Expenditure Trends

| Operational Expenditure Type | Total Operating Expenditure | Actual Workforce Expenditure | Ratio |
|------------------------------|-----------------------------|------------------------------|--------|
| 1 Employees | R1 025 495 260 | R326 635 718 | 31,85% |

(b) Number of employees whose salaries were increased due to their positions being upgraded

Through job evaluation 8 employees' salaries were increased due to a higher job grading result.

(c) Employees whose salary levels exceed the grade determined by job evaluation

| Occupation | Number of employees | Job evaluation level | Remuneration level | Reason for deviation |
|-----------------------------|---------------------|----------------------|--------------------|---|
| Cashier and Enquiries Clerk | 2 | 6 | 8 | Implementation of TASK (Contractual to incumbent) |
| Operator: Loader | 1 | 7 | 8 | Implementation of TASK (Contractual to incumbent) |
| Library Assistant | 1 | 6 | 8 | Implementation of TASK (Contractual to incumbent) |
| Cashier and Enquiries Clerk | 1 | 6 | 9 | Implementation of TASK (Contractual to incumbent) |
| Principal Clerk | 2 | 7 | 8 | Implementation of TASK (Contractual to incumbent) |
| Administrator | 1 | 9 | 11 | Implementation of TASK (Contractual to incumbent) |

(d) Employees appointed to posts not approved

None

(e) Comment on upgraded posts and those that are at variance with normal practice

Through job evaluation 14 posts acquired a higher grading.

CHAPTER 5 – FINANCIAL PERFORMANCE

5.1 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

The municipality is being subjected to extreme external cost pressures which includes the effect of the tariff increases of Eskom, labour collective agreements which resulted in expenditure increases well above the normal inflation rate, the increased cost of fuel due to the declining currency and higher oil prices etc. The municipality is well aware of the effect of the global economic slowdown and the effect it has on the ability of the consumers to pay for services. The municipality therefore embarked on cost saving measures in its budgeting- and actual processes wherever possible.

GRAP compliance

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The Accounting Standards Board annually issues a directive (Directive 5) indicating the relevant accounting standards which municipalities must comply with. The municipality implemented all the required standards and was able to obtain an unqualified audit report. The municipality did not deviate from any of the standards.

5.2 STATEMENTS OF FINANCIAL PERFORMANCE

5.2.1 INTRODUCTION

The financial statements of the municipality has been audited by the Office of the Auditor-General and the paragraphs below reflects a high level summary of the financial results for the financial year. The complete set of audited Annual Financial Statements is attached to the Annual Report as an appendix (Separate document).

5.2.2 STATEMENTS OF FINANCIAL PERFORMANCE

(a) Financial Summary

| Description | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance | Adjustment Budget Variance |
|---|----------------------|------------------------|------------------------|------------------------|--------------------------|----------------------------|
| 1a Total Revenue (excluding capital transfers and contributions) | R996 623 489 | R1 085 098 238 | R1 132 513 714 | R1 179 043 598 | 108.66% | 104.11% |
| a Property rates | R152 116 871 | R167 829 935 | R167 829 935 | R163 174 552 | 97.23% | 97.23% |
| b Service charges | R533 980 162 | R596 913 852 | R576 934 203 | R630 654 583 | 105.65% | 109.31% |
| c Investment revenue | R58 939 305 | R55 954 389 | R83 050 548 | R84 764 075 | 151.49% | 102.06% |
| d Transfers recognised - operational | R173 875 460 | R168 035 872 | R172 097 266 | R171 662 265 | 102.16% | 99.75% |
| e Other own revenue | R77 711 690 | R96 364 190 | R132 601 762 | R128 788 123 | 133.65% | 97.12% |
| 1b Total Expenditure | -R934 531 186 | -R1 071 330 062 | -R1 071 352 206 | -R1 025 495 256 | 95.72% | 95.72% |
| a Employee costs | R291 907 026 | R316 393 933 | R318 240 760 | R315 708 755 | 99.78% | 99.20% |
| b Remuneration of councillors | R11 225 004 | R12 081 258 | R12 419 258 | R12 004 775 | 99.37% | 96.66% |
| c Depreciation and asset management | R93 099 959 | R112 613 631 | R118 669 977 | R111 937 809 | 99.40% | 94.33% |
| d Finance charges | R15 655 387 | R14 486 358 | R12 943 988 | R12 335 335 | 85.15% | 95.30% |
| e Materials and bulk purchases | R341 217 910 | R417 131 006 | R391 297 714 | R391 243 562 | 93.79% | 99.99% |
| f Transfers and grants | R4 245 585 | R5 060 078 | R5 426 498 | R4 424 278 | 87.43% | 81.53% |
| g Other expenditure | R177 180 315 | R193 563 798 | R212 354 011 | R177 840 742 | 91.88% | 83.75% |
| 1c Capital transfers and contributions | R76 119 743 | R107 386 943 | R119 908 999 | R113 776 998 | 105.95% | 94.89% |
| a Transfers recognised - capital | R76 119 743 | R107 386 943 | R119 908 999 | R113 470 176 | 105.66% | 94.63% |
| b Contributions recognised - capital and contributed assets | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| c Donated property, plant and equipment | R0 | R0 | R0 | -R306 822 | 0.00% | 0.00% |

| Decsription | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance | Adjustment Budget Variance |
|---|----------------------|----------------------|----------------------|----------------------|--------------------------|----------------------------|
| 2 Total sources of capital funds | -R168 646 538 | -R209 052 395 | -R248 689 919 | -R238 109 605 | 113.90% | 95.75% |
| a Transfers recognised - capital | R58 631 303 | R106 162 000 | R118 708 891 | R112 285 469 | 105.77% | 94.59% |
| b Public contributions and donations | R11 209 649 | R1 224 943 | R1 200 108 | R1 200 108 | 97.97% | 100.00% |
| c Borrowing | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| d Internally generated funds | R98 805 586 | R101 665 452 | R128 780 920 | R124 624 028 | 122.58% | 96.77% |
| 3 Financial position | | | | | | |
| a Total current assets | R879 602 153 | R863 165 753 | R550 836 656 | R668 528 985 | 77.45% | 121.37% |
| b Total non-current assets | R2 234 437 195 | R2 322 092 040 | R2 681 854 728 | R2 683 524 285 | 115.56% | 100.06% |
| c Total current liabilities | R144 679 086 | R144 716 907 | R123 924 254 | R160 162 051 | 110.67% | 129.24% |
| d Total non-current liabilities | R223 550 521 | R224 988 055 | R182 216 878 | R180 345 015 | 80.16% | 98.97% |
| 4 Cash Flows | | | | | | |
| a Net cash from (used) operating | R234 305 886 | R224 934 837 | R267 554 092 | R306 894 276 | 136.44% | 114.70% |
| b Net cash from (used) investing | R170 142 007 | R194 439 456 | R543 468 877 | R508 196 632 | 261.36% | 93.51% |
| c Net cash from (used) financing | R7 237 993 | R8 261 333 | R51 558 962 | R50 223 168 | 607.93% | 97.41% |
| d Cash/Cash Equivalents at the year end | R722 016 835 | R684 449 043 | R394 543 088 | R470 491 311 | 68.74% | 119.25% |

(b) Financial Performance of Operational Services

| Service | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Variance From Original Budget | Variance From Adjustment Budget |
|----------------------------|----------------------|-----------------|-------------------|------------|-------------------------------|---------------------------------|
| Asset and Fleet Management | R3 178 596 | R3 713 812 | R4 085 312 | R3 585 833 | 96.55% | 87.77% |
| Budget Office and Costing | R3 472 271 | R6 362 738 | R7 250 014 | R4 677 096 | 73.51% | 64.51% |
| Building Control | R3 204 309 | R3 779 591 | R3 800 841 | R3 647 423 | 96.50% | 95.96% |
| Caravan Park Yzerfontein | R2 909 441 | R3 093 753 | R3 214 785 | R3 278 819 | 105.98% | 101.99% |
| Cemeteries | R744 390 | R993 173 | R980 322 | R989 332 | 99.61% | 100.92% |

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| | | | | | | |
|--|--------------|--------------|--------------|--------------|---------|---------|
| Civil Protection (including Disaster Management) | R452 986 | R380 000 | R1 164 100 | R896 120 | 235.82% | 76.98% |
| Communication Management | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Community Development | R3 483 582 | R4 493 591 | R4 639 239 | R3 557 369 | 79.17% | 76.68% |
| Council General Expenses | R18 881 370 | R23 068 422 | R23 556 253 | R21 803 265 | 94.52% | 92.56% |
| Electricity Distribution | R326 965 566 | R399 516 506 | R378 275 068 | R374 821 309 | 93.82% | 99.09% |
| Expenditure | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Financial Statements and Control | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Financial Systems Administration | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Fire Fighting Services | R9 254 997 | R10 001 650 | R10 655 421 | R11 486 039 | 114.84% | 107.80% |
| Grants and subsidies Council | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Grants and subsidies Financial Services | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Grants and subsidies FMG | R1 550 000 | R1 550 000 | R1 550 000 | R1 551 914 | 100.12% | 100.12% |
| Harbour Yzerfontein | R361 291 | R465 447 | R465 447 | R401 146 | 86.19% | 86.19% |
| Housing | R26 173 763 | R4 700 823 | R4 764 453 | R4 749 951 | 101.05% | 99.70% |
| Human Resources | R6 491 232 | R6 899 179 | R8 525 020 | R8 441 395 | 122.35% | 99.02% |
| ICT Services | R14 357 545 | R18 075 677 | R17 978 544 | R15 764 396 | 87.21% | 87.68% |
| Income | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Internal Audit (including Risk Management) | R1 979 296 | R3 305 958 | R3 727 989 | R2 026 636 | 61.30% | 54.36% |
| Legal and Credit Control | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Library and Client Services | R11 957 818 | R12 586 151 | R12 598 141 | R13 342 997 | 106.01% | 105.91% |
| Licencing and Registration Services | R9 714 044 | R10 810 528 | R10 771 862 | R10 437 166 | 96.55% | 96.89% |
| Local Economic Development | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Management Civil Engineering Services | R3 630 704 | R3 827 334 | R3 884 878 | R4 043 600 | 105.65% | 104.09% |
| Management Corporate Services | R11 819 424 | R13 785 111 | R14 824 592 | R12 682 334 | 92.00% | 85.55% |
| Management Development Services | R2 498 348 | R2 779 245 | R2 791 329 | R2 810 552 | 101.13% | 100.69% |
| Management Electrical Engineering Services | R1 461 033 | R1 501 491 | R1 515 591 | R1 739 166 | 115.83% | 114.75% |
| Management Financial Services | R34 557 765 | R51 648 627 | R58 008 765 | R43 179 954 | 83.60% | 74.44% |
| Management Municipal Manager | R3 262 358 | R2 766 479 | R3 316 479 | R3 859 525 | 139.51% | 116.37% |
| Management Protection Services | R2 448 245 | R2 669 659 | R2 792 759 | R2 770 979 | 103.80% | 99.22% |
| Marketing and Tourism | R2 321 691 | R2 430 556 | R2 431 620 | R2 472 966 | 101.74% | 101.70% |

| | | | | | | |
|--|---------------------|-----------------------|-----------------------|-----------------------|---------|---------|
| Municipal Property Maintenance | R16 877 437 | R20 170 249 | R21 210 964 | R27 395 813 | 135.82% | 129.16% |
| Occupational Health and Safety (including Pollution Control) | R1 871 382 | R2 119 132 | R2 139 576 | R2 059 916 | 97.21% | 96.28% |
| Parks and Recreational Areas | R19 073 382 | R22 184 112 | R22 759 342 | R20 421 455 | 92.05% | 89.73% |
| Planning and Valuations | R9 025 599 | R9 566 008 | R10 014 370 | R9 299 006 | 97.21% | 92.86% |
| Proclaimed Roads | R4 783 500 | R482 763 | R482 763 | R470 000 | 97.36% | 97.36% |
| Rates Services | R2 059 924 | R1 026 479 | R1 663 997 | R1 812 282 | 176.55% | 108.91% |
| Refuse Removal | R60 150 297 | R58 054 182 | R63 661 311 | R59 720 705 | 102.87% | 93.81% |
| Secretariat and Archives | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| Sewerage Services | R55 692 200 | R62 591 070 | R63 616 120 | R65 107 983 | 104.02% | 102.35% |
| Sports Grounds | R7 770 364 | R7 244 080 | R7 725 761 | R10 927 155 | 150.84% | 141.44% |
| Strategic Management | R2 331 350 | R2 854 192 | R2 923 192 | R2 578 698 | 90.35% | 88.22% |
| Streets and Stormwater | R67 109 261 | R82 019 797 | R77 405 718 | R70 050 330 | 85.41% | 90.50% |
| Supply Chain Management | R7 276 753 | R9 426 591 | R9 432 089 | R8 550 755 | 90.71% | 90.66% |
| Swimming Pools | R3 648 697 | R4 491 199 | R4 387 219 | R4 092 436 | 91.12% | 93.28% |
| Thusong Service Centres | R1 463 019 | R1 679 477 | R1 700 122 | R1 593 973 | 94.91% | 93.76% |
| Town and Community Halls (including Property and Legal) | R5 209 399 | R6 500 588 | R6 840 377 | R6 265 775 | 96.39% | 91.60% |
| Traffic and Law Enforcement Services | R77 209 263 | R78 365 556 | R86 330 012 | R84 286 953 | 107.56% | 97.63% |
| Water Services | R85 847 290 | R107 349 086 | R101 490 449 | R91 844 743 | 85.56% | 90.50% |
| TOTAL | R934 531 186 | R1 071 330 062 | R1 071 352 206 | R1 025 495 260 | | |

(c) Comment on financial performance

Total operating expenditure amounted to R1 025 495 256 and 95.72% of the budget was spent.

Total operating revenue amounted to R1 292 820 598 which is equal to 103.23%.

5.2.3 GRANTS

(a) Grants received from the Division of Revenue Act (DoRA)

| Description | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance | Adjustment Budget Variance |
|---|----------------------|---------------------|---------------------|---------------------|--------------------------|----------------------------|
| National Government (capital) | | | | | | |
| Integrated National Electrification Programme (Municipal) Grant | R17 600 000 | R23 658 000 | R23 658 000 | R23 658 000 | 100.00% | 100.00% |
| Municipal Infrastructure Grant (MIG) | R33 809 996 | R24 708 000 | R23 055 000 | R23 055 000 | 93.31% | 100.00% |
| TOTAL | R51 409 996 | R48 366 000 | R46 713 000 | R46 713 000 | | |
| National Government (operating) | | | | | | |
| Expanded Public Works Programme Integrated Grant | R1 873 000 | R1 830 000 | R1 830 000 | R1 830 000 | 100.00% | 100.00% |
| Finance Management | R1 550 000 | R1 550 000 | R1 550 000 | R1 550 000 | 100.00% | 100.00% |
| Local Government Equitable Share Grant | R126 228 000 | R143 235 000 | R143 235 000 | R143 235 000 | 100.00% | 100.00% |
| TOTAL | R129 651 000 | R146 615 000 | R146 615 000 | R146 615 000 | | |
| Provincial Government (capital) | | | | | | |
| Developement of Sport and Recreation Facilities Grant | R0 | R966 000 | R966 374 | R966 374 | 100.04% | 100.00% |
| Emergency Fire kits | R0 | R0 | R284 100 | R0 | 0.00% | 0.00% |
| Emergency Municipal Load-Shedding Relief | R2 351 723 | R0 | R8 506 517 | R8 506 517 | 0.00% | 100.00% |
| Establishment of a K9 Unit (capital) | R136 615 | R40 000 | R40 000 | R40 000 | 100.00% | 100.00% |
| Fire Service Capacity Building Grant | R0 | R926 000 | R926 000 | R926 000 | 100.00% | 100.00% |
| Human Settlements Development Grant (capital) | R3 515 230 | R55 314 000 | R60 507 000 | R54 097 638 | 97.80% | 89.41% |
| Library Service: Conditional Grant (capital) | R49 783 | R50 000 | R50 000 | R50 000 | 100.00% | 100.00% |
| Public Transport non-motorised infrastructure grant | R0 | R0 | R500 000 | R500 000 | 0.00% | 100.00% |
| RSEP/VPUU Municipal Projects Grant | R1 200 000 | R500 000 | R500 000 | R500 000 | 100.00% | 100.00% |
| TOTAL | R7 253 351 | R57 796 000 | R72 279 991 | R65 586 529 | | |
| Provincial Government (operating) | | | | | | |
| Community Development Workers Grant | R35 499 | R38 000 | R38 000 | R36 689 | 96.55% | 96.55% |

| | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|---------|---------|
| Establishment of a K9 Unit (operating) | R2 390 000 | R3 305 000 | R3 305 000 | R3 305 000 | 100.00% | 100.00% |
| Establishment of Law Enforcement Rural Safety Unit | R0 | R5 509 000 | R5 509 000 | R5 509 000 | 100.00% | 100.00% |
| Financial Management Support Grant: Student Bursaries | R160 000 | R0 | R261 420 | R84 613 | 0.00% | 32.37% |
| Human Settlements Development Grant (operating) | R0 | R0 | R79 520 | R0 | 0.00% | 0.00% |
| Library Service: Conditional Grant (operating) | R11 573 000 | R11 788 000 | R12 254 000 | R12 161 393 | 103.17% | 99.24% |
| Municipal Accreditation Assistance Grant | R196 774 | R245 000 | R245 000 | R155 911 | 63.64% | 63.64% |
| Municipal Service Delivery and Capacity Building Grant | R0 | R0 | R500 000 | R500 000 | 0.00% | 100.00% |
| Proclaimed Roads Subsidy (operating) | R4 470 000 | R170 000 | R170 000 | R170 000 | 100.00% | 100.00% |
| Title Restoration | R0 | R0 | R0 | R281 980 | 0.00% | 0.00% |
| WC Financial Management Capability Grant (Internal Audit) | R0 | R0 | R418 031 | R0 | 0.00% | 0.00% |
| WC Mun Energy Resilience Grant | R0 | R0 | R680 000 | R680 000 | 0.00% | 100.00% |
| TOTAL | R18 825 273 | R21 055 000 | R23 459 971 | R22 884 586 | | |

(b) Comment on operating transfers and grants received from DoRA

Government grants and subsidies: Operating was underspend by 0.50% and Government grants and subsidies: Capital was underspend by 5.40%.

(c) Grants received from sources other than DoRA

| Description | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance | Adjusted Budget Variance |
|--|----------------------|-----------------|-------------------|-------------------|--------------------------|--------------------------|
| | R0 | R0 | R1 320 530 | R0 | 0.00% | 0.00% |
| Education, Training and Development Practices SETA | R861 795 | R0 | R1 617 773 | R2 075 717 | 0.00% | 128.31% |
| TOTAL | R861 795 | R0 | R2 938 303 | R2 075 717 | | |

(d) Comment on conditional grants and grant received from other sources

The municipality adhered to the conditions of all conditional transfers.

The following Grants were applied for roll-over:

- Unspent Municipal Disaster Response Grant to an amount of R 350 000 be rolled over.
- Unspent Western Cape Financial Management Capability Grant (Student Bursaries) to an amount of R176 807 to be repaid to the Provincial Fiscus.
- Unspent Western Cape Financial Management Capability Grant (Internal Audit Software) to an amount of R418 031 to be rolled over.
- Unspent Community Development Workers (CDW) Operational Support Grant to an amount of R1 311 to be repaid to the Provincial Fiscus.
- Unspent Municipal Accreditation and Capacity Building Grant to an amount of R89 089 to be repaid to the Provincial Fiscus.
- Unspent Financial Assistance for the Provision of Emergency Kits and Relocation Costs to an amount of R2 120 to be repaid to the Provincial Fiscus.
- Unspent Human settlements Development Grant (Beneficiaries) to an amount of R5 947 179 to be rolled-over and R363 379 to be repaid to the Provincial Fiscus.

5.2.4 ASSET MANAGEMENT

(a) Introduction

Assets under the control of each department are being managed by the relevant departmental heads. The Chief Financial Officer is responsible for maintaining an asset register for all assets which qualify to be capitalised.

Asset management is guided by the Asset Management Policy of the municipality. The policy is reviewed on an annual basis as part of the budget policies review process to ensure it complies with the latest requirements of GRAP, audit- and treasury directives.

(b) Comment on asset management

The municipality designed and implemented a system whereby each capital project is measured according to the requirements of the MFMA. The Council only approves projects where the full cost of the project, the future operating costs of the project as well as the effect that the costs associated with the project will have on tax and tariffs were considered by the Council.

(c) Repair and maintenance expenditure

| Type | Operating Budget | Actual | % of Operating Budget |
|-----------------------|------------------|-------------|-----------------------|
| Repairs & Maintenance | R71 458 124 | R67 165 386 | 93.99% |

(d) Comment on repair and maintenance expenditure

Expenditure on repairs and maintenance does not keep track with the increase in asset values as well as the ageing of the infrastructure. A portion of repairs and maintenance is also included in the capital budget. The norm of repairs and maintenance as a % of Property, plant and equipment and investment property (carrying value) is 8%. Swartland Municipality is currently at 2.86%. Restated 22/23 2.91%.

5.2.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

| Financial viability ratio's | Norms | Criteria | 2023/2024 | 2022/2023 |
|-----------------------------|-----------|--|-----------|-----------|
| Cost coverage | >4 months | Higher than 4 months is better | 5 Months | 9 Months |
| Debt coverage | 40% | The lower the actual the better the result | 3.07% | 8.78% |

(a) Comment on financial ratios

As indicated in the financial overview in Chapter 1.4 of this report, the Municipality is in a financially healthy position. Management proactively participates in programs to ensure a financially sustainable municipality.

5.3 SPENDING AGAINST CAPITAL BUDGET**5.3.1 INTRODUCTION**

Capital expenditures relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from Grants, Private funding ,donations/contributions and Capital Replacement Reserve.

The municipality spent 95.75% of the approved budget on capital projects.

5.3.2 CAPITAL EXPENDITURE

The table below indicates the capital expenditure against the total budget.

| Description | Original Budget | Adjustment Budget | Actual |
|---------------------|-----------------|-------------------|--------------|
| Capital Expenditure | R209 052 395 | R248 689 919 | R238 109 605 |

5.3.3 SOURCES OF FINANCE

(a) Capital Expenditure - Funding Sources

| Description | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance | Adjustment Budget Variance |
|------------------------------------|----------------------|-----------------|-------------------|--------------|--------------------------|----------------------------|
| Capital Replacement Reserve (CRR) | R91 889 849 | R101 665 452 | R128 780 920 | R124 624 028 | 122.58% | 96.77% |
| Grants and subsidies | R58 631 303 | R106 162 000 | R118 708 891 | R112 285 469 | 105.77% | 94.59% |
| Public contributions and donations | R14 993 123 | R1 224 943 | R1 200 108 | R1 200 108 | 97.97% | 100.00% |

(b) Comment on sources of funding

Capital sources of funding for actual expenditure consist of Transfers recognised - capital which amounted to 47.16%, Other Contributions and Public Donations was 0.5% and Internally generated funds was 52.34%.

5.3.4 CAPITAL SPENDING ON 5 LARGEST PROJECTS

(a) Capital Expenditure of 5 largest projects

| Description | Original Budget | Adjustment Budget | Actual | Original Budget Variance | Adjusted Budget Variance |
|---|-----------------|-------------------|-------------|--------------------------|--------------------------|
| 23/24 Donated PPE: Electrical Infrastructure (De Werf) | R0 | R11 800 000 | R8 406 199 | 0.00% | 71.24% |
| 23/24 Donated PPE: Roads Infrastructure (De Werf) | R0 | R12 880 433 | R4 069 339 | 0.00% | 31.59% |
| 23/24 Malmesbury De Hoop Serviced Sites Phase 1 (Streets & Stormwater) | R27 500 000 | R22 685 342 | R23 973 312 | 87.18% | 105.68% |
| 23/24 Malmesbury: Saamstaan/De Hoop area: Upgrading of bulk electricity supply: Phase 1 | R23 658 000 | R23 658 000 | R23 657 999 | 100.00% | 100.00% |
| 23/24 Roads Swartland: Construction of New Roads (MIG) | R14 708 000 | R14 178 506 | R14 178 506 | 96.40% | 100.00% |

(b) Comment on capital projects

The expenditure on the major projects listed above is according to budget and the projects were all completed within the timeframes set.

5.3.5 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS OVERVIEW**(a) Municipal Infrastructure Grant (MIG)* Expenditure on Service backlogs**

| Service | Households Above Minimum Level | Percentage | Households Below Minimum Level | Percentage |
|--------------------------|--------------------------------|------------|--------------------------------|------------|
| Sewerage Services | 43 706 | 97.44% | 1 149 | 2.56% |
| Refuse Removal | 39 195 | 87.38% | 5 660 | 12.62% |
| Water Services | 44 370 | 98.92% | 486 | 1.08% |
| Electricity Distribution | 44 179 | 98.49% | 677 | 1.51% |

(b) Municipal Infrastructure Grant (MIG)* Expenditure on Service backlogs

| Service | Original Budget | Adjustment Budget | Actual | Original Budget Variance | Adjustment Budget Variance |
|---------|-----------------|-------------------|-------------|--------------------------|----------------------------|
| | R24 708 000 | R23 055 000 | R23 055 000 | 93.31% | 100.00% |

5.4 CASH FLOW MANAGEMENT AND INVESTMENTS**5.4.1 INTRODUCTION**

The municipality classified a positive cash balance as critical to its operations and future viability and all planning exercises take the effect of decisions on the cash position of the municipality into consideration.

The municipality utilises a Capital Replacement Reserve (CRR), established in terms of the Asset Management Policy, to fund as much of the capital expenditure as possible. The CRR is being funded by surplus cash which is mainly derived from a recovery from tariffs for depreciation charges.

In order to measure that the municipality has sufficient own cash resources, the municipality deducts any unspent grants as well as unspent loans from the available cash position, with the balance being own funds and which is allocated between the operating account and the CRR.

5.4.2 CASH FLOW

(a) Cash Flow Outcomes

| Description | Previous Year Actual | Original Budget | Adjustment Budget | Actual | Original Budget Variance | Adjustment Budget Variance |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|----------------------------|
| 1a Receipts | R1 026 288 390 | R1 123 301 906 | R1 150 302 579 | R1 158 232 196 | 103.11% | 100.69% |
| a Ratepayers and other | R729 643 533 | R791 924 702 | R784 867 156 | R797 478 556 | 100.70% | 101.61% |
| b Government - operating | R156 122 548 | R168 035 872 | R170 982 393 | R171 246 227 | 101.91% | 100.15% |
| c Government - capital | R78 588 952 | R107 386 943 | R111 402 482 | R133 512 728 | 124.33% | 119.85% |
| d Interest | R61 933 357 | R55 954 389 | R83 050 548 | R55 994 685 | 100.07% | 67.42% |
| e Dividends | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| 1b Payments | -R791 982 504 | -R898 367 069 | -R882 748 487 | -R851 337 921 | 94.77% | 96.44% |
| a Suppliers and employees | R777 556 538 | R883 983 031 | R870 425 154 | R839 716 810 | 94.99% | 96.47% |
| b Finance charges | R10 180 381 | R9 323 960 | R6 896 835 | R6 896 832 | 73.97% | 100.00% |
| c Transfers and Grants | R4 245 585 | R5 060 078 | R5 426 498 | R4 724 279 | 93.36% | 87.06% |
| 2a Receipts | R2 185 594 | R14 612 939 | R4 168 695 | R301 828 939 | 2065.49% | 7240.37% |
| a Proceeds on disposal of PPE | R2 185 594 | R14 612 939 | R4 168 695 | R1 828 939 | 12.52% | 43.87% |
| b Decrease (Increase) in non-current debtors | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| c Decrease (increase) other non-current receivables | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| d Decrease (increase) in non-current investments | R0 | R0 | R0 | R300 000 000 | 0.00% | 0.00% |
| 2b Payments | -R172 327 601 | -R209 052 395 | -R214 609 545 | -R210 025 571 | 100.47% | 97.86% |
| a Capital assets | R172 327 601 | R209 052 395 | R214 609 545 | R210 025 571 | 100.47% | 97.86% |
| 3a Receipts | R1 396 203 | R500 000 | R500 000 | R1 813 857 | 362.77% | 362.77% |
| a Short term loans | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| b Borrowing long term/refinancing | R0 | R0 | R0 | R0 | 0.00% | 0.00% |
| c Increase (decrease) in consumer deposits | R1 396 203 | R500 000 | R500 000 | R1 813 857 | 362.77% | 362.77% |
| 3b Payments | -R8 634 196 | -R8 761 333 | -R52 058 962 | -R52 037 024 | 593.94% | 99.96% |
| a Repayment of borrowing | R8 634 196 | R8 761 333 | R52 058 962 | R52 037 024 | 593.94% | 99.96% |

(b) Comment on cash flow outcomes

The net cash position of the municipality, as indicated above, has declined from R 722m to R470.5m. Unspent grants amounted to R30.5m .

The net decrease in Cash and cash equivalents amounts to R251.5m compared to the previous year's (2022/2023) increase of R56.9mm.

5.4.3 BORROWING AND INVESTMENTS**(a) Introduction**

No new borrowing contracts were taken up for the 2023/2024 financial year. The Municipality does not rely on borrowed funds to fund its capital budget. The main funding source is the Capital Replacement Reserve, to which an annual contribution is made out of the operating surplus.

The Municipality has current investments on hand and review these investments on a monthly basis.

(b) Actual Borrowings

| Instrument | Previous Year Amount | Amount |
|--|-----------------------------|--------------------|
| Financial Leases | R0 | R0 |
| Instalment Credit | R0 | R0 |
| Long-Term Loans (annuity/reducing balance) | R90 850 978 | R38 813 954 |
| Long-Term Loans (non-annuity) | R0 | R0 |
| Marketable Bonds | R0 | R0 |
| Non-Marketable Bonds | R0 | R0 |
| TOTAL | R90 850 978 | R38 813 954 |

(c) Municipal Investments

| Investment Type | Previous Year Amount | Amount |
|--|----------------------|---------------------|
| Bankers Acceptance Certificates | R0 | R0 |
| Deposits - Bank | R0 | R0 |
| Deposits - Corporation for Public Deposits | R0 | R0 |
| Deposits - Public Investment Commissioners | R0 | R0 |
| Guaranteed Endowment Policies (sinking) | R0 | R0 |
| Listed Corporate Bonds | R0 | R0 |
| Municipal Bonds | R0 | R0 |
| Negotiable Certificates of Deposit - Banks | R0 | R0 |
| Other | R722 016 835 | R470 491 311 |
| Repurchase Agreements - Banks | R0 | R0 |
| Securities - National Government | R0 | R0 |
| TOTAL | R722 016 835 | R470 491 311 |

5.4.4 PUBLIC PRIVATE PARTNERSHIPS

N/a

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

6.1 INTRODUCTION

The Constitution section 188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. The responsibility of the Auditor-General is to perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement and to express an opinion based on the audit conducted in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing.

The Municipal System Act section 45 states that the results of performance measurement must be audited annually by the Auditor-General. The reported performance against predetermined objectives is evaluated against the overall criteria of usefulness and reliability. The usefulness of information relates to whether the reported performance is consistent with the planned development priorities or objectives and if indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for managing programme performance information.

The Annual Financial Statements (AFS) for the year 2023/2024 submitted for auditing were prepared in accordance with the requirements of section 122(1) of the Municipal Finance Management Act.

6.2 AUDITOR-GENERAL OPINION (PREVIOUS YEAR - 2022/2023)

6.2.1 AUDITOR GENERAL REPORTS

(a) Auditor-General Report on Financial Performance

| | |
|--|---|
| Status of audit report: | Unqualified- Clean Audit Report with no findings* |
| Non-Compliance Issues | Remedial Action Taken |
| No material findings were raised. Management's internal controls and processes are adequate to ensure that the financial statements were prepared in accordance with the requirements of section 122(1) of the Municipal Finance Management Act. | None The Chief Financial Officer will continue to improve the control environment to ensure that the financial statements are free from material misstatements, omissions or errors. Training across departments will carry on to ensure staff is aware of changes in the accounting framework environment. |
| <i>Note: * The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse).</i> | |

(b) Auditor-General Report on Service Delivery Performance

| | |
|--|---|
| Status of audit report: | Unqualified - Clean Audit Report |
| Non-Compliance Issues | Remedial Action Taken |
| There are no material findings on the usefulness and reliability of the reported performance information for the selected objective in respect of Strategic Goal 5 – Sufficient, affordable and well-run services. | None |

6.3 AUDITOR-GENERAL OPINION (CURRENT YEAR 2023/2024)

6.3.1 AUDITOR GENERAL REPORTS

(c) Auditor-General Report on Financial Performance

| | |
|---|---|
| Status of audit report: | Unqualified - Clean Audit Report |
| Non-Compliance Issues | Remedial Action Taken |
| None. The financial statements present fairly, in all material respects, the financial position of the Swartland Municipality as at 30 June 2024. No material non-compliance issues with the selected legislative requirements were identified. | None |

(d) Auditor-General Report on Service Delivery Performance

| | |
|---|---|
| Status of audit report: | Unqualified - Clean Audit Report |
| Non-Compliance Issues | Remedial Action Taken |
| None. There are no material findings on the usefulness and reliability of the reported performance information for the selected objective in respect of Strategic Goal 3 – Quality and reliable services. | None |

(e) Auditor-General Report on the financial statements

See Chapter 1 paragraph 1.2.6

(f) Comments on Auditor-General's opinion

None.

(g) 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.

A handwritten signature in dark ink, appearing to be 'H. De' followed by a stylized flourish.

Signed (Chief Financial Officer) 29 November 2024

GLOSSARY

| | |
|---|--|
| Accessibility indicators | Explore whether the intended beneficiaries are able to access services or outputs. |
| Accountability documents | Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports. |
| Activities | The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”. |
| Adequacy indicators | The quantity of input or output relative to the need or demand. |
| Annual Report | A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General. |
| Approved Budget | The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive. |
| Baseline | Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period. |
| Basic municipal service | A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment. |
| Budget year | The financial year for which an annual budget is to be approved – means a year ending on 30 June. |
| Cost indicators | The overall cost or expenditure of producing a specified quantity of outputs. |
| Distribution indicators | The distribution of capacity to deliver services. |
| Financial Statements | Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed. |
| General Key performance indicators | After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally. |
| Impact | The results of achieving specific outcomes, such as reducing poverty and creating jobs. |
| Inputs | All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings. |
| Integrated Development Plan (IDP) | Set out municipal goals and development plans. |
| National Key performance areas | <ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation |
| Goals | A goal is a desired end result or possible outcome that an organisation envisions, plans and commits to achieve, towards which an organisation's programmes or problem solutions are directed. It is a major step in achieving the vision of the organisation. In the strategic planning context a goal is a state where the organisation wants to be, a destination |
| Objectives | Objectives are more detailed than goals and explain how goals will be accomplished. Objectives detail the activities that must be completed to bring about the achievement of the goal. The attainment of each goal may require a number of objectives to be reached. |

| | |
|--|--|
| Performance Indicator | Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered) |
| Performance Information | Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure. |
| Performance Standards: | The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor. |
| Performance Targets: | The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period. |
| Service Delivery Budget 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**APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE**

| Council Members | Full Time (FT)/ Part Time (PT) | Committees Allocated | *Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non-attendance |
|-----------------|-----------------------------------|---|------------------------------------|---|--|
| | | | | % | % |
| Van Zyl, M | PT | Chairperson: PF-committee (Protection Services); PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); MPAC | Ward 1 | 100% | 100% |
| Pypers, D C | PT | PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) ; MPAC | Ward 2 | 88% | 100% |
| Smit, N | FT | Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); PF-committee (Development Services) | Ward 3 | 86% | 100% |
| Jooste, R J | PT | Chairperson: PF-committee (Civil and Electrical Services); PF-committee (Protection Services) ; MPAC | Ward 4 | 100% | 100% |
| Rangasamy, M A | FT | Speaker; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) | Ward 5 | 100% | N/a |
| Warnick, A K | FT | Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); PF-committee (Protection Services) | Ward 6 | 87% | 100% |
| Williams, A M | PT | PF-committee (Civil and Electrical Services); PF-committee (Development Services); PF-committee (Protection Services) | Ward 7 | 100% | 100% |
| De Beer, J M | PT | Executive Deputy Mayor; PF-committee (Development Services); PF-committee (Protection Services) | Ward 8 | 100% | N/a |
| Ngosi, M | PT | PF-committee (Development Services) | Ward 9 | 100% | N/a |

| Council Members | Full Time (FT)/ Part Time (PT) | Committees Allocated | *Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non-attendance |
|-----------------|-----------------------------------|--|------------------------------------|---|--|
| | | | | % | % |
| Van Essen, T | FT | Executive Mayoral Committee; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services) | Ward 10 | 91% | 100% |
| White, G E | PT | PF-committee (Development Services); PF-committee (Protection Services) ; MPAC | Ward 11 | 100% | N/a |
| Bess, D G | FT | Executive Mayoral Committee; PF-committee (Civil and Electrical Services); PF-committee (Development Services); PF-committee (Protection Services) | Ward 12 | 95% | N/a |
| Cleophas, H J | FT | Executive Mayor | Party Representative | 100% | N/a |
| O'Kennedy, E C | PT | Chairperson: MPAC; PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services) | Party Representative | 95% | 100% |
| Le Minnie, I S | PT | Chairperson: PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services); PF-committee (Protection Services) ; MPAC | Party Representative | 95% | 100% |
| Penxa, B J | PT | PF-committee (Municipal Manager, Administration and Finances) | Party Representative | 100% | N/a |
| Pieters, C | PT | PF-committee (Civil and Electrical Services); PF-committee (Protection Services) | Party Representative | 98% | N/a |
| Fortuin, C | PT | PF-committee (Civil and Electrical Services); PF-committee (Protection Services) | Party Representative | 100% | 100% |
| Soldaka, P E | PT | PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) ; MPAC | Party Representative | 93% | 100% |
| Vermeulen, G | PT | Chairperson: PF-committee (Development Services); PF-committee (Municipal Manager, Administration and Finances) | Party Representative | 95% | 100% |
| Booyesen, A M | PT | PF-committee (Development Services) ; MPAC | Party Representative | 96% | 100% |

| Council Members | Full Time (FT)/ Part Time (PT) | Committees Allocated | *Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non-attendance |
|-----------------|-----------------------------------|---|------------------------------------|---|--|
| | | | | % | % |
| Papier, J R | PT | PF-committee (Protection Services) | Party Representative | 100% | N/a |
| Duda, A A | PT | PF-committee (Civil and Electrical Services) ; MPAC | Party Representative | 97% | 100% |

*Note: * Councillors appointed on a proportional basis do not have wards allocated to them.*

Council meetings = 8

EMC meetings = 14

Portfolio meetings = 36

MPAC = 5

Ward Committees = 10/ward

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

| Municipal Committees | Purpose of Committee |
|---|---|
| Local Labour Forum / Training / Appointment Committee | To regulate HR matters |
| Swartland Law Enforcement and Traffic Committee | To regulate law enforcement and traffic matters |
| Landfill Audit Committee | To regulate landfill sites |
| Occupational Health Committee | To regulate occupational health |
| Disaster Management Committee | To regulate disaster management |
| Tourism Organisation | To regulate tourism matters |
| Assets and Fleet Management Committee | To regulate asset and fleet matters |
| Development Services Committee | To regulate development services matters |
| Budget Steering Committee | To perform an oversight function |
| Municipal Public Accounts Committee (MPAC) | To perform an oversight function |
| Performance and Risk Audit Committee | To perform an oversight function |
| Rules Committee | To oversee the conduct of councillors |
| Municipal Planning Tribunal | To consider land use applications |
| Swartland Social Development forum | To regulate social development |
| Appeal Committee | To regulate matters iro of Section 62 appeals |
| Disciplinary Board | To conduct independent investigations regarding Financial Misconduct and Offences |

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

| Directorate | Director/Manager (State title and name) |
|---------------------------------|---|
| Corporate Services | Senior Manager: Human Resources Services, Ms S de Jongh |
| Corporate Services | Manager: Secretariat and Records Services, Ms N Brand |
| Corporate Services | Manager: Properties, Contracts and Legal Administration, Ms F Williams |
| Corporate Services | Manager: Tourism, Library and Client Services, Ms IH Look |
| Financial Services | Senior Manager: Treasury, Mr P Sheldon |
| Financial Services | Senior Manager: Financial Statements and Asset Management, Mr RP Alberts |
| Financial Services | Manager: Budget, Costing and Management Reporting, Ms HT Papier |
| Financial Services | Senior Manager: Supply Chain Management, Mr PJ Swart |
| Protection Services | Chief Fire Officer and Disaster Management, Mr R Harris |
| Protection Services | Senior Manager: Traffic and Law Enforcement Operations and Vehicle Licensing and Administration, Mr R Steyn |
| Electrical Engineering Services | Senior Manager: Information, Communication and Technology, Mr WJ Pienaar |
| Electrical Engineering Services | Senior Manager: Technical Services, Mr MJ Swanepoel |
| Electrical Engineering Services | Senior Manager: Operations, Maintenance and Construction, Mr TF Rossouw |
| Development Services | Senior Manager: Development Management, Mr AM Zaayman |
| Development Services | Manager: Community Development, Ms H Balie |
| Development Services | Manager: Human Settlements, Mr SC Arendse |
| Development Services | Manager: Environmental Affairs, Mr S Visagie |
| Civil Engineering Services | Manager: Buildings and Infrastructure Management, Mr NC Quickfall |
| Civil Engineering Services | Senior Manager: Solid Waste and Trade Services, Mr E De Jager |
| Civil Engineering Services | Senior Manager: Civil Operations and Maintenance, Mr JP Barlow |
| Civil Engineering Services | Senior Manager: Public Services and Project Management, Mr JMS Spies |

APPENDIX D – FUNCTIONS OF MUNICIPALITY

| MUNICIPAL FUNCTIONS | Function Applicable to Municipality (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 (partially) |
| Local tourism | Yes |
| Municipal airports | No |
| Municipal planning | Yes |
| Municipal health services | No |
| Municipal public transport | Yes |
| 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 | |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto | Yes |
| Stormwater 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 |
| Beaches and amusement facilities | Yes |
| 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 | No |
| Fencing and fences | Yes |
| Licensing of dogs | No |
| Licensing and control of undertakings that sell food to the public | No |
| Local amenities | Yes |

| | |
|---|-----|
| Local sport facilities | Yes |
| Markets | No |
| Municipal abattoirs | No |
| Municipal parks and recreation | Yes |
| Municipal roads | Yes |
| Noise pollution | Yes |
| Pounds | No |
| Public places | Yes |
| Refuse removal, refuse dumps and solid waste disposal | Yes |
| Street trading | Yes |
| Street lighting | Yes |
| Traffic and parking | Yes |

APPENDIX E – Functionality of Ward Committees

Note: All ward committees were established by 8 March 2022.

| Ward Number | Name of Ward Councillor | Committee established (Yes / No) | *Number of monthly Committee meetings held during the year | Number of quarterly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
|--------------------|--------------------------------|---|---|---|--|
| 1 | M van Zyl | Yes | 8 | 4 | 1 |
| 2 | D C Pypers | Yes | 8 | 4 | 1 |
| 3 | N Smit | Yes | 8 | 4 | 1 |
| 4 | R J Jooste | Yes | 7 | 4 | 1 |
| 5 | M A Rangasamy | Yes | 8 | 4 | 1 |
| 6 | A K Warnick | Yes | 8 | 4 | 1 |
| 7 | A M Williams | Yes | 8 | 4 | 1 |
| 8 | J M de Beer | Yes | 8 | 4 | 1 |
| 9 | M Ngosi | Yes | 8 | 4 | 1 |
| 10 | T van Essen | Yes | 8 | 4 | 1 |
| 11 | G E White | Yes | 8 | 4 | 1 |
| 12 | D G Bess | Yes | 8 | 4 | 1 |

APPENDIX F – Largest Capital Projects PER WARD

| WARD NUMBER | PROJECT NAME AND DETAILS | TOTAL VALUE |
|--|---|-------------|
| WARDS 1 & 2 | | |
| P73 | Moorreesburg Serviced Sites (652) | 3 200 000 |
| WARDS 3 & 12 | | |
| | | |
| WARD 4 | | |
| P139 | Generator Installation: Riverlands Water Pumpstation | 1 338 488 |
| WARDS 5 & 6 | | |
| P135 | Generator Installation: Darling WWTW & Pumpstation | 2 204 138 |
| WARD 7 | | |
| P140 | Generator Installation: Kalbaskraal Water Pumpstation | 1 468 956 |
| WARDS 8, 9, 10 & 11 | | |
| P32/P33 | Upgrading of Ilinge Lethu Sports Fields | 9 776 494 |
| VARIOUS WARDS | | |
| P64/P65/P66 | Malmesbury De Hoop Serviced Sites Phase 1 | 34 481 720 |
| | | |
| ALL WARDS: LARGEST CAPITAL PROJECTS PER SERVICE (>R1 milion) | | |
| Electricity Distribution | | |
| P77/P78 | Replace oil insulated switchgear and equipment | 5 000 000 |
| Refuse removal | | |
| P51 | Highlands: Development of new cell | 2 500 000 |
| Roads and storm water | | |
| P24/P25 | New roads | 23 928 506 |
| Sewerage | | |
| P8 | Sewerage: telemetry | 38 000 |
| Water Distribution | | |

| | | |
|-----------------------------|--|-----------|
| P42 | Bulk water infrastructure (emergency spending) | 2 500 000 |
| Parks and recreation | | |
| P17/P18 | Ward committee projects | 1 100 000 |
| Sports Grounds | | |
| P35 | Viewing centres: Broadcasting equipment and related infrastructure | 75 495 |
| Municipal Property | | |
| P13 | Buildings: Fitting of Council Chambers (Std Bank Building) | 2 900 000 |
| ICT Services | | |
| P104 | IT: notebooks | 425 000 |
| Financial Services | | |
| P108 | Meter reading handhelds | 80 000 |
| Protection Services | | |
| P115 | Replacement: Drones | 110 000 |

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL PERFORMANCE, RISK AND AUDIT COMMITTEE

FINAL REPORT OF THE PERFORMANCE, RISK AND AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2024 FOLLOWS ON THE NEXT PAGE

FINAL REPORT OF THE INDEPENDENT PERFORMANCE, RISK AND AUDIT COMMITTEE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 TO THE COUNCIL OF THE SWARTLAND MUNICIPALITY

The Performance, Risk and Audit Committee (PRAC) is pleased to present its report for the financial year ended 30 June 2024 as required by Section 166 of the Municipal Finance Management Act, 56 of 2003 (MFMA). This report is provided by the PRAC in respect of the 2023/2024 financial year of the Swartland Municipality.

AUDIT COMMITTEE RESPONSIBILITY

Section 166 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as amended obliges every municipality to establish an independent Audit Committee, which must advise the Municipal Council, political office-bearers, accounting officer and management staff of the municipality on matters relating to internal financial controls and internal audits, risk management, accounting policies, adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with the MFMA and any other applicable legislation and any other issues referred to it by the municipality.

Municipal Planning and Performance Management Regulations, section 14(2)(c) makes provision for the establishment of a Performance Audit Committee (the role of which can be fulfilled by the audit committee) that must include at least one person who has expertise in performance management. The performance audit committee is required to review the quarterly reports submitted by internal audit on performance management, review the municipality's performance management system and make recommendations in this regard to council. The PRAC submit audit reports to Council at least twice during a financial year.

The Committee is governed by a formal terms of reference as documented in their Charter, which is regularly reviewed the PRAC and approved by the Executive Mayoral Committee (last updated 20 September 2023). The document was again reviewed by the Committee and the changes accepted at their meeting of 26 November 2024.

PRAC MEMBERS AND ATTENDANCE

The Committee currently comprises of five independent members, who have sufficient qualifications and experience, appointed by the Council of Swartland Municipality. During the year under review, 5 Performance, Risk and Audit Committee meetings were held.

Committee members participate in meetings with commitment as is evidenced from the summary below:

| Name of Member | Number of meetings attended |
|------------------------------|--|
| Mr CB de Jager (Chairperson) | 5 |
| Ms R Gani | 5 |
| Mr BJ Gouws | 5 |
| Ms S Jones | <i>Appointed from 01 November 2024</i> |
| Adv M Mdludlu | <i>Appointed from 01 November 2024</i> |

The PRAC met on the following dates during the financial year 2023/2024:

- 22 August 2023;
- 29 August 2023;
- 28 November 2023;
- 28 February 2024; and
- 28 May 2024.

It should be noted that 2nd term of the Mr CB De Jager ended on 31 October 2024. Ms. Jones and Adv. Mdludlu were appointed from 01 November 2024. Ms. Gani was unanimously elected as the new Chairlady during a meeting held on 26 November 2024.

The tenure and qualifications of the members are as follows:

| NAME | QUALIFICATIONS | TENURE PERIOD |
|-----------------|--|--|
| Mr. CB de Jager | B.Comm. and B.Comm. (Hons), CA(SA) Practicing as CA (SA) and Registered Auditor | 1 November 2021 to 31 October 2024 (2 nd term) |
| Ms. R Gani | Baccalaureus Commercii Honores with specialization Accounting Sciences CA (SA) | 1 August 2023 to 31 July 2026 – (2 nd Term) |
| Mr. BJ Gouws | Baccalaureus Commercii Honores with specialization in Industrial and Personnel Psychology Master Degree in Industrial Administration (Intro to Business Administration and System Engineering Practice) | 01 May 2024 to 30 April 2027 (2 nd term) |
| Adv. Mdludlu M | Bachelor of Law, Bachelor of Laws (LLB), Labour Law Certificate | 1 November 2024 to 31 October 2027 |
| Ms. SJ Jones | Professional Accountant (SA), Independent Reviewer (SA), Professional Tax Practitioner (SA) Bachelor of Accounting Science | 1 November 2024 to 31 October 2027 |

DISCHARGE OF PRAC RESPONSIBILITIES

The Committee is pleased to report that it has complied with its responsibilities arising from its terms of reference, including relevant legislative requirements.

The detailed minutes of each meeting following the approval of the minutes at Committee meetings are presented to Council.

Internal Control

During the year under review the Committee executed the following functions in respect of internal control:

- Considered reports of internal audit and external audit on Council's system of internal control including internal financial controls and maintenance of effective internal control systems.
- Reviewed significant issues raised by internal and external audit on internal control systems and adequacy of corrective actions in response to the findings.

The PRAC will continue to monitor implementation of corrective action and the enhancement of the control environment in the 2024/2025 financial year.

Internal Audit Effectiveness

During the year under review the Committee executed the following functions in respect of Internal Audit:

- Reviewed and approved the Internal Audit Risk-based Annual Internal Audit Plan.
- Reviewed and approved the Internal Audit Three-year rolling Plan.
- Evaluated the independence and effectiveness and performance of the Internal Audit Function.
- Reviewed the work performed by Internal Audit on a quarterly basis and the implementation of internal audit recommendations.
- Review and monitor the implementation of the recommendations in respect of the 5-yearly External Quality Review of the Internal Audit Activity.

The Internal Audit activities are performed by a two-person in-house department operating in terms of an Internal Audit Charter. There appears to have been no compromise of the independence or objectivity of the function during the year of review. Internal Audit was able successfully execute the Risk-based Internal Audit Plan for the year under review. Internal Audit reports that were reviewed are as follows:

- Inventory/ Stock count 2023/2024
- Performance Management reports (Quarter 1 to 4)
- DORA expenditure for 2023/2024
- Risk Management report
- Assets Management review
- Governance Review
- Proclaim Main Roads – Letter of internal control environment
- Eunomia compliance reports
- Follow-up Internal Audit registers
- Ad-hoc reports
 - Evaluation of Tender T25/23/24
 - Review of Deviations
 - Evaluation of Tender T 17/23/24
 - UIFW Reports

Risk Management

Internal audit is responsible for facilitating risk management, as part of its consulting services, and assisted management during the performance of risk assessments. The Enterprise Risk Management Policy was reviewed and approved by the Executive Mayoral Committee on 13 December 2023 and the Risk Management Strategic Plan approved on 28 May 2024 by the PRAC. During the year under review detail risk assessments were conducted at the different directorates. Management also presented Strategic and Operational Risk registers to the PRAC for their consideration and input.

The PRAC will continue to exercise its advisory and oversight function in respect of risk management. There was a substantial improvement in the quality of the Operational Risk Registers submitted to the PRAC.

External audit

In respect of external audit, the PRAC performed the following:

Financial year 2023/2024

- Reviewed and discussed the Auditor-General's Engagement Letter and Audit Strategy on 17 October 2024
- Reviewed and discussed the Draft Management Report on 26 November 2024
- Received and reviewed the Final Management Report on 02 December 2024
- Received the reviewed the Final Audit Report on 02 December 2024

The Committee will endeavour together with the municipality to ensure that all recommendations made by Auditor-General in its Management Report will be implemented.

The PRAC is satisfied with the independence of the external auditors.

Combined assurance

A combined assurance framework has been developed and approved by Council. The PRAC will continue to monitor the implementation of the combined assurance framework and make recommendations in this regard.

Review and Evaluation of the Annual Financial Statements

The PRAC had the opportunity to review the annual financial statements and made recommendations to management as part of its advisory role. The committee reviewed the 2023/2024 draft annual financial statements on 27 August 2024. The PRAC asked clarity seeking questions and provided input into the financial statement review process.

Performance Management

The PRAC has reviewed the municipality's performance on a quarterly basis and have specifically focused on the indicators showing negative variances. Senior Management of the municipality is required to provide explanations and corrective actions for variances between planned and actual performance. The PRAC emphasises the need to maintain appropriate evidence to substantiate performance information.

The PRAC will continue to monitor management's actions to ensure an effective Municipality Performance Management System.

Financial Management and Performance: Quarterly Section 52 Reports:

The PRAC reviewed and commented on the Quarterly Section 52 Reports. The purpose of this report is to comply with the requirements of Section 52 (d) of the Municipal Finance Management Act, No. 56 of 2003, which prescribes the general responsibilities of the Mayor to table to council the financial position as well as the financial progress of the municipality, measured against the approved budget for the 1st quarter and at the end of each quarter.

The Auditor General stated in their 2023/2024 Management report that the *"The audit committee has performed its duties and responsibilities as an independent advisory body to council, accounting officer and the management and staff of the municipality on matters relating to internal financial control and internal audit through providing their input and feedback to the oversight bodies, Council and Municipal Public Accounts Committee (MPAC). The audit committee was able to perform an adequate review of the financial statements. The audit committee is fulfilling its responsibility effectively"*.

CONCLUSION

The PRAC wishes to express its appreciation to management, the Auditor-General and Internal Audit who assist the Committee in performing its functions effectively. The Committee would also like to congratulate the municipality for achieving once again a clean audit report for the 2023/2024 financial year, and the Committee is proud to be part of such an institution.



Ms. R Gani
Chairperson of the Performance, Risk and Audit Committee

Date: 17 January 2025

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS**(a) Long Term Contracts (20 Largest Contracts) Entered into**

| Name of Service Provider (Entity or Municipal Department) | Description of Services Rendered by the Service Provider | Start Date of Contract | Expiry date of Contract | Project manager | Contract Value |
|--|---|-------------------------------|--------------------------------|------------------------|--------------------------------|
| The Standard Bank of South Africa Ltd | Banking Services | July 2022 | June 2027 | Mr M Dreyden | Tariffs/Charges/Interest rates |
| Linux Based Systems Design SA (Pty) Ltd | Provision of Internet Services for Swartland Municipality for a 3-year period | July 2021 | June 2024 | Mr J Pienaar | Tariffs |
| Riverlands Cleaning & Maintenance | Community Collection of general solid waste at Chatsworth, Riverlands and Kalbaskraal | July 2021 | June 2024 | Mr P Marais | R4 336 880.00 |
| Tenderers on Panel | Supply Asphaltting Services in the Swartland municipal area | July 2022 | June 2025 | Mr J Spies | Tariffs |
| Dogs and All CC | The leasing of nine trained Narcotic Dogs for the K9-unit of Swartland Traffic and Law Enforcement Services | July 2022 | June 2025 | Mr R Steyn | Tariffs |
| Tenderers on Panel | Term tender for the upgrading of roads in the Swartland municipal area | Feb 2022 | June 2024 | Mr J Spies | Tariffs |
| Mubesko Africa (Pty) Ltd | Provision of Accounting Services to Swartland Municipality, to ensure GRAP/Mscoa compliant Annual Financial Statements | July 2022 | June 2025 | Mr R Alberts | Tariffs |
| Verso Financial Services | Underwriting of the Municipality's Group Life Insurance Portfolio | July 2022 | June 2025 | Ms S de Jongh | Tariffs |
| HCB Valuation and Services (Pty) Ltd | Execution of a General and Supplementary Valuations for all properties in die area of jurisdiction of Swartland Municipality ending June 2025 | July 2023 | June 2028 | Mr A M Zaayman | Tariffs |
| Tshayela Projects cc | Sweeping of streets and cleansing services for the period ending 30 June 2025 | Feb 2023 | June 2025 | Mr P Marais | Rates |
| VE Reticulation (Pty) Ltd | Supply, Delivery and Installation of back-up electrical generators for Water and Sewer Pump Stations in the Swartland municipal area | June 2023 | Apr 2024 | Mr E de Jager | R13 042 956 |

(b) **Public Private Partnerships Entered into: None**

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

| Name of Service Provider (Entity or Municipal Department) | Description of Services Rendered by the Service Provider | Did the service provider reach all targets (Yes/No) | If no, provide reasons | Project Manager |
|--|---|--|-------------------------------|------------------------|
| The Standard Bank of South Africa Ltd | Banking Services | Yes | | Mr M Dreyden |
| Linux Based Systems Design SA (Pty) Ltd | Provision of Internet Services for Swartland Municipality for a 3-year period | Yes | | Mr J Pienaar |
| Riverlands Cleaning & Maintenance | Community Collection of general solid waste at Chatsworth, Riverlands and Kalbaskraal | Yes | | Mr P Marais |
| Tenderers on Panel | Supply Asphaltting Services in the Swartland municipal area | Yes | | Mr J Spies |
| Dogs and All CC | The leasing of nine trained Narcotic Dogs for the K9-unit of Swartland Traffic and Law Enforcement Services | Yes | | Mr R Steyn |
| Tenderers on Panel | Term tender for the upgrading of roads in the Swartland municipal area | Yes | | Mr J Spies |
| Mubesko Africa (Pty) Ltd | Provision of Accounting Services to Swartland Municipality, to ensure GRAP/Mscoa compliant Annual Financial Statements | Yes | | Mr R Alberts |
| Verso Financial Services | Underwriting of the Municipality's Group Life Insurance Portfolio | Yes | | Ms S de Jongh |
| HCB Valuation and Services (Pty) Ltd | Execution of a General and Supplementary Valuations for all properties in die area of jurisdiction of Swartland Municipality ending June 2025 | Yes | | Mr A M Zaayman |
| VE Reticulation | New 132/11kV substation in the De Hoop area, Malmesbury (Phase 2) | Yes | | Mr M J Swanepoel |

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

The Municipal Manager and directors signed a disclosure of financial interest form when the performance agreements were signed in June 2024. The forms are available at the Office of the Municipal Manager. Any changes in the nature of financial interests are declared quarterly at management meetings and reported to the Speaker of the Council as required by law.

APPENDIX K - REVENUE COLLECTION PERFORMANCE

(a) By Function

| Revenue Collection Performance by Source | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|---------------------|--------------------|
| Description | 2022/2023 | 2023/2024 | | | 2023/2024 Variances | |
| | Actual | Original Budget | Adjustments Budget | Actual | Original Budget | Adjustments Budget |
| Revenue | | | | | | |
| Exchange Revenue | | | | | | |
| Service charges - Electricity | 364 616 492 | 421 006 894 | 399 716 198 | 443 249 370 | 5,02% | 9,82% |
| Service charges - Water | 84 141 514 | 91 856 867 | 91 856 867 | 92 981 779 | 1,21% | 1,21% |
| Service charges - Waste Water Management | 52 451 707 | 51 053 227 | 52 364 274 | 60 460 874 | 15,56% | 13,39% |
| Service charges - Waste management | 32 770 450 | 32 996 867 | 32 996 867 | 33 962 559 | 2,84% | 2,84% |
| Sale of Goods and Rendering of Services | | 13 113 348 | 13 326 791 | 14 571 306 | 10,01% | 8,54% |
| Agency services | 5 511 479 | 6 402 902 | 6 402 902 | 5 348 435 | -19,72% | -19,72% |
| Interest | | | - | - | | |
| Interest earned from Receivables | 4 048 147 | 2 639 506 | 3 199 152 | 3 694 797 | 28,56% | 13,41% |
| Interest from Current and Non Current Assets | 58 939 305 | 55 954 389 | 83 050 548 | 84 764 075 | 33,99% | 2,02% |
| Dividends | | | - | - | | |
| Rent on Land | | | - | - | | |
| Rental from Fixed Assets | 1 589 980 | 1 966 625 | 2 034 625 | 1 382 483 | -42,25% | -47,17% |
| Licence and permits | | | - | - | | |
| Operational Revenue | | 3 932 602 | 41 904 019 | 44 525 244 | 91,17% | 5,89% |
| Non-Exchange Revenue | | | | - | | |
| Property rates | 152 116 871 | 167 829 933 | 167 829 933 | 163 174 552 | -2,85% | -2,85% |
| Surcharges and Taxes | | | - | - | | |
| Fines, penalties and forfeits | 34 692 158 | 32 076 393 | 39 506 787 | 38 582 079 | 16,86% | -2,40% |
| Licence and permits | 5 087 530 | 5 157 976 | 5 193 871 | 5 079 410 | -1,55% | -2,25% |
| Transfers and subsidies - Operational | 173 875 460 | 168 035 872 | 172 097 266 | 171 662 265 | 2,11% | -0,25% |
| Interest | | 1 060 000 | 1 463 020 | 1 547 866 | 31,52% | 5,48% |
| Fuel Levy | | | - | - | | |
| Operational Revenue | 16 837 235 | 15 401 900 | 15 401 900 | 11 093 950 | -38,83% | -38,83% |
| Gains on disposal of Assets | 9 945 162 | 14 612 939 | 4 168 695 | 2 962 555 | -393,25% | -40,71% |
| Transfers and subsidies - capital (monetary allocations) | 76 119 743 | 107 386 943 | 119 908 999 | 113 776 998 | 5,62% | -5,39% |
| Total Revenue (excluding capital transfers and contributions) | 1 072 743 233 | 1 192 485 182 | 1 252 422 713 | 1 292 820 597 | 7,76% | 3,12% |
| Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4. | | | | | | T K.2 |

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

| | 2023/2024 | 2023/2024 | | 2023/2024 Variances | |
|---|--------------------|--------------------|--------------------|---------------------|--------------------|
| Description | Original Budget | Adjustments Budget | Actual | Original Budget | Adjustments Budget |
| Neighbourhood Development Partnership Grant | - | - | - | - | - |
| Public Transport Infrastructure and Systems Grant | - | - | - | - | - |
| Other Specify: | | | | | |
| Finance Management | 1 550 000 | 1 550 000 | 1 550 000 | 0,00% | 0,00% |
| EPWP Incentive | 1 830 000 | 1 830 000 | 1 830 000 | 0,00% | 0,00% |
| Community Development: Workers | 38 000 | 38 000 | 38 000 | 0,00% | 0,00% |
| Human Settlements | 55 314 000 | 60 507 000 | 54 908 196 | 8,58% | -10,20% |
| Municipal Accreditation and Capacity Building Grant | 245 000 | 245 000 | 245 000 | 0,00% | 0,00% |
| Libraries | 11 888 000 | 12 304 000 | 12 304 000 | 3,38% | 0,00% |
| Proclaimed Roads Subsidy | 170 000 | 170 000 | 170 000 | 0,00% | 0,00% |
| Financial Management Support Grant: Student Bursaries | - | 100 000 | 100 000 | 100,00% | 0,00% |
| Establishment of a K9 Unit | 3 345 000 | 3 345 000 | 3 345 000 | 0,00% | 0,00% |
| Establishment of a Law Enforcement Reaction Unit | 5 509 000 | 5 509 000 | 5 509 000 | 0,00% | 0,00% |
| Municipal Water Resilience Grant | - | 680 000 | 680 000 | 100,00% | 0,00% |
| Municipal Service Delivery and Capacity Building Grant | - | 500 000 | 500 000 | 100,00% | 0,00% |
| Integrated National Electrification Programme (municipal) | 23 658 000 | 23 658 000 | 23 658 000 | 0,00% | 0,00% |
| RSEP/VPUU Municipal Projects | 500 000 | 500 000 | 500 000 | 0,00% | 0,00% |
| Fire Service Capacity Building Grant | 926 000 | 926 000 | 926 000 | 0,00% | 0,00% |
| Sport Development | 966 000 | 966 000 | 966 000 | 0,00% | 0,00% |
| Non-motorised Transport Infrastructure | - | 500 000 | 500 000 | 100,00% | 0,00% |
| Total | 105 939 000 | 113 328 000 | 107 729 196 | 6,52% | -5,20% |

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

(a) Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class

| Description | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | |
|---|----------|-----------------|---------------------|-----------------|----------------|----------------|----------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Capital expenditure on new assets by Asset Class/Sub-class | | | | | | | | | | |
| | | | | | | | | | | |
| Infrastructure | | 72 662 | 125 032 | 150 105 | 28 419 | 148 372 | 151 869 | 3 496 | 2.3% | 150 105 |
| Roads Infrastructure | | 30 598 | 55 914 | 66 673 | 12 659 | 60 113 | 67 906 | 7 793 | 11.5% | 66 673 |
| <i>Roads</i> | | 30 598 | 55 914 | 66 673 | 12 659 | 60 113 | 67 906 | 7 793 | 11.5% | 66 673 |
| Storm water Infrastructure | | – | – | 2 169 | (573) | 1 529 | 2 169 | 639 | 29.5% | 2 169 |
| <i>Storm water Conveyance</i> | | | | 2 169 | (573) | 1 529 | 2 169 | 639 | 29.5% | 2 169 |
| Electrical Infrastructure | | 37 171 | 46 400 | 52 789 | 7 393 | 58 109 | 52 959 | (5 149) | -9.7% | 52 789 |
| <i>MV Substations</i> | | 13 107 | 16 542 | 11 131 | 10 853 | 20 289 | 11 131 | (9 157) | -82.3% | 11 131 |
| <i>MV Switching Stations</i> | | 5 129 | 5 350 | 5 350 | 288 | 4 830 | 5 420 | 590 | 10.9% | 5 350 |
| <i>MV Networks</i> | | 17 600 | 23 658 | 35 458 | (3 800) | 32 064 | 35 458 | 3 394 | 9.6% | 35 458 |
| <i>LV Networks</i> | | 1 336 | 850 | 850 | 52 | 926 | 950 | 24 | 2.5% | 850 |
| <i>Capital Spares</i> | | | | | – | – | – | – | | – |
| Water Supply Infrastructure | | 2 965 | 9 797 | 15 877 | 5 043 | 17 173 | 16 238 | (935) | -5.8% | 15 877 |
| <i>Boreholes</i> | | 658 | 500 | – | – | – | – | – | | – |
| <i>Distribution</i> | | 2 307 | 9 297 | 15 877 | 5 043 | 17 173 | 16 238 | (935) | -5.8% | 15 877 |
| Sanitation Infrastructure | | 1 928 | 10 420 | 10 097 | 3 406 | 9 351 | 10 097 | 746 | 7.4% | 10 097 |
| <i>Pump Station</i> | | 536 | 1 100 | 1 316 | (53) | 1 212 | 1 316 | 104 | 7.9% | 1 316 |
| <i>Reticulation</i> | | 1 392 | 9 320 | 8 781 | 3 459 | 8 138 | 8 781 | 643 | 7.3% | 8 781 |
| Solid Waste Infrastructure | | – | 2 500 | 2 500 | 491 | 2 098 | 2 500 | 402 | 16.1% | 2 500 |
| <i>Landfill Sites</i> | | – | 2 000 | 2 500 | 491 | 2 098 | 2 500 | 402 | 16.1% | 2 500 |
| <i>Waste Drop-off Points</i> | | – | 500 | – | – | – | – | – | | – |
| Community Assets | | 3 044 | 15 700 | 11 840 | 4 290 | 10 446 | 10 560 | 113 | 1.1% | 11 840 |

| | | | | | | | | | | |
|---|--|---------------|---------------|---------------|--------------|---------------|---------------|--------------|-------------|---------------|
| Community Facilities | | 343 | 3 000 | 2 640 | 373 | 2 615 | 2 640 | 25 | 1.0% | 2 640 |
| <i>Cemeteries/Crematoria</i> | | | 900 | 540 | – | 453 | 540 | 87 | 16.2% | 540 |
| <i>Parks</i> | | 343 | 1 100 | 1 100 | 130 | 1 212 | 1 100 | (112) | -10.2% | 1 100 |
| <i>Markets</i> | | | 1 000 | 1 000 | 243 | 950 | 1 000 | 50 | 5.0% | 1 000 |
| Sport and Recreation Facilities | | 2 701 | 12 700 | 9 200 | 3 917 | 7 831 | 7 920 | 88 | 1.1% | 9 200 |
| <i>Outdoor Facilities</i> | | 2 701 | 12 700 | 9 200 | 3 917 | 7 831 | 7 920 | 88 | 1.1% | 9 200 |
| Investment properties | | 345 | – | – | – | 681 | – | (681) | | – |
| Revenue Generating | | 345 | – | – | – | 681 | – | (681) | | – |
| <i>Unimproved Property</i> | | 345 | | | | 681 | | (681) | | – |
| Other assets | | 1 069 | 16 514 | 20 360 | 3 786 | 19 457 | 19 988 | 531 | 2.7% | 20 360 |
| Operational Buildings | | 103 | 3 000 | 2 953 | 667 | 2 955 | 2 975 | 20 | 0.7% | 2 953 |
| <i>Municipal Offices</i> | | 103 | 2 900 | 2 900 | 667 | 2 906 | 2 922 | 16 | 0.5% | 2 900 |
| <i>Stores</i> | | | 100 | 53 | – | 48 | 53 | 5 | 8.6% | 53 |
| Housing | | 966 | 13 514 | 17 407 | 3 119 | 16 503 | 17 014 | 511 | 3.0% | 17 407 |
| <i>Social Housing</i> | | 966 | 13 514 | 17 407 | 3 119 | 16 503 | 17 014 | 511 | 3.0% | 17 407 |
| Intangible Assets | | 30 | – | – | – | – | – | – | | – |
| Licences and Rights | | 30 | – | – | – | – | – | – | | – |
| <i>Computer Software and Applications</i> | | 30 | | | | | | – | | – |
| Computer Equipment | | 3 485 | 2 052 | 2 234 | 713 | 2 306 | 2 549 | 244 | 9.6% | 2 234 |
| Computer Equipment | | 3 485 | 2 052 | 2 234 | 713 | 2 306 | 2 549 | 244 | 9.6% | 2 234 |
| | | | | | | | | | | |
| Furniture and Office Equipment | | 473 | 586 | 824 | 259 | 1 140 | 998 | (142) | -14.2% | 824 |
| Furniture and Office Equipment | | 473 | 586 | 824 | 259 | 1 140 | 998 | (142) | -14.2% | 824 |
| | | | | | | | | | | |
| Machinery and Equipment | | 5 571 | 3 431 | 13 239 | 2 482 | 12 905 | 12 919 | 13 | 0.1% | 13 239 |
| Machinery and Equipment | | 5 571 | 3 431 | 13 239 | 2 482 | 12 905 | 12 919 | 13 | 0.1% | 13 239 |
| | | | | | | | | | | |
| Transport Assets | | 14 250 | 11 962 | 10 773 | 2 664 | 10 690 | 10 773 | 83 | 0.8% | 10 773 |
| Transport Assets | | 14 250 | 11 962 | 10 773 | 2 664 | 10 690 | 10 773 | 83 | 0.8% | 10 773 |
| | | | | | | | | | | |
| Land | | 533 | – | 5 500 | 149 | 149 | 5 500 | 5 351 | 97.3% | 5 500 |

| | | | | | | | | | | |
|--|----------|----------------|----------------|----------------|---------------|----------------|----------------|--------------|-------------|----------------|
| Land | | 533 | | 5 500 | 149 | 149 | 5 500 | 5 351 | 97.3% | 5 500 |
| Total Capital Expenditure on new assets | 1 | 101 461 | 175 276 | 214 874 | 42 761 | 206 147 | 215 155 | 9 008 | 4.2% | 214 874 |

(b) Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class

| Description | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | |
|---|----------|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Capital expenditure on renewal of existing assets by Asset Class/Sub-class | | | | | | | | | | |
| | | | | | | | | | | |
| Infrastructure | | 22 862 | 11 500 | 13 151 | – | 13 147 | 13 151 | 4 | 0.0% | 13 151 |
| Roads Infrastructure | | 21 500 | 10 000 | 9 251 | – | 9 251 | 9 251 | 0 | 0.0% | 9 251 |
| Roads | | 21 500 | 10 000 | 9 251 | – | 9 251 | 9 251 | 0 | 0.0% | 9 251 |
| Sanitation Infrastructure | | 1 362 | 1 500 | 3 900 | – | 3 896 | 3 900 | 4 | 0.1% | 3 900 |
| Pump Station | | | | | | | | – | | – |
| Reticulation | | 1 362 | 1 500 | 3 900 | – | 3 896 | 3 900 | 4 | 0.1% | 3 900 |
| Total Capital Expenditure on renewal of existing assets | 1 | 22 862 | 11 500 | 13 151 | – | 13 147 | 13 151 | 4 | 0.0% | 13 151 |

(c) Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class

| Description | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | |
|---|----------|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Capital expenditure on upgrading of existing assets by Asset Class/Sub-class | | | | | | | | | | |
| | | | | | | | | | | |
| Infrastructure | | 44 324 | 9 811 | 9 722 | 1 984 | 8 060 | 9 441 | 1 380 | 14.6% | 9 722 |
| Roads Infrastructure | | – | – | 667 | – | 667 | 667 | 0 | 0.0% | 667 |
| Roads | | – | – | 667 | – | 667 | 667 | 0 | 0.0% | 667 |
| Storm water Infrastructure | | 225 | 250 | 250 | – | 246 | 250 | 4 | 1.5% | 250 |

| | | | | | | | | | | |
|--|----------|---------------|---------------|---------------|--------------|---------------|---------------|--------------|--------------|---------------|
| <i>Storm water Conveyance</i> | | 225 | 250 | 250 | – | 246 | 250 | 4 | 1.5% | 250 |
| Electrical Infrastructure | | 7 430 | 3 650 | 5 142 | 559 | 3 554 | 4 860 | 1 306 | 26.9% | 5 142 |
| <i>MV Networks</i> | | 555 | 1 100 | 1 100 | 25 | 945 | 1 040 | 96 | 9.2% | 1 100 |
| <i>LV Networks</i> | | 6 874 | 2 550 | 4 042 | 535 | 2 610 | 3 820 | 1 210 | 31.7% | 4 042 |
| <i>Capital Spares</i> | | | – | – | – | – | – | – | | – |
| Water Supply Infrastructure | | 28 513 | 4 300 | 2 053 | 600 | 1 550 | 1 600 | 50 | 3.1% | 2 053 |
| <i>Bulk Mains</i> | | | 500 | 500 | 451 | 499 | 500 | 1 | 0.2% | 500 |
| <i>Distribution</i> | | 28 517 | 3 700 | 1 453 | 149 | 1 000 | 1 000 | 0 | 0.0% | 1 453 |
| <i>PRV Stations</i> | | (4) | 100 | 100 | – | 51 | 100 | 49 | 49.1% | 100 |
| Sanitation Infrastructure | | 8 157 | 1 611 | 1 611 | 825 | 2 043 | 2 064 | 21 | 1.0% | 1 611 |
| <i>Waste Water Treatment Works</i> | | 8 157 | 1 611 | 1 611 | 825 | 2 043 | 2 064 | 21 | 1.0% | 1 611 |
| Community Assets | | – | 12 466 | 10 943 | 2 246 | 10 755 | 10 943 | 188 | 1.7% | 10 943 |
| Community Facilities | | – | 200 | 200 | – | 24 | 200 | 176 | 88.1% | 200 |
| <i>Cemeteries/Crematoria</i> | | – | 200 | 200 | – | 24 | 200 | 176 | 88.1% | 200 |
| Sport and Recreation Facilities | | – | 12 266 | 10 743 | 2 246 | 10 732 | 10 743 | 11 | 0.1% | 10 743 |
| <i>Outdoor Facilities</i> | | – | 12 266 | 10 743 | 2 246 | 10 732 | 10 743 | 11 | 0.1% | 10 743 |
| Total Capital Expenditure on upgrading of existing assets | 1 | 44 324 | 22 277 | 20 665 | 4 230 | 18 816 | 20 383 | 1 568 | 7.7% | 20 665 |

APPENDIX N – CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

| Nr. | Project Description | mSCOA Allocation | Original Budget 2023/24 | Virement / Final Budget | ACTUAL | Sources of Finance |
|-----|--|------------------|----------------------------|----------------------------|-------------------|--------------------|
| | CIVIL | | | | | |
| 1 | Equipment : Civil | 9/115-690-801 | 54 000 | 53 751 | 53 318 | CRR |
| | | | | | | |
| | Sewerage Service | | | | | |
| 2 | Sewerage Works: Moorreesburg (CRR) | 9/107-691-802 | 1 008 681 | 1 402 118 | 1 402 118 | CRR |
| 3 | Sewerage Works: Darling (CRR) | 9/107-692-803 | 102 000 | 161 684 | 140 926 | CRR |
| 4 | Sewerage Works Chatsworth: Fencing | 9/107-693-804 | 1 100 000 | 1 316 000 | 1 212 326 | CRR |
| 5 | Upgrading of bulk collectors: Darling | 9/111-694-805 | 300 000 | 300 000 | 300 000 | CRR |
| 6 | Replace: Darling Drum Screens | 9/111-695-807 | 1 520 000 | 1 250 000 | 1 106 840 | CRR |
| 7 | Upgrading of bulk collectors: Moorreesburg | 9/111-696-808 | 200 000 | 200 000 | 200 000 | CRR |
| 8 | Equipment : Sewerage Telemetry | 9/111-701-814 | 38 000 | 38 000 | 38 000 | CRR |
| 9 | Equipment : Sewerage | 9/111-702-815 | 32 000 | 32 000 | 31 916 | CRR |
| 10 | Schoonspruit: Pipe Replacement | 9/111-699-812 | 1 500 000 | 3 900 000 | 3 895 678 | CRR |
| 11 | Generator Installation: Abbotsdale Sewer Pumpstation | 9/111-858-1004 | | 1 207 596 | 1 207 556 | DLG |
| 12 | Generator Installation: Moorreesburg WWTW | 9/111-859-1005 | | 61 621 | 61 621 | DLG |
| 13 | Generator Installation: Darling WWTW & Pumpstation | 9/111-860-1006 | | 2 204 138 | 2 204 138 | DLG |
| 14 | Sewer Reticulation and Connection: Illinge Lethu | 9/111-866-1012 | | - | - | WCED |
| 15 | Donated PPE: Sewerage Infrastructure (De Werf) | 9/111-877-1033 | | 605 040 | 578 318 | CRR |
| | TOTAL | | 5 854 681 | 12 731 948 | 12 432 755 | |
| | | | | | | |
| | Buildings & Maintenance | | | | | |
| 16 | Equipment : Buildings & Maintenance | 9/108-705-818 | 28 500 | 28 500 | 28 500 | CRR |
| 17 | Fitting of Council Chambers (Std Bank Building) | 9/108-706-819 | 2 900 000 | 2 921 747 | 2 883 275 | CRR |
| 18 | Moorreesburg Stores Ablution Facilities | 9/108-707-820 | 100 000 | 53 000 | 48 416 | CRR |
| 19 | Buildings: CK23064 Nissan NP300 H | 9/108-708-821 | 976 500 | 704 870 | 704 870 | CRR |
| | Land: Donated Property | 9/108-585-333 | | | 149 000 | Non-funding |
| | TOTAL | | 4 005 000 | 3 708 117 | 3 814 061 | |
| | | | | | | |
| | Cemetries | | | | | |
| 20 | Wesbank Cemetery: Extension | 9/127-713-826 | 200 000 | 200 000 | 23 704 | CRR |
| 21 | New Cemetery Fencing: Moorreesburg | 9/127-715-828 | 900 000 | 540 000 | 452 513 | CRR |
| | TOTAL | | 1 100 000 | 740 000 | 476 217 | |

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| | | | | | | |
| | Parks | | | | | |
| 22 | Ward Committee Projects: Parks (Acquisitions:Outsourced) | 9/112-716-829 | 1 000 000 | 1 037 700 | 1 037 700 | CRR |
| 23 | Ward Committee Projects: Parks (Materials and Supplies) | 9/112-716-830 | 100 000 | 62 300 | 174 630 | CRR |
| 24 | Equipment: Parks | 9/112-717-831 | 64 000 | 134 000 | 129 284 | CRR |
| 25 | Parks: CK16683 Nissan NP300 | 9/112-718-832 | 438 375 | 435 304 | 435 304 | CRR |
| 26 | Parks: CK43400 Trailer with Roller | 9/112-720-834 | 136 500 | 116 500 | 116 500 | CRR |
| 27 | Parks: CK28881 John Deere Tractor | 9/112-721-835 | 577 889 | 620 000 | 620 000 | CRR |
| | Equipment Insurance (Parks) | 9/112-425-212 | | | 53 610 | Non-funding |
| | Equipment Insurance (Parks) Office Equipment | 9/112-884-1121 | | | 10 170 | Non-funding |
| | TOTAL | | 2 316 764 | 2 405 804 | 2 577 198 | |
| | | | | | | |
| | Roads | | | | | |
| 28 | Roads Swartland: Resealing of Roads (CRR) | 9/110-724-838 | 10 000 000 | 9 251 164 | 9 251 164 | CRR |
| 29 | Roads Swartland: Construction of New Roads (CRR) | 9/110-725-840 | 9 000 000 | 10 950 000 | 10 950 000 | CRR |
| 30 | Roads Swartland: Construction of New Roads (MIG) | 9/110-725-841 | 14 708 000 | 14 178 506 | 14 178 506 | MIG |
| 31 | Upgrading of N7/Voortrekker Northern Interchange | 9/110-726-842 | 2 381 500 | 2 381 500 | 2 381 050 | CRR |
| 32 | Construction of side walks and recreational nodes in Ilinge Lethu and Wesbank | 9/110-727-843 | 1 224 943 | 1 200 108 | 1 200 108 | Donation |
| 33 | Asphalt Sidewalks: Landbou Street, Moorreesburg | 9/110-874-1027 | | 500 000 | 500 000 | Dept. Transport |
| 34 | Ward Committee Projects: Roads (Acquisitions:Outsourced) | 9/110-728-844 | 1 000 000 | 1 000 000 | 840 630 | CRR |
| 35 | Ward Committee Projects: Roads (Materials and Supplies) | 9/110-728-845 | 100 000 | 100 000 | - | CRR |
| 36 | Roads: CK18925 UD85 | 9/110-729-846 | 1 316 175 | 1 182 000 | 1 182 000 | CRR |
| 37 | Access road and Intersection Upgrading: Ilinge Lethu | 9/110-867-1013 | | - | - | WCED |
| 38 | Access road and Intersection Upgrading: Ilinge Lethu | 9/110-867-1028 | | 666 891 | 666 891 | CRR |
| 39 | Donated PPE: Roads Infrastructure (De Werf) | 9/110-878-1034 | | 12 880 433 | 4 069 339 | CRR |
| | TOTA | | 39 730 618 | 54 290 602 | 45 219 688 | |
| | | | | | | |
| | Swimming Pools | | | | | |
| 40 | Swimming Pool: Wesbank | 9/113-734-851 | 12 000 000 | 7 300 000 | 7 300 000 | CRR |
| | TOTAL | Total | 12 000 000 | 7 300 000 | 7 300 000 | |
| | | | | | | |
| | Sportgrounds | | | | | |
| 41 | Upgrading of Ilinge Lethu Sports Fields (MIG) | 9/106-735-852 | 10 000 000 | 8 876 494 | 8 876 132 | MIG |
| 42 | Upgrading of Ilinge Lethu Sports Fields | 9/106-735-853 | 1 300 000 | 900 000 | 889 154 | CRR |
| 43 | Upgrading of Netball Courts: Moorreesburg | 9/106-849-992 | 966 000 | 966 374 | 966 374 | Dept. CA and Sport |
| 44 | Viewing Centres: Broadcasting equipment & related infrastructure | 9/106-857-1000 | 75 000 | 75 495 | 75 495 | CRR |

| | | | | | | |
|----|--|----------------|-------------------|-------------------|-------------------|-------------|
| | TOTAL | | 12 341 000 | 10 818 363 | 10 807 155 | |
| | | | | | | |
| | Stormwater | | | | | |
| 45 | Stormwater Network (Acquisitions:Outsourced) | 9/114-741-859 | 200 000 | 200 000 | 199 836 | CRR |
| 46 | Stormwater Network (Materials and Supplies) | 9/114-741-860 | 20 000 | 3 603 | - | CRR |
| 47 | Stormwater Network (Compensation of Employees) | 9/114-741-861 | 30 000 | 46 397 | 46 397 | CRR |
| 48 | Equipment: Streets and Stormwater | 9/114-743-863 | 64 000 | 64 000 | 62 612 | CRR |
| 49 | Access road and Intersection Storm water: Illinge Lethu | 9/114-868-1014 | | - | - | WCED |
| 50 | Donated PPE: Stormwater Infrastructure (De Werf) | 9/114-879-1035 | | 2 168 711 | 1 529 395 | CRR |
| | TOTAL | | 314 000 | 2 482 711 | 1 838 239 | |
| | | | | | | |
| | Water | | | | | |
| 51 | Water networks: Upgrades and Replacement (CRR) | 9/105-744-864 | 2 000 000 | - | - | CRR |
| 52 | Water: Upgrading water reticulation network: PRV's, flow control, zone metering and water augmentation | 9/105-747-869 | 100 000 | 100 000 | 50 923 | CRR |
| 53 | Bulk water infrastructure (emergency spending) | 9/105-749-871 | 2 000 000 | 2 500 000 | 2 452 081 | CRR |
| 54 | Connections: Water Meters (New/Replacements) (Acquisitions: Outsourced) | 9/105-750-872 | 787 216 | 10 000 | - | CRR |
| 55 | Connections: Water Meters (New/Replacements) (Materials and Supplies) | 9/105-750-873 | 10 000 | 787 216 | 455 138 | CRR |
| 56 | Equipment : Water | 9/105-751-874 | 51 000 | 52 723 | 52 448 | CRR |
| 57 | Swartland System S3.3 & S3.4 Panorama to Wesbank I1/4 - CRR | 9/105-757-880 | 1 000 000 | - | - | CRR |
| 58 | Darling SDW2.4 & SDW2.5, SDW1.2 & SDW2.1 water network upgrades (for housing project) | 9/105-745-865 | 700 000 | 700 000 | 699 988 | CRR |
| 59 | Water: CK15380 Isuzu 250 Crew Cab | 9/105-753-876 | 915 600 | 730 957 | 730 957 | CRR |
| 60 | Chatsworth/Riverlands upgrade bulk water supply | 9/105-760-884 | 500 000 | 500 000 | 499 156 | CRR |
| 61 | Generator Installation: Riverlands Water Pumpstation | 9/105-861-1007 | | 1 338 488 | 1 338 488 | DLG |
| 62 | Generator Installation: Kalbaskraal Water Pumpstation | 9/105-862-1008 | | 1 468 956 | 1 468 956 | DLG |
| 63 | Generator Installation: Wesbank Water Tower & Boosters | 9/105-863-1009 | | 1 085 749 | 1 085 749 | DLG |
| 64 | Generator Installation: Rustfontein Water Pumpstation | 9/105-864-1010 | | 1 139 969 | 1 139 969 | DLG |
| 65 | Generator for Wesbank Water Tower and Boosters | 9/105-865-1011 | | 1 286 760 | 1 286 760 | CRR |
| 66 | Water Reticulation and Connection: Illinge Lethu | 9/105-869-1015 | | - | - | WCED |
| 67 | Replace Existing Water pipe: Illinge Lethu | 9/105-870-1016 | | - | - | WCED |
| 68 | Replace Existing Water pipe: Illinge Lethu | 9/105-870-1029 | | 300 000 | 300 000 | CRR |
| 69 | Donated PPE: Water Infrastructure (De Werf) | 9/105-880-1036 | | 6 588 070 | 9 117 018 | CRR |
| | Water Meters: Gains | 9/105-586-341 | | | - | Non-funding |
| | TOTAL | | 8 063 816 | 18 588 888 | 20 677 630 | |
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| | Refuse | | | | | |
| 70 | Boreholes for Landfill sites | 9/104-763-888 | 500 000 | - | - | CRR |
| 71 | Highlands: Development of new cell | 9/104-764-889 | 2 000 000 | 2 500 000 | 2 097 879 | CRR |
| 72 | Koringberg: New Transfer Station | 9/104-765-891 | 500 000 | - | - | CRR |
| 73 | Equipment : Refuse bins, traps, skips (Swartland) | 9/104-766-892 | 150 000 | 24 235 | - | CRR |
| 74 | Equipment : Refuse Removal | 9/104-767-893 | 26 000 | 23 509 | 23 509 | CRR |
| 75 | Equipping Donated Vehicle with Equipment | 9/104-852-995 | 150 000 | 275 765 | 275 765 | CRR |
| 76 | Refuse: CK43134 Nissan UD35A | 9/104-774-900 | 681 450 | 875 000 | 875 000 | CRR |
| | Transport Asset: Donated | 9/104-567-406 | | | - | Non-funding |
| | TOTAL | | 4 007 450 | 3 698 509 | 3 272 153 | |
| | | | | | | |
| | Development Services | | | | | |
| 77 | Equipment : Development Services | 9/123-775-901 | 44 000 | 133 254 | 133 254 | CRR |
| 78 | LED Units/Trading Stalls:Darling (RSEP) | 9/123-777-904 | 500 000 | 500 000 | 500 000 | RSEP |
| 79 | LED Units/Trading Stalls:Darling | 9/123-777-905 | 500 000 | 500 000 | 450 045 | CRR |
| 80 | YZF Caravan Park: Expansion | 9/120-780-908 | 700 000 | 619 618 | 531 320 | CRR |
| 81 | Equipment: YZF Caravan Park | 9/120-778-906 | 32 000 | 30 873 | 30 873 | CRR |
| | TOTAL | | 1 776 000 | 1 783 745 | 1 645 492 | |
| | | | | | | |
| | Housing | | | | | |
| 82 | Malmesbury De Hoop (Professional Fees) | 9/123-839-974 | 2 300 000 | 500 000 | 454 017 | DHS |
| 83 | Malmesbury De Hoop Serviced Sites (Prof Fees) | 9/123-839-975 | 3 200 000 | 10 518 280 | 10 518 280 | DHS |
| 84 | Malmesbury De Hoop Serviced Sites (Sewerage) | 9/123-839-976 | 7 800 000 | 6 434 388 | 5 964 094 | DHS |
| 85 | Malmesbury De Hoop Serviced Sites Phase 1 (Water) | 9/123-853-996 | 6 500 000 | 5 361 990 | 4 600 628 | DHS |
| 86 | Malmesbury De Hoop Serviced Sites Phase 1 (Streets & Stormwater) | 9/123-854-997 | 27 500 000 | 22 685 342 | 23 973 312 | DHS |
| 87 | Malmesbury De Hoop Serviced Sites (Phola Park) (Prof Fees) | 9/123-839-977 | 124 000 | 885 234 | 480 426 | DHS |
| 88 | Malmesbury De Hoop Serviced Sites (Phola Park) (Water) | 9/123-839-978 | 1 736 000 | 393 635 | 390 807 | DHS |
| 89 | Malmesbury De Hoop Serviced Sites (Phola Park) (Sewerage) | 9/123-839-1021 | | 331 483 | 329 102 | DHS |
| 90 | Malmesbury De Hoop Serviced Sites (Phola Park) (Streets & Stormwater) | 9/123-839-1022 | | 1 346 648 | 1 336 973 | DHS |
| 91 | Malmesbury De Hoop Serviced Sites (Bulk) | 9/123-839-979 | 500 000 | 60 000 | - | DHS |
| 92 | Malmesbury De Hoop Serviced Sites (Bulk) Water | 9/123-839-1023 | | 440 000 | - | DHS |
| 93 | Darling 186 (Professional Fees) | 9/123-840-980 | 1 000 000 | 1 396 000 | 1 396 000 | DHS |
| 94 | Darling Serviced Sites (186) Phase 1 | 9/123-840-981 | 2 000 000 | - | - | DHS |
| 95 | Darling Serviced Sites (186) Phase 1 (Water) | 9/123-840-1030 | | 156 909 | 156 909 | DHS |
| 96 | Darling Serviced Sites (186) Phase 1 (Sewerage) | 9/123-840-1024 | | 160 000 | 160 000 | DHS |
| 97 | Darling Serviced Sites (186) Phase 1 (Streets & Stormwater) | 9/123-840-1025 | | 683 091 | 683 090 | DHS |

| | | | | | | |
|-----|---|---------------|-------------------|-------------------|-------------------|------|
| 98 | Darling Serviced Sites (327) Prof Fees Phase 2 | 9/123-840-982 | 454 000 | 454 000 | 454 000 | DHS |
| 99 | Moorreesburg (Professional Fees) | 9/123-841-983 | 2 200 000 | 3 200 000 | 3 200 000 | DHS |
| 100 | Purchasing of Land: Silvertown | 9/123-843-986 | | 5 500 000 | - | DHS |
| | TOTAL | | 55 314 000 | 60 507 000 | 54 097 637 | |
| | | | | | | |
| | Electrical Services | | | | | |
| 101 | Malmesbury De Hoop Development: Electrical Bulk supply upgrading (INEP) | 9/117-781-909 | 23 658 000 | 23 658 000 | 23 657 999 | INEP |
| 102 | Outdoor Skid mounted Generator for Malmesbury Head Office building including automatic transfer and connections (Acquisitions:Outsourced) | 9/117-785-914 | 1 100 000 | 811 000 | 810 677 | CRR |
| 103 | Outdoor Skid mounted Generator for Malmesbury Head Office building including automatic transfer and connections (Materials and Supplies) | 9/117-785-915 | 100 000 | 70 000 | 69 473 | CRR |
| 104 | Replace oil insulated switchgear and equipment (Acquisitions:Outsourced) | 9/117-787-917 | 4 500 000 | 4 949 442 | 4 389 928 | CRR |
| 105 | Replace oil insulated switchgear and equipment (Materials and Supplies) | 9/117-787-918 | 500 000 | 50 558 | 46 452 | CRR |
| 106 | LV Upgrading: Swartland (Acquisitions:Outsourced) | 9/117-788-919 | 100 000 | 58 400 | 58 315 | CRR |
| 107 | LV Upgrading: Swartland (Materials and Supplies) | 9/117-788-920 | 1 100 000 | 1 041 600 | 936 272 | CRR |
| 108 | MV Upgrading: Swartland (Acquisitions:Outsourced) | 9/117-789-921 | 100 000 | 100 000 | 80 305 | CRR |
| 109 | MV Upgrading: Swartland (Materials and Supplies) | 9/117-789-922 | 1 000 000 | 940 100 | 864 212 | CRR |
| 110 | Substation Fencing: Swartland (Acquisitions:Outsourced) | 9/117-792-925 | 180 000 | 180 000 | 144 868 | CRR |
| 111 | Substation Fencing: Swartland (Materials and Supplies) | 9/117-792-926 | 20 000 | 20 000 | 18 290 | CRR |
| 112 | Connections: Electricity Meters (New/Replacements) (Acquisitions:Outsourced) | 9/117-798-932 | 20 000 | - | - | CRR |
| 113 | Connections: Electricity Meters (New/Replacements) (Materials and Supplies) | 9/117-798-933 | 830 000 | 950 000 | 926 001 | CRR |
| 114 | Darling 184 IRDP erven. Electrical bulk supply, infrastructure and connections | 9/117-795-929 | 200 000 | 200 000 | 200 000 | CRR |
| 115 | Malmesbury Illinge Lethu. Formalisation of ~220 erven for Blocks A & B Informal areas. Electrical bulk supply, infrastructure and connections | 9/117-796-930 | 500 000 | 1 919 824 | 1 114 716 | CRR |
| 116 | Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Acquisitions:Outsourced) | 9/117-782-910 | 16 042 000 | 10 639 640 | 10 639 606 | CRR |
| 117 | Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Compensation of Employees) | 9/117-782-911 | 300 000 | 291 800 | 278 546 | CRR |
| 118 | Streetlight, kiosk and polebox replacement: Swartland | 9/117-790-923 | 650 000 | 599 900 | 300 242 | CRR |
| 119 | Protection and Scada Upgrading: Swartland | 9/117-791-924 | 350 000 | 420 000 | 393 685 | CRR |
| 120 | Malmesbury Security Operational Centre: Communication, Monitoring and Other infrastructure equipment | 9/117-793-927 | 200 000 | 713 372 | 706 802 | CRR |
| 121 | Replacement of obsolete air conditioners | 9/117-797-931 | 200 000 | 470 000 | 465 389 | CRR |
| 122 | Equipment: Electric | 9/117-800-935 | 360 000 | 306 000 | 302 864 | CRR |
| 123 | Emergency Power Supply | 9/117-799-934 | 150 000 | 619 000 | 445 888 | CRR |

Annual Report for 2023/2024

| | | | | | | |
|-----|---|----------------|-------------------|-------------------|-------------------|-------------|
| 124 | Elec: CK29443 Isuzu N Series + Crane & New Bakkie | 9/117-802-937 | 1 581 300 | 1 996 092 | 1 994 950 | CRR |
| 125 | Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Acquisitions:Outsourced) | 9/117-871-1017 | | - | - | WCED |
| 126 | Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Materials and Supplies) | 9/117-871-1018 | | - | - | WCED |
| 127 | Illinge Lethu School Electrical Service Connection (Acquisitions:Outsourced) | 9/117-872-1019 | | - | - | WCED |
| 128 | Illinge Lethu School Electrical Service Connection (Materials and Supplies) | 9/117-872-1020 | | - | - | WCED |
| 129 | Donated PPE: Electrical Infrastructure (De Werf) | 9/117-881-1037 | | 11 800 000 | 8 406 199 | CRR |
| 130 | Electrical Infrastructure (Donated) | 9/117-581-414 | | - | 9 207 295 | Non-funding |
| | TOTAL | | 53 741 300 | 62 804 728 | 66 458 975 | |
| | | | | | | |
| | Information Technology | | | | | |
| 131 | Backup Solution | 9/118-803-938 | 560 000 | - | - | CRR |
| 132 | Terminals | 9/118-804-939 | 40 000 | 42 600 | 42 599 | CRR |
| 133 | Scanner Replacements | 9/118-806-941 | 80 000 | 65 904 | 45 939 | CRR |
| 134 | Equipment: Information Technology | 9/118-807-942 | 75 000 | 72 400 | 72 333 | CRR |
| 135 | Printers | 9/118-808-943 | 68 000 | 68 000 | 66 683 | CRR |
| 136 | DeskTops | 9/118-809-944 | 264 000 | 264 000 | 248 090 | CRR |
| 137 | Notebooks | 9/118-810-945 | 375 000 | 425 000 | 419 345 | CRR |
| 138 | Equiping Law Enf Office: Moorreesburg | 9/118-812-947 | 55 000 | 66 000 | 65 618 | CRR |
| | TOTAL | | 1 517 000 | 1 003 904 | 960 607 | |
| | | | | | | |
| | Financial Services | | | | | |
| 139 | Equipment : Financial | 9/119-813-948 | 45 000 | 118 783 | 118 783 | CRR |
| 140 | Finance: CK40700 Citi Golf 310 & CK15992 | 9/119-820-955 | 282 765 | 508 116 | 508 110 | CRR |
| 141 | Meterreading Handhelds | 9/119-822-957 | 80 000 | 50 910 | 50 910 | CRR |
| 142 | Finance: CK22572 Nissan NP300 Hardbody | 9/119-815-950 | 459 480 | 721 582 | 721 582 | CRR |
| 143 | Finance: CK14227 Chevrolet Aveo | 9/119-816-951 | 282 765 | 254 058 | 254 055 | CRR |
| 144 | Finance: CK18439 Chevrolet Aveo | 9/119-817-952 | 282 765 | 254 058 | 254 055 | CRR |
| 145 | Finance: CK42165 Chevrolet Aveo (Replace with Bakkie) | 9/119-818-953 | 459 480 | 360 791 | 360 791 | CRR |
| 146 | Finance: CK41089 Chevrolet Aveo | 9/119-819-954 | 282 765 | 254 058 | 254 055 | CRR |
| 147 | Asset Recording Handhelds | 9/119-823-958 | 16 500 | 16 500 | 16 500 | CRR |
| | Deeds | 9/119-416-374 | | | 681 000 | Non-funding |
| | TOTAL | | 2 191 520 | 2 538 856 | 3 219 840 | |
| | | | | | | |
| | Protection Services | | | | | |

| | | | | | | |
|-----|--|----------------|--------------------|--------------------|--------------------|--------------------|
| 148 | Replacement: Drones | 9/126-828-963 | 110 000 | 110 000 | 89 207 | CRR |
| 149 | Equipment: Protection | 9/126-829-964 | 55 000 | 55 000 | 54 284 | CRR |
| 150 | Traffic: CK39217 Chevrolet Aveo 1.6 | 9/126-826-961 | 329 123 | 329 123 | 288 298 | CRR |
| 151 | Traffic: CK43672 Chevrolet Aveo | 9/126-827-962 | 329 123 | 329 123 | 288 298 | CRR |
| 152 | Equipment : Fire Fighting | 9/125-831-966 | 160 000 | 160 000 | 140 598 | CRR |
| 153 | Equipment : K9 Unit | 9/126-830-965 | 40 000 | 40 000 | 28 339 | Com Safety |
| 154 | Fire Fighting Equipment | 9/126-850-993 | 926 000 | 926 000 | 926 000 | FSCBG |
| 155 | Fire: CK38172 Nissan Cabstar (Replace with Light Pumper) | 9/125-855-998 | 1 950 000 | 1 100 933 | 1 100 933 | CRR |
| | Equipment Insurance (Fire) Office Equipment | 9/125-885-1122 | | | 1 400 | Non-funding |
| 156 | Donated PPE: Computer Equipment | 9/126-875-1031 | | 27 685 | 27 685 | CRR |
| 157 | Donated PPE: Furniture and Office Equipment | 9/126-876-1032 | | 10 435 | 74 935 | CRR |
| 158 | Donated PPE: Operational Buildings | 9/126-882-1038 | | - | 22 900 | Non-funding |
| | TOTAL | | 3 899 246 | 3 088 299 | 3 042 878 | |
| | | | | | | |
| | MM and Council | | | | | |
| 159 | Equipment : MM | 9/124-832-967 | 12 000 | 20 632 | 20 631 | CRR |
| 160 | Equipment : Council | 9/116-833-968 | 12 000 | 12 000 | 11 061 | CRR |
| 161 | Council: CK15265 Caravelle Kombi 2.5 TDI | 9/116-834-969 | 680 000 | - | - | CRR |
| | TOTAL | | 704 000 | 32 632 | 31 692 | |
| | | | | | | |
| | Corporate Services | | | | | |
| 162 | Equipment : Corporate | 9/101-835-970 | 26 000 | 20 796 | 20 796 | CRR |
| 163 | Equipment: Libraries | 9/102-836-971 | 50 000 | 50 000 | 48 004 | Dept. CA and Sport |
| 164 | Equipment Corporate: Buildings & Swartland Halls | 9/103-837-972 | 100 000 | 95 017 | 95 016 | CRR |
| | Equipment Insurance (Libraries) Office Equipment | 9/102-883-1120 | | | 73 570 | Non-funding |
| | TOTAL | | 176 000 | 165 813 | 237 386 | |
| | | | | | | |
| | GRAND TOTAL | | 209 052 395 | 248 689 919 | 238 109 605 | |

APPENDIX O - CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

| Project Ref | Project Description | Budget 2023 / 2024 |
|-------------------------|--|--------------------|
| WARDS 1 & 2 | | |
| P16 | New Cemetery Fencing: Moorreesburg | 540 000 |
| P52 | New Transfer Station Koringberg | - |
| P105 | Equipping Law Enforcement Office: Moorreesburg | 55 000 |
| P14 | Moorreesburg Stores Ablution Facilities | 53 000 |
| P7 | Upgrading of bulk collectors: Moorreesburg | 200 000 |
| P2 | Sewerage Works: Moorreesburg | 1 008 681 |
| P73 | Moorreesburg Serviced Sites (652) Professional Fees | 3 200 000 |
| P34 | Upgrading of netball courts Moorreesburg | 966 374 |
| P134 | Generator Installation: Moorreesburg WWTW | 61 621 |
| WARDS 3 & 12 | | |
| | | |
| WARD 4 | | |
| P4 | Sewerage Works: Chatsworth - Fencing | 1 316 000 |
| P49 | Chatsworth/Riverlands upgrade bulk water supply | 500 000 |
| P139 | Generator Installation: Riverlands Water Pumpstation | 1 338 488 |
| P142 | Generator Installation: Rustfontein Water Pumpstation | 1 139 969 |
| WARDS 5 & 6 | | |
| P61 | Equipment YZF Caravan Parks | 32 000 |
| P60 | YZF Caravan Park: Expansion | 700 000 |
| P5 | Upgrading of bulk collectors: Darling | 300 000 |
| P6 | Sewerage Darling: Replace Drum Screens | 1 250 000 |
| P3 | Sewerage Works: Darling | 102 000 |
| P47 | SDW2.4 & SDW2.5, SDW1.2 & SDW2.1 water network upgrades (for housing project) | 700 000 |
| P87 | Darling 184 IRDP erven. Electrical bulk supply, infrastructure and connections | 200 000 |
| P70 | Darling Service Sites (186) Prof Fees Phase 1 | 1 396 000 |
| P58/P59 | LED Trading Stalls Darling | 1 000 000 |
| P71 | Darling Service Sites (186) Phase 1 | - |
| P72 | Darling Service Sites (327) Prof Fees Phase 2 | 454 000 |
| P135 | Generator Installation: Darling WWTW & Pumpstation | 2 204 138 |

| | | |
|--------------------------------|---|------------|
| WARD 7 | | |
| P133 | Generator Installation: Abbotsdale Sewer Pumpstation | 1 207 596 |
| P140 | Generator Installation: Kalbaskraal Water Pumpstation | 1 468 956 |
| WARDS 8, 9, 10 & 11 | | |
| P75/P76 | Outdoor Skid mounted generator for Malmesbury Head Office building including automatic transfer and connections | 1 200 000 |
| P10 | Sewerage: Schoonspruit: Pipe Replacement | 3 900 000 |
| P88 | Malmesbury Ilinge Lethu. Formalisation of 220 erven for Blocks A & B Informal areas. Electrical bulk supply, infrastructure and connections | 1 991 662 |
| P32/P33 | Upgrading of Ilinge Lethu Sports Fields | 9 776 494 |
| P27 | Construction: Side walks and Recreational nodes (Ilinge Lethu & Wesbank) | 1 200 108 |
| P136 | Sewer Reticulation and Connection: Ilinge Lethu | - |
| P137 | Access road and Intersection Upgrading: Ilinge Lethu | - |
| P138 | Access road and Intersection Storm water: Ilinge Lethu | - |
| P144 | Water Reticulation and Connection: Ilinge Lethu | - |
| P145 | Replace Existing Water pipe: Ilinge Lethu | 300 00 |
| P141 | Generator Installation: Wesbank Water Tower & Boosters | 1 085 749 |
| P143 | Generator for Wesbank Water Tower and Boosters | 1 286 760 |
| P129 | Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S | - |
| P130 | Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Materials and Supplies) | - |
| P131 | Ilinge Lethu School Electrical Service Connection | - |
| P132 | Ilinge Lethu School Electrical Service Connection (Materials and Supplies) | - |
| VARIOUS WARDS | | |
| P15 | Wesbank Cemetery: Extension | 200 000 |
| P93 | Malmesbury Security Operational Centre | 713 372 |
| P89/P90 | 132/11kV Eskom Schoonspruit substation, 132kV transmission line and Servitudes | 10 631 440 |
| P74 | Malmesbury De Hoop Development: Electrical Bulk supply upgrading (INEP) | 23 658 000 |
| P62 | Malmesbury De Hoop (Prof Fees) | 500 000 |
| P63 | Malmesbury De Hoop Serviced Sites (Prof Fees) | 10 518 280 |
| P67 | Malmesbury De Hoop Serviced Sites (Phola Park) (Prof Fees) | 885 234 |
| P69 | Malmesbury De Hoop Serviced Sites (Bulk) | 60 000 |
| P68 | Malmesbury De Hoop Serviced Sites (Phola Park) | 393 635 |
| P64/P65/P66 | Malmesbury De Hoop Serviced Sites Phase 1 | 34 481 720 |

| | | |
|---------------------------------|--|------------|
| P26 | Upgrading of N7/Voortrekker Northern Interchange | 2 381 500 |
| P31 | Swimming pool: Wesbank | 8 500 000 |
| P46 | Swartland System S3.3 & S3.4 Panorama to Wesbank I1/4 | 453 121 |
| ALL WARDS | | |
| Electricity Distribution | | |
| P79/P80 | LV Upgrading Swartland | 1 200 000 |
| P83/P84 | Substation fencing | 200 000 |
| P85/P86 | Connections: Electricity Meters (New/Replacements) | 850 000 |
| P81/P82 | MV upgrading Swartland | 1 100 000 |
| P94 | Replace obsolete air conditioners | 430 000 |
| P77/P78 | Replace oil insulated switchgear and equipment | 5 000 000 |
| P91 | Streetlight, kiosk and polebox replacement: Swartland | 650 000 |
| P92 | Protection and Scada Upgrading: Swartland | 350 000 |
| P96 | Emergency Power Supply | 300 000 |
| Refuse Removal | | |
| P50 | Boreholes for Landfill sites | - |
| P51 | Highlands: Development of new cell | 2 500 000 |
| ICT Services | | |
| P99 | IT: Terminals | 40 000 |
| P100 | IT: Scanner replacements | 80 000 |
| P101 | IT: equipment | 75 000 |
| P102 | IT: printers | 68 000 |
| P103 | IT: desktops | 264 000 |
| P104 | IT: notebooks | 425 000 |
| P98 | IT: Backup solution | - |
| Parks and recreation | | |
| P17/P18 | Ward committee projects | 1 100 000 |
| Sports Grounds | | |
| P35 | Viewing centres: Broadcasting equipment and related infrastructure | 75 495 |
| Roads and storm water | | |
| P23 | Resealing/upgrading of roads and sidewalks (Swartland) | 9 251 164 |
| P36/P37/P38 | Storm water network (Swartland) | 250 000 |
| P24/P25 | New roads | 23 928 506 |

| | | |
|----------------------------|--|-----------|
| P28/P29 | Roads: ward committee projects | 1 100 000 |
| Sewerage | | |
| P8 | Sewerage: telemetry | 38 000 |
| Municipal Property | | |
| P13 | Buildings: Fitting of Council Chambers (Std Bank Building) | 2 900 000 |
| Water Distribution | | |
| P40 | Water: upgrading/replacement water reticulation network | - |
| P41 | Water: upgrading of water reticulation network: PRV's, flow control, zone metering | 100 000 |
| P43/P44 | Water: new connections: water meters | 797 216 |
| P42 | Bulk water infrastructure (emergency spending) | 2 500 000 |
| Financial Services | | |
| P108 | Meter reading handhelds | 80 000 |
| P114 | Asset Recording Handhelds | 16 500 |
| Protection Services | | |
| P115 | Replacement: Drones | 110 000 |
| Equipment | | |
| P1 | Equipment Civil Services | 51 260 |
| P11 | Equipment Buildings & Maintenance | 28 500 |
| P19 | Equipment Parks | 134 000 |
| P53 | Equipment Refuse bins, traps, skips (Swartland) | 150 000 |
| P54 | Equipment Refuse Removal | 26 000 |
| P9 | Equipment Sewerage | 32 000 |
| P39 | Equipment Streets and Storm Water | 64 000 |
| P45 | Equipment Water | 52 723 |
| P126 | Equipment Corporate | 26 000 |
| P128 | Equipment Corporate: Halls and buildings | 100 000 |
| P127 | Equipment Libraries | 50 000 |
| P124 | Equipment Council | 12 000 |
| P123 | Equipment Municipal Manager | 12 000 |
| P57 | Equipment Development Services | 44 000 |
| P95 | Equipment Electricity | 306 000 |
| P106 | Equipment Finance | 42 696 |
| P116 | Equipment Traffic and Law Enforcement | 55 000 |

| | | |
|-----------------|---------------------------------------|--------------------|
| P119 | Equipment Fire and Emergency Services | 160 000 |
| P121 | Fire Fighting equipment | 926 000 |
| P120 | Equipment: K9 Unit | 40 000 |
| Vehicles | | |
| - | Vehicles Municipal Manager | - |
| - | Vehicles Parks | 1 171 804 |
| - | Vehicles Electricity | 1 996 092 |
| - | Vehicles Roads | 1 182 000 |
| - | Vehicles Traffic and Law Enforcement | 658 246 |
| - | Vehicles Municipal Buildings | 704 870 |
| - | Vehicles Refuse | 1 025 000 |
| - | Vehicles Water | 730 957 |
| - | Vehicles Finance | 2 352 663 |
| - | Vehicles Fire Services | 1 100 933 |
| TOTAL | | 248 689 919 |

APPENDIX P - SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS:

No backlogs regarding service delivery to provincial facilities in the urban areas. Information on rural areas is not available to the Municipality.

APPENDIX Q - SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION:

The housing backlog in the 2023/2024 financial year was 16 622. The impact of the backlog was that it put a lot of pressure on our infrastructure, suitable land and funding for new housing projects.

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY - CURRENT YEAR

| All Organisation or Person in receipt of Loans */Grants* provided by the municipality | Nature of business | Conditions attached to funding | Value | Total Amount committed for 2023/2024 |
|---|------------------------|--------------------------------|--------------------|--------------------------------------|
| Bergvriër Canoe Marathon | Non-profit institution | Yes | R 30 000 | R 30 000 |
| Darling Wildflower Society | Non-profit institution | Yes | R 55 177 | R 55 177 |
| National Sea Rescue Institute | Non-profit institution | Yes | R 36 639 | R 36 639 |
| SPCA | Non-profit institution | Yes | R 343 062 | R 343 062 |
| Yzerfontein Conservancy | Non-profit institution | Yes | R 83 512 | R 83 512 |
| Darling | Museums | Yes | R 94 770 | R 94 770 |
| Malmesbury | Museums | Yes | R 64 050 | R 64 050 |
| Oude Kerk | Museums | Yes | R 64 050 | R 64 050 |
| Wheat Industry | Museums | Yes | R 64 050 | R 64 050 |
| Swartland and Coastal Area | Tourism | Yes | R1 579 500 | R 1 579 500 |
| Darling Focus | Social Upliftment | Yes | R 51 392 | R 51 392 |
| Elkana Childcare | Social Upliftment | Yes | R 57 817 | R 57 817 |
| HUB R27 | Social Upliftment | Yes | R 379 | R 379 |
| Huis van Heerde | Social Upliftment | Yes | R 113 437 | R 113 437 |
| Jo Dolphin | Social Upliftment | Yes | R 64 239 | R 64 239 |
| Multi-Purpose Centre: Moorreesburg | Social Upliftment | Yes | R 77 088 | R 77 088 |
| Night Shelter | Social Upliftment | Yes | R 32 121 | R 32 121 |
| Old Age Homes | Social Upliftment | Yes | R1 502 908 | R 1 502 908 |
| Student Bursaries | Social Upliftment | Yes | R 384 613 | R 384 613 |
| Top Achievers Award: Grade 12 | Social Upliftment | Yes | R 25 475 | R 25 475 |
| | | | R 4 724 279 | R 4 724 279 |

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

None

APPENDIX T – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

Note: Information is already contained elsewhere in the Annual Report.

APPENDIX U – 2023/2024 CERTIFIED AUDITED ANNUAL FINANCIAL STATEMENTS

Note: See next page.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024



Swartland Municipality
Audited
Annual Financial Statements for
the year ended 30 June 2024

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

General Information

Nature of business and principal activities

Swartland Municipality (the municipality) is a category B, medium capacity, local government institution in Malmesbury, Western Cape. The addresses of its registered office and principal place of business are disclosed hereunder and in the introduction of the Annual Report. The principal activities of the municipality are disclosed in the Annual Report and are prescribed by the Constitution.

Reporting entity's mandate:

The reporting entity (hereafter 'the Entity') is a medium-capacity, category B local authority established in terms of section 151 of the Constitution of the Republic of South Africa.

The principal activities of the Entity are to:

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

The Entity's operations are governed by the Local Government: Municipal Finance Management Act (MFMA) (Act 56 of 2003), Municipal Structures Act (Act 117 of 1998), Municipal Systems Act (Act 32 of 2000) and various other acts and regulations.

Executive Mayor
Deputy Executive Mayor
Speaker

Alderman J H Cleophas
Councillor J M De Beer
Alderman M Rangasamy

Members of Executive Mayoral Committee

| | |
|------------------------|------------------------|
| Executive Mayor | Alderman J H Cleophas |
| Deputy Executive Mayor | Councillor J M De Beer |
| Member | Councillor N Smit |
| Member | Alderman T van Essen |
| Member | Councillor A K Warnick |
| Member | Councillor D G Bess |

Chairpersons of Portfolio Committees

| | |
|--|--------------------------|
| Office of the Municipal Manager Administration and Finances | Councillor I S le Minnie |
| Civil and Electrical Services | Councillor R J Jooste |
| Development Services | Councillor G Vermeulen |
| Protection Services | Alderlady Nel |

Members of the Independent Performance and Risk Audit Committee

| | |
|-------------|--------------|
| Chairperson | C B De Jager |
| Member | R Gani |
| Member | B Gouws |

Auditors

Auditor-General of South Africa

Bankers

Standard Bank of South Africa

Registered office

1 Church Street
MALMESBURY
7300

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

General Information

| | | |
|--|---|--|
| Business address | 1 Church Street MALMESBURY 7300 | |
| Postal address | Private Bag X 52 Malmesbury 7299 | |
| Accounting Officer | J J Scholtz | |
| Chief Financial Officer | M A C Bolton | |
| Council members of the Swartland Municipality | Bess D G Booyesen A M Cleophas J H De Beer J M Gaika M Jooste R J Le Minnie I S Ngozi M O'Kennedy E C Papier J R Fortuin C Penxa B J | Pieters C Pypers D C Rangasamy M A Smit N Soldaka P E White G E Van Essen T Nel M Vermeulen G Williams A N Warnick A K |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

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Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

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|---------|--|
| COID | Compensation for Occupational Injuries and Diseases |
| COID | Compensation for Occupational Injuries and Diseases |
| CRR | Capital Replacement Reserve |
| DBSA | Development Bank of South Africa |
| SA GAAP | South African Statements of Generally Accepted Accounting Practice |
| GRAP | Generally Recognised Accounting Practice |
| GAMAP | Generally Accepted Municipal Accounting Practice |
| HDF | Housing Development Fund |
| IAS | International Accounting Standards |
| IMFO | Institute of Municipal Finance Officers |
| IPSAS | International Public Sector Accounting Standards |
| ME's | Municipal Entities |
| MEC | Member of the Executive Council |
| MFMA | Municipal Finance Management Act |
| MIG | Municipal Infrastructure Grant (Previously CMIP) |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and must be given unrestricted access to all financial records and related data.

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

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

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and places considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, the accounting officer is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

In terms of Section 13G of the Broad-Based Black Economic Empowerment Amendment Act (Act 46 of 2013), read with regulation 12 of the B-BBEE Regulations, all spheres of government, public entities and organs of state must report on their compliance with broad-based black economic empowerment in their audited annual financial statements and annual reports. Compliance is disclosed in the annual report.

I certify that salaries, allowances and benefits of councillors as disclosed in note 37 to these annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998, and the Minister of Provincial and Local Government's determination in accordance with this Act.

The annual financial statements set out on pages 6 to 119, which have been prepared on the going concern basis, were approved by the accounting officer on 30 August 2024 and were signed:



J J Scholtz
Accounting Officer

Friday, 30 August 2024

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

| Figures in Rand | Note(s) | 2024 | 2023 Restated* |
|--|----------|----------------------|----------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | 2 | 470 491 311 | 722 016 835 |
| Receivables from exchange transactions | 3 and 5 | 119 105 779 | 90 842 996 |
| Receivables from non-exchange transactions | 4 and 5 | 34 292 280 | 34 688 479 |
| Inventories | 7 | 21 602 623 | 23 023 111 |
| VAT receivable | 9 | 23 036 992 | 9 030 732 |
| | | 668 528 985 | 879 602 153 |
| Non-Current Assets | | | |
| Property, plant and equipment | 11 | 2 320 840 796 | 2 215 749 938 |
| Investment property | 12 | 24 940 643 | 23 339 121 |
| Intangible assets | | 503 141 | 606 400 |
| Heritage assets | | 4 120 691 | 1 345 400 |
| Other financial assets | 13 | 300 000 000 | - |
| Receivables from exchange transactions | 3 and 13 | 33 119 014 | - |
| | | 2 683 524 285 | 2 241 040 859 |
| Total Assets | | 3 352 053 270 | 3 120 643 012 |
| Liabilities | | | |
| Current Liabilities | | | |
| Operating lease liability | 8 | 334 731 | 223 681 |
| Payables from exchange transactions | 14 | 88 832 667 | 103 492 340 |
| Consumer deposits | 15 | 19 659 688 | 17 845 831 |
| Construction contracts payables | 6 | - | 79 520 |
| Unspent conditional grants and receipts | 16 | 30 493 916 | 9 360 378 |
| Other financial liabilities | 17 | 5 455 716 | 8 761 333 |
| Employee benefit obligation | 18 | 6 605 000 | 4 916 000 |
| Provisions | 19 | 8 780 333 | 8 192 545 |
| | | 160 162 051 | 152 871 628 |
| Non-Current Liabilities | | | |
| Other financial liabilities | 17 | 33 358 238 | 82 089 645 |
| Employee benefit obligation | 18 | 89 675 000 | 82 974 000 |
| Provisions | 19 | 57 311 777 | 58 486 876 |
| | | 180 345 015 | 223 550 521 |
| Total Liabilities | | 340 507 066 | 376 422 149 |
| Net Assets | | 3 011 546 204 | 2 744 220 863 |
| Reserves | | | |
| Reserves | 21 | 299 421 237 | 259 260 281 |
| Accumulated surplus | 22 | 2 712 124 967 | 2 484 960 582 |
| Total Net Assets | | 3 011 546 204 | 2 744 220 863 |

* See Note 62

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

| Figures in Rand | Note(s) | 2024 | 2023 Restated* |
|---|----------|----------------------|----------------------|
| Revenue | | | |
| Revenue from exchange transactions | | | |
| Service charges | 23 | 630 654 582 | 523 090 767 |
| Agency services | 24 | 5 348 435 | 5 511 479 |
| Construction contracts | 6 | 79 520 | 17 729 913 |
| Interest received | 25 | 88 032 664 | 61 390 999 |
| Operational revenue | 26 | 17 329 201 | 15 130 524 |
| Rental of facilities and equipment | 27 | 1 382 483 | 1 589 981 |
| Development charges | 28 | 41 767 348 | 1 706 707 |
| Total revenue from exchange transactions | | 784 594 233 | 626 150 370 |
| Revenue from non-exchange transactions | | | |
| Taxation revenue | | | |
| Property rates | 29 | 163 174 552 | 152 116 870 |
| Interest received on receivables | 4 and 30 | 1 974 074 | 1 596 453 |
| Transfer revenue | | | |
| Government grants and subsidies | 31 | 283 874 832 | 214 584 639 |
| Donated property, plant and equipment | | 306 822 | 6 143 474 |
| Fines, Penalties and Forfeits | 32 | 38 582 078 | 34 692 160 |
| Licences and permits (non-exchange) | 33 | 5 079 411 | 5 087 529 |
| Public contributions and donations | 34 | 1 178 090 | 11 248 071 |
| Vesting of properties and equipment | | 921 992 | 732 965 |
| Availability charges | 35 | 11 093 950 | 10 889 395 |
| Total revenue from non-exchange transactions | | 506 185 801 | 437 091 556 |
| Total revenue | | 1 290 780 034 | 1 063 241 926 |
| Expenditure | | | |
| Employee related costs | 36 | 316 536 834 | 286 378 168 |
| Remuneration of councillors | 37 | 12 004 775 | 11 225 003 |
| Bad debts written off | 4 | 34 705 031 | 43 096 415 |
| Bulk purchases | 38 | 340 331 780 | 289 451 395 |
| Contracted services | 39 | 69 008 625 | 87 019 625 |
| Depreciation and amortisation | 40 | 103 283 357 | 94 562 938 |
| Finance costs | 41 | 12 830 517 | 16 266 039 |
| Grants and subsidies paid | 42 | 4 724 279 | 4 245 586 |
| Operational cost | 43 | 42 971 455 | 38 191 069 |
| Other materials | 44 | 53 319 903 | 55 778 336 |
| Total expenditure | | 989 716 556 | 926 214 574 |
| Operating surplus | | 301 063 478 | 137 027 352 |
| Gains on sale of fixed assets | | 1 828 939 | 2 185 594 |
| Gains on sale of land | | 211 625 | 7 026 603 |
| Reversal / (impairment) of assets and receivables | 45 | (18 990 976) | 5 396 351 |
| Inventory losses: Water losses | 7 | (6 301 059) | (4 439 286) |
| Loss on disposal of assets | 46 | (10 486 669) | (10 266 498) |
| | | (33 738 140) | (97 236) |
| Surplus for the year | | 267 325 338 | 136 930 116 |

* See Note 62

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

| | Statutory funds | Capital replacement reserve | Total reserves | Accumulated surplus | Total net assets |
|---|-----------------|-----------------------------|--------------------|----------------------|----------------------|
| Figures in Rand | | | | | |
| Opening balance as previously reported | 1 003 | 266 156 243 | 266 157 246 | 2 341 440 453 | 2 607 597 699 |
| Adjustments | | | | | |
| Correction of errors | - | - | - | (306 952) | (306 952) |
| Balance at 01 July 2022 as restated* | 1 003 | 266 156 243 | 266 157 246 | 2 341 133 501 | 2 607 290 747 |
| Changes in net assets | | | | | |
| Surplus for the year | - | - | - | 136 930 116 | 136 930 116 |
| Transfer from Statutory Fund | (1 003) | - | (1 003) | 1 003 | - |
| Transfer to Capital Replacement Reserve | - | 91 909 624 | 91 909 624 | (91 909 624) | - |
| Property, plant and equipment purchased | - | (98 805 586) | (98 805 586) | 98 805 586 | - |
| Total changes | (1 003) | (6 895 962) | (6 896 965) | 143 827 081 | 136 930 116 |
| Restated* Balance at 01 July 2023 | - | 259 260 281 | 259 260 281 | 2 484 960 585 | 2 744 220 866 |
| Changes in net assets | | | | | |
| Surplus for the year | - | - | - | 267 325 338 | 267 325 338 |
| Transfer to Capital Replacement Reserve | - | 164 784 984 | 164 784 984 | (164 784 984) | - |
| Property, plant and equipment purchased | - | (124 624 028) | (124 624 028) | 124 624 028 | - |
| Total changes | - | 40 160 956 | 40 160 956 | 227 164 382 | 267 325 338 |
| Balance at 30 June 2024 | - | 299 421 237 | 299 421 237 | 2 712 124 967 | 3 011 546 204 |
| Note(s) | 20 | 21 | | | |

Accumulated Surplus has been restated to correctly classify amounts held by the municipality. Refer to Note 62 "Restatement of prior year" for details of the restatements.

* See Note 62

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

| Figures in Rand | Note(s) | 2024 | 2023 Restated* |
|---|---------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Receipts | | | |
| Interest income | | 55 994 685 | 61 933 357 |
| Cash receipts from services and rate payers | | 797 478 558 | 729 642 530 |
| Cash receipts from government grants and other grants | | 304 758 955 | 234 711 500 |
| | | <u>1 158 232 198</u> | <u>1 026 287 387</u> |
| Payments | | | |
| Finance costs | | (6 896 832) | (10 180 381) |
| Cash paid to suppliers and employees | | (842 627 234) | (780 405 919) |
| | | <u>(849 524 066)</u> | <u>(790 586 300)</u> |
| Net cash flows from operating activities | 47 | 308 708 132 | 235 701 087 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 47 | (210 025 571) | (172 155 872) |
| Proceeds from sale of property, plant and equipment | | 1 828 939 | 2 185 594 |
| Purchase of other intangible assets | | - | (171 730) |
| Investment in other financial assets | | (300 000 000) | - |
| Net cash flows from investing activities | | (508 196 632) | (170 142 008) |
| Cash flows from financing activities | | | |
| Repayment of other financial liabilities | | (52 037 024) | (8 634 196) |
| Finance lease receipts | | - | 1 003 |
| Net cash flows from financing activities | | (52 037 024) | (8 633 193) |
| Net increase/(decrease) in cash and cash equivalents | | (251 525 524) | 56 925 886 |
| Cash and cash equivalents at the beginning of the year | | 722 016 835 | 665 090 949 |
| Cash and cash equivalents at the end of the year | 2 | 470 491 311 | 722 016 835 |

The decrease in Cash and cash equivalents is due to an increase in long-term Investments. Refer to Note 13.

* See Note 62

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget | Adjustments (Virements) | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|--------------------|----------------------------|--------------|--|---|-----------|
|--|--------------------|----------------------------|--------------|--|---|-----------|

Figures in Rand

Statement of Financial Performance

Revenue

| | | | | | | |
|--|--------------------|----------|--------------------|--------------------|-------------------|------|
| Service charges - electricity revenue | 399 716 198 | - | 399 716 198 | 443 249 370 | 43 533 172 | 48.1 |
| Service charges - water revenue | 91 856 867 | - | 91 856 867 | 92 981 779 | 1 124 912 | |
| Service charges - sanitation revenue | 52 364 273 | - | 52 364 273 | 60 460 874 | 8 096 601 | 48.2 |
| Service charges - refuse revenue | 32 996 865 | - | 32 996 865 | 33 962 559 | 965 694 | |
| Rendering of services | 13 326 791 | - | 13 326 791 | 14 571 306 | 1 244 515 | |
| Agency services | 6 402 902 | - | 6 402 902 | 5 348 435 | (1 054 467) | 48.3 |
| Rental of facilities and equipment | 2 034 625 | - | 2 034 625 | 1 382 483 | (652 142) | 48.5 |
| Interest earned - external investments | 83 050 548 | - | 83 050 548 | 84 764 075 | 1 713 527 | |
| Interest earned - outstanding debtors | 3 199 152 | - | 3 199 152 | 3 694 797 | 495 645 | 48.4 |
| Operational revenue - exchange | 41 904 020 | - | 41 904 020 | 44 525 244 | 2 621 224 | |
| Total revenue | 726 852 241 | - | 726 852 241 | 784 940 922 | 58 088 681 | |

Revenue from non-exchange transactions

Taxation revenue

| | | | | | | |
|--|-------------|---|-------------|-------------|-------------|--|
| Property rates | 167 829 935 | - | 167 829 935 | 163 174 552 | (4 655 383) | |
| Licences and Permits (Non-exchange) | 5 193 871 | - | 5 193 871 | 5 079 410 | (114 461) | |
| Interest received on rates receivables | 1 463 020 | - | 1 463 020 | 1 547 866 | 84 846 | |

Transfer revenue

| | | | | | | |
|---|-------------|---|-------------|-------------|-------------|-------|
| Transfers & subsidies - Operational | 172 097 266 | - | 172 097 266 | 171 662 265 | (435 001) | |
| Transfers & Subsidies - Capital Monetary allocations (National/Provincial and District) | 119 908 999 | - | 119 908 999 | 113 470 176 | (6 438 823) | |
| Fines Penalties & Forfeits | 39 506 787 | - | 39 506 787 | 38 582 079 | (924 708) | |
| Transfers and Subsidies capital (in-kind) | - | - | - | 306 822 | 306 822 | 48.15 |
| Operational revenue/Availability Gains | 15 401 899 | - | 15 401 899 | 11 093 950 | (4 307 949) | 48.6 |
| | 4 168 695 | - | 4 168 695 | 2 962 555 | (1 206 140) | 48.7 |

| | | | | | | |
|---|--------------------|----------|--------------------|--------------------|---------------------|--|
| Total revenue from non-exchange transactions | 525 570 472 | - | 525 570 472 | 507 879 675 | (17 690 797) | |
|---|--------------------|----------|--------------------|--------------------|---------------------|--|

| | | | | | | |
|----------------------|----------------------|----------|----------------------|----------------------|-------------------|--|
| Total revenue | 1 252 422 713 | - | 1 252 422 713 | 1 292 820 597 | 40 397 884 | |
|----------------------|----------------------|----------|----------------------|----------------------|-------------------|--|

Expenditure

| | | | | | | |
|-----------------------------------|---------------|---------|---------------|---------------|-------------|-------|
| Employee related costs | (318 240 760) | 344 999 | (317 895 761) | (315 708 755) | 2 187 006 | |
| Remuneration of councillors | (12 419 258) | - | (12 419 258) | (12 004 775) | 414 483 | |
| Depreciation and asset impairment | (118 669 977) | - | (118 669 977) | (111 937 809) | 6 732 168 | |
| Finance charges | (12 943 988) | - | (12 943 988) | (12 335 335) | 608 653 | |
| Irrecoverable debts written off | (44 100 774) | - | (44 100 774) | (34 705 031) | 9 395 743 | 48.12 |
| Debt impairment | (700 353) | - | (700 353) | (10 371 467) | (9 671 114) | 48.8 |
| Bulk purchases - electricity | (333 880 869) | - | (333 880 869) | (340 331 780) | (6 450 911) | |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget | Adjustments (Virements) | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|------------------------|----------------------------|------------------------|--|---|-----------|
| Figures in Rand | | | | | | |
| Contracted services | (77 316 632) | (2 802 833) | (80 119 465) | (71 683 231) | 8 436 234 | 48.10 |
| Transfers and subsidies | (5 426 498) | 225 000 | (5 201 498) | (4 424 278) | 777 220 | |
| Inventory consumed | (59 987 792) | 1 974 048 | (58 013 744) | (50 911 782) | 7 101 962 | 48.9 |
| Other expenditure | (58 574 226) | 258 786 | (58 315 440) | (45 271 685) | 13 043 755 | 48.11 |
| Losses on Disposal of Assets | (15 374 432) | - | (15 374 432) | (10 451 726) | 4 922 706 | 48.13 |
| Losses | (13 716 647) | - | (13 716 647) | (5 357 602) | 8 359 045 | 48.14 |
| Total expenditure | (1 071 352 206) | - | (1 071 352 206) | (1 025 495 256) | 45 856 950 | |
| Actual Amount on Comparable Basis | 181 070 507 | - | 181 070 507 | 267 325 341 | 86 254 834 | |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget | Adjustments (Virements) | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|--------------------|----------------------------|--------------|--|---|-----------|
|--|--------------------|----------------------------|--------------|--|---|-----------|

Figures in Rand

Statement of Financial Position

Assets

Current Assets

| | | | | | | |
|--|--------------------|---|--------------------|--------------------|--------------------|-------|
| Cash | 394 543 088 | - | 394 543 088 | 470 491 310 | 75 948 222 | 48.16 |
| Trade and other receivables from exchange transactions | 92 404 442 | - | 92 404 442 | 102 876 193 | 10 471 751 | 48.17 |
| Receivables from non-exchange | 33 141 203 | - | 33 141 203 | 34 292 282 | 1 151 079 | |
| Current portion of long-term receivables | (139 488) | - | (139 488) | (334 731) | (195 243) | 48.18 |
| Inventory | 20 653 476 | - | 20 653 476 | 21 602 622 | 949 146 | |
| VAT | 10 049 344 | - | 10 049 344 | 32 466 784 | 22 417 440 | 48.19 |
| Other current assets | 184 591 | - | 184 591 | 16 229 585 | 16 044 994 | 48.20 |
| | 550 836 656 | - | 550 836 656 | 677 624 045 | 126 787 389 | |

Non-Current Assets

| | | | | | | |
|-------------------------------|----------------------|---|----------------------|----------------------|------------------|-------|
| Investment property | 20 255 217 | - | 20 255 217 | 24 940 643 | 4 685 426 | 48.22 |
| Property, plant and equipment | 2 326 829 923 | - | 2 326 829 923 | 2 320 840 793 | (5 989 130) | |
| Intangible | 396 161 | - | 396 161 | 503 141 | 106 980 | 48.21 |
| Heritage assets | 1 345 400 | - | 1 345 400 | 4 120 691 | 2 775 291 | 48.23 |
| Investments | 333 028 027 | - | 333 028 027 | 333 119 014 | 90 987 | |
| | 2 681 854 728 | - | 2 681 854 728 | 2 683 524 282 | 1 669 554 | |

Total Assets

| | | | | | | |
|--|----------------------|---|----------------------|----------------------|--------------------|--|
| | 3 232 691 384 | - | 3 232 691 384 | 3 361 148 327 | 128 456 943 | |
|--|----------------------|---|----------------------|----------------------|--------------------|--|

Liabilities

Current Liabilities

| | | | | | | |
|--|--------------------|---|--------------------|--------------------|-------------------|-------|
| Borrowing | 3 543 634 | - | 3 543 634 | 5 455 716 | 1 912 082 | 48.24 |
| Consumer deposits | 18 345 831 | - | 18 345 831 | 19 659 688 | 1 313 857 | |
| Trade payables from exchange transactions | 87 406 099 | - | 87 406 099 | 81 063 515 | (6 342 584) | |
| Trade and other payables from (non-exchange) | 75 000 | - | 75 000 | 30 493 915 | 30 418 915 | 48.25 |
| VAT | 1 018 613 | - | 1 018 613 | 9 429 792 | 8 411 179 | 48.26 |
| Provisions | 13 535 077 | - | 13 535 077 | 23 154 485 | 9 619 408 | 48.27 |
| | 123 924 254 | - | 123 924 254 | 169 257 111 | 45 332 857 | |

Non-Current Liabilities

| | | | | | | |
|-------------------------------|--------------------|---|--------------------|--------------------|--------------------|--|
| Borrowing | 33 336 301 | - | 33 336 301 | 33 358 238 | 21 937 | |
| Provisions | 75 478 029 | - | 75 478 029 | 70 058 776 | (5 419 253) | |
| Other non-current liabilities | 73 402 548 | - | 73 402 548 | 76 928 000 | 3 525 452 | |
| | 182 216 878 | - | 182 216 878 | 180 345 014 | (1 871 864) | |

Total Liabilities

| | | | | | | |
|--|--------------------|---|--------------------|--------------------|-------------------|--|
| | 306 141 132 | - | 306 141 132 | 349 602 125 | 43 460 993 | |
|--|--------------------|---|--------------------|--------------------|-------------------|--|

Net Assets

| | | | | | | |
|--|----------------------|---|----------------------|----------------------|-------------------|--|
| | 2 926 550 252 | - | 2 926 550 252 | 3 011 546 202 | 84 995 950 | |
|--|----------------------|---|----------------------|----------------------|-------------------|--|

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget | Adjustments (Virements) | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|--------------------|----------------------------|--------------|--|---|-----------|
|--|--------------------|----------------------------|--------------|--|---|-----------|

Figures in Rand

Net Assets

Reserves

| | | | | | | |
|-------------------------|----------------------|---|----------------------|----------------------|--------------------|--|
| Reserves | 303 718 982 | - | 303 718 982 | 299 421 235 | (4 297 747) | |
| Accumulated surplus | 2 622 831 270 | - | 2 622 831 270 | 2 712 124 967 | 89 293 697 | |
| Total Net Assets | 2 926 550 252 | - | 2 926 550 252 | 3 011 546 202 | 84 995 950 | |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

| | Approved budget | Adjustments (Virements) | Final Budget | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|---|----------------------|-------------------------|----------------------|------------------------------------|--|-----------|
| Figures in Rand | | | | | | |
| Cash Flow Statement | | | | | | |
| Cash flows from operating activities | | | | | | |
| Receipts | | | | | | |
| Cash receipts from rate payers, government and other | 784 867 156 | - | 784 867 156 | 797 478 557 | 12 611 401 | |
| Grants | 282 384 875 | - | 282 384 875 | 304 758 955 | 22 374 080 | |
| Interest | 83 050 548 | - | 83 050 548 | 55 994 685 | (27 055 863) | 48.28 |
| | 1 150 302 579 | - | 1 150 302 579 | 1 158 232 197 | 7 929 618 | |
| Payments | | | | | | |
| Finance charges | (6 896 835) | - | (6 896 835) | (6 896 832) | 3 | |
| Cash paid to suppliers and employees | (875 851 652) | - | (875 851 652) | (844 441 089) | 31 410 563 | |
| | (882 748 487) | - | (882 748 487) | (851 337 921) | 31 410 566 | |
| Net cash flows from operating activities | 267 554 092 | - | 267 554 092 | 306 894 276 | 39 340 184 | |
| Cash flows from investing activities | | | | | | |
| Proceeds on disposal of property, plant and equipment | 4 168 695 | - | 4 168 695 | 1 828 939 | (2 339 756) | 48.29 |
| Capital assets (Payments) | (214 609 545) | - | (214 609 545) | (210 025 571) | 4 583 974 | |
| Decrease(increase) in non-current investments | (333 028 027) | - | (333 028 027) | (300 000 000) | 33 028 027 | 48.30 |
| Net cash flows from investing activities | (543 468 877) | - | (543 468 877) | (508 196 632) | 35 272 245 | |
| Cash flows from financing activities | | | | | | |
| Repayment of borrowing | (52 058 962) | - | (52 058 962) | (52 037 025) | 21 937 | |
| Increase (decrease) in consumer deposits | 500 000 | - | 500 000 | 1 813 857 | 1 313 857 | 48.31 |
| Net cash flows from financing activities | (51 558 962) | - | (51 558 962) | (50 223 168) | 1 335 794 | |
| Net increase/(decrease) in cash and cash equivalents | (327 473 747) | - | (327 473 747) | (251 525 524) | 75 948 223 | |
| Cash and cash equivalents at the beginning of the year | 722 016 835 | - | 722 016 835 | 722 016 835 | - | |
| Cash and cash equivalents at the end of the year | 394 543 088 | - | 394 543 088 | 470 491 311 | 75 948 223 | |

Budget variances are discussed in Note 48.

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Changes in accounting policies, changes in estimates and errors

Accounting Policies have been consistently applied, except where otherwise indicated. The details of any resulting changes in Accounting Policy and comparative restatements are set out below and in the relevant Notes to the Annual Financial Statements.

Standards that are not yet effective are included in policy 1.2 below.

1.2 Standards, amendments to standards and interpretations issued but not yet effective

The ASB Directive 5, paragraph 8, sets out the principles for the application of the GRAP 3 guidelines in the determination of the GRAP Reporting Framework hierarchy as set out in the standard of GRAP 3 on Accounting Policies, Changes in Accounting Estimates and Errors. The following standards were considered:

- Amendments to GRAP 25: Employee Benefits (effective date 1 April 2023)
- Improvements to the Standards of GRAP (effective date 1 April 2023)
- Amendments to GRAP 104: Financial Instruments (effective date 1 April 2025)
- IGRAP 7 on the limit on a defined benefit asset, minimum funding requirements and their interaction (revised) (effective date 1 April 2023)
- IGRAP 21 on the effect of past decisions on materiality (effective date 1 April 2023)
- Guideline on the Application of Materiality to Financial Statements (no effective date)
- Guideline on Accounting for Landfill sites (effective date 1 April 2023)
- GRAP 1: Presentation of Financial Statements (amendments related to materiality) (effective date 1 April 2023)
- GRAP 1: Presentation of Financial Statements (amendments related to going concern) (no effective date)

GRAP standards that were issued but are not yet effective, have not been early adopted by the municipality.

The amendments to GRAP 25: Employee Benefits and IGRAP 7: As the municipality does not hold any plan assets, the amendments are unlikely to have any material impact the Statement of Financial Position or Statement of Financial Performance of the municipality. Some of the disclosures in the notes to the financial statements have been improved in order to allow users to assess the impact of these benefits on the going concern status of the municipality.

The ASB embarked on a project to improve the Standards of GRAP due to some implementation concerns raised by preparers, users, auditors and others. No major changes to the accounting policies and application were required.

The amendments to GRAP 104: Financial Instruments will result in significant changes in classification and impairment considerations. In terms of classification, the definitions of each designation has been enhanced which might result in changes in financial instruments at amortised cost. The impairment considerations will also be affected whereby impairment requires an expected future credit loss, rather than the current approach whereby historical data is currently the primary source for impairment methods. Some other changes are also expected and will be presented once more detailed analysis becomes available from consultations with various GRAP stakeholders.

IGRAP 21 has an impact on how to assess changes in the materiality assessments of the prior period. This interpretation guides the use of materiality in the annual financial statements. The guideline on the Application of Materiality also enhances the ability of preparers and users to apply materiality when assessing appropriateness of presentation and disclosure within the annual financial statements. The guideline is not authoritative and therefore will not have any effective date. In respect of the aspects of materiality, GRAP 1: Presentation of Financial Statements were also amended to ensure the concept of materiality is included in this Standard. Other minor amendments were also made in an effort to enhance the usefulness of general use annual financial statements. Given the municipal accounting policy on materiality, the amendments to GRAP 1 will not have a significant impact on the Annual Financial Statements of Swartland Municipality.

The municipal accounting policies already incorporated the guideline for accounting for landfill sites.

Accounting Policies

The amendments to GRAP 1: Presentation of Financial Statements will not have any impact on Swartland municipality given the municipal assessment of going concern.

As such, no new standards, interpretation or other pronouncements were introduced during the period under review having a significant impact on the financial statements.

1.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

In assessing whether the going concern assumption is appropriate, management considered a wide range of factors including the current and expected performance of the municipality, the likelihood of continued government funding and, if necessary, potential sources of replacement funding.

1.4 Materiality

Management has applied its judgement in terms of assessing all matters in the annual financial statements with reference to materiality. Items are reported based on aggregation and in some instances, the aggregation would result in some standards of GRAP not being applied as the items affected by these standards were assessed as not being material. Items of dissimilar nature may be aggregated provided that these items are not material and that the aggregation is based on management's procedures to allow the discharge of accountability (when the same manager is responsible for items that meets the requirement of more than one accounting standard).

Both the qualitative and quantitative characteristics of an item are considered when applying materiality. Care is taken to ensure that these annual financial statements provide users with the most suitable information in order to evaluate the performance of the municipality.

Management has applied its judgement in terms of materiality and has determined a trivial threshold of R100 000. This threshold will be used to evaluate variances such as differences in the budget comparison and movements on the impairment of Statutory Receivables. This threshold does not imply that all totals of R100 000 or less would automatically be excluded from the annual financial statements. It merely determines a cut-off value where no further disclosures or corrections would be made. Items where the balance is less than R100 000 would first need to be evaluated in terms of the origin of such an amount. If a balance is less than R100 000, but significant debits and credits are set-off in order to arrive at such a net balance, such balance should still be disclosed due to the significance of the individual items that comprise such a balance. The operating lease asset, operating lease liability and VAT were therefore separately disclosed.

Prior period errors are only corrected when these are found to be material. All immaterial prior period errors are corrected in the current year and the previously reported figures will not be corrected.

Materiality is reviewed annually and only when an error in prior year's judgement is identified based on information that existed at the time of publication of the annual financial statements, would prior period immaterial errors be rolled forward and reassessed in the current year based on the revised materiality considerations.

1.5 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results in the future could differ from these estimates which may be material to the annual financial statements. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. If the revision affects future periods as well, the revision will be recognised when the estimate is revised.

The following are the critical judgements, apart from those involving estimations, that management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in the annual financial statements.

Accounting Policies

1.5 Significant judgements and sources of estimation uncertainty (continued)

Financial Instruments and Statutory Receivables

The classification of Financial Assets and Liabilities as well as Statutory Receivables require judgement. The accounting policy 1.6 on Financial Instruments: Classification as well as the accounting policy 1.7 on Statutory Receivables: Definitions describes the factors considered in applying management's judgement.

In making the above-mentioned judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in GRAP 104: Financial Instruments and GRAP 108: Statutory Receivables.

Receivables are considered past due when payment is not received by the due date. If a debtor receives a statement, all amounts in the 30 days and older columns are those considered past due in terms of the municipal by-laws.

A detailed assessment was done in order to determine whether grant related items: Unspent Grants and Construction Contracts, should be classified as a Financial Instrument or not. Specifically, the GRAP FAQ for Statutory Receivables was used whilst being cognisant of the requirements of both AG.29 and AG.29A of GRAP 104. After careful consideration of the specific facts applicable, the requirements of the FAQ were found to reflect the best version of events for Swartland Municipality. The facts and circumstances for municipalities may differ, resulting in different conclusions as to whether unspent grants and construction contracts should be considered a financial instrument. For Swartland Municipality, the majority of revenue is recognised based on the terms agreed rather than the underlying legislation which supports the grant. The majority of grant related funds are firstly based on a contract/arrangement falling within GRAP 104 and in these arrangements reference would be made to the relevant legislated requirements.

Impairment of Trade receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. The recoverability of receivables is assessed individually and then collectively after grouping the assets in financial assets with similar credit risk characteristics. The impairment allowance is calculated using the effective interest rate (prime +1%). The total increase in estimation of the impairment of Receivables from Exchange Transactions and that of Receivables from Non-exchange Transactions are disclosed in Notes 3, 4 and 5 to the Annual Financial Statements.

Impairment of Statutory receivables

The calculation in respect of the impairment of Statutory Receivables is based on an assessment of the expected recoverability of each individual receivable based on the history of recoverability of such a receivable. Debtors are grouped into appropriate aggregated grouping levels when insufficient information is available to assess individual debtors. Aggregation is based on best practice and receivables are assessed on historic information available. Thereafter the past due (accounts in arrears, i.e. not current), but not impaired debtors are subjected to a further impairment test taking into account the effect of time resulting in a discounting of debtors being included as a further factor for impairment of statutory receivables. Outstanding receivables that are past due are charged interest at prime +1% in terms of the municipal by-laws. This is considered the appropriate discount rate as it is market based. Only those receivables that are not subject to an interest charge would be assessed in terms of discounting as those that are subject to an interest charge would accumulate interest at the same rate as the discount rate.

Significant movements on impairments are defined as those movements that exceeds 10% of the gross balance of the relevant statutory receivable type at year end or R100 000, whichever is the greatest. Qualitative factors are considered with reference to exceptions to the normal process for identification of impairment losses. This implies disclosing losses incurred due to circumstances that are unique to the specified period or unique to the municipality in comparison to other municipalities with a similar capacity.

Impairment and useful lives: Write down of Property, Plant and Equipment, Investment property, Intangible assets, Heritage assets and Inventories

As described in the accounting policies 1.12 and 1.13 for these asset types the municipality depreciates / amortises its property, plant and equipment, intangible assets and investment property over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets are available for use. The useful lives of assets are based on management's estimation. Management considered the impact of technology, availability of capital funding, service requirements, the type of asset and required return on assets in order to determine the optimum useful life expectation, where appropriate.

The estimation of residual values of assets is based on management's judgement as to whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

Accounting Policies

1.5 Significant judgements and sources of estimation uncertainty (continued)

The accounting policies 1.15 and 1.16 on Impairment of assets and accounting policy 1.9 on Inventory - Subsequent measurement describe the conditions under which non-financial assets are tested for potential impairment losses by the management of the municipality. Significant estimates and judgements are made relating to impairment testing and write down of Inventories to Net Realisable Values (NRV). Significant estimates and judgements are made relating to impairment testing of Property, Plant and Equipment, impairment testing of Intangible Assets and write-down of Inventories to the lower of Cost and Net Realisable Value.

In making the above-mentioned estimates and judgement, management considered the subsequent measurement criteria and indicators of potential impairment losses as set out in GRAP 21: Impairment of Cash generating Assets and GRAP 26: Impairment of non-Cash generating Assets. In particular, the calculation of the recoverable service amount for Property, plant and equipment, intangible assets and the Net Realisable Value (NRV) for inventories (in terms of GRAP 12) involves significant judgment by management.

Estimated impairments during the year to Inventory, Property, Plant and Equipment, Investment Property, Intangible Assets and Heritage Assets are disclosed in Notes 45 to the annual financial statements, as applicable.

The municipality reviews and tests the carrying value of non-cash generating assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Provisions

Management judgement is required when recognising and measuring provisions and when measuring provision, contingent liabilities and contingent assets as set out in notes 19 and 51. Accounting policies pertaining to contingent assets and liabilities are disclosed under policy 1.19.

Staff leave and bonuses

The liability for leave pay is based on the total accrued leave days at year end and is shown as a Payable from exchange transactions in the Statement of Financial Position. The municipality recognises the accrual of a guaranteed 13th cheque benefit only when the municipality has a present legal or contractual obligation to make such payment and a reliable estimate can be made. The estimation is based on the current expected cost at the time of meeting the recognition criteria.

Leave and the guaranteed 13th cheque liabilities are estimates. However the nature of the balance is an accrual of unused benefits arising from past service and therefore this is classified as a payable from exchange transactions (excluded from the financial instruments).

Environmental Rehabilitation Provision

Estimated long-term environmental provisions, comprising rehabilitation and landfill site closure, are based on the municipality's accounting policy (1.18), taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises.

Professional engineers were utilised to determine the cost of rehabilitation of landfill sites as well as the remaining useful life of each specific landfill site. Interest rates linked to national bonds were used to calculate the effect of the time value of money.

In terms of the Minimum Requirements for Waste Disposal by Landfill a period of up to 30 years post-closure monitoring is recommended. This 30 year period is a recommendation and the Minister of the Department of Water and Sanitation needs to instruct the municipality as to what the exact period of post-closure monitoring would be. This instruction would be communicated in terms of each site's license conditions. The period could be shortened or prolonged, depending on specific conditions that will only become known while the actual rehabilitation activities are planned and undertaken. The extent of the monitoring (frequency of monitoring) and the costs involved (whether external experts are required or whether the monitoring be done in-house) can also not yet be determined. No communication has been received from the Department of Water Affairs and Sanitation defining the responsibilities of the municipality regarding the post-closure of any landfill site on the licenses of each site. Therefore, the monitoring and inspection costs post closure of landfill sites are regarded to not exist at the reporting date.

Accounting Policies

1.5 Significant judgements and sources of estimation uncertainty (continued)

Post-retirement benefits

As described in the accounting policy on Employee Benefits (1.17), the municipality obtains actuarial valuations of its defined benefit plan liabilities. The long-term nature of these benefits results in significant judgements regarding the timing and value of the outflow of economic benefits. The defined benefit obligations of the municipality that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in Note 18 to the annual financial statements.

Management regards the total movement on the liability as the increase/decrease in expenditure for the current year. A detailed explanation of the individual expense drivers is provided in Note 18 to the annual financial statements. Where an actuarial gain is realised, the nature of the gain will be assessed with reference to the market conditions. If the gain arises from a change in estimate (i.e. key underlying assumptions are being applied in a significantly different manner than the previous reporting period), the change in estimate will be isolated from the change in market conditions and recorded separately as a gain/(loss) rather than to reduce the expense by the movement of the liability.

Revenue recognition

The Accounting Policy 1.21 on Revenue from Exchange Transactions and Accounting Policy 1.22 on Revenue from Non-exchange Transactions describe the conditions under which revenue will be recorded by the management of the municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9 (Revenue from Exchange Transactions) and GRAP 23 (Revenue from Non-exchange Transactions). As far as Revenue from Non-exchange Transactions is concerned, and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been rendered or not. Also, of importance is the estimation process involved in initially measuring revenue at the fair value thereof. Management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

Water inventory

The estimation of the water stock in the reservoirs is based on the measurement of water via electronic level sensors, where the level indicates the depth of the water in the reservoir, which is then converted into volumes based on the total capacity of the relevant reservoir. Furthermore, the length and width of all pipes are also taken into account in determining the volume of water on hand at year-end.

1.6 Financial instruments

The municipality has various types of Financial Instruments and these can be broadly categorised as Financial Assets, Financial Liabilities or Residual Interests in accordance with the substance of the contractual agreement. The municipality only recognises a Financial Instrument when it becomes a party to the contractual provisions of the instrument.

Accounting Policies

1.6 Financial instruments (continued)

Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Effective interest rate method

Outstanding receivables that are past due are charged interest at prime +1% in terms of the municipal by-laws. This is considered the appropriate effective interest rate as it is market based. For all other instruments, the contractual rate is compared to the market rate. If the rate is considered reasonable in comparison to the prevailing market rates (i.e. the rate is linked to a market rate such as the prime or repo rate), the contractual rate is considered an appropriate effective interest rate. Where a contractual rate deviates significantly from the market rate, the debtors' rate (prime + 1%) will be used as an effective interest rate.

Fair value method and assumptions

The fair values of Financial Instruments are determined as follows:

- The fair values of quoted investments are based on current bid prices; and
- If the market for a Financial Asset is not active (and for unlisted securities), the municipality establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Classification

A Financial Asset is any asset that is cash, a contractual right to receive cash or another financial asset from another entity.

- *Financial assets (or financial liabilities) at amortised cost* are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. They are included in current assets or current liabilities, except for maturities greater than 12 months, which are classified as non-current. Financial assets (or financial liabilities) at amortised cost are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instrument. After initial recognition financial assets are measured at amortised cost, using the effective interest rate method less an allowance for impairment.
- *Financial assets (or financial liabilities) at fair value are financial instruments that meet either of the following conditions:*
 - a. derivatives;
 - b. combined instruments that are designated at fair value;
 - c. instruments held for trading;
 - d. non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
 - e. financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.
- Financial assets (or financial liabilities) at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Included under the major classes of financial instruments below, are line items that are separately disclosed in the notes that do not meet the definition of a financial instrument (such as Prepaid expenses, Payments made in advance etc.). The balances are clearly identifiable by the naming of the line items. Such items are excluded from the balances disclose in Notes 56 and 57. In rare instances, aggregation within a line item of a note might contain both financial instruments and balances that do not meet the definition of a financial instrument. In these cases the individual line items would be assessed with reference to its significance. Where insignificant, non-financial instruments would be included in the aggregated line items that would normally meet the definition of a financial instrument. This disclosure aggregation was specifically selected to ensure comprehensive classification.

The municipality has the following types of financial assets as reflected on the face of the Statement of Financial Position or in the notes thereto:

Class

Cash and cash equivalents (see exception below)
Receivables from exchange transactions
Receivables from non-exchange transactions
Construction contracts and payables

Category

Financial asset measured at amortised cost
Financial asset measured at amortised cost
Financial asset measured at amortised cost
Financial asset measured at amortised cost

Accounting Policies

1.6 Financial instruments (continued)

Cash and cash equivalents include cash on hand (including petty cash) and cash with banks. Cash equivalents are both short-term highly liquid investments, readily convertible into known amounts of cash, and fixed term deposits that are held with registered banking institutions that are not subject to any significant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, cash with banks and call deposits held with banks.

Receivables from non-exchange transactions comprise Statutory receivables and Financial instruments. Refer to Note 4 for the classification of the balances.

In accordance with GRAP 104 the Financial Assets of the municipality are all classified as financial assets at amortised cost, except for cash floats and petty cash, which are classified as financial assets at fair value.

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

There are three main categories of Financial Liabilities, the classification determining how they are measured. Financial Liabilities may be measured at:

- Financial Liabilities measured at Fair Value;
- Financial Liabilities measured at Amortised Cost; or
- Financial Liabilities measured at Cost.

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

| Class | Category |
|---|--|
| Other financial liabilities | Financial liability measured at amortised cost |
| Payables from exchange transactions | Financial liability measured at amortised cost |
| Unspent conditional grants and receipts | Financial liability measured at amortised cost |
| Construction contracts payables | Financial liability measured at amortised cost |
| Consumer deposits | Financial liability measured at fair value |

In accordance with GRAP 104 the Financial Liabilities of the municipality are all classified as financial liabilities at amortised cost, except for Consumer deposits, which are classified as financial liabilities at fair value.

Financial liabilities are initially measured at fair value net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Interest income and expenses is recognised in the Statement of Financial Performance by applying the effective interest rate.

Impairment and uncollectibility of financial assets

Financial assets, other than those at fair value, are assessed for indicators of impairment at each reporting date (also refer to 1.5). Financial assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with GRAP 104.

An allowance for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance. Cash flows relating to short-term receivables are not discounted where the effect of discounting is immaterial.

Government accounts are not provided for as such accounts are regarded as recoverable.

Annual impairment testing is conducted on all receivable balances. The effects of the annual impairment testing are accounted for against the Provision for Bad Debts Allowance. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance against the Reversal of Impairment Loss/(Impairment Loss) on Receivables. Accounts identified and written-off during the year is recognised against Bad Debts Written Off in the Statement of Financial Performance.

Accounting Policies

1.6 Financial instruments (continued)

Derecognition

The municipality derecognises Financial Assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non-recoverability.

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

1.7 Statutory receivables

Definitions and measurement principles

Statutory Receivables are those receivables (settlement in cash or another financial asset) that arise from legislation as opposed to contractual deliverables. Receivables that arise due to contractual arrangements are accounted for in terms of the accounting policy on Financial Instruments (1.6).

Statutory receivables are classified and recognised as exchange or non-exchange in accordance with the relevant standards on revenue and essentially based on whether there is a supply of goods and services in exchange for economic benefits of similar value.

Initial Measurement

Statutory receivables are measured at their transaction amount in accordance with the relevant standards on revenue based on the classification between exchange and non-exchange (refer accounting policies 1.21 and 1.22 respectively).

Subsequent measurement

Statutory Receivables are measured at cost, plus accrued interest, less any impairment recognised and amounts derecognised.

Interest is calculated using the nominal interest rate as stipulated in legislation and municipal by-laws.

Impairment losses

Impairment is assessed on an annual basis based on objective evidence regarding expected recoverability.

Consumers are assessed based on groupings, risk profiles and payment history profiles.

Government accounts are not provided for as such accounts are regarded as recoverable.

If there is an indication that a statutory receivable may be impaired, the entity measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable shall be reduced directly or through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance.

Refer to the Significant Judgements (refer accounting policy 1.6) for the calculation in respect of the impairment of Statutory Receivables.

Derecognition

Statutory receivables are derecognised when the asset is extinguished, settled or through transferring of all significant risks and rewards to a third party.

Extinguishing the asset would usually be in terms of legislation or other similar means.

The difference between the consideration received and amount derecognised shall be recognised in the surplus or deficit of the period of transfer.

Accounting Policies

1.8 Construction contracts and payables

Construction contracts are those contracts entered between the municipality and a customer (or third party) whereby the municipality delivers a constructed asset in terms of an agreement with such party. The construction can be done by the municipality or through the use of a sub-contractor. The benefit of the constructed item (or group of items) must be received by such party and not the municipality.

Revenue from such contracts shall comprise the agreed value in terms of the contract plus any agreed variations to such contract on the conditions that these variations will result in an inflow of economic resources that can be measured reliably (refer accounting policy 1.21).

Contract costs are costs that directly relate to the contract as well as costs that are attributable to the execution of the construction work and any additional costs as agreed between the municipality and the party obtaining the final goods. Attributable costs are only assigned to the contract costs if these can be assigned on a systematic and rational basis.

All of these contracts of the municipality are fixed price contracts. Revenue and costs are therefore recognised with reference to the stage of completion provided that the conditions for contract revenue and contract costs will flow to the entity and the contract costs can clearly be identified and measured reliably.

An expected deficit on a construction contract shall be recognised as an expense immediately based on the stage of completion. Future losses are only accounted for when these losses are incurred in terms of the stage of completion. This implies that only the proportional loss of a contract would be recognised based on the percentage of completion.

As the percentage or stage of completion is an estimate at year-end, any subsequent changes to the estimate would be accounted for as a change in estimate in terms of the relevant municipal accounting policy.

Classification of Transactions

Various transactions arise from the Housing Arrangements. Some fall within the ambit of GRAP 11: Construction Contracts, others with GRAP 9: Revenue from Exchange Transactions and GRAP 23: Revenue from Non-exchange Transactions. The information below briefly outlines how transactions are recognised:

- Expenditure pertaining to the planning and civil services of a project is considered to be Grants and subsidies in terms of GRAP 23: Revenue from Non-exchange transactions.
- Expenditure on the stand (also known as top structure expenditure) include the physical building, NHRBC fees and other expenses that are directly related to construction of houses that will be transferred to the beneficiary is accounted for as construction contract revenue and construction of low cost housing (contracted service expenses).
- Receipts directly attributable to the administration of beneficiaries are accounted for under Operational Revenue as Housing services rendered in terms of GRAP 9: Revenue from Exchange Transactions.
- Land parcels purchased by means of receipts from the Provincial Department are assessed in terms of IGRAP 18: Recognition and Derecognition of Land. The portions of the expenditure that will remain under the control of the municipality is capitalised as Property, Plant and Equipment when the future use is determinable. When such future use cannot be determined, such land will be accounted for as Investment Property based on the municipal policy pertaining to such land. The portion of land expenditure that will be transferred to the beneficiaries are expensed once the contract is signed. The expense and receipts pertaining to land transactions are included under either Operational cost, Loss on disposal of assets and Sale of land or Gains on sale of fixed assets respectively.

1.9 Inventories

Inventories comprise of current assets held for sale, current assets for consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

The term ordinary course of operations refers to activities that occur on a frequent basis on terms that are comparable to those of other municipalities. Once-off or occasional transactions are therefore not considered in the ordinary course of operations (such as the sale of a financial instrument).

Accounting Policies

1.9 Inventories (continued)

Subsequent measurement

Consumable stores, raw materials, work-in-progress

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value (net amount that an entity expects to realise from the sale on inventory in the ordinary course of business). In general, the basis of determining cost is the weighted average cost of commodities. If inventories are to be distributed at no charge or for a nominal charge or for consumption in the production process of goods to be distributed at no charge or for a nominal charge, they are measured at the lower of cost and current replacement cost.

Water inventory

Water is regarded as inventory when the municipality purchases water in bulk with the intention to resell it to the consumers or to use it internally, or where the municipality has incurred purification costs on water obtained from natural resources (rain, rivers, springs, boreholes etc.). However, water in dams, that are filled by natural resources and that has not yet been treated, cannot be measured reliably as there is no cost attached to the water, and it is therefore not recognised in the Statement of Financial Position.

The basis of determining the cost of water purchased and not yet sold at reporting date comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventory to its present location and condition, net of trade discounts and rebates. Water and purified effluent are therefore valued at purified cost insofar as it is stored and controlled in reservoirs at year-end.

Water inventory is being measured by multiplying the cost per kilolitre of purified water by the amount of water in storage.

Unsold properties

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis.

Other arrangements

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values and sold by public auction. Most inventories are distributed at no charge or for a nominal charge rather than sold. Net realisable value is therefore measured in terms of Current Replacement Cost. Differences arising on the measurement of such inventory at the lower of cost and net realisable value are recognised in the Statement of Financial Performance in the year in which they arise. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.10 Leases

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Any contingent rents are expensed in the period in which they are incurred.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.10 Leases (continued)

The Municipality as Lessee

Operating leases are those leases that do not fall within the scope of a finance lease receivable. Operating lease rentals are recognised as an expense in the statement of financial performance on a straight-line basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The Municipality as Lessor

Operating lease rental income is recognised on a straight-line basis over the term of the relevant lease. The difference between the amounts recognised as revenue and the contractual payments received are recognised as an operating lease asset or liability.

Determining whether an Arrangement contains a Lease

At inception of an arrangement, the municipality determines whether such an arrangement is, or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the municipality the right to control the use of the underlying asset.

1.11 Value-added Tax (VAT)

The municipality is registered with the South African Revenue Services (SARS) for VAT on the payment basis, in accordance with Section 15(2) of the VAT Act No.89 of 1991.

VAT in the records of the municipality comprises main categories of VAT, namely the VAT Control (VAT declared at year-end to SARS and not yet paid or received), a VAT input accrual (VAT on expenditure incurred, but not yet paid) and VAT output accrual (VAT revenue accrued or invoiced, but not yet paid as well as the VAT on impairment of receivables).

As each VAT transaction is individually exclusive, management has elected to not offset the separate VAT categories. As all VAT transactions will eventually fall due to or by the same juristic person, all balances are presented in the same line item on the AFS to permit comparison of our total VAT balance with that of the private sector. The VAT classification is as follows:

| VAT Type | Description | Classification |
|---------------------------------|---|--|
| VAT Control | Balance due by/(to) SARS | Statutory receivable or Payable from non-exchange transactions |
| VAT Output | VAT accrued on outstanding debtors (only payable once the debtor pays its outstanding amounts) | Payable from exchange transactions |
| VAT Input | VAT on Trade Payables not yet paid (only claimable once payment is made to the creditors (i.e. will move to Control account within 30 days from year-end) | Receivable from exchange transactions |
| VAT on provision for impairment | VAT that could potentially be claimed if the debt is written off | Depends on the nature of the balance. Availability charges: Receivables from non-exchange; Services rendered: Receivables from exchange. |

1.12 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for service delivery in terms of the mandated functions of the municipality and are expected to be used during more than one period.

Property, plant and equipment is recognised and measured in terms of GRAP 17: Property, plant and equipment at cost less accumulated depreciation and accumulated impairments.

Repairs and maintenance

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 49).

Accounting Policies**1.12 Property, plant and equipment (continued)****Depreciation**

Depreciation only commences when the asset is available for use, unless stated otherwise.

Land is not depreciated as it is regarded as having an unlimited life. Depreciation on assets other than land is calculated on cost, using the straight line method, to allocate their cost to their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The depreciation rates are initially based on the following originally estimated useful lives and thereafter on the estimated remaining useful lives as at year-end:

| Item | Depreciation method | Average useful life |
|--|---------------------|---------------------|
| Buildings | Straight-line | 10 - 60 years |
| Infrastructure | Straight-line | |
| • Electricity | | 10 - 50 years |
| • Landfill sites | | 10 - 50 years |
| • Sewerage | | 10 - 100 years |
| • Stormwater | | 50 years |
| • Roads and paving | | 10 - 100 years |
| • Water | | 10 - 100 years |
| Community | Straight-line | 10 - 60 years |
| Movable assets | Straight-line | |
| • Furniture and fittings | | 5 - 20 years |
| • Machinery and equipment | | 5 - 15 years |
| • Machinery and equipment exception: Large Skip Bins | | 30 years |
| • Office equipment | | 3 - 10 years |
| • Specialised vehicles | | 5 - 20 years |
| • Vehicles | | 5 - 10 years |

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate. The residual values and useful lives is deemed to be appropriate unless an event has occurred or conditions of use have changed, which may have an effect on the residual values and remaining useful lives of these assets.

Incomplete Construction Work

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use. The municipality assesses at each reporting date if there is an indication of impairment.

Infrastructure Assets

Infrastructure assets are any assets that are part of a network of similar assets. Infrastructure assets are treated similarly to all other assets of the municipality in terms of the asset management policy.

If cost can however not be established, then infrastructure assets will be initially measured and recognised at depreciated replacement cost. Depreciated replacement cost is an accepted fair value calculation for assets where there is no active and liquid market.

Land

The municipality assesses at each reporting date if there is an indication of impairment.

Land is recognised and derecognised based on evidence of control. Control over land is evidenced by legal ownership and/or the ability to direct access to the land and to restrict or deny the access of others to land.

In assessing the control criteria, any binding arrangements over properties will be considered. Binding agreements can be in written form, a verbal agreement or the result of best practice.

Accounting Policies

1.12 Property, plant and equipment (continued)

The loss of control will result in the derecognition of the property, despite legal title, while assets over which the municipality does not hold the legal title may be recognised as an asset if control over the property has been established.

Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal. Disposals can be voluntary or involuntary of nature.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised.

1.13 Investment property

Initial recognition

Investment property includes fixed property (land or a building, or part of a building, or both land and buildings) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

Based on management's judgement, the following criteria have been applied to distinguish investment properties from owner occupied property or property held for resale:

- All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as Investment Properties;
- Land held for a currently undetermined future use. (If the Municipality has not determined that it will use the land as owner-occupied property or for short-term sale in the ordinary course of business, the land is regarded as held for capital appreciation);
- A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases (this will include the property portfolio rented out by the Housing Board on a commercial basis on behalf of the municipality);
- A building that is vacant but is held to be leased out under one or more operating leases on a commercial basis to external parties;
- Land held for long-term capital appreciation rather than for short-term sale in the ordinary course of operations;
- A property owned by the municipality and leased out at a below market rental; and
- Property that is being constructed or developed for future use as investment property.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

The following assets do not fall in the ambit of Investment Property and shall be classified as Property, Plant and Equipment or Inventory as appropriate:

- Property intended for sale in the ordinary course of operations or in the process of construction or development for such sale;
- Property being constructed or developed on behalf of third parties;
- Owner-occupied property, including (among other things) property held for future use as owner-occupied property, property held for future development and subsequent use as owner-occupied property, property occupied by employees such as housing for personnel (whether or not the employees pay rent at market rates) and owner-occupied property awaiting disposal;
- Property that is leased to another entity under a finance lease;
- Property held by council for strategic purposes or to meet service delivery objectives rather than to earn rental or for capital appreciation; and
- Where council has properties that are used both for administrative and commercial purposes and part of the properties cannot be sold separately these properties will not be classified as investment properties.

Repairs and maintenance

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the financial statements (see note 49).

Accounting Policies

1.13 Investment property (continued)

Subsequent measurement - Cost model

Investment property is measured using the cost model. Depreciation is calculated on cost, using the straight-line method over the useful life of the property, which is estimated at 20 - 30 years. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. Land is not depreciated. The municipality assesses at each reporting date if there is an indication of impairment or whether the residual values and useful lives needs to be adjusted as a change in estimate.

Derecognition

Investment property shall be derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Transfers

Transfers to, or from, investment property shall be made when, and only when, there is evidence of a change in use.

1.14 Living and non-living resources

Living resources are defined as any living animal or plant that undergoes biological changes naturally. The municipality has evidenced control over the living resource by means of one or more of the following:

- Our ability to intervene in the physical condition of the resource;
- Our ability to restrict the movement of the resource through fences and other security measures; and
- Our ability to decide how the resource is used.

Only those resources where management implements actions in order to use and protect the use of the living resource will such be recognised.

Management considers its intervention in physical condition of living resources as critical for the recognition as an asset. In this regard, detailed plans should be in place in order to stimulate the growth and monitor the ageing of the resource. Ad hoc, unplanned activities such as the watering of plants and trimming of trees do not constitute intervention and as such town beautification would not meet the recognition criteria. No living resources were identified as controlled by the municipality. Therefore the considerations as to recognition and measurement is not considered relevant.

As an eventuality, management will acquire city beautification from time to time. In order to fulfil the municipalities mandate (for example maintenance of community parks, supply electricity) it would be required from time to time to do maintenance of trees and plants. The purpose however is not the manage or extent the physical condition, in order to obtain future economic benefits or services from the trees, but to preserve the area (for e.g. to prevent veld fires) or promote the area for tourism. Therefore, management does not control the trees and plants as a living resource, that requires separate recognition.

Non-living resources are those resources that occur naturally and have not been extracted. Minerals, oil, water and land are examples hereof. Living resources are only disclosed when:

- Management intervenes in the processes as part of the municipal mandate in order to deliver goods or services. This intervention must be at the point before extraction while the resource is still in its natural state.
- Intervention must be preceded by either extraction or utilisation of the resource.

Management only identified water resources as no other natural resources are prevalent within our jurisdiction.

Water contained in reservoirs and pipes are considered to be extracted and is therefore accounted for as Inventory in terms of GRAP 12.

1.15 Impairment of cash-generating assets

The municipality classifies all assets held with the primary objective of generating a commercial return as cash-generating assets. All other assets are classified as non-cash generating assets.

It is expected that some assets may have a dual-purpose. A dual-purpose asset is only classified as cash-generating (profit assets) if the purpose to create a profit clearly stands out and the service delivery aspect is incidental. If the purpose is not clear, the assets are presumed to be non-cash-generating (service assets).

Accounting Policies

1.15 Impairment of cash-generating assets (continued)

The designation may be done on an asset or group of assets, where a group of assets is a unit of assets operating together. In the designation process assets are first designated using a group of assets and any remaining assets are then designated on an individual asset basis. The designation is applied to individual assets. An asset could comprise a group of assets that are part of a system or network.

Assets are reviewed annually for indicators that these needs to be impaired. Only once an impairment indicator for an asset or group of assets is identified will the recoverable service amount be measured. Therefore, if no adverse indicators are prevalent, management would not assess the recoverable service amount.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

The recoverable value is the higher of the asset's value in use or its fair value less cost to sell.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

The following are examples of impairment indicators used by management:

- During routine physical inspection of the asset there was evidence of physical damage (or obsolescence).
- The asset is not being used, or access to the asset is restricted, due to structural damage.
- The asset is not able to perform at the planned or required level and as a result is not meeting service delivery targets.
- During routine physical inspection of the asset it was identified that the asset deteriorated faster than expected, or was subject to damage, which will result in replacement or significant maintenance earlier than expected.
- Due to technological advances or environmental requirement, the asset may need to be taken out of service.

Physical damage would trigger an impairment test when it results in a permanent or significant decline in the service potential of the asset. Judgement is needed to determine whether the decline is permanent or significant. In certain circumstances evidence may be available to demonstrate that the impairment will be temporary. In such circumstances, no impairment loss will be recognised.

Where the recoverable amount is less than the carrying amount, the carrying amount will be reduced to the recoverable service amount by way of an impairment loss. The impairment loss will be recognised as an expense as part of the gains and losses disclosed in the Statement of Financial Performance.

1.16 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets. Refer to the policy 1.15 for the impairment indicators.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

The recoverable value is the higher of the asset's value in use or its fair value less cost to sell.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential. A temporary decline does not have to be accounted for as an impairment, but only if evidence can be provided that the decline is temporary in nature.

The recoverable amount is assessed by either the Depreciated Replacement Cost, Restoration Cost or Service units approach. The selection of the approach is based on the circumstances as per management judgement of each impairment indicator of each asset.

Assets are reviewed annually for indicators that these needs to be impaired. Only once an impairment indicator for an asset or group of assets is identified will the recoverable service amount be measured. Therefore, if no adverse indicators are prevalent, management would not assess the recoverable service amount.

Where the recoverable amount is less than the carrying amount, the carrying amount will be reduced to the recoverable service amount by way of an impairment loss. The impairment loss will be recognised as an expense as part of the gains and losses disclosed in the Statement of Financial Performance.

Accounting Policies

1.17 Employee benefits

Short-term employee benefits

Remuneration to employees is recognised in the Statement of Financial Performance as the services are rendered, except for non-accumulating benefits, which are only recognised when the specific event occurs.

The municipality has opted to treat its provision for leave pay and for the 13th Cheque as an accrual.

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days on the total remuneration package of the employee at year end and is shown as an accrual in the Statement of Financial Position.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees. The municipality has no such informal arrangements.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

Long Service Awards

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service) is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The municipality's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the Statement of Financial Performance (also refer significant judgements 1.5).

Post-retirement benefits

The municipality provides retirement benefits for its employees and has both defined benefit and defined contribution post-employment plans.

Defined Contribution plans

The municipality's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognised in the Statement of Financial Performance in the period in which the service is rendered by the relevant employees. The municipality has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined Benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Accounting Policies

1.17 Employee benefits (continued)

Post-retirement Health Care Benefits

The municipality has an obligation to provide Post-retirement Health Care Benefits to certain of its retirees. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the municipality is liable for a certain portion of the medical aid membership fee. Not all Medical Aid Funds with which the Municipality is associated, provide for continued membership.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and actuarial gains and losses, reduced by past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are carried out every year by independent qualified actuaries.

Actuarial gains or losses are recognised immediately in the Statement of Financial Performance (also refer significant judgements 1.5).

1.18 Provisions

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

The best estimate of the expenditure required to settle the present obligation is the amount that an municipality would rationally pay to settle the obligation at the reporting date or to transfer it to a third party at that time and are determined by the judgment of the management of the municipality, supplemented by experience of similar transactions and, in some cases, reports from independent experts. The evidence considered includes any additional evidence provided by events after the reporting date. Uncertainties surrounding the amount to be recognised as a provision are dealt with by various means according to the circumstances.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses.

Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money.

When the outflow of economic benefits or service potential is no longer probable the provision will be derecognised.

Decommissioning, restoration and similar liability

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

The related asset is measured using the cost model:

- Changes in the liability is added to, or deducted from, the cost of the related asset in the current period.
- If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
- If the adjustment results in an addition to the cost of an asset, the entity consider whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the entity tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and account for any impairment loss, in accordance with the accounting policy on impairment of assets as described in accounting policy 1.15 and 1.16.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.19 Contingent assets, contingent liabilities and commitments

Contingencies are only disclosed in the notes to the Annual Financial Statements.

Contingent Liabilities represent a possible obligation that arises from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not fully within the control of the municipality. A contingent liability can also arise as a result of a present obligation that arises from past events but which is not recognised as a liability either because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent Assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not fully within the control of the municipality.

Commitments are future expenditure to which the municipality has committed and that will result in the outflow of resources. Commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance, but are included in the disclosure Notes. A distinction is made between capital and current commitments.

Lease commitments as defined per GRAP 13: Leases are disclosed in note 9. Operating commitments are not disclosed as the municipal annual budget is available on the municipal website.

Commitments are disclosed for:

- Items are classified as capital commitments where the municipality commits itself to future transactions that will normally result in the outflow of resources;
- Approved and contracted capital commitments, where the expenditure has been approved and the contract has been awarded at the reporting date, where disclosure is required by a specific standard of GRAP; and
- Contracts to purchase, construct or develop assets or for repairs, maintenance or enhancements to assets, that are entered into before the reporting date, but goods and services have not yet been received are disclosed in the Notes to the Annual Financial Statements.

Understanding the classification of amounts due

Payables, provisions and contingencies are distinguished with relation to the certainty of the amount or the likelihood of payment. Payables from exchange are those amounts factually payable within the immediate future. Provisions are those amounts where either the timing of payment or the value of payment is uncertain, but the fact that an amount will be due is fairly certain. Provisions are therefore subject to management estimates whereas payables are factual amounts due.

In contrast thereto, contingencies are those amount due which are fairly uncertain. Uncertainty is determined by management's estimate of the likelihood of the potential payment or with reference to the uncertainty as to the actual amount that cannot be reliably estimated at reporting date. Where an amount can be estimated reliably, but the likelihood of payment or receipt is assessed as remote by management, the matter will be reported as a contingency.

1.20 Net Assets

Included in the net assets of the municipality, are the following statutory funds and reserves, apart from the Accumulated Surplus, that are maintained in terms of specific requirements:

Reserve: Capital Replacement (CRR)

In order to finance the provision of infrastructure and other property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus to the CRR in terms of delegated powers. The following provisions are set for the creation and utilisation of the CRR:

- The cash funds that back up the CRR are invested until utilised. The cash may only be invested in accordance with the investment policy of the Entity.
- The CRR may only be utilised for the purpose of purchasing items of property, plant and equipment, and may not be used for the maintenance of these items.
- Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from the CRR.

Accounting Policies

1.21 Revenue from exchange transactions

The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the municipality and when specific criteria have been met for each of the municipality's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Furthermore, services rendered are recognised by reference to the stage of completion of the transaction at the reporting date, and the transaction costs can be measured reliably.

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

At the time of initial recognition, the full amount of revenue is recognised where the Municipality has an enforceable legal obligation to collect, unless the individual collectability is considered to be improbable. If the Municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Service Charges

Service Charges are levied in terms of approved tariffs.

Service charges relating to electricity and water are based on consumption. Meters are normally read on a monthly basis and are recognised as revenue when invoiced. Where meters are not read monthly, provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to all properties. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month or a property is vacant.

Service charges from sewerage and sanitation are based on the type of service and the number of sewer connections on all developed property and are levied monthly in arrears.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

Pre-paid electricity

Revenue from the sale of electricity pre-paid meter cards are recognised at the point of sale. In respect of consumption between the last point of sale and the reporting date, an accrual is made based on the average daily consumption (for the period 1 July to 30 June) of consumers as per an internal system estimation report.

Finance income

Interest earned on investments and outstanding debtors is recognised in the Statement of Financial Performance when the interest is earned.

Accounting Policies

1.21 Revenue from exchange transactions (continued)

Tariff Charges

Revenue arising from the application of the approved tariff policy is recognised when the relevant service is rendered by applying the relevant authorised tariff (e.g. Operational revenue and Development charges).

Income from Agency Services

Income for agency services is recognised on a monthly basis once the income collected on behalf of the principal has been quantified. The income recognised is in terms of the agency agreement.

Rentals

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Sale of goods (including houses)

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Construction contract revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue is recognised and measured in terms of GRAP 11: Construction Contracts rather than GRAP 9: Revenue from Exchange Transactions.

1.22 Revenue from non-exchange transactions

An inflow of resources from a non-exchange transaction that meets the definition of an asset, is recognised as an asset when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the fair value of the asset can be measured reliably. The asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

A present obligation arising from a non-exchange transaction that meets the definition of a liability is recognised as a liability when it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made.

Property rates

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

Accounting Policies

1.22 Revenue from non-exchange transactions (continued)

Tariff charges

Transferred assets are measured at their fair value as at the date of acquisition.

These charges are recognised in terms of the tariffs determined by legislation (e.g. license fees, availability charges, etc.) or tariffs approved by council.

Debt forgiveness

All unclaimed deposits are initially recognised as a liability until 36 months expires, where after all unclaimed deposits, which were deposited into the Municipality's bank account, will be treated as revenue. This policy is in line with prescribed debt principle as enforced by the Prescribed Debt Act. Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality. The municipality makes use of estimates to determine the amount of revenue that it is entitled to collect. Where settlement discounts or reductions in the amount payable are offered, the municipality considers past history in assessing the likelihood of these discounts or reductions being taken up by receivables.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting municipality.

Public contributions

Donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment are brought into use.

Assets acquired from non-exchange transactions are measured at fair value in accordance with the Standards of GRAP.

Other Donations and Contributions

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are available for use.

Services in-kind

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality discloses the nature and type of services in-kind received during the reporting period. No services in-kind were noted that is significant to the operations of the municipality.

Accounting Policies

1.23 Government grants and receipts

Conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transfer or, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transfer or has never been enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue. Often these unspent grant liabilities are cash backed.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs are recognised in the Statement of Financial Performance in the period in which they become receivable.

Revenue is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, as the qualifying expenditure is incurred.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the grantor it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.24 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.25 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted or is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No 56 of 2003). All expenditure relating to Unauthorised Expenditure is accounted for as an expense in the Statement of Financial Performance in the year that the expenditure was incurred and classified in accordance with the nature of the expense. If the expenditure is not condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

The definition of "vote" for Swartland Municipality is set at the Functional area within the respective department.

1.26 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance in the year that the expenditure was incurred and is classified in accordance with the nature of the expense. If the expenditure is not condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

1.27 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy.

Irregular expenditure excludes unauthorised expenditure.

1.28 Losses

The MFMA requires the disclosure of losses incurred during the year under review. The disclosure is provided in order to comply with the legislative requirements governing Municipalities and Municipal Entities. Disclosure of losses is based on units as required by the MFMA.

Accounting for water losses is discussed in the accounting policy for Inventory (1.9).

Accounting Policies

1.29 Service concession arrangements

Identification

Service concession arrangements of the municipality include the provision of mandated functions on behalf of the municipality by the operator for a specified period of time, for which the operator is compensated for its services over the period of the service concession arrangement.

Initial recognition and measurement

Service concession assets are measured initially at fair value except where the assets are existing assets of the municipality in which case the assets are reclassified at their carrying amounts. Service concession assets will be identified separately.

The service concession liability is recognised and initially measured at:

- the same amount as the service concession asset,
- adjusted by the amount of any other consideration (e.g. cash) from the municipality to the operator, or from the operator to the municipality.

Subsequent measurement and derecognition

After initial recognition, the municipality applies the measurement (including impairment) and derecognition principles to the service concession asset applicable to similar items of Property, Plant and Equipment.

The municipality accounts for the liability as a financial liability when the municipality has an unconditional obligation to pay cash or another financial asset to the operator for the construction, development, acquisition, or upgrade of a service concession asset.

The municipality allocates the payments to the operator and account for them according to their substance as a reduction in the service concession liability, a finance charge, and charges for services provided by the operator.

Other liabilities, contingent liabilities, contingent assets and revenues

The municipality accounts for other liabilities, contingent liabilities, and contingent assets arising from a service concession arrangement in accordance with the policy on Provisions, Contingent liabilities and contingent assets and Financial instruments.

The municipality accounts for revenues from a service concession arrangement, other than those relating to the grant of a right to the operator model, in accordance with the principles of Revenue from exchange transactions.

Dividing the arrangement

When the municipality pays for the construction, development, acquisition, or upgrade of a service concession asset partly by incurring a financial liability and partly by the grant of a right to the operator, it accounts separately for each part of the total liability.

Refer to note 60 for the disclosure of the service concession arrangement assets, liabilities, revenue and expenditure.

Recognition of the performance obligation and the right to receive a significant interest in a service concession asset

Where the municipality controls a significant residual interest in a service concession asset at the end of the service concession arrangement through ownership, beneficial entitlement or otherwise, and the arrangement does not constitute a finance or an operating lease, the municipality recognises its right to receive the residual interest (i.e. a receivable) in the service concession asset at the commencement of the arrangement. The value of the receivable at the end of the service concession arrangement, reflects the value of the service concession asset as if it were already in the age and in the condition expected at the end of the service concession arrangement.

1.30 Accounting by principals and agents

A principal-agent arrangement exists where there is a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Accounting Policies

1.30 Accounting by principals and agents (continued)

Where the municipality is the agent to the transaction, only the portion of revenue and expenses it receives or incurs in executing the transactions on behalf of the principal is recorded with unspent or moneys due being recorded in terms of GRAP 104: Financial Instruments.

Identification

Special consideration is given to the classification of an agreement (once the standard is triggered) to carefully consider whether the municipality is an agent. The considerations include (all of) the following:

- Does the third party determine significant terms
- Does the third party receive the benefit from the transactions
- Is the municipality exposed to the variability of the outcome

If these are not met, but the standard is applicable, the municipality would be regarded as the principal in the transaction.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement. Substance over form is applied. Therefore the exact wording over contracts where the terms agent or acting on behalf are used are considered, but only to the extent that rights and obligations are substantially transferred. Where rights and obligations are not transferred, the transaction is considered a normal supplier/customer relationship and accounted for as such.

Administrative rights, such as those resulting from a collection agency agreement are not considered sufficient grounds for a principal agent relationship. The agent or principal arrangement needs to confer rights and obligations that give the counter party the ability to execute transactions as if it is acting on the other party's behalf. A collection agency only collects revenue and pays such revenue over to the municipality. It has no authority to deviate or alter on any significant terms and therefore is not considered an agent per the definition of the standard.

1.31 Segment reporting

The segments reported is the functional segments as per the Monthly Section 71 Management Reports. The information that will be reported is aligned to the monthly section 71 reports which are reviewed by the executive management. The key factor considered is therefore the manner in which management has chosen to organise the entity around differences in goods and/or services to the public.

None of management's segments were aggregated as each segment contains material goods or services. Activities are already aggregated for purposes of strategic review as outline in the table below.

The level of aggregation is summarised in the table below:

| Segment | Functions | Revenue | Unique expenditure |
|-------------------------------|--|---|--|
| Vote 1 - Corporate Services | Property management (rentals, sales), Legal services, Human Resources, Record Management, Public Relations, Communication, Tourism and Libraries | Grants (Library and Other), Sale of Land, Libraries, Rental income | Communication (Operational Costs), Ward Committees |
| Vote 2 - Civil Services | Roads, Waste Management, Waste Water Management, Water Management, Management of facilities (buildings, parks etc.) | Trading Services (except electricity), various grants (e.g. MIG, Roads etc.) | Water consumed and water losses, Solid Waste |
| Vote 3 - Council | Councillors, Speakers, Mayor | Allocated | Remuneration of councillors, Grants and subsidies paid |
| Vote 4 - Electricity Services | Electricity, Information Technology | Electricity, Grants | Electricity bulk purchases |
| Vote 5 - Financial Services | Budgeting, Credit Control, Supply Chain, Financial Systems and Reporting, Revenue administration, Expenditure Management, Asset Management | Interest received, Property rates, Gains on vesting of properties and equipment, Land Sales | Bad debts, Finance Costs, Impairments for receivables |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.31 Segment reporting (continued)

| | | | |
|-------------------------------|--|---|--|
| Vote 6 - Development Services | Community Development (Social services), Human Settlements, Health and Safety, Town Planning, Valuations, Building Inspections | Grants (Housing and other), Construction Contracts, Majority of Operational Revenue (Building Plans, Camping) | Low Cost Housing, Health and Safety |
| Vote 7 - Municipal Manager | Executive Management, Strategic Services and Internal Audit | Allocated | Majority of expenditure pertains to salaries and depreciation |
| Vote 8 - Protection Services | Traffic and Law Enforcement, Fire and Emergency Services | Grants, Fines, Licences and Permits | Traffic Fine Management, Bad debts and debt impairment for traffic fines. Most of the COVID-19 related expenditure |

Grant revenue is shared by all departments as these are applied for. Certain grants are directly contributable to specific votes, such as Electricity or Library (Corporate) and Housing (Development). Equitable share is however allocated to each department based on the approved budget.

All other expenditure is generic and shared by all departments: Employee Costs, Contracted Services, Operational costs, Other Materials (consumables). The administration of assets occur within Financial Services, but the losses are allocated to each department.

Details of each activity of the municipality is disclosed in the annual performance report.

The municipality manages its operational revenue and expenditure, assets and liabilities geographically as a whole. Only capital expenditure is reviewed based on the location. All other asset and liability management techniques are focused on the asset base as a whole rather than the asset and liability management for a specific area. Service delivery staff are organised in such a manner that service delivery takes place timeously in each town, but it's not a strategic principle to organise assets and liabilities in such a manner that each town is its own small economic/service delivery unit that can operate separately from the rest of the organisation. Segment reporting per geographic area is therefore not deemed relevant.

The segmental report surplus or deficit reviewed by management does not comprise all of the details as required by the standard. Management reviews the performance on an aggregated basis of total revenue and total expenditure. Management's focus is service delivery and ensuring sufficient revenue is available to ensure such. Only overall (municipal total) surplus is considered when allocating resources. The segment surplus, assets and liabilities are not reviewed on a segregated basis and therefore will not be disclosed as it is not considered relevant for purposes of measuring performance.

The reporting measurement basis for the management reports is the same as that of the annual financial statements (i.e. SA GRAP). Interdepartmental services charges are already eliminated in the management reports reviewed by executive management and will therefore not be separately disclosed (deemed to not be relevant for decision making).

1.32 Related parties

A related party is a person or an entity with the ability to control or jointly control the municipality, or exercise significant influence over the municipality, or vice versa, or an entity that is subject to common control.

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

An entity is related to the reporting entity where they are members of the same economic entity or controlled by the same group of individuals or related individuals who exercise significant influence over their operational and financial decision making (such as group, associate or Joint venture).

Management is regarded as a related party and comprises the councillors, Executive Mayor, Mayoral Committee members, Municipal Manager, executive directors and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager and persons having the authority and responsibility for planning, directing and controlling the activities of the reporting Municipality.

Accounting Policies

1.32 Related parties (continued)

Remuneration of management includes remuneration derived for services provided to the Municipality in their capacity as members of the management team or employees. Benefits derived directly or indirectly from the Municipality for services in any capacity other than as an employee or a member of management do not meet the definition of remuneration. Remuneration of management excludes any consideration provided solely as a reimbursement for expenditure incurred by those persons for the benefit of the Municipality.

The Municipality operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the Constitutional independence of all three spheres of government in South Africa, only parties within the same sphere of government will be considered to be related parties.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

Close members of the family of a person are those family members who may be expected to influence or be influenced by that person in their dealings with the Municipality such as:

- A person married to or live together in a relationship similar to a marriage.
- People who are separated by no more than two degrees of natural or legal consanguinity or affinity.

1.33 Events after reporting date

Events after the reporting date that are classified as adjusting events are accounted for in the Annual Financial Statements. The events after the reporting date that are classified as non-adjusting events after the reporting date are disclosed in the notes to the Annual Financial Statements.

When events provide evidence of conditions that existed at year end and these conditions have an impact on the values presented, the event is considered an adjusting event. All other events are considered non-adjusting events.

1.34 Budget information

The annual budget figures are those approved by Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan. The budget is approved on an accrual basis and needs to comply with the classification as prescribed in the Municipal Budget and Reporting Regulations. Such classification is reconciled to classification in terms of financial reporting framework. The original approved budget covers the period from 1 July 2023 to 30 June 2024. During January each year, following a review of the mid-year performance, the adjustment budget is approved by council. Such adjustment budget is considered the final budget.

Explanatory comments are provided for overall growth or decline in the budget and motivations for over or under spending on line items. The municipality considers a variance between the actual and budget of more than 10% of the budgeted value as material, provided that such variance exceeds R100 000. All variances less than R100 000 is considered immaterial.

Budget information is presented on the accrual basis and is based on the same period as the actual amounts. The budget information is therefore on a comparable basis to the actual amounts. This is based on paragraph 2 and 30 of GRAP 24. The presentation is a mirror image of the National Treasury Budget Submission Template and therefore classification of items differ slightly from the face of the Statement of Financial Position and Statement of Financial Performance (for example service consumers and other debtors compared to Receivables from Exchange and Non-Exchange).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|---------------------------------------|--------------------|--------------------|
| 2. Cash and cash equivalents | | |
| Cash and cash equivalents consist of: | | |
| Petty cash advances | 19 758 | 16 924 |
| Bank balances | 470 471 553 | 721 999 911 |
| | 470 491 311 | 722 016 835 |

The decrease in Cash and cash equivalents is due to an increase in long-term Investments. Refer to Note 13.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings. The management of the municipality is of the opinion that the carrying value of Current Investment Deposits, Bank Balances, Cash and Cash Equivalents recorded at amortised cost in the Annual Financial Statements approximate their fair values.

The fair value of Current Investment Deposits, Bank Balances, Cash and Cash Equivalents was determined after considering the standard terms and conditions of agreements entered into between the municipality and financial institutions.

The municipality had the following bank accounts

| Account number / description | Bank statement balances | | | Cash book balances | | |
|---|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 30 June 2024 | 30 June 2023 | 30 June 2022 | 30 June 2024 | 30 June 2023 | 30 June 2022 |
| Standard Bank of South Africa Limited 372865100 | 466 445 064 | 719 086 786 | 661 935 050 | 470 471 553 | 721 999 911 | 665 069 624 |
| Municipal Traffic Account 372865178 | (17) | 190 653 | 113 787 | - | - | - |
| OTM Account 372865119 | 4 873 | 8 568 | 20 016 | - | - | - |
| TMT Fines Account 372865127 | 196 939 | (251) | 1 688 | - | - | - |
| ACB Account Number 372865151 | (38) | (38) | - | - | - | - |
| 372865143 | 3 584 | - | - | - | - | - |
| Total | 466 650 405 | 719 285 718 | 662 070 541 | 470 471 553 | 721 999 911 | 665 069 624 |

The municipality also have the following bank accounts with Standard Bank South Africa Limited which had a zero balance at year end except as indicated below. All accounts balances are cleared to the main account on a daily basis except on weekends.

1) Web Fines Account Number 372865135

For the purposes of the Cash Flow Statement, Cash and Cash Equivalents include Cash-on-Hand, Cash in Banks and Investments in Money Market Instruments.

No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period.

Deposits of R 299 421 237 (2023: R 259 260 281) are attributable to the capital replacement reserve (Refer to Note 21).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|-----------------|------|------|
|-----------------|------|------|

3. Receivables from exchange transactions

| | | |
|-------------------------------|--------------------|-------------------|
| Non-current interest accrual | 33 119 014 | - |
| Prepaid expenses | 4 082 895 | 3 762 438 |
| Electricity | 62 045 146 | 49 931 362 |
| Water | 23 705 770 | 21 235 130 |
| Sewerage | 7 240 514 | 7 015 527 |
| Refuse Removal | 5 705 732 | 5 193 984 |
| Housing rentals / instalments | 96 136 | 82 844 |
| Other | 16 229 586 | 3 621 711 |
| | 152 224 793 | 90 842 996 |

Classification of receivables from exchange transactions

| | | |
|--------------------|--------------------|-------------------|
| Non-current assets | 33 119 014 | - |
| Current assets | 119 105 779 | 90 842 996 |
| | 152 224 793 | 90 842 996 |

30 June 2024

Service Receivables

| | Gross Balances | Collective Allowance for Impairment | Net Balances |
|----------------|----------------|-------------------------------------|--------------|
| Electricity | 62 918 023 | (872 877) | 62 045 146 |
| Water | 30 948 149 | (7 242 379) | 23 705 770 |
| Sewerage | 10 801 359 | (3 560 845) | 7 240 514 |
| Refuse Removal | 8 762 272 | (3 056 540) | 5 705 732 |
| Subtotal | 113 429 803 | (14 732 641) | 98 697 162 |

Other Receivables

| | | | |
|-------------------------------|--------------------|---------------------|--------------------|
| Housing rentals / instalments | 103 217 | (7 081) | 96 136 |
| Other | 17 458 994 | (1 229 408) | 16 229 586 |
| Prepaid expenses | 4 082 895 | - | 4 082 895 |
| Non-current interest accrual | 33 119 014 | - | 33 119 014 |
| | 168 193 923 | (15 969 130) | 152 224 793 |

30 June 2023

Service Receivables

| | Gross Balances | Collective Allowance for Impairment | Net Balances |
|----------------|----------------|-------------------------------------|--------------|
| Electricity | 50 359 281 | (427 919) | 49 931 362 |
| Water | 27 004 728 | (5 769 598) | 21 235 130 |
| Sewerage | 9 577 076 | (2 561 549) | 7 015 527 |
| Refuse Removal | 7 501 351 | (2 307 367) | 5 193 984 |
| Subtotal | 94 442 436 | (11 066 433) | 83 376 003 |

Other Receivables

| | | | |
|-------------------------------|--------------------|---------------------|-------------------|
| Housing rentals / instalments | 87 436 | (4 592) | 82 844 |
| Other | 4 447 366 | (825 655) | 3 621 711 |
| Prepaid expenses | 3 762 438 | - | 3 762 438 |
| | 102 739 676 | (11 896 680) | 90 842 996 |

Receivables from Exchange Transactions are billed monthly, at the end of the month.

The average credit period for receivables from exchange transactions is 30 days. No interest is charged on receivables for the first 30 days from the date of the invoice. Thereafter interest is charged at prime plus 1 % per annum on the outstanding balance. The municipality strictly enforces its approved credit control policy to ensure the recovery of receivables from exchange transactions.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|-----------------|------|------|
|-----------------|------|------|

3. Receivables from exchange transactions (continued)

Other Receivables include outstanding debtors for various other services, e.g. Chemical Oxygen Demand, Treated Waste Water, Bulk Dumping and Sundry Services like Escorting of heavy vehicles, Advertisement costs, Cleaning of stands, etc. The surplus (where applicable) recorded on the water service concession arrangement is also included under this debtor type (refer to Note 60). For 30 June 2024, there was a surplus of R6 416 180 this is a debtor which needs to be paid by WCDM. Furthermore, a deposit of R 5 500 000 to purchase land is held at an attorney as at 30 June 2024 (2023: R Nil).

Of the exchange receivables balance at the end of the year, R 4 180 682 (2023: R 4 143 225) (VAT exclusive) is due from Sasko (Pty) Ltd, the municipality's largest customer. There are no other receivables that represent more than 3% of the total balance of Receivables from exchange.

The municipality receives applications for services that it provides. Deposits are required for all electricity and water accounts opened.

Management of the municipality is of the opinion that the carrying value of receivables approximate their amortised values.

No receivables from exchange transactions were pledged as security.

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 1 month past due are not considered to be impaired. At 30 June 2024, R 18 088 527 (2023: R 16 216 390) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

| | | |
|----------------|-------------------|-------------------|
| 31 - 60 Days | 8 958 020 | 6 576 862 |
| 61 - 90 Days | 1 999 523 | 1 478 253 |
| 91 - 120 Days | 1 502 937 | 1 295 180 |
| 121 - 365 days | 5 628 047 | 6 866 095 |
| | 18 088 527 | 16 216 390 |

Reconciliation of bad debts written- off: Exchange Transactions

| | | |
|----------------|-------------------|------------------|
| Electricity | 267 311 | 381 050 |
| Refuse Removal | 1 052 615 | 549 163 |
| Sewerage | 1 459 800 | 658 092 |
| Water | 7 912 438 | 5 965 055 |
| Housing | 28 596 | 39 809 |
| Other Debtors | 274 163 | 338 101 |
| | 10 994 923 | 7 931 270 |

In determining the recoverability of Receivables, the municipality has placed strong emphasis on verifying the indigent status of consumers. Provision for impairment of Receivables has been made for all consumer balances outstanding based on the payment ratio over 12 months per service type. No further credit provision is required in excess of the Provision for Impairment.

No provision has been made in respect of government debt as these amounts are considered to be fully recoverable.

The details of the ageing of receivables are disclosed in Note 5.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|-----------------|------|------|
|-----------------|------|------|

3. Receivables from exchange transactions (continued)

Derecognition of financial assets

No Financial Assets have been transferred to other parties during the year.

All Exchange receivables were reviewed and no terms were identified whereby receivable types would meet the definitions of a statutory instrument as defined by this standard.

Most levies charged are based on the municipal tariff by-laws. The origin of the transactions is based on contractual deliverables rather than legislation. The legislation in place therefore supports the value of recognition rather than giving rise to the occurrence of these transactions.

| Reconciliation of changes in Allowance Account | 2024 Expense | 2024 VAT | 2024 Total Changes | 2023 Expense | 2023 VAT | 2023 Total Changes |
|--|------------------|----------------|--------------------|------------------|----------------|--------------------|
| Opening Balance | - | - | 11 896 680 | - | - | 9 858 141 |
| Electricity | 386 919 | 58 038 | 444 959 | (165 440) | (24 816) | (190 256) |
| Refuse Removal | 651 455 | 97 717 | 749 172 | 437 718 | 65 658 | 503 376 |
| Sewerage | 868 948 | 130 348 | 999 296 | 520 850 | 78 127 | 598 977 |
| Water | 1 280 678 | 192 103 | 1 472 781 | 949 814 | 142 472 | 1 092 286 |
| Subtotal | 3 188 000 | 478 206 | 15 562 888 | 1 742 942 | 261 441 | 11 862 524 |
| Housing | 2 164 | 324 | 2 489 | (1 532) | (230) | (1 762) |
| Other Debtors | 351 089 | 52 664 | 403 753 | 31 233 | 4 685 | 35 918 |
| | 3 541 253 | 531 194 | 15 969 130 | 1 772 643 | 265 896 | 11 896 680 |

4. Receivables from non-exchange transactions

| | | |
|----------------------|-------------------|-------------------|
| Availability charges | 2 735 077 | 2 482 342 |
| Property Rates | 21 959 870 | 20 820 099 |
| Sundry debtors | 1 132 414 | 4 530 190 |
| Traffic fines - TMT | 8 464 919 | 6 855 848 |
| | 34 292 280 | 34 688 479 |

30 June 2024

| | Gross Balances | Collective Allowance for Impairment | Net Balances |
|----------------------|-------------------|-------------------------------------|-------------------|
| Property Rates | 28 428 093 | (6 468 223) | 21 959 870 |
| Sundry Debtors | 1 132 414 | - | 1 132 414 |
| Traffic Fines | 41 781 436 | (33 316 517) | 8 464 919 |
| Availability charges | 5 164 577 | (2 429 500) | 2 735 077 |
| | 76 506 520 | (42 214 240) | 34 292 280 |

30 June 2023

| | Gross Balances | Collective Allowance for Impairment | Net Balances |
|----------------------|-------------------|-------------------------------------|-------------------|
| Property Rates | 26 431 084 | (5 610 985) | 20 820 099 |
| Sundry Debtors | 4 530 190 | - | 4 530 190 |
| Traffic Fines | 34 434 195 | (27 578 347) | 6 855 848 |
| Availability charges | 4 583 320 | (2 100 978) | 2 482 342 |
| | 69 978 789 | (35 290 310) | 34 688 479 |

Sundry Debtors include sundry deposits, unclaimed wages, accruals cash deposits made to Eskom for the supply of electricity and debits outstanding at year-end on normal business transactions entered into by the municipality, in respect of uncleared bank reconciliation items. Grant debtors (ad-hoc balances for multi-year grants) are also included under this debtor type.

Management of the municipality is of the opinion that the carrying value of receivables approximate their amortised values.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|---|-------------------|-------------------|
| 4. Receivables from non-exchange transactions (continued) | | |
| Statutory receivables from Receivables from non-exchange transactions above are as follows: | | |
| Property Rates | 21 959 870 | 20 820 099 |
| Sundry debtors | 1 132 414 | 4 530 190 |
| Traffic Fines - TMT | 8 464 919 | 6 855 848 |
| | 31 557 203 | 32 206 137 |
| Financial instruments from Receivables from non-exchange transactions above (Availability charges) | 2 735 077 | 2 482 342 |
| Total receivables from non-exchange transactions | 34 292 280 | 34 688 479 |

Statutory receivables general information

| Receivable type | Revenue type | Legislation that give rise to the transactions | Rates and Interest charges | Impairment considerations |
|-----------------|---------------------------|--|---|---|
| Property Rates | Non-exchange | Municipal Property Rates Act 6 of 2004 | Municipal Tariff Policy, Interest Charged | Individual collection rates, interest charged at discount rate |
| Traffic Fines | Non-exchange | Administrative Adjudication of Road Traffic Offences Act, 1998 | The Act determines rates, no interest is charge | Collection rate of the balance as a whole, thereafter discounting is considered in terms of materiality |
| Sundry Debtors | Exchange and Non-exchange | Various different acts (aggregate amounts) | Municipal Tariff Policy, Interest Charged | Individual collection rates, interest charged at discount rate |
| VAT Receivables | Not applicable | Value Added Tax Act 89 of 1991 | The Act determines rates and interest is charge | No impairment, balance expected to be fully recoverable |

Interest or other charges levied/charged

Interest was only charged on outstanding rates accounts. All other statutory receivables were within normal credit terms and therefore no other receivables generated interest income. No other levies were charged.

| | | |
|---|-----------|-----------|
| Outstanding debtors: Rates and Availability Charges | 1 974 074 | 1 596 453 |
|---|-----------|-----------|

Discount rate applied to the estimated future cash flows

Interest is calculated using the nominal interest rate as authorised by a council decision (Currently, Prime plus 1%). This rate is also considered an appropriate discount rate.

Non-exchange receivables past due but not impaired

Non-exchange receivables which are less than 1 month past due are not considered to be impaired. At 30 June 2024, R19 100 544 (2023: R14 888 940) were past due but not impaired.

Swartland Municipality

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|-----------------|------|------|

4. Receivables from non-exchange transactions (continued)

The ageing of amounts past due but not impaired is as follows:

| | 2024 Past Due | 2023 Past Due | 2024 Impaired | 2023 Impaired | 2024 Past due not impaired | 2023 Past due not impaired |
|----------------|-------------------|-------------------|---------------------|---------------------|----------------------------------|----------------------------------|
| 31 - 60 Days | 5 129 886 | 4 157 068 | - | - | 5 129 886 | 4 157 068 |
| 61 - 90 Days | 2 096 668 | 2 221 286 | - | - | 2 096 668 | 2 221 286 |
| 91 - 120 Days | 1 842 387 | 4 002 270 | - | - | 1 842 387 | 4 002 270 |
| 121 - 365 days | 28 888 798 | 25 818 059 | (18 857 195) | (21 309 743) | 10 031 603 | 4 508 316 |
| > 365 days | 23 357 046 | 13 980 567 | (23 357 046) | (13 980 567) | - | - |
| | 61 314 785 | 50 179 250 | (42 214 241) | (35 290 310) | 19 100 544 | 14 888 940 |

Factors the entity considered in assessing statutory receivables past due but not impaired

Receivables are assessed in terms of their respective overall payment percentages. Some debtors are therefore past due, but the balances are still expected to be recoverable based on the payment percentages.

Reconciliation of movements for statutory receivables

Reconciliation of bad debts written-off: Non-Exchange Transactions

| | | |
|----------------------|-------------------|-------------------|
| Rates | 1 005 910 | 1 042 435 |
| Traffic Fines | 22 408 685 | 33 437 105 |
| Availability charges | 295 514 | 685 605 |
| | 23 710 109 | 35 165 145 |

| Reconciliation of changes in Allowance Account | 2024 Expense | 2024 VAT | 2024 Total Changes | 2023 Expense | 2023 VAT | 2023 Total Changes |
|---|------------------|---------------|-----------------------|--------------------|-----------------|-----------------------|
| Opening Balance | - | - | 35 290 310 | - | - | 42 561 609 |
| Rates | 857 239 | - | 857 239 | 835 490 | - | 835 490 |
| Traffic Fines | 5 738 170 | - | 5 738 170 | (7 950 342) | - | (7 950 342) |
| Availability charges | 285 670 | 42 852 | 328 522 | (136 042) | (20 405) | (156 447) |
| Subtotal | 6 881 079 | 42 852 | 42 214 241 | (7 250 894) | (20 405) | 35 290 310 |
| | 6 881 079 | 42 852 | 42 214 241 | (7 250 894) | (20 405) | 35 290 310 |

Main events and circumstances that led to the recognition or reversal of impairment losses on statutory receivables

Significant impairment losses recognised or reversed

Property Rates: Impairment Recognised: No significant movement from the prior year. In the prior year the estimate was revised to take into account the macro-economic impact of the National Lockdown.

Traffic Fines: Impairment Recognised: Annually the outstanding receivables are assessed in terms of the value of fines issued in comparison to the receipts generated from such fines. The remaining balance is considered recoverable based on this payment percentage. The impairment loss is similar to our expectation, but quantitatively the impairment is significant and therefore disclosed separately.

The credit quality of receivables from non- exchange transactions that are neither past nor due nor impaired can be assessed to historical information about counterparty default rates. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's receivables.

Swartland Municipality

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|-----------------|------|------|

4. Receivables from non-exchange transactions (continued)

The calculation in respect of the impairment of Statutory Receivables is based on an assessment of the expected recoverability of each individual receivable based on the history of recoverability of such a receivable. Debtors are grouped into appropriate aggregated grouping levels when insufficient information is available to assess individual debtors. Aggregation is based on best practice and receivables are assessed on historic information available. Thereafter the past due (accounts in arrears, i.e. not current), but not impaired debtors are subjected to a further impairment test taking into account the effect of time resulting in a discounting of debtors being included as a further factor for impairment of statutory receivables.

The claims instituted against the municipality's insurance company are supported by valid insurance claims that are claimable in terms of the insurance contract entered into by the municipality. The average waiting period depends on the nature of the claim. No interest is charged on outstanding insurance claims.

The average credit period for government grants and subsidies is dependent on the Government Department involved and the nature of claim. No interest is charged on outstanding government grants and subsidies. The subsidies are payable to the municipality per allocations made in the Division of Revenue Act or based on agreements between the municipality and the relevant departments. Government Grants and Subsidies receivable are past due and not impaired as management have no concerns over the credit quality of these assets.

The Allowance for impairment on Other Debtors (loans and receivables) exists predominantly due to the possibility that these debts will not be recovered. Loans and receivables were grouped together in the Statement of Financial Position as financial assets with similar credit risk characteristics and collectively assessed for impairment.

Credit quality of receivables from non-exchange transactions

The credit quality of receivables from non-exchange transactions that are neither past nor due nor impaired can be assessed to historical information about counterparty default rates. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's receivables.

Classification of Bad Debts

| | | |
|-------------------------------------|-------------------|-------------------|
| Exchange receivables | 10 994 923 | 7 931 270 |
| Consumer debtors | 10 994 923 | 7 931 270 |
| Non-exchange receivables | 23 710 109 | 35 165 145 |
| Property rates | 1 005 910 | 1 042 435 |
| Availability charges | 295 514 | 685 605 |
| Traffic fines | 22 408 685 | 33 437 105 |
| Total bad debts for the year | 34 705 032 | 43 096 415 |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|---------------------------------------|---------------------|---------------------|
| 5. Consumer debtors disclosure | | |
| Gross balances | | |
| Property Rates | 28 428 093 | 26 431 084 |
| Electricity | 62 918 023 | 50 359 281 |
| Water | 30 948 149 | 27 004 728 |
| Sewerage | 10 801 359 | 9 577 076 |
| Refuse Removal | 8 762 272 | 7 501 351 |
| Housing rentals / instalments | 103 217 | 87 436 |
| Other | 17 458 994 | 4 447 366 |
| Payments made in advance * | 4 082 895 | 3 762 438 |
| Sundry Debtors * | 1 132 414 | 4 530 190 |
| Traffic Fines - TMT * | 41 781 436 | 34 434 195 |
| Availability charges * | 5 164 577 | 4 583 320 |
| | 211 581 429 | 172 718 465 |
| Less: Allowance for impairment | | |
| Property Rates | (6 468 223) | (5 610 985) |
| Electricity | (872 877) | (427 919) |
| Water | (7 242 379) | (5 769 598) |
| Sewerage | (3 560 845) | (2 561 549) |
| Refuse Removal | (3 056 540) | (2 307 367) |
| Housing rentals / instalments | (7 081) | (4 592) |
| Other | (1 229 408) | (825 655) |
| Traffic Fines - TMT * | (33 316 517) | (27 578 347) |
| Availability charges * | (2 429 500) | (2 100 978) |
| | (58 183 370) | (47 186 990) |
| Net balance | | |
| Property Rates | 21 959 870 | 20 820 099 |
| Electricity | 62 045 146 | 49 931 362 |
| Water | 23 705 770 | 21 235 130 |
| Sewerage | 7 240 514 | 7 015 527 |
| Refuse Removal | 5 705 732 | 5 193 984 |
| Housing rentals / instalments | 96 136 | 82 844 |
| Other | 16 229 586 | 3 621 711 |
| Payments made in advance * | 4 082 895 | 3 762 438 |
| Sundry Debtors * | 1 132 414 | 4 530 190 |
| Traffic Fines - TMT * | 8 464 919 | 6 855 848 |
| Availability charges | 2 735 077 | 2 482 342 |
| | 153 398 059 | 125 531 475 |
| Rates | | |
| Current (0 -30 days) | 12 468 539 | 11 208 620 |
| 31 - 60 days | 1 979 669 | 1 638 336 |
| 61 - 90 days | 283 808 | 259 216 |
| 91 - 120 days | 153 264 | 130 864 |
| 121 - 365 days | 6 706 779 | 8 985 141 |
| > 365 days | 6 836 034 | 4 208 907 |
| Less: Allowance for impairment | (6 468 223) | (5 610 985) |
| | 21 959 870 | 20 820 099 |
| Electricity | | |
| Current (0 -30 days) | 57 729 811 | 46 616 319 |
| 31 - 60 days | 3 765 751 | 2 403 479 |
| 61 - 90 days | 112 015 | 88 450 |
| 91 - 120 days | 91 367 | 58 197 |
| 121 - 365 days | 439 408 | 750 788 |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|---|-------------------|-------------------|
| 5. Consumer debtors disclosure (continued) | | |
| > 365 days | 779 671 | 442 048 |
| Less: Allowance for impairment | (872 877) | (427 919) |
| | 62 045 146 | 49 931 362 |
| Water | | |
| Current (0 -30 days) | 17 252 494 | 15 359 026 |
| 31 - 60 days | 2 532 179 | 1 945 959 |
| 61 - 90 days | 1 127 809 | 664 558 |
| 91 - 120 days | 765 484 | 578 338 |
| 121 - 365 days | 4 552 187 | 5 714 700 |
| > 365 days | 4 717 996 | 2 742 147 |
| Less: Allowance for impairment | (7 242 379) | (5 769 598) |
| | 23 705 770 | 21 235 130 |
| Sewerage | | |
| Current (0 -30 days) | 4 038 994 | 3 728 200 |
| 31 - 60 days | 1 332 742 | 1 166 977 |
| 61 - 90 days | 368 556 | 350 493 |
| 91 - 120 days | 313 375 | 299 935 |
| 121 - 365 days | 3 065 522 | 3 204 331 |
| > 365 days | 1 682 170 | 827 140 |
| Less: Allowance for impairment | (3 560 845) | (2 561 549) |
| | 7 240 514 | 7 015 527 |
| Refuse | | |
| Current (0 -30 days) | 3 149 313 | 2 757 791 |
| 31 - 60 days | 978 348 | 826 284 |
| 61 - 90 days | 297 036 | 266 168 |
| 91 - 120 days | 256 034 | 236 992 |
| 121 - 365 days | 2 318 346 | 2 455 070 |
| > 365 days | 1 763 195 | 959 046 |
| Less: Allowance for impairment | (3 056 540) | (2 307 367) |
| | 5 705 732 | 5 193 984 |
| Housing | | |
| Current (0 -30 days) | 35 099 | 34 358 |
| 31 - 60 days | 20 688 | 18 673 |
| 61 - 90 days | 4 304 | 2 061 |
| 91 - 120 days | 1 962 | 1 815 |
| 121 - 365 days | 18 245 | 28 131 |
| > 365 days | 22 919 | 2 398 |
| Less: Allowance for impairment | (7 081) | (4 592) |
| | 96 136 | 82 844 |
| Other Exchange Debtors | | |
| Current (0 -30 days) | 18 811 540 | 6 130 910 |
| 31 - 60 days | 328 312 | 215 491 |
| 61 - 90 days | 89 802 | 106 524 |
| 91 - 120 days | 74 716 | 119 904 |
| 121 - 365 days | 1 088 586 | 828 377 |
| > 365 days | 1 148 933 | 808 598 |
| Less: Allowance for impairment | (1 229 408) | (825 655) |
| | 20 312 481 | 7 384 149 |

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Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|--|--------------------|--------------------|
| 5. Consumer debtors disclosure (continued) | | |
| * Other Non-exchange Debtors | | |
| Current (0 -30 days) | 2 723 195 | 8 590 917 |
| 31 - 60 days | 3 150 217 | 2 518 731 |
| 61 - 90 days | 1 812 860 | 1 962 070 |
| 91 - 120 days | 1 689 123 | 3 871 406 |
| 121 - 365 days | 22 182 020 | 16 832 918 |
| > 365 days | 16 521 011 | 9 771 663 |
| Less: Allowance for impairment | (35 746 017) | (29 679 325) |
| | 12 332 409 | 13 868 380 |
| Summary of debtors by customer classification | | |
| Consumers | | |
| Current (0 -30 days) | 73 594 313 | 66 455 601 |
| 31 - 60 days | 11 167 780 | 9 152 800 |
| 61 - 90 days | 3 959 041 | 3 502 235 |
| 91 - 120 days | 3 258 287 | 5 142 812 |
| 121 - 365 days | 37 690 667 | 35 152 071 |
| > 365 days | 31 707 580 | 18 408 087 |
| Subtotal | 161 377 668 | 137 813 606 |
| Less: Allowance for impairment | (56 779 899) | (46 237 001) |
| | 104 597 769 | 91 576 605 |
| Industrial/ commercial | | |
| Current (0 -30 days) | 28 590 167 | 21 936 265 |
| 31 - 60 days | 2 796 347 | 1 460 287 |
| 61 - 90 days | 95 759 | 132 770 |
| 91 - 120 days | 53 936 | 99 623 |
| 121 - 365 days | 836 006 | 1 116 613 |
| > 365 days | 1 018 720 | 367 867 |
| Subtotal | 33 390 935 | 25 113 425 |
| Less: Allowance for impairment | (1 403 471) | (949 989) |
| | 31 987 464 | 24 163 436 |
| National and provincial government | | |
| Current (0 -30 days) | 13 252 388 | 6 034 275 |
| 31 - 60 days | 123 779 | 120 843 |
| 61 - 90 days | 41 392 | 64 535 |
| 91 - 120 days | 33 102 | 55 015 |
| 121 - 365 days | 1 844 419 | 2 530 772 |
| > 365 days | 1 517 747 | 985 994 |
| | 16 812 827 | 9 791 434 |
| Total | | |
| Current (0 -30 days) | 115 436 868 | 94 426 141 |
| 31 - 60 days | 14 087 906 | 10 733 930 |
| 61 - 90 days | 4 096 191 | 3 699 540 |
| 91 - 120 days | 3 345 325 | 5 297 450 |
| 121 - 365 days | 40 371 092 | 38 799 456 |
| > 365 days | 34 244 047 | 19 761 948 |
| Subtotal | 211 581 429 | 172 718 465 |
| Less: Allowance for impairment | (58 183 370) | (47 186 990) |
| | 153 398 059 | 125 531 475 |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|--|------------|-----------------|
| 6. Construction contracts and payables | | |
| Contracts in progress at statement of financial position date | | |
| Construction contracts and receivables/(payables) | (79 520) | (4 043 670) |
| Reconciliation of contracts for the year | | |
| Contract revenue for the year | 79 520 | 17 729 912 |
| Contract costs for the year | (79 520) | (17 729 912) |
| Unpaid deliverables at year end | - | (79 520) |
| Balance at year end | - | (79 520) |
| Amounts due from/(prepaid by) customers | | |
| Opening balance of Advances Receivable | (79 520) | (4 043 670) |
| Progress billings for the period (with reference to stage of completion) | 79 520 | 17 729 912 |
| Advances received during the period | - | (13 765 762) |
| Amounts due from/(prepaid by) customers | - | (79 520) |
| Less Retentions held | - | - |
| Total due from/(prepaid by) customers | - | (79 520) |
| Contracts in progress at year end | | |
| Budgeted construction deliverables due at the beginning of the period | (79 520) | (4 043 670) |
| New deliverables due | - | (13 765 762) |
| Contract deliverables met | 79 520 | 17 729 912 |
| Total budgeted contract deliverables due | - | (79 520) |
| Total due from/(prepaid by) customers | - | (79 520) |
| Reconciliation of construction contracts balance | | |
| Opening Balance | (79 520) | (4 043 670) |
| Receipts for the year | - | (13 765 762) |
| Deliverables met (Revenue recognised) | 79 520 | 17 729 912 |
| | - | (79 520) |
| Housing Arrangements | | |
| Construction contract revenue is dependent on the infrastructure installation and needs to be reviewed with reference to each housing project's grant revenue as disclosed in Note 31. | | |
| Contract revenue is fixed based on the arrangement with the Provincial Department of Housing. Revenue is determined in terms of the stage of completion which is determined by the progress payments claimed by the sub-contractors received at year end. Contracts with the Provincial Department and its beneficiaries are not subject to any retention. | | |
| 30 June 2024 | De Hoop | Phola Park |
| Opening Balance (due to)/from customers | (79 520) | - |
| Transfer from Assets | 79 520 | - |
| | - | - |
| 30 June 2023 | Phola Park | De Hoop |
| Opening Balance (due to)/from customers | (341 135) | (3 702 535) |
| Transfer from Assets | 341 135 | 17 388 777 |
| Collections | - | (13 765 762) |
| | - | (79 520) |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|-----------------------------------|-------------------|-------------------|
| 7. Inventories | | |
| Consumable stores | 14 442 840 | 15 656 064 |
| Franking Machine and Postage | - | 30 120 |
| SMS Bundles | - | 18 380 |
| Stationery | 285 671 | 386 461 |
| Unsold properties held for resale | 6 514 309 | 6 549 817 |
| Water | 359 803 | 382 269 |
| | 21 602 623 | 23 023 111 |

The cost of water purchases is subject to the water service concession arrangement (refer to Note 60). The adjusted cost per kilolitre for the year amounted to R 5.87 (2023: R 5.15).

No Inventories have been pledged as collateral for liabilities of the municipality.

The cost of inventories recognised as expense and included in Other Materials (refer to Note 44).

Water for distribution

| | | |
|------------------------|----------------|----------------|
| Opening balance | 382 269 | 292 534 |
| System input volume | 33 540 669 | 33 612 592 |
| Authorised consumption | (27 262 076) | (29 083 571) |
| Water losses | (6 301 059) | (4 439 286) |
| Closing balance | 359 803 | 382 269 |

8. Operating lease liability

| | | |
|---------------------|-----------|-----------|
| Current liabilities | (334 731) | (223 681) |
|---------------------|-----------|-----------|

The Municipality as lessee

Leasing arrangements:

Operating leases relate to Buildings, Computer and other equipment with lease terms of between one to five years. The municipality does not have an option to purchase the leased asset at the expiry of the lease period.

At the reporting date the municipality had outstanding commitments under non-cancellable operating leases, which fall due as follows:

| | | |
|--|------------------|------------------|
| Buildings | 1 034 268 | 871 235 |
| Up to 1 year | 960 597 | 797 564 |
| 1 to 5 years | 73 671 | 73 671 |
| Computer Equipment | - | 335 680 |
| Up to 1 year | - | 335 680 |
| Total operating lease commitments | 1 034 268 | 1 206 915 |

| | | |
|--|---------|-----------|
| Total Operating Lease Expenses - as Lessee | 961 298 | 1 212 973 |
|--|---------|-----------|

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|---|-----------------|-----------------|
| 8. Operating lease liability (continued) | | |
| Operating leases are recognized on the straight-line basis over the lease term. In respect of non-cancellable Operating Leases the following asset/(liability) has been recognised: | | |
| Accrual as at 30 June | | |
| Opening balance | (84 193) | (67 030) |
| Operating lease payments effected | 997 977 | 1 195 810 |
| Operating expenses recorded | (961 298) | (1 212 973) |
| Total Operating Lease Assets/(Liabilities) | (47 514) | (84 193) |

No restrictions have been imposed on the Municipality in terms of the operating lease agreements.

The Municipality as Lessor:

Leasing arrangements:

Operating Leases relate to Investment Property owned by the municipality with lease terms of between 5 to 50 years. The lessee does not have an option to purchase the property at the expiry of the lease period.

At the reporting date the following lease receipts were receivable under Non-cancellable Operating Leases for Property, Plant and Equipment, which are receivable as follows:

| | | |
|-------------------|----------------|----------------|
| Up to 1 year | 120 324 | 120 324 |
| 1 to 5 years | 107 664 | 107 664 |
| More than 5 years | 1 942 | 1 942 |
| | 229 930 | 229 930 |

This impact of charging the escalations in operating leases on a straight-line basis over the term of the lease has resulted in an (decrease)/increase in current year's income of (R 147 728) (2023: (R 143 821)).

Operating leases are recognized on the straight-line basis over the lease term. In respect of non-cancellable Operating Leases the following asset/(liability) has been recognised:

No restrictions have been imposed on the Municipality in terms of the lease agreements.

| | | |
|---|------------------|------------------|
| Accrual as a 30 June | | |
| Opening balance | (139 488) | 3 330 |
| Operating lease payments received | (807 659) | (792 148) |
| Operating income recorded as revenue | 659 931 | 649 330 |
| Total Operating Lease Assets/(Liabilities) | (287 216) | (139 488) |

9. VAT receivable

| | | |
|--|-------------------|------------------|
| VAT | 23 036 992 | 9 030 732 |
| VAT balances per classification | | |
| Statutory Receivable: VAT Control | 9 006 270 | 9 274 831 |
| Receivable from exchange transactions: VAT Input | 23 460 513 | 7 021 686 |
| Payables from exchange transactions: Vat Output | (11 880 486) | (8 846 076) |
| VAT on provision for bad debts | 2 450 695 | 1 580 291 |
| | 23 036 992 | 9 030 732 |

For statutory receivable information regarding VAT refer to Note 4.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|-----------------|------|------|
|-----------------|------|------|

9. VAT receivable (continued)

The VAT control represents balances currently due by/(to) SARS.

VAT input represents accrued expenditure not yet paid. As such, the VAT will be claimed in the following month.

VAT output represents VAT on outstanding debtors. VAT on outstanding debtors will only be declared once the debt is recovered. Given the municipal recovery of debt, most of the balance due will be declared to SARS in the following month.

VAT on provision for bad debts represents the VAT that could be claimed once the debt is written off. Such VAT retains the nature of the receivable (e.g. VAT on provision for impairment on Availability charges will be a non-exchange financial instrument whereas same on Electricity debtors would be classified as Receivables from exchange transactions). VAT on Revenue resulting in Statutory receivables (i.e. Rates and Grants) are Zero rated or out of scope in terms of VAT.

10. Non-living resources

Management only identified water resources as no other natural resources are prevalent within our jurisdiction.

The supply from Paardenberg Dam is to supplement the supply to Malmesbury, Abbotsdale, Kalbaskraal, Riverlands and Chatsworth from the Municipality's own local source. Three boreholes at Riverlands are also used as supplementary sources as needed.

No liabilities or contingent liabilities arise due to the custodianship of the Perdeberg Dam. No resources were given up that resulted in compensation from third parties. The service concession arrangement is disclosed in note 60.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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11. Property, plant and equipment

| | 2024 | | | 2023 | | |
|----------------|----------------------|---|----------------------|----------------------|---|----------------------|
| | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value |
| Land | 95 603 810 | (14 402 501) | 81 201 309 | 96 186 623 | (8 834 651) | 87 351 972 |
| Movable assets | 151 561 169 | (70 707 816) | 80 853 353 | 140 798 348 | (66 746 413) | 74 051 935 |
| Infrastructure | 3 985 950 745 | (1 993 101 714) | 1 992 849 031 | 3 830 549 352 | (1 925 935 125) | 1 904 614 227 |
| Community | 269 318 952 | (152 625 113) | 116 693 839 | 260 759 310 | (159 840 925) | 100 918 385 |
| Other assets | 170 141 088 | (120 897 824) | 49 243 264 | 164 074 594 | (115 261 175) | 48 813 419 |
| Total | 4 672 575 764 | (2 351 734 968) | 2 320 840 796 | 4 492 368 227 | (2 276 618 289) | 2 215 749 938 |

Reconciliation of property, plant and equipment - 2024

| | Opening balance | Additions | Disposals | Transfers | Fair value adjustment | Depreciation | Impairment loss | Total |
|----------------|----------------------|--------------------|---------------------|--------------------|--------------------------|----------------------|--------------------|----------------------|
| Land | 87 351 972 | 830 000 | (1 462 040) | 49 227 | - | - | (5 567 850) | 81 201 309 |
| Movable assets | 74 051 935 | 17 843 945 | (2 351 103) | - | - | (8 691 424) | - | 80 853 353 |
| Infrastructure | 1 904 614 227 | 184 980 443 | (6 278 168) | 164 967 | (6 395 117) | (85 055 234) | 817 913 | 1 992 849 031 |
| Community | 100 918 385 | 24 546 307 | (59 656) | 2 222 572 | - | (7 076 374) | (3 857 395) | 116 693 839 |
| Other assets | 48 813 419 | 9 908 910 | - | (7 504 619) | - | (1 962 894) | (11 552) | 49 243 264 |
| Total | 2 215 749 938 | 238 109 605 | (10 150 967) | (5 067 853) | (6 395 117) | (102 785 926) | (8 618 884) | 2 320 840 796 |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

11. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

| | Opening balance | Additions | Disposals | Transfers | Depreciation | Impairment loss | Total |
|----------------|----------------------|--------------------|---------------------|------------------|---------------------|--------------------|----------------------|
| Land | 85 400 573 | 877 731 | (471 238) | 1 621 344 | - | (76 438) | 87 351 972 |
| Movable assets | 61 722 070 | 21 364 809 | (1 390 002) | - | (7 644 942) | - | 74 051 935 |
| Infrastructure | 1 846 471 183 | 145 118 319 | (8 192 189) | - | (78 783 086) | - | 1 904 614 227 |
| Community | 102 749 969 | 4 423 576 | (522 807) | - | (5 732 353) | - | 100 918 385 |
| Other assets | 50 082 893 | 832 294 | - | - | (2 101 768) | - | 48 813 419 |
| | 2 146 426 688 | 172 616 729 | (10 576 236) | 1 621 344 | (94 262 149) | (76 438) | 2 215 749 938 |

Reconciliation of Work-in-Progress 2024

| | Included within Infrastructure | Included within Community | Included within Other PPE | Total |
|--------------------------------|-----------------------------------|------------------------------|------------------------------|--------------------|
| Opening balance | 221 601 170 | 864 960 | 6 661 869 | 229 127 999 |
| Additions/capital expenditure | 151 279 131 | 19 775 310 | 9 744 432 | 180 798 873 |
| Transferred to completed items | (264 305 189) | (2 661 133) | (397 880) | (267 364 202) |
| | 108 575 112 | 17 979 137 | 16 008 421 | 142 562 670 |

Reconciliation of Work-in-Progress 2023

| | Included within Infrastructure | Included within Community | Included within Other PPE | Total |
|--------------------------------|-----------------------------------|------------------------------|------------------------------|--------------------|
| Opening balance | 158 909 174 | 428 264 | 5 749 750 | 165 087 188 |
| Additions/capital expenditure | 139 682 558 | 4 371 343 | 4 082 779 | 148 136 680 |
| Transferred to completed items | (76 990 562) | (3 934 647) | (3 170 660) | (84 095 869) |
| | 221 601 170 | 864 960 | 6 661 869 | 229 127 999 |

The description: Other Assets relates to the traditional line for Buildings.

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|-----------------|------|------|

11. Property, plant and equipment (continued)

No Property, Plant and Equipment were retired from active use and held for disposal during the financial year. Compensation in the amount of R 138 750 (2023: R 39 299), included in Operating Surplus, was received from the municipality's insurers for Property, Plant and Equipment lost during the year. None of the above assets are pledged as security.

As per Note 45, Impairment losses on Property, Plant and Equipment to the amount of R 8 618 884 (2023: R 76 438) have been recognised in the operating surplus and are included in Impairment Losses in the Statement of Financial Performance.

The estimation of the useful lives of assets is a matter of judgement based on the municipality's experience with similar assets.

Expenditure to repair and maintain assets is disclosed in Note 49.

No projects with expenditure have been halted or delayed significantly.

Included in the total for Property, Plant and Equipment are assets that are separately attributable to the service concession arrangement between the municipality and West Coast District Municipality which has assumed the responsibility for the water distribution on behalf of the municipality. For details of the service concession arrangement refer to Note 60.

Contractual commitments for the acquisition of Property, plant and equipment are disclosed in Note 50.

Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.

Swartland Municipality

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12. Investment property

| | 2024 | | | 2023 | | |
|---------------------|---------------------|---|----------------|---------------------|---|----------------|
| | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated depreciation and accumulated impairment | Carrying value |
| Investment property | 54 941 609 | (30 000 966) | 24 940 643 | 39 033 861 | (15 694 740) | 23 339 121 |

Reconciliation of investment property - 2024

| | Opening balance | Disposals | Transfers | Impairments | Depreciation | Total |
|---------------------|--------------------|-----------|-----------|-------------|--------------|------------|
| Investment property | 23 339 121 | (347 418) | 2 343 738 | (625) | (394 173) | 24 940 643 |

Reconciliation of investment property - 2023

| | Opening balance | Disposals | Transfers | Impairments | Depreciation | Total |
|---------------------|--------------------|-----------|-------------|-------------|--------------|------------|
| Investment property | 25 533 409 | (335 701) | (1 621 344) | (5 460) | (231 783) | 23 339 121 |

The municipality's Investment Properties are accounted for according to the cost model and therefore no fair value has been determined.

As per Note 45, impairment losses to the value of R 625 (2023: R 5 460) have been recognised on Investment Property of the municipality at the reporting date. No construction projects were entered into for Investment Property during the year.

Expenditure to repair and maintain assets is disclosed in Note 49.

All of the municipality's Investment Properties are held under freehold interests and none had been pledged as security for any liabilities of the municipality. There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal. There are no contractual obligations on Investment Property.

Swartland Municipality

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|---|--------------------|--------------------|
| 13. Other financial assets | | |
| At amortised cost | | |
| Long term investment | 300 000 000 | - |
| The investment will mature on 29 June 2026 and accumulates interest at an effective rate of 11.07%. Interest is payable at maturity. | | |
| Non-current assets | | |
| At amortised cost | 300 000 000 | - |
| Financial assets at amortised cost | | |
| Receivables from exchange and Other financial assets | | |
| The total present value for the investment was classified as follows: | | |
| Long term investment | 300 000 000 | - |
| Non-current receivable from exchange transactions: Accrued interest | 33 119 014 | - |
| | 333 119 014 | - |
| 14. Payables from exchange transactions | | |
| Trade payables | 31 764 760 | 42 661 520 |
| Payments received in advanced | 2 643 045 | 2 655 406 |
| Retentions | 12 844 892 | 15 481 782 |
| Other payables | 13 281 453 | 16 731 819 |
| Staff leave | 19 246 174 | 17 522 987 |
| Other deposits | 1 283 192 | 1 235 839 |
| 13th cheque accrual | 7 769 151 | 7 202 987 |
| | 88 832 667 | 103 492 340 |
| No interest is charged for the first 30 days from the date of receipt of the statement. Thereafter interest is charged in accordance with the credit policies of the various individual creditors that the municipality deals with. The municipality has financial risk policies in place to ensure that all payables are paid within the credit timeframe. The carrying value of trade and other payables approximates its fair value. Retentions are usually payable after a period of 12 months. | | |
| The municipality did not default on any payment of its Creditors. No terms for payment have been re-negotiated by the municipality. Discounting of trade and other payables on initial recognition is not deemed necessary. | | |
| 15. Consumer deposits | | |
| Electricity and Water | 19 659 688 | 17 845 831 |

Guarantees amounting to R 975 490 (2023: R 975 490) are held in lieu of Electricity and Water Deposits.

Consumer deposits are paid by consumers on application for new water and electricity connections. The deposits are repaid when the water and electricity connections are terminated. In cases where consumers default on their accounts, the Council can utilise the deposit as payment for the outstanding account. No interest is paid on consumer deposits held.

The carrying value of consumer deposits approximates their fair value.

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| 16. Unspent conditional grants and receipts | | |
| Unspent conditional grants and receipts comprises of: | | |
| Unspent conditional grants and receipts | | |
| Community Development Workers | 1 311 | 2 501 |
| Covid-19 - Food Parcels and Financial Support | 75 000 | 75 000 |
| Municipal Disaster Relief Grant | 350 000 | - |
| Emergency Fire Kits | 2 120 | - |
| Emergency Municipal Load-shedding Relief Grant | - | 8 506 517 |
| WC Financial Management Capability Grant: Internal Audit | 418 031 | 418 031 |
| WC Financial Management Capability Grant: Student Bursaries | 176 807 | 161 420 |
| Housing: Darling | 447 179 | - |
| Housing: De Hoop | 363 379 | - |
| Education, Training and Development Practices (Seta) | - | 138 559 |
| Municipal Accreditation and Capacity Building | 89 089 | 58 350 |
| Swartland Business Hive (Entrepreneurial Hub) | 40 000 | - |
| WC Department of Education - Schools allocation | 23 000 000 | - |
| Housing Project - Silvertown | 5 500 000 | - |
| Contribution: Grade 1 project | 31 000 | - |
| | 30 493 916 | 9 360 378 |

The Unspent Grants are cash backed. The municipality complied with the conditions applicable to all grants received to the extent of revenue recognised. No grants were withheld. The Unspent Conditional Grants and Receipts are invested in investment accounts until utilised.

Included above are funds received from private institutions such as, WC Department of Education, Covid-19, etc. which are not unspent grants, but rather unspent in terms of the agreement with such funder.

See Note 31 for reconciliation of grants by other spheres of government and for Public Contributions (Other Receipts).

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|-----------------|------|------|

17. Other financial liabilities

At amortised cost

| | | |
|---------------|------------|------------|
| Annuity loans | 38 813 954 | 90 850 978 |
|---------------|------------|------------|

Summary of arrangements

Annuity Loans are repaid over periods varying from ten to twenty years (2023: ten to twenty years), and at interest rates varying from 8.61% to 10.96% (2023: 8.61% to 10.96%). Annuity Loans are not secured.

Refer to Appendix A for more detail on long-term liabilities.

Non-current liabilities

| | | |
|-------------------|------------|------------|
| At amortised cost | 33 358 238 | 82 089 645 |
|-------------------|------------|------------|

Current liabilities

| | | |
|-------------------|-----------|-----------|
| At amortised cost | 5 455 716 | 8 761 333 |
|-------------------|-----------|-----------|

18. Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

Carrying value

| | | |
|--|-------------------|-------------------|
| | 81 423 000 | 74 582 000 |
| Long Term: Post-Employment Health Care Benefit Liability | 76 928 000 | 70 830 000 |
| Current Portion: Post-Employment Health Care Benefit Liability | 4 495 000 | 3 752 000 |
| | 14 857 000 | 13 308 000 |
| Long Term: Long Service Awards | 12 747 000 | 12 144 000 |
| Current portion: Long Service Awards | 2 110 000 | 1 164 000 |
| | 96 280 000 | 87 890 000 |
| Non-current liabilities | 89 675 000 | 82 974 000 |
| Current liabilities | 6 605 000 | 4 916 000 |
| | 96 280 000 | 87 890 000 |

Post-Employment Health Care Benefit Liability

The Municipality provides certain post-retirement medical benefits by funding the medical aid contributions of certain retired members of the Municipality. According to the rules of the medical aid funds, with which the municipality is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the Municipality is liable for a certain portion of the medical aid membership fee.

The most recent actuarial valuations of the present value of the unfunded defined benefit obligation were carried out as at 30 June 2024 by ARCH Actuarial Consulting, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. No other post retirement or long service benefits are provided by the municipality.

| | | |
|--------------------------|------------|------------|
| In-service members | 341 | 339 |
| In-service (non)-members | 306 | 302 |
| Continuation members | 72 | 68 |
| | 719 | 709 |

During the current year the municipality revised its estimates to include a higher percentage of in-service non-members. Some employees that would previously not have been able to afford medical aid may indeed be able to afford such benefits in the future. The municipality estimates that 10% (2023: 10%) of employees currently not in a position to afford medical aid, may be able to join a scheme before retirement. The 10% potential joining rate was determined based on municipal history in conjunction with national data reviewed by the actuaries.

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|-----------------|------|------|

18. Employee benefit obligations (continued)

The liability in respect of past service has been estimated to be as follows:

| | | |
|--------------------------|-------------------|-------------------|
| In-service members | 35 016 000 | 32 366 000 |
| In-service (non)-members | 3 289 000 | 2 941 000 |
| Continuation members | 43 118 000 | 39 275 000 |
| | 81 423 000 | 74 582 000 |

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

- Bonitas
- Keyhealth
- LA Health
- Samwumed
- Sizwe Hosmed

The future service cost for the ensuing year is established to be R 2 753 000, whereas the interest-cost for the next year is estimated to be R 9 667 000 (2023: R 2 548 000 and R 9 051 000 respectively).

Changes in the present value of the defined benefit obligation are as follows:

| | | |
|--|-------------------|-------------------|
| Opening balance | 74 582 000 | 74 092 000 |
| Benefits paid | (3 814 543) | (3 533 171) |
| Net expense recognised in the statement of financial performance | 10 655 543 | 4 023 171 |
| | 81 423 000 | 74 582 000 |

Net expense recognised in the statement of financial performance

| | | |
|--------------------------|-------------------|------------------|
| Current service cost | 2 548 000 | 2 476 000 |
| Interest cost | 9 051 000 | 8 541 000 |
| Actuarial (gains) losses | (943 457) | (6 993 829) |
| | 10 655 543 | 4 023 171 |

Calculation of actuarial gains and losses

| | | |
|---|------------------|--------------------|
| Basis changes: Increase in net discount rate | (1 323 000) | (9 819 000) |
| Basis changes: Change in in-service non-member assumed medical aid option | - | 1 390 000 |
| Subsidy inflationary increases lower than assumed | 343 000 | (987 000) |
| Changes to membership profile different from assumed | (26 000) | 2 416 000 |
| Actual benefits vested, greater than expected | 62 543 | 6 171 |
| | (943 457) | (6 993 829) |

Key assumptions used

Assumptions used at the reporting date:

| | | |
|--|---------|---------|
| Discount rates used | 12,20 % | 12,44 % |
| Expected rate of health care cost inflation rate | 7,69 % | 8,05 % |
| Net effective discount rate | 4,19 % | 4,06 % |
| Expected medical aid increases | 6,19 % | 6,55 % |
| Average retirement age | 62 | 62 |

Reasons for the Movement in the Liability:

The average in-service member liability has increased by 8% since the last valuation due to :

- an increase in the average age which means members are closer to retirement (less discounting) and less likely to leave before retirement

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|-----------------|------|------|

18. Employee benefit obligations (continued)

- an increase in the average past service
- an increase in the average post-employment subsidy

The average in-service non-member liability has increased by 87% since the last valuation primarily due to a change in the assumed medical aid option used for non-members, from Bonitas Cap to Samwumed B. Furthermore, there was:

- an increase in the average post-employment subsidy (partially due to the change in the assumed option)
- an increase in the average age
- an increase in the average past service

The total in-service non-member liability has increased by 12% due to the above, combined with an increase in the number of in-service non-members.

The total continuation member liability has increased by 10% due to the above, combined with an increase in the number of continuation members.

Sensitivity analysis and movements for the year

The below table summarises significant sensitivity effects on the amounts recognised in surplus or deficit.

| | Changes in overall assumptions | One percentage point increase | One percentage point decrease |
|---|--------------------------------------|-------------------------------------|--|
| 30 June 2024 | | | |
| Key assumptions | | | |
| Effect on the aggregate of the service cost and interest cost | 11 599 000 | - | - |
| Effect on defined benefit obligation | 81 423 000 | - | - |
| Health care inflation rate | | | |
| Effect on the aggregate of the service cost and interest cost | - | 13 448 000 | 10 096 000 |
| Effect on defined benefit obligation | - | 92 562 000 | 72 217 000 |
| Discount rate | | | |
| Effect on the aggregate of the service cost and interest cost | - | 10 826 000 | 12 533 000 |
| Effect on defined benefit obligation | - | 72 625 000 | 92 175 000 |
| Post-employment mortality | | | |
| Effect on the aggregate of the service cost and interest cost | - | 11 270 000 | 11 928 000 |
| Effect on defined benefit obligation | - | 79 122 000 | 83 713 000 |
| Average retirement age (1 year later) | | | |
| Effect on the aggregate of the service cost and interest cost | 12 255 000 | - | - |
| Effect on defined benefit obligation | 85 233 000 | - | - |
| Membership continuation (10% longer) | | | |
| Effect on the aggregate of the service cost and interest cost | 10 673 000 | - | - |
| Effect on defined benefit obligation | 76 317 000 | - | - |
| 30 June 2023 | | | |
| Key assumptions | | | |
| Effect on the aggregate of the service cost and interest cost | 11 017 000 | - | - |
| Effect on defined benefit obligation | 74 582 000 | - | - |
| Health care inflation rate | | | |
| Effect on the aggregate of the service cost and interest cost | - | 12 892 000 | 9 506 000 |
| Effect on defined benefit obligation | - | 84 777 000 | 66 154 000 |
| Discount rate | | | |
| Effect on the aggregate of the service cost and interest cost | - | 10 218 000 | 11 989 000 |
| Effect on defined benefit obligation | - | 66 521 000 | 84 437 000 |
| Post-employment mortality | | | |
| Effect on the aggregate of the service cost and interest cost | - | 10 677 000 | 11 989 000 |
| Effect on defined benefit obligation | - | 72 437 000 | 76 717 000 |
| Average retirement age (1 year later) | | | |
| Effect on the aggregate of the service cost and interest cost | 11 607 000 | - | - |
| Effect on defined benefit obligation | 69 874 000 | - | - |

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|-----------------|------|------|

18. Employee benefit obligations (continued)

Membership continuation

| | | | |
|---|------------|---|---|
| Effect on the aggregate of the service cost and interest cost | 10 164 000 | - | - |
| Effect on defined benefit obligation | 69 874 000 | - | - |

Maturity analysis of the Post-employment medical aid subsidy:

| | Expected benefit payments |
|--------------------|---------------------------|
| Within 1 year | 4 495 000 |
| Within 2-5 years | 23 068 000 |
| Within 6-10 years | 44 006 000 |
| Within 11-20 years | 186 360 000 |
| Within 21-40 years | 950 696 000 |
| Beyond 40 years | 1 346 947 000 |

The municipality expects to make a contribution of R 4 495 000 (2023: R 3 752 000) to the defined benefit plans during the next financial year.

Refer to Note 61 "Multi- Employer Retirement Benefit Information" to the Annual Financial Statements for more information regarding the municipality's other retirement funds that are Provincially and Nationally administered.

Long Service Awards

A long-service award is granted to municipal employees after the completion of fixed periods of continuous service with the Municipality (which includes their uninterrupted service with the former local authorities amalgamated in December 2000 to become Swartland Municipality). The said award comprises a certain number of vacation leave days which, in accordance with the option exercised by the beneficiary employee, can be converted into a cash amount based on his/her basic salary applicable at the time the award becomes due or, alternatively, credited to his/her vacation leave accrual. The provision represents an estimation of the awards to which employees in the service of the Municipality at 30 June 2024 may become entitled to in future, based on an actuarial valuation performed at that date.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2024 by ARCH Actuarial Consulting, Fellow of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

At year end, 62 (2023: 77) employees received Long-service Awards.

| | | |
|--|------------|------------|
| Eligible employees at the beginning of the year | 641 | 631 |
| New entrants | 12 | 33 |
| Members that exited | (6) | (23) |
| Eligible employees at the end of the year | 647 | 641 |

The future service cost for the ensuing year is established to be R 1 183 000 whereas the interest-cost for the next year is estimated to be R 1 561 000 (2023: R 1 112 000 and R 1 459 000 respectively).

Changes in the present value of the defined benefit obligation are as follows:

| | | |
|--|-------------------|-------------------|
| Opening balance | 13 308 000 | 13 197 000 |
| Benefits paid | (1 203 946) | (1 711 099) |
| Net expense recognised in the statement of financial performance | 2 752 946 | 1 822 099 |
| | 14 857 000 | 13 308 000 |

Net expense recognised in the statement of financial performance

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|---|------------------|------------------|
| 18. Employee benefit obligations (continued) | | |
| Current service cost | 1 112 000 | 1 118 000 |
| Interest cost | 1 459 000 | 1 395 000 |
| Actuarial (gains) losses | 181 946 | (690 901) |
| | 2 752 946 | 1 822 099 |

Key assumptions used

Assumptions used at the reporting date:

| | | |
|-----------------------------------|---------|---------|
| Discount rates used | 11,29 % | 11,45 % |
| Expected rate of salary increases | 6,42 % | 6,68 % |
| Net effective discount rate | 4,58 % | 4,47 % |
| Average retirement age | 62 | 62 |

The history of experience adjustments

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed general earnings inflation rates would have the following effects:

| | Changes in overall assumptions | One percentage point increase | One percentage point decrease |
|---|--------------------------------|-------------------------------|-------------------------------|
| 30 June 2024 | - | | |
| Key assumptions | - | | |
| Effect on the aggregate of the service cost and interest cost | 2 571 000 | - | - |
| Effect on defined benefit obligation | 14 857 000 | - | - |
| General earnings inflation rate | - | | |
| Effect on the aggregate of the service cost and interest cost | - | 2 756 000 | 2 404 000 |
| Effect on defined benefit obligation | - | 15 726 000 | 14 067 000 |
| Discount rate | - | | |
| Effect on the aggregate of the service cost and interest cost | - | 2 533 000 | 2 614 000 |
| Effect on defined benefit obligation | - | 14 053 000 | 15 754 000 |
| Post-employment mortality | - | | |
| Effect on the aggregate of the service cost and interest cost | - | - | - |
| Effect on defined benefit obligation | - | - | - |
| Average retirement age (2 years later) | - | | |
| Effect on the aggregate of the service cost and interest cost | 2 895 000 | - | - |
| Effect on defined benefit obligation | 16 842 000 | - | - |
| Rates of termination of service (x two) | - | | |
| Effect on the aggregate of the service cost and interest cost | 2 016 000 | - | - |
| Effect on defined benefit obligation | 12 397 000 | - | - |
| 30 June 2023 | - | | |
| Key assumptions | - | | |
| Effect on the aggregate of the service cost and interest cost | 2 513 000 | - | - |
| Effect on defined benefit obligation | 13 308 000 | - | - |
| General earnings inflation rate | - | | |
| Effect on the aggregate of the service cost and interest cost | - | 2 704 000 | 2 341 000 |
| Effect on defined benefit obligation | - | 14 134 000 | 12 557 000 |
| Discount rate | - | | |
| Effect on the aggregate of the service cost and interest cost | - | 2 464 000 | 2 567 000 |
| Effect on defined benefit obligation | - | 12 545 000 | 14 160 000 |
| Post-employment mortality | - | | |
| Effect on the aggregate of the service cost and interest cost | - | - | - |
| Effect on defined benefit obligation | - | - | - |
| Average retirement age (2 years later) | - | | |
| Effect on the aggregate of the service cost and interest cost | 2 833 000 | - | - |
| Effect on defined benefit obligation | 15 078 000 | - | - |

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|-----------------|------|------|

18. Employee benefit obligations (continued)

Rates of termination of service (x two)

| | | | |
|---|------------|---|---|
| Effect on the aggregate of the service cost and interest cost | 1 934 000 | - | - |
| Effect on defined benefit obligation | 10 961 000 | - | - |

Maturity analysis of the Long service award:

| | Expected benefits vesting |
|--------------------|---------------------------|
| Within 1 year | 2 110 000 |
| Within 2-5 years | 8 361 000 |
| Within 6-10 years | 14 822 000 |
| Within 11-20 years | 31 413 000 |
| Within 21-40 years | 32 667 000 |

The municipality expects the benefits to vest in the ensuing year of R 2 110 000 (2023: R 1 164 000).

19. Provisions

Reconciliation of provisions - 2024

| | Opening Balance | Remeasure / Redemption | Interest due to passage of time | Total |
|--------------------|-------------------|------------------------|---------------------------------|-------------------|
| Landfill Site | 58 486 876 | (6 613 603) | 5 438 504 | 57 311 777 |
| SARS Library Grant | 8 192 545 | 92 607 | 495 181 | 8 780 333 |
| | 66 679 421 | (6 520 996) | 5 933 685 | 66 092 110 |

Reconciliation of provisions - 2023

| | Opening Balance | Remeasure / Redemption | Interest due to passage of time | Total |
|--------------------|-------------------|------------------------|---------------------------------|-------------------|
| Landfill Site | 51 156 085 | 1 855 785 | 5 475 006 | 58 486 876 |
| SARS Library Grant | 8 192 545 | 289 107 | 610 652 | 8 192 545 |
| Legal Proceedings | 370 000 | (370 000) | - | - |
| | 59 718 630 | 1 774 892 | 6 085 658 | 66 679 421 |

| | | |
|-------------------------|-------------------|-------------------|
| Non-current liabilities | 57 311 777 | 58 486 876 |
| Current liabilities | 8 780 333 | 8 192 545 |
| | 66 092 110 | 66 679 421 |

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|-----------------|------|------|

19. Provisions (continued)

Legal Proceedings:

The plaintiff, Paulus Smit N.O. instituted an application to WC High Court for order directing the municipality to, inter alia erect a wall between Mr Smit's farm property and that of the Municipality. Judgement was delivered on 23 August 2019 with the municipality having to pay R370 000 as a final contribution to the erection of a wall by the applicant. Payment is contingent on the wall being erected with Swartland contributing the final payment to enable the completion of such works. The wall has not yet been erected and no building plans have been submitted for such a wall to be erected. Therefore the amount is deemed a provision as the conditions for payment has not yet been met. Following a new notice and summons in the High Court of the Western Cape on 22 August 2022, the municipality made a payment of R370 000 on 15 September 2022. Such payment is conditional and as such, is included under the contingent assets (Note 51). Details of the new matter is also included under contingent liabilities.

SARS Library Grant

For more information on the matter refer to Note 51.

The comparative figures have been restated as per Note 62.

Environmental rehabilitation provision

In terms of the licencing of the landfill refuse sites, the municipality will incur licensing and rehabilitation costs of R 57 311 776 (2023: R58 486 876) to restore the sites at the end of their useful lives. Provision has been made for the net present value of the future cost, using rates below as per similar Government Bond periods and the average Consumer Price Index from June to May.

| Sites 2024 | Proposed Rehabilitation Date | Size (Square Meters) | Current Costs per Square | 2024 Provision | 2023 Provision |
|-----------------|------------------------------|----------------------|--------------------------|-------------------|-------------------|
| Darling | 2039/2040 | 32 717 | 998 | 12 185 533 | 11 990 572 |
| Highlands | 2037/2038 | 96 456 | 200 | 8 499 413 | 7 414 840 |
| Koringberg (*) | 2028/2029 | 4 500 | 1 835 | 6 878 396 | 6 770 909 |
| Moorreesburg | 2033/2034 | 28 100 | 771 | 12 254 779 | 11 817 123 |
| Riebeek Kasteel | 2031/2032 | 22 118 | 897 | 13 999 702 | 16 414 073 |
| Yzerfontein | 2032/2033 | 27 400 | 193 | 3 493 953 | 4 079 359 |
| | | 211 291 | 4 894 | 57 311 776 | 58 486 876 |

Each year, the landfill sites are reviewed in terms of size, available capacity and other environmental factors. Each of the factors have an impact on the valuation at year-end. The following key factors were considered:

| Sites | Years until rehabilitation 2024 | Years until rehabilitation 2023 | Discount rate 2024 | Discount rate 2023 |
|-----------------|---------------------------------|---------------------------------|--------------------|--------------------|
| Darling | 16 | 16 | 11,70 % | 11,73 % |
| Highlands | 14 | 15 | 11,36 % | 11,58 % |
| Koringberg (*) | 5 | 3 | 8,94 % | 9,17 % |
| Moorreesburg | 11 | 11 | 10,61 % | 10,83 % |
| Riebeek Kasteel | 8 | 4 | 9,71 % | 9,18 % |
| Yzerfontein | 9 | 5 | 9,96 % | 9,19 % |

Swartland Municipality

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|-----------------|------|------|

19. Provisions (continued)

| Sites | Size 2024 (Square Meters) | Size 2023 (Square Meters) | Rate per Square Meter 2024 | Rate per Square Meter 2023 | % Change in rate/square meter |
|-----------------|---------------------------------|---------------------------------|----------------------------------|----------------------------------|-------------------------------------|
| Darling | 32 717 | 32 717 | 998 | 957 | 4,26 % |
| Highlands | 96 456 | 96 456 | 200 | 185 | 8,01 % |
| Koringberg (*) | 4 500 | 4 500 | 1 835 | 1 681 | 9,17 % |
| Moorreesburg | 28 100 | 28 100 | 771 | 744 | 3,61 % |
| Riebeek Kasteel | 22 118 | 22 118 | 897 | 860 | 4,28 % |
| Yzerfontein | 27 400 | 27 400 | 193 | 179 | 7,64 % |

| Sites | Opening Balance | Interest Expense | Market related adjustments (capitalised) | Total |
|-----------------|--------------------|---------------------|--|-------------------|
| Darling | 11 990 572 | 1 276 567 | (1 081 606) | 12 185 533 |
| Highlands | 7 414 840 | 866 729 | 217 844 | 8 499 413 |
| Koringberg (*) | 6 770 909 | 564 581 | (457 094) | 6 878 396 |
| Moorreesburg | 11 817 123 | 1 175 661 | (738 005) | 12 254 779 |
| Riebeek Kasteel | 16 414 073 | 1 238 500 | (3 652 871) | 13 999 702 |
| Yzerfontein | 4 079 359 | 316 465 | (901 871) | 3 493 953 |
| | 58 486 876 | 5 438 503 | (6 613 603) | 57 311 776 |

20. Statutory fund: Housing development

The Housing Development Fund has its origin from Loans extinguished by Government on 1 April 1998 and the net of housing transactions appropriated to the fund thereafter. No separate Unappropriated Surplus Account for housing transactions was kept.

21. Reserves: Capital Replacement

The Capital Replacement Reserve is a reserve to finance future capital expenditure, is fully funded and invested in Financial Instruments.

| | | |
|---------------------------------------|--------------------|--------------------|
| Balance at the beginning of the year | 259 260 281 | 266 156 243 |
| Contribution from accumulated surplus | 123 017 635 | 90 202 918 |
| Capital contributions received | 41 767 349 | 1 706 706 |
| Funding capital projects | (124 624 028) | (98 805 586) |
| | 299 421 237 | 259 260 281 |

22. Accumulated surplus

| | | |
|---|---------------|---------------|
| Accumulated surplus generated from operations | 2 712 124 967 | 2 484 960 582 |
|---|---------------|---------------|

Accumulated Surplus has been restated to correctly classify amounts held by the municipality. Refer to Note 62 "Correction of Error" for details of the restatements.

23. Service charges

| | | |
|---------------------------------|--------------------|--------------------|
| Sale of electricity | 443 249 370 | 361 186 362 |
| Sale of water | 92 981 779 | 82 372 082 |
| Sewerage and sanitation charges | 60 460 874 | 49 885 270 |
| Refuse removal | 33 962 559 | 29 647 053 |
| | 630 654 582 | 523 090 767 |

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|--|-------------------|-------------------|
| 24. Agency services | | |
| Driver's Licenses | 5 348 435 | 5 511 479 |
| 25. Interest received | | |
| Interest revenue | | |
| Interest earned - Investments | 41 694 396 | 50 987 485 |
| Bank account | 9 950 665 | 7 950 622 |
| Outstanding debtors: Exchange receivables | 3 268 589 | 2 451 694 |
| Non-current Interest:Receivables | 33 119 014 | - |
| Interest earned - Land sales | - | 1 198 |
| | 88 032 664 | 61 390 999 |
| 26. Operational revenue | | |
| Sale of goods and rendering of services | | |
| Advertisements | 364 777 | 363 956 |
| Application Fees for Land Usage | 200 135 | 139 129 |
| Building Plan Approval | 3 613 332 | 3 320 363 |
| Bulk Waste Dumping | 1 702 383 | 1 204 216 |
| Camping Fees | 3 703 373 | 3 687 660 |
| Cemetery and Burial | 901 942 | 818 777 |
| Cleaning and Removal | 726 827 | 372 730 |
| Clearance Certificates (Rates) | 534 974 | 352 744 |
| Encroachment Fees | 590 | 590 |
| Entrance Fees | 745 276 | 550 497 |
| Escort Fees | 107 739 | 145 210 |
| Housing (Boarding Services) - Staff | 126 160 | 117 931 |
| Occupation Certificates | 420 902 | 378 819 |
| Photocopies and Faxes | 135 617 | 137 008 |
| Removal of Restrictions | 367 707 | 340 726 |
| Sewerage Blockages | 408 284 | 384 764 |
| Rendering of Fire Services | 14 | 10 |
| Sub-division and Consolidation Fees | 234 551 | 131 250 |
| Tender Documents | 72 793 | 45 095 |
| Town Planning and Servitudes | 31 639 | 17 980 |
| Valuation Services | 156 242 | 181 370 |
| Other operational revenue | | |
| Administrative Handling Fees | 70 430 | 70 516 |
| Application: Service Connections | 532 791 | 619 836 |
| Breakages and Losses Recovered | 58 944 | 53 182 |
| Bad debts recovered | 358 675 | 479 080 |
| Housing Selling Schemes | - | 1 394 |
| Sundry income and cash surpluses | 48 643 | 32 454 |
| Insurance Refund | 423 665 | 96 879 |
| Merchandising, Jobbing and Contracts | 144 526 | 71 871 |
| Other Fees | 2 911 | 2 596 |
| Registration Fees - Road and Transport | 267 360 | 306 161 |
| Transaction Handling Fees | 129 946 | 110 217 |
| Debt Forgiveness | 736 053 | 595 513 |
| | 17 329 201 | 15 130 524 |

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|---|--------------------|--------------------|
| 27. Rental of facilities and equipment | | |
| Premises | | |
| Rental Revenue from buildings | 365 604 | 596 342 |
| Halls | | |
| Rental Revenue from halls | 316 632 | 308 855 |
| Facilities and equipment | | |
| Rental of equipment | 700 247 | 684 784 |
| | 1 382 483 | 1 589 981 |
| 28. Development charges | | |
| Development charges received (cash) | | |
| Parking Areas | 54 185 | 39 365 |
| Water | 2 785 079 | 726 723 |
| Sanitation | 2 865 584 | 364 101 |
| Stormwater | 1 386 758 | 402 812 |
| Electricity | 1 768 178 | 173 706 |
| Development charges received through asset donations | | |
| Water | 9 117 018 | - |
| Sanitation | 578 318 | - |
| Stormwater | 1 529 395 | - |
| Electricity | 17 613 494 | - |
| Roads | 4 069 339 | - |
| | 41 767 348 | 1 706 707 |
| 29. Property rates | | |
| Rates received | | |
| Residential | 95 944 707 | 87 985 903 |
| Commercial | 15 077 119 | 14 009 683 |
| State | 10 759 532 | 9 986 071 |
| Vacant land | 8 908 804 | 8 962 551 |
| Farm Properties: Agricultural Purposes | 24 200 810 | 22 526 333 |
| Industrial | 9 231 312 | 8 559 405 |
| Rural: Business | 1 955 059 | 2 045 992 |
| Less: Revenue forgone | (2 902 791) | (1 959 068) |
| | 163 174 552 | 152 116 870 |

Swartland Municipality

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|-----------------|------|------|
|-----------------|------|------|

29. Property rates (continued)

Valuation of properties (R'000)

| Rates Category | Rate 2024 | Rate 2023 | Valuation 2024 | Valuation 2023 |
|--|-----------|-----------|-------------------|-------------------|
| Residential | 0,5956 | 0,5624 | 17 208 324 | 16 883 017 |
| Commercial | 0,8769 | 0,8203 | 2 130 608 | 2 087 276 |
| State | 0,8769 | 0,8203 | 1 679 912 | 1 590 626 |
| Vacant land | 0,8022 | 0,7575 | 1 281 708 | 1 318 205 |
| Farm properties: Agricultural purposes | 0,1489 | 0,1406 | 13 552 747 | 13 637 704 |
| Industrial | 0,8769 | 0,8203 | 962 705 | 966 234 |
| | | | 36 816 004 | 36 483 062 |

A statutory rebate of 75% was granted on agricultural land. A statutory rebate of R 15 000 on the value of the property is granted to residential property owners. A further R 300 000 discount on the market value of the property, over and above the aforementioned R 15 000 is granted on the value of the property for residents 60 years and older on condition that they occupy the premises. Some additional relief was provided to qualifying consumers in order to assist families in need.

30. Interest on receivables

| | | |
|---------------------------------|------------------|------------------|
| Interest - Property rates | 1 547 866 | 1 239 369 |
| Interest - Availability charges | 426 208 | 357 084 |
| | 1 974 074 | 1 596 453 |

Swartland Municipality

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|---|--------------------|--------------------|
| 31. Government grants and subsidies | | |
| Unconditional grants | | |
| Equitable Share | 143 235 000 | 126 228 000 |
| Conditional grants | | |
| Community Development: Workers | 36 689 | 35 499 |
| Community Safety: K9 Unit | 3 345 000 | 2 527 485 |
| Education, Training and Development Practices (Seta) | 2 075 717 | 861 795 |
| WC Municipal Energy Resilience Grant | 680 000 | - |
| Extended Public Works Programme | 1 830 000 | 1 873 000 |
| WC Financial Management Capability Grant: Student Bursaries | 84 613 | 160 000 |
| Fire Services Capacity Building | 926 000 | - |
| Housing Project: Darling | 2 850 000 | 2 615 230 |
| Housing Project: Malmesbury De Hoop | 48 047 638 | - |
| Housing Project: Sibanye-Moorreesburg | 3 200 000 | 900 000 |
| Integrated National Electrification Programme | 23 658 000 | 17 600 000 |
| Library service | 12 211 393 | 11 333 893 |
| Local Government Employment Support Grant | - | 855 341 |
| Local Government Financial Management Grant | 1 550 000 | 1 550 000 |
| Municipal Accreditation and Capacity Building | 155 911 | 196 774 |
| Law Enforcement Reaction Unit Grant | 5 509 000 | 5 329 139 |
| Municipal Infrastructure Grant | 23 055 000 | 33 810 000 |
| Municipal Energy Resilience Grant | 8 506 517 | 2 438 483 |
| Municipal Water Resilience Grant | - | 600 000 |
| Proclaimed Roads Subsidies | 170 000 | 4 470 000 |
| Non-motorised Transport Grant | 500 000 | - |
| Regional Socio-Economic Project (RSEP) | 500 000 | 1 200 000 |
| Service Delivery and Capacity Building Grant | 500 000 | - |
| Sports Development Grant | 966 374 | - |
| Title Restoration: Housing Projects | 281 980 | - |
| | 140 639 832 | 88 356 639 |
| | 283 874 832 | 214 584 639 |

No funds destined for the municipality in terms of the annual Division of Revenue Act were delayed, withheld or withdrawn.

The municipality complied with the grant terms including the requirements of section 214(1) of the Constitution.

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Community Development: Workers

| | | |
|---|--------------|--------------|
| Balance unspent at beginning of year | 2 501 | - |
| Current-year receipts | 38 000 | 38 000 |
| Conditions met - transferred to revenue | (36 689) | (35 499) |
| Repayment to funder | (2 501) | - |
| | 1 311 | 2 501 |

Conditions still to be met - remain liabilities (see note 16).

Funds made available for sundry expenditure and stationery for workers, under the control of the Municipality but remunerated by PAWC.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

| Figures in Rand | 2024 | 2023 |
|-----------------|------|------|
|-----------------|------|------|

31. Government grants and subsidies (continued)

Community Safety: K9 Units

| | | |
|---|-------------|-------------|
| Balance unspent at beginning of year | - | 107 485 |
| Current-year receipts | 3 345 000 | 2 420 000 |
| Conditions met - transferred to revenue | (3 345 000) | (2 527 485) |
| | - | - |

Funds are for the establishment of a dog unit for detecting drugs.

COVID 19 - Food Parcels and Financial Support

| | | |
|--------------------------------------|--------|--------|
| Balance unspent at beginning of year | 75 000 | 75 000 |
|--------------------------------------|--------|--------|

Conditions still to be met - remain liabilities (see note 16).

Special government allocations received in order to assist those in need following the Covid-19 national lockdown. The balance remaining is expected to be refunded to the public during the 2023/24 financial year.

The unspent funds will be repaid to the funders during 2024/25.

Non-motorised Transport Grant

| | | |
|---|-----------|---|
| Current-year receipts | 500 000 | - |
| Conditions met - transferred to revenue | (500 000) | - |
| | - | - |

Funds are utilised to build and improve the municipal pavement network.

Education, Training and Development Practices (Seta)

| | | |
|---|-------------|-----------|
| Balance unspent at beginning of year | 138 559 | - |
| Current-year receipts | 1 729 383 | 1 000 353 |
| Conditions met - transferred to revenue | (2 075 717) | (861 794) |
| Transferred to/(from) debtors (Sundry Receivables - Non-exchange receivables) | 207 775 | - |
| | - | 138 559 |

Conditions still to be met - remain liabilities (see note 16).

Training of officials as well as unemployed persons utilised on projects under control of the Municipality.

The unspent portion relates to students in training for which the project is only expected to draw to a close in 2023/24.

WC Municipal Energy Resilience Grant

| | | |
|---|-----------|---|
| Current-year receipts | (680 000) | - |
| Conditions met - transferred to revenue | 680 000 | - |
| | - | - |

The grant funded the Electricity Cost of Supply Study.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

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| Figures in Rand | 2024 | 2023 |
|-----------------|------|------|
|-----------------|------|------|

31. Government grants and subsidies (continued)

Extended Public Works Programme

| | | |
|---|-------------|-------------|
| Current-year receipts | 1 830 000 | 1 873 000 |
| Conditions met - transferred to revenue | (1 830 000) | (1 873 000) |
| | - | - |

The grant is to enable the Municipality to create jobs.

Local Government Employment Support Grant

| | | |
|---|---|-----------|
| Balance unspent at beginning of year | - | 855 341 |
| Conditions met - transferred to revenue | - | (855 341) |
| | - | - |

Conditions still to be met - remain liabilities (see note 16).

The grant is to enable the Municipality to create jobs.

Municipal Water Resilience Grant

| | | |
|---|---|-----------|
| Current-year receipts | - | 600 000 |
| Conditions met - transferred to revenue | - | (600 000) |
| | - | - |

The funds are to enable the Municipality to investigate and implement water savings initiatives..

Municipal Energy Resilience Grant

| | | |
|---|-------------|-------------|
| Balance unspent at beginning of year | 8 506 517 | - |
| Current-year receipts | - | 10 945 000 |
| Conditions met - transferred to revenue | (8 506 517) | (2 438 483) |
| | - | 8 506 517 |

Conditions still to be met - remain liabilities (see note 16).

The grant is for the Municipality to investigate and implement alternative energy solutions.

WC Financial Management Capability Grant: Student Bursaries

| | | |
|---|----------|-----------|
| Balance unspent at beginning of year | 161 420 | 21 420 |
| Current-year receipts | 100 000 | 300 000 |
| Conditions met - transferred to revenue | (84 613) | (160 000) |
| | 176 807 | 161 420 |

Conditions still to be met - remain liabilities (see note 16).

Municipal bursary programme that enable municipalities to attract top performing learners and learners with potential to succeed in Higher Education Institutions (HEI) in the areas such as finance, economics, accounting, supply chain management, internal audit, risk management, infrastructure, etc.

Swartland Municipality

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|-----------------|------|------|
|-----------------|------|------|

31. Government grants and subsidies (continued)

WC Financial Management Capability Grant: Internal Audit

| | | |
|--------------------------------------|----------------|----------------|
| Balance unspent at beginning of year | 418 031 | - |
| Current-year receipts | - | 418 031 |
| | 418 031 | 418 031 |

Conditions still to be met - remain liabilities (see note 16).

The purpose of the grant is to implement a systematic and formalised process to identify, assess, manage and monitor risks by acquiring, configuring and utilising a Risk Management automated electronic system.

Municipal Disaster Relief Grant

| | | |
|-----------------------|---------|---|
| Current-year receipts | 350 000 | - |
|-----------------------|---------|---|

Conditions still to be met - remain liabilities (see note 16).

Funding was received for infrastructure damages due to the impact of floods that occurred in December 2023 to January 2024 (Washed away Gravel Roads in Chatsworth, Kalbaskraal, Riebeek Wes/Kasteel and Moorresburg).

Housing Project: Kalbaskraal

| | | |
|--------------------------------------|---|---------|
| Balance unspent at beginning of year | - | 2 347 |
| Refunded to funder | - | (2 347) |
| | - | - |

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Emergency Fire Kits

| | | |
|---|--------------|---|
| Current-year receipts | 284 100 | - |
| Conditions met - transferred to revenue | (281 980) | - |
| | 2 120 | - |

Conditions still to be met - remain liabilities (see note 16).

Financial assistance from the Department of Infrastructure for the provision of enhanced emergency kits and relocation costs

For the change in accounting policy refer to note. The balance included under receivables remains unchanged as the change in accounting policy would have resulted in a credit against the debtors with the new treatment resulting in an additional debit.

Housing Project: Darling

| | | |
|---|----------------|-------------|
| Current-year receipts | 3 297 179 | 2 615 230 |
| Conditions met - transferred to revenue | (2 850 000) | (2 615 230) |
| | 447 179 | - |

Conditions still to be met - remain liabilities (see note 16).

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

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|---|----------------|--------------|
| 31. Government grants and subsidies (continued) | | |
| Housing Project: Malmesbury De Hoop | | |
| Construction contracts - Balance unspent at beginning of year | - | 3 702 535 |
| Current-year receipts | 48 411 017 | - |
| Conditions met - transferred to revenue | (48 047 638) | - |
| Construction contracts - Collections | 79 520 | 13 765 762 |
| Construction contracts - Transfer of Assets | (79 520) | (17 388 777) |
| Construction contracts - Closing Balance | - | (79 520) |
| | 363 379 | - |

Conditions still to be met - remain liabilities (see note 16).

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Construction contracts, Operational Revenue and disclosure pertaining to Agents are disclosed in Notes 6, 26 and 59.

Housing Project: Riebeek Kasteel

| | | |
|-----------------------|---|-------------|
| Current-year receipts | - | 1 806 690 |
| | - | (1 806 690) |
| | - | - |

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Construction contracts, Operational Revenue and disclosure pertaining to Agents are disclosed in Notes 6, 26 and 59.

Housing: Riebeek Wes

| | | |
|--------------------------------------|---|----------|
| Balance unspent at beginning of year | - | 65 393 |
| Repayment to funder | - | (65 393) |
| | - | - |

Conditions still to be met - remain liabilities (see note 16).

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Housing Project: Sibanye-Moorreesburg

| | | |
|---|-------------|-----------|
| Current-year receipts | 3 200 000 | 900 000 |
| Conditions met - transferred to revenue | (3 200 000) | - |
| Transferred (to)/from debtors (Sundry Receivables - Non-exchange receivables) | - | (900 000) |
| | - | - |

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Integrated National Electrification Programme

| | | |
|---|--------------|--------------|
| Current-year receipts | 23 658 000 | 17 600 000 |
| Conditions met - transferred to revenue | (23 658 000) | (17 600 000) |
| | - | - |

Funds made available for the electrical network to the proposed area where low cost houses are build and the electrification of these houses.

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|---|---------------|---------------|
| 31. Government grants and subsidies (continued) | | |
| Library service | | |
| Current-year receipts | 12 304 000 | 11 623 000 |
| Provision for VAT | (92 607) | (289 107) |
| Conditions met - transferred to revenue | (12 211 393) | (11 333 893) |
| | - | - |
| Grant provided for the partial funding of the operational and capital costs of libraries in the area under the jurisdiction of the Swartland Municipality. | | |
| Local Government Financial Management Grant | | |
| Current-year receipts | 1 550 000 | 1 550 000 |
| Conditions met - transferred to revenue | (1 550 000) | (1 550 000) |
| | - | - |
| The purpose of the grant is to enable the Municipality to modernise and improve its financial management activities entailing, among others, capacity building, the implementation of municipal finance management legislation and regulating policies and compliance with generally accepted municipal accounting practices. | | |
| Municipal Accreditation and Capacity Building | | |
| Balance unspent at beginning of year | 58 350 | 255 124 |
| Current-year receipts | 245 000 | 255 124 |
| Conditions met - transferred to revenue | (155 911) | (196 774) |
| Refunded to funder | (58 350) | (255 124) |
| | 89 089 | 58 350 |
| Conditions still to be met - remain liabilities (see note 16). | | |
| Funds received for the remuneration of an intern for the Department of Community Services. | | |
| Municipal Infrastructure Grant | | |
| Current-year receipts | (23 055 000) | 33 810 000 |
| Conditions met - transferred to revenue | 23 055 000 | (33 810 000) |
| | - | - |
| Funds utilised for the upgrading of existing infrastructure in its area of jurisdiction and/or the erection / construction of new amenities required for service delivery and the development of sport. | | |
| Proclaimed Roads Subsidies | | |
| Current-year receipts | 170 000 | 4 470 000 |
| Conditions met - transferred to revenue | (170 000) | (4 470 000) |
| | - | - |
| Expenditure incurred by the Municipality in connection with the maintenance of proclaimed main roads falling under the jurisdiction of the Municipality, in accordance with a budget approved by the PAWC, which costs are partly recoverable from the Administration. | | |
| WC Department of Education - Schools allocation | | |
| Current-year receipts | 23 000 000 | - |

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|-----------------|------|------|
|-----------------|------|------|

31. Government grants and subsidies (continued)

Conditions still to be met - remain liabilities (see note 16).

Funds made available for the development costs associated with municipal services to enable the building of a new school in Malmesbury.

Regional Socio-Economic Project (RSEP)

| | | |
|---|-----------|-------------|
| Current-year receipts | 500 000 | 1 200 000 |
| Conditions met - transferred to revenue | (500 000) | (1 200 000) |
| | - | - |

Funds received from PAWC for the social upliftment in lower income areas to improve living conditions and combat crime.

Law Enforcement Reaction Unit Grant

| | | |
|---|-------------|-------------|
| Balance unspent at beginning of year | - | 1 329 139 |
| Current-year receipts | 5 509 000 | 4 000 000 |
| Conditions met - transferred to revenue | (5 509 000) | (5 329 139) |
| | - | - |

Funds received from PAWC for establishment of a law enforcement reaction unit.

Sports Development Grant

| | | |
|---|-----------|---|
| Current-year receipts | 966 374 | - |
| Conditions met - transferred to revenue | (966 374) | - |
| | - | - |

Funds received for the enhancement of existing sports grounds.

Standard Contribution: Top Achievers Award

| | | |
|---|---|----------|
| Current-year receipts | - | 25 000 |
| Conditions met - transferred to revenue | - | (25 000) |
| | - | - |

Funds received Standard Bank to recognise Top Academic Achievers at local schools.

Title Restoration: Housing Projects

| | | |
|--------------------------------------|---|-----------|
| Balance unspent at beginning of year | - | 140 197 |
| Refunded to funder | - | (140 197) |
| | - | - |

Funds utilised for the title deed restoration for owners of low cost housing.

Swartland Business Hive (Entrepreneurial Hub)

| | | |
|---|--------|-----------|
| Balance unspent at beginning of year | - | 360 400 |
| Current-year receipts | 40 000 | - |
| Conditions met - transferred to revenue | - | (360 400) |
| | 40 000 | - |

Conditions still to be met - remain liabilities (see note 16).

Swartland Municipality

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|-----------------|------|------|

31. Government grants and subsidies (continued)

Public and provincial contributions (donations) for the establishment and enhancement of entrepreneurs.

This is considered a public contribution rather than a grant as the funding source is not the Division of Revenue Act.

Public Contribution: Swartland Water Week

| | | |
|---|---------|---------|
| Current-year receipts | 6 000 | 7 000 |
| Conditions met - transferred to revenue | (6 000) | (7 000) |
| | - | - |

A private funder made a contribution to the prizes issued during the school visits to educate learners and their families to save water.

This is considered a public contribution rather than a grant.

Housing Project - Silvertown

| | | |
|-----------------------------|-----------|---|
| Conditional grants received | 5 500 000 | - |
|-----------------------------|-----------|---|

Conditions still to be met - remain liabilities (see note 16).

Funds provided to enable the Municipality to finance the purchase of land.

Sondeza

| | | |
|---|---|----------|
| Current-year receipts | - | 23 000 |
| Conditions met - transferred to revenue | - | (23 000) |
| | - | - |

Funding was received for the sponsorship of a youth event.

This is considered a public contribution rather than a grant.

Contribution: SANRAL

| | | |
|---|-------------|--------------|
| Current-year receipts | 613 698 | 7 447 102 |
| Conditions met - transferred to revenue | (1 172 091) | (10 832 672) |
| Transferred to/(from) debtors (Sundry Receivables - Non-exchange receivables) | 558 393 | 3 385 570 |
| | - | - |

SANRAL made a contribution to the upgrading of sidewalks within the municipal jurisdiction.

This is considered a public contribution rather than a grant as the funding source is not the Division of Revenue Act.

Contribution: Grade 1 Project

| | | |
|-----------------------|--------|---|
| Current-year receipts | 31 000 | - |
|-----------------------|--------|---|

Funds received in lieu of Social development for grade 1 learners.

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31. Government grants and subsidies (continued)

Reconciliation of grant allocation expenditure (conditions met - transferred to revenue) per vote (MFMA s123(c))

| | | |
|-------------------------------|--------------------|--------------------|
| Vote 1 - Corporate Services | 14 371 724 | 12 360 608 |
| Vote 2 - Civil Services | 35 027 891 | 44 041 904 |
| Vote 4 - Electricity Services | 24 338 000 | 17 600 000 |
| Vote 5 - Financial Services | 1 550 000 | 1 550 000 |
| Vote 6 - Development Services | 54 869 757 | 22 677 416 |
| Vote 8 - Protection Services | 10 561 980 | 7 856 624 |
| | 140 719 352 | 106 086 552 |

The above revenue were recognised as follows:

| | | |
|---------------------------------|--------------------|--------------------|
| Construction contracts | 79 520 | 17 729 913 |
| Government grants and subsidies | 140 639 832 | 88 356 639 |
| | 140 719 352 | 106 086 552 |

32. Fines, Penalties and Forfeits

| | | |
|--------------------------|-------------------|-------------------|
| Building fines | 177 366 | 134 931 |
| Councillors fines | 1 304 | 652 |
| Deposits | 12 453 | 9 997 |
| Illegal connections | 45 357 | 62 757 |
| Library: Abbotsdale | 137 | 308 |
| Library: Chatsworth | 286 | 315 |
| Library: Darling | 2 660 | 1 711 |
| Library: Malmesbury | 3 613 | 2 095 |
| Library: Moorreesburg | 2 486 | 3 021 |
| Library: Riebeek Kasteel | 791 | 870 |
| Library: Riebeek Wes | 696 | 1 739 |
| Library: Wesbank | 2 428 | 2 164 |
| Traffic fines | 38 332 501 | 34 471 600 |
| | 38 582 078 | 34 692 160 |

33. Licences and permits (non-exchange)

| | | |
|---|------------------|------------------|
| Application: Driver licenses | 642 411 | 655 563 |
| Application: Instruction certificate | 1 148 | 1 578 |
| Application: Learner licenses | 248 588 | 241 848 |
| Application: Special permits | 59 605 | 56 654 |
| Application: Temporary permits | 183 150 | 188 286 |
| Drivers licenses: Issue | 435 384 | 455 647 |
| Drivers licenses: Temporary | 124 713 | 124 204 |
| Film shooting | 203 570 | 252 217 |
| Instruction certificates: Issue | 115 | 115 |
| Learners license: Duplicate | 3 961 | 4 104 |
| Learners license: Issue | 67 207 | 70 306 |
| Licences: Deregistration, special and other | 36 100 | 32 750 |
| Licenses: Trading | 1 503 | 1 006 |
| Professional driver permits | 147 760 | 153 812 |
| Registrations: Vehicles | 2 775 201 | 2 733 609 |
| Registrations: Duplicate | 148 995 | 115 830 |
| | 5 079 411 | 5 087 529 |

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34. Public contributions and donations

| | | |
|----------------------|------------------|-------------------|
| SANRAL | 1 172 090 | 11 225 071 |
| Sondeza (SLIMSUN) | - | 23 000 |
| Swartland water week | 6 000 | - |
| | 1 178 090 | 11 248 071 |

Conditions still to be met - remain liabilities (see note 16)

35. Availability charges

| | | |
|---------------------------------|-------------------|-------------------|
| Electricity | 3 712 233 | 3 430 130 |
| Water | 1 744 141 | 1 769 432 |
| Refuse | 3 177 139 | 3 123 396 |
| Sewerage and sanitation charges | 2 460 437 | 2 566 437 |
| | 11 093 950 | 10 889 395 |

36. Employee related costs

| | | |
|--|--------------------|--------------------|
| Employee related costs - Salaries and Wages | 185 153 132 | 172 372 343 |
| Employee related costs - Contributions for UIF, pensions, medical aids and other contributions | 53 744 909 | 49 198 593 |
| Bonuses: 13th cheque | 14 704 455 | 13 049 688 |
| Contribution to leave gratuity | 3 001 938 | 2 641 802 |
| Housing benefits and allowances | 1 316 892 | 1 165 523 |
| Overtime payments | 19 349 446 | 18 530 854 |
| Performance bonus | 1 155 088 | 249 636 |
| Travel, motor car, accommodation and other allowances | 24 702 485 | 23 324 459 |
| Contribution to provision for post-retirement medical aid benefits | 10 655 543 | 4 023 171 |
| Contribution to long-service provision | 2 752 946 | 1 822 099 |
| | 316 536 834 | 286 378 168 |

Remuneration of Municipal Manager

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1 591 125 | 1 353 890 |
| Car Allowance | 272 826 | 96 000 |
| Performance Bonuses | 176 909 | 249 636 |
| Contributions to UIF, Medical and Pension Funds | 418 611 | 368 799 |
| Cellphone Allowance | 42 800 | 40 800 |
| | 2 502 271 | 2 109 125 |

Remuneration of Chief Finance Officer

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1 379 918 | 1 313 904 |
| Car Allowance | 72 000 | 60 000 |
| Performance Bonuses | 158 142 | - |
| Contributions to UIF, Medical and Pension Funds | 368 144 | 350 012 |
| Cellphone Allowance | 42 800 | 40 800 |
| Leave Pay | 70 285 | 66 684 |
| | 2 091 289 | 1 831 400 |

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36. Employee related costs (continued)

Remuneration of Director: Corporate Services

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1 421 972 | 1 342 747 |
| Car Allowance | 60 180 | 60 180 |
| Cellphone Allowance | 42 800 | 40 800 |
| Contributions to UIF, Medical and Pension Funds | 340 686 | 323 209 |
| Leave Pay | - | 66 684 |
| Performance Bonuses | 158 142 | - |
| | 2 023 780 | 1 833 620 |

Remuneration of Director: Civil Engineering Services

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1 359 896 | 1 284 025 |
| Car Allowance | 96 000 | 96 000 |
| Performance Bonuses | 158 142 | - |
| Contributions to UIF, Medical and Pension Funds | 348 709 | 329 312 |
| Cellphone Allowance | 42 800 | 40 800 |
| Leave Pay | 70 285 | 66 684 |
| | 2 075 832 | 1 816 821 |

Remuneration of Director: Electrical Engineering Services (Former)

| | | |
|---|---|----------------|
| Annual Remuneration | - | 105 449 |
| Car Allowance | - | 12 345 |
| Contributions to UIF, Medical and Pension Funds | - | 3 400 |
| Contributions to UIF, Medical and Pension Funds | - | 177 |
| Bonuses: 13th Cheque | - | 6 628 |
| Leave Pay | - | 15 893 |
| | - | 143 892 |

The former director was employed permanently until 31 December 2021. From 1 January 2022 until 31 July 2022 he was appointed on a contract basis.

Remuneration of Director: Electrical Engineering Services (Current)

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1 161 258 | 979 064 |
| Car Allowance | 60 000 | 55 000 |
| Performance Bonuses | 187 468 | - |
| Contributions to UIF, Medical and Pension Funds | 237 195 | 210 219 |
| Cellphone Allowance | 42 800 | 35 864 |
| | 1 688 721 | 1 280 147 |

The current director's engagement date is 15 August 2022.

Remuneration of Director: Development Services

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1 328 389 | 1 252 020 |
| Car Allowance | 120 000 | 120 000 |
| Contributions to UIF, Medical and Pension Funds | 357 305 | 335 437 |
| Cellphone Allowance | 42 800 | 40 800 |
| Performance Bonuses | 158 142 | - |
| Leave Pay | - | 66 685 |
| | 2 006 636 | 1 814 942 |

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36. Employee related costs (continued)

Remuneration of Director: Protection Services

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1 228 005 | 1 149 579 |
| Car Allowance | 228 000 | 228 000 |
| Contributions to UIF, Medical and Pension Funds | 333 204 | 315 985 |
| Cellphone Allowance | 42 800 | 40 800 |
| Leave Pay | 70 285 | 66 685 |
| Bonuses: 13th Cheque | 74 796 | 74 796 |
| Performance Bonuses | 158 142 | - |
| | 2 135 232 | 1 875 845 |

Aggregate remuneration to management

| | | |
|---|-------------------|-------------------|
| Annual Remuneration | 9 470 563 | 8 780 678 |
| Bonuses: 13th Cheque | 74 796 | 81 424 |
| Car Allowance | 909 006 | 727 525 |
| Cellphone Allowance | 299 600 | 284 064 |
| Contributions to UIF, Medical, Group Life and Pension Funds | 2 403 853 | 2 233 150 |
| Leave Pay | 210 856 | 349 315 |
| Performance Bonus | 1 155 088 | 249 636 |
| | 14 523 762 | 12 705 792 |

37. Remuneration of councillors

| | | |
|---|-------------------|-------------------|
| Executive Mayor | 843 046 | 773 056 |
| Deputy Executive Mayor | 731 967 | 680 671 |
| Mayoral Committee Members | 2 314 658 | 2 164 368 |
| Speaker | 519 333 | 473 609 |
| Councillors | 4 535 725 | 4 273 486 |
| Councillors' - travelling allowances | 810 603 | 810 603 |
| Councillors' - cellular and telephone | 1 121 691 | 993 600 |
| Councillors' - pension contribution | 924 738 | 901 326 |
| Councillors' - medical aid contribution | 203 014 | 154 284 |
| | 12 004 775 | 11 225 003 |

Events after reporting date

The Government Gazette setting the upper limits for the salaries, allowances, and benefits of municipal council members was published on 17 October 2024 (compared to 18 August 2023 in 2023). The notice stipulates that these limits take effect from 1 July. On 31 October 2024 (5 September 2023 in 2023), the council informed the MEC of its resolution on the upper limits, and the MEC formally acknowledged the resolution on 6 November 2024 (8 September 2023 in 2023). This acknowledgement resulted in back-pay for council members for the period ending 30 June. The table below can be used to review council remuneration as though the Government Gazette had been issued by 30 June.

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|-----------------|------|------|

37. Remuneration of councillors (continued)

The table below outlines the scenario if the Minister had published the upper limits before the year end..

| | 2024 | 2023 |
|---|-------------------|-------------------|
| Executive Mayor | 836 720 | 808 051 |
| Deputy Executive Mayor | 726 915 | 708 659 |
| Mayoral Committee Members | 2 300 000 | 2 254 559 |
| Speaker | 514 940 | 497 947 |
| Councillors | 4 492 184 | 4 445 907 |
| Councillors' - travelling allowance | 810 603 | 810 603 |
| Councillors' - cellular allowance | 1 061 799 | 1 053 492 |
| Councillors' - pension allowance | 915 633 | 938 916 |
| Councillors' - medical aid contribution | 203 014 | 154 284 |
| | 11 861 808 | 11 672 418 |

In-kind benefits

The Councillors occupying the positions of Executive Mayor, Deputy Executive Mayor, Speaker and Executive Mayoral Committee Members of the Municipality serve in a full-time capacity. They are provided with office accommodation and secretarial support at the expense of the Municipality in order to enable them to perform their official duties.

38. Bulk purchases

| | | |
|---------------------|-------------|-------------|
| Electricity - Eskom | 340 331 780 | 289 451 395 |
|---------------------|-------------|-------------|

Bulk Purchases are the cost of commodities not generated by the municipality, which the municipality distributes in the municipal area for resale to the consumers. Electricity is purchased from Eskom.

Distribution losses are disclosed in Note 64.

Electricity is not a tangible commodity and therefore does not meet the requirements of GRAP 2 Inventory.

39. Contracted services

Outsourced Services

| | | |
|-------------------------------------|-----------|-----------|
| Alien Vegetation Control | 66 999 | 72 000 |
| Burial services | - | 8 278 |
| Business and financial management | 209 954 | 233 004 |
| Catering services | 922 880 | 747 243 |
| Cleaning Services | 116 841 | 105 521 |
| Clearing and Grass cutting services | 44 604 | 31 500 |
| Commissions and committees | 34 200 | 14 760 |
| Dumping site | 6 989 455 | 7 781 923 |
| Electrical | 479 547 | 460 751 |
| Hygiene services | 83 435 | 82 307 |
| Litter picking and street cleaning | 6 418 099 | 5 892 495 |
| Sewerage | 1 364 625 | 666 432 |
| Meter management | 46 816 | 8 124 |
| Mini dumping sites | 143 659 | 225 205 |
| Quality control | 282 883 | 198 012 |
| Professional staff | 42 892 | 34 836 |
| Refuse removal | 1 928 932 | 1 708 751 |
| Research and advisory | 2 979 711 | 2 957 369 |
| Security services | 2 483 538 | 2 100 705 |
| Stage and sound crew | 14 700 | 12 400 |
| Swimming supervision | 45 023 | 35 100 |
| Traffic fine management | 4 931 126 | 3 221 163 |
| Translators, scribes and editors | 88 510 | 96 756 |
| Transport services | 384 559 | 302 050 |

Swartland Municipality

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| 39. Contracted services (continued) | | |
| Consultants and Professional Services | | |
| Business and advisory | 144 000 | 138 000 |
| Audit committee | 60 120 | 81 660 |
| Business and financial management | 2 821 538 | 1 715 899 |
| Civil engineering | 1 911 510 | 1 998 460 |
| Electrical engineering | 1 160 678 | 740 339 |
| Geodetic, control and surveys | 335 815 | 265 540 |
| Human resources | 148 218 | 399 482 |
| Laboratory services | 163 113 | 179 282 |
| Risk management | - | 13 500 |
| Town planner | 1 110 114 | 855 574 |
| Valuer and assessors | 976 951 | 1 478 429 |
| Contractors | | |
| Artists and performers | 4 974 | 4 613 |
| Communications | - | 31 840 |
| Construction of Low Cost Housing | 91 169 | 22 247 628 |
| Employee wellness | 27 130 | 59 683 |
| Fire Protection | 493 206 | 58 605 |
| Forestry | 395 679 | 366 708 |
| Gardening Services | 43 522 | 39 682 |
| Graphic Designers | 8 335 | - |
| Harbour services | 297 600 | 230 400 |
| Legal costs | 1 391 797 | 1 081 042 |
| Maintenance of Assets | 15 633 281 | 17 376 316 |
| Maintenance of Buildings and Facilities | 4 495 906 | 3 924 733 |
| Maintenance of Equipment | 6 394 875 | 6 065 285 |
| Management of Informal Settlements | 5 392 | 10 197 |
| Medical Services | 34 785 | 1 701 |
| Organic and Building Refuse Removal | 575 702 | 495 257 |
| Pest control and fumigation | 33 245 | 35 535 |
| Qualification verification | 19 971 | 15 988 |
| Town Beautification | 16 100 | 300 |
| Traffic and Street Lights | 108 961 | 102 154 |
| Transportation for asset break-downs | 1 950 | 9 108 |
| | 69 008 625 | 87 019 625 |
| 40. Depreciation and amortisation | | |
| Property, plant and equipment | 102 785 926 | 94 262 149 |
| Investment property | 394 173 | 231 783 |
| Intangible assets | 103 258 | 69 006 |
| | 103 283 357 | 94 562 938 |
| 41. Finance costs | | |
| Unwinding of interest for provisions | 5 438 504 | 5 475 006 |
| Other financial liabilities | 6 896 832 | 10 180 381 |
| Late payment of tax | 495 181 | 610 652 |
| | 12 830 517 | 16 266 039 |

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|--|------------------|------------------|
| 42. Grants and subsidies paid | | |
| Non-profit institution | | |
| Bergrivier Canoe Marathon | 30 000 | 30 000 |
| Darling Wildflower Society | 55 177 | 52 400 |
| National Sea Rescue Institute | 36 639 | 34 795 |
| SPCA | 343 062 | 325 795 |
| Yzerfontein Conservancy | 83 512 | 79 309 |
| Museums | | |
| Darling | 94 770 | 90 000 |
| Malmesbury | 64 050 | 60 826 |
| Oude Kerk | 64 050 | 60 826 |
| Wheat Industry | 64 050 | 60 826 |
| Tourism | | |
| Swartland and Coastal Area | 1 579 500 | 1 500 000 |
| Social upliftment (refer * below) | | |
| Darling Focus | 51 392 | 48 805 |
| Elkana Childcare | 57 817 | 54 907 |
| HUB R27 | 379 | 11 272 |
| Huis van Heerde | 113 437 | 107 727 |
| Jo Dolphin | 64 239 | 61 006 |
| Multi-Purpose Centre: Moorreesburg | 77 088 | 73 208 |
| Night Shelter | 32 121 | 30 504 |
| Old Age Homes | 1 502 908 | 1 378 905 |
| Student Bursaries | 384 613 | 160 000 |
| Top Achievers Award: Grade 12 | 25 475 | 24 475 |
| | 4 724 279 | 4 245 586 |

Due to the need in the Swartland Municipal area for expert services and resources to support effective domestic animal management initiatives and controls, for which the Municipality does not have the resources, it is deemed necessary, from a perspective of serving the community, for the Municipality to contribute financially towards the operational costs of the SPCA.

The National Sea Rescue Institute (NSRI) is a non-profit organisation dedicated to the preservation of all persons at sea. Their members provide their services on a voluntary basis and the organisation is dependent on donations and sponsorship from the public. The NSRI operates a base from Yzerfontein providing a rescue service to the commercial and recreational fishing boats as well as bathers in the vicinity. Financial assistance by the Municipality is intended to enable the organisation to fund some of its operations as the Municipality cannot offer this essential service.

The Yzerfontein Urban Conservancy and Darling Wildflower Society came into being to preserve and promote, on a voluntary basis, the conservation of the environment and heritage in, specifically, the sensitive coastal region within the boundaries of the Yzerfontein and Darling regions. Financial assistance by the Municipality is intended to enable the Organisation to fund its programmes.

Museums generally do not generate sufficient income from own resources, and are therefore dependent on financial aid from the public and organisations to meet their financial needs and obligations. The Municipality, consequently regards it appropriate to contribute financially to this end.

A financial contribution was made by the municipality to support the Swartland Tourism structure/body in a bid to facilitate and market the region as a tourism destination adding to the local economy. Similarly, a contribution is made to the Bergrivier Canoe Marathon as the event promotes tourism in the area.

The aim of Social Upliftment (*) organisations entails the social upliftment of the poor and disadvantaged section of the community. Financial aid by the Municipality to these organisations, as well as assistance in counselling and advisory services, is intended to enable them to fulfil the said aim.

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| 43. Operational cost | | |
| Advertising, publicity and marketing | 1 646 024 | 1 544 187 |
| Assets less than the capitalisation threshold | 276 714 | 244 309 |
| Bank charges, facility and card fees | 1 524 426 | 308 906 |
| Bank charges, fleet card services | 1 343 110 | 1 371 936 |
| Cleaning services: Car valet and washing services | 2 908 | 1 840 |
| Cleaning services: Laundry services | 1 045 | 1 331 |
| Commission: Prepaid electricity | 1 725 241 | 1 371 971 |
| Commission: Third party vendors | 511 957 | 541 780 |
| Communication: Bulk message service | 107 017 | 136 584 |
| Communication: Cellular contract (Subscription and calls) | 19 591 | 16 862 |
| Communication: Licences (Radio and television) | 21 189 | 2 725 |
| Communication: Postage/stamps/franking machines | 1 392 541 | 1 265 377 |
| Communication: Telephone, fax, telegraph and telex | 668 291 | 681 635 |
| Community development and training | 12 828 | - |
| Deeds | 58 838 | 44 851 |
| Entertainment: Mayor | 38 122 | 13 767 |
| Entrance fees | 56 143 | 56 192 |
| External audit fees | 3 187 459 | 3 000 991 |
| External computer service | 8 611 198 | 7 070 019 |
| Full time union representative | 136 188 | 136 672 |
| Indigent relief | 2 086 541 | 1 883 540 |
| Insurance | 4 494 465 | 4 584 421 |
| Levies paid - Water resource management charges | 9 610 | 5 524 |
| Licences: Motor vehicle licence and registrations | 850 723 | 711 076 |
| Licences: Performing arts | 55 366 | 52 232 |
| Operating leases - Machinery, equipment and other | 3 232 579 | 3 040 322 |
| Other | 33 500 | 2 419 |
| Parking fees | 84 375 | 86 676 |
| Printing, publications and books | 379 688 | 346 460 |
| Professional bodies, membership and subscription | 3 194 382 | 2 739 767 |
| Registration fees | 31 127 | 51 277 |
| Remuneration to ward committees | 402 475 | 444 291 |
| Rendering of services | - | - |
| Resettlement cost | 53 847 | 31 326 |
| Servitudes and land surveys | 76 713 | 275 794 |
| Signage | 120 005 | 119 599 |
| Skills development fund levy | 2 577 916 | 2 405 888 |
| Travel and subsistence | 520 867 | 498 471 |
| Uniform and protective clothing | 3 193 425 | 2 869 084 |
| Vehicle tracking | 233 021 | 230 967 |
| | 42 971 455 | 38 191 069 |
| 44. Other materials | | |
| Consumables | 6 076 362 | 5 555 075 |
| Consumables: Zero rated | 15 494 985 | 15 663 546 |
| Inventory consumed: Water | 27 262 076 | 29 083 571 |
| Materials and supplies | 4 486 480 | 5 476 144 |
| | 53 319 903 | 55 778 336 |

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| 45. Reversal / (impairment) of assets and receivables | | |
| Impairments | | |
| Property, plant and equipment | (8 618 884) | (76 438) |
| Investment property | (625) | (5 460) |
| | (8 619 509) | (81 898) |
| Reversal of impairments | | |
| Trade and other receivables | (10 371 467) | 5 478 249 |
| Total impairment losses recognised (reversed) | (18 990 976) | 5 396 351 |
| Refer to notes 11 and 12 for the impairment on Property, Plant and Equipment. Impairments are identified by comparing assets in their current condition to external sources (e.g. the valuation roll for land) and replacement costs. The impairments reflect the instances where the replacement cost for assets in a similar condition is lower than the carrying value at year-end. | | |
| Refer to notes 3 and 4 for the gross movements on Receivables from Exchange and Non-exchange. Impairment of debt arise due to, amongst other factors, the time value of money. | | |
| 46. Loss on disposal of assets | | |
| Carrying value of Property, plant and equipment disposed | 10 150 967 | 10 576 236 |
| Carrying value of Investment properties disposed | 347 418 | 335 701 |
| Carrying value of Intangible assets disposed | 1 | - |
| Less disposals to Inventory (non-current to current assets) | (11 717) | (645 439) |
| | 10 486 669 | 10 266 498 |
| 47. Cash generated from operations | | |
| Surplus | 267 325 338 | 136 930 116 |
| Adjustments for: | | |
| Depreciation and amortisation | 103 283 357 | 94 562 938 |
| Loss on sale of property, plant and equipment | 10 486 669 | 10 266 498 |
| Gain on sale of assets and liabilities | (1 828 939) | (2 185 594) |
| Unwinding of interest on landfill site provision | 5 438 504 | 5 475 006 |
| Vesting of properties | (921 992) | (732 965) |
| Donated property, plant and equipment | (33 214 386) | (6 143 474) |
| Water losses | 6 301 059 | 4 439 286 |
| Impairment losses on non-current assets | 8 619 509 | 81 897 |
| Accrued Interest | (34 012 053) | (1 054 095) |
| Movement on employee benefit provision | 587 788 | (8 139 720) |
| Movement on provisions - litigation and claims | - | 529 759 |
| Changes in working capital: | | |
| Inventories | (4 916 079) | (5 184 790) |
| Receivables from exchange transactions | (27 398 519) | 2 697 681 |
| Receivables from non-exchange transactions | 954 592 | (9 279 430) |
| Construction contracts and receivables | - | (3 964 150) |
| Payables from exchange transactions | (627 360) | 4 181 574 |
| VAT | (14 006 260) | 5 592 374 |
| Unspent conditional grants and receipts | 20 711 997 | 6 071 992 |
| Consumer deposits | 1 813 857 | 1 396 203 |
| Movement in operating leases | 111 050 | 159 981 |
| | 308 708 132 | 235 701 087 |

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| 47. Cash generated from operations (continued) | | |
| Property, plant and equipment purchased | | |
| Additions as per note (including transfers) | 238 109 604 | 170 330 592 |
| Non-cash transactions included in profit or loss (e.g. gains on vesting of properties and equipment) | (34 136 377) | (6 876 436) |
| Movement on accruals of Property, Plant and equipment | 5 782 685 | 10 557 501 |
| Non-cash movement in Provision for landfill sites (changes in market values) | 269 658 | (1 855 785) |
| | 210 025 570 | 172 155 872 |
| Payables from exchange transactions | | |
| Movement on balance from the prior year | 14 659 676 | (14 653 593) |
| Payment of employee benefits | (8 358 380) | 8 740 720 |
| Unspent Grants repaid | 108 749 | (463 061) |
| Movement on accruals of Property, Plant and equipment | (5 782 685) | 10 557 501 |
| | 627 360 | 4 181 567 |
| Receivables from exchange transactions | | |
| Movement on balance from the prior year | (61 381 799) | 2 003 986 |
| Public contributions received | (76 000) | (360 400) |
| Profit on sale of land (cost is netted against gain) | 47 227 | - |
| Accrued interest | 34 012 053 | 1 054 095 |
| | (27 398 519) | 2 697 681 |
| Receivables from non-exchange | | |
| Movement on balance from the prior year | 396 200 | (10 179 430) |
| Unspent grants - transferred to debtors | 558 392 | 900 000 |
| | 954 592 | (9 279 430) |
| Inventories | | |
| Movement on balance from the prior year | 1 420 489 | (1 390 943) |
| Water losses | (6 301 059) | (4 439 286) |
| Additions of land (non-cash) | (35 509) | 645 439 |
| | (4 916 079) | (5 184 790) |
| Unspent conditional grants and receipts | | |
| Movement on balance from the prior year | 21 133 539 | 6 148 531 |
| Public contributions | 76 000 | 360 400 |
| Transferred to debtors | (558 392) | (900 000) |
| Unspent Grants repaid | 60 850 | 463 061 |
| | 20 711 997 | 6 071 992 |
| Movement on operating leases | | |
| Movement on operating lease asset | - | 142 818 |
| Movement on operating lease liability | 111 050 | 17 163 |
| | 111 050 | 159 981 |

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48. Budget differences

Material differences between budget and actual amounts

Explanation of material variances:

Revenue:

- 48.1 **Service charges - electricity revenue:** The suspension of loadshedding resulted in higher revenue than expected.
- 48.2 **Service charges - sanitation revenue:** The increased sewerage due to the expansion of commercial client is more than expected.
- 48.3 **Agency services:** Collections were lower than expected.
- 48.4 **Interest earned from receivables:** Recovery of debt was lower than expected.
- 48.5 **Rental from fixed Assets:** A number of lease contracts were suspended that were expected to be renewed.
- 48.6 **Operational revenue (non-exchange):** Availability charges were lower than expected for the year.
- 48.7 **Gains:** Land sales were lower than expected.

Expenditure:

- 48.8 **Debt impairment:** The debt impairment was higher than expected as a reduction for traffic fine impairment was expected.
- 48.9 **Inventory consumed:** The municipality received a credit note of R5.7m for the water resulting in a budget surplus.
- 48.10 **Contracted services:** Various savings on the use of consultants.
- 48.11 **Operational costs:** Savings are due to projects that were moved to the next year.
- 48.12 **Irrecoverable debts written off:** The traffic fines write off was lower than expected.
- 48.13 **Losses on Disposal of Assets:** The carrying value of assets disposed due to replacement was lower than expected.
- 48.14 **Losses:** The water loss was lower than expected due to the credit note for the water.

Transfers and Subsidies Capital

- 48.15 **Transfers and Subsidies Capital - in-kind:** Given the ad-hoc nature of the line-item management could not forecast the amount.

Assets

- 48.16 **Cash:** The operational surplus was higher than expected.
- 48.17 **Trade Receivables from exchange transactions:** Better than expected electricity sales due to suspension of loadshedding.
- 48.18 **Current portion of non-current:** The lease liability was slightly more than expected.
- 48.19 **VAT:** Due to low creditors at year-end the VAT claimable was lower than expected.
- 48.20 **Other Current Assets:** The balance pertains to ad-hoc debtors which cannot be foreseen during the budget process.
- 48.21 **Intangible:** The depreciation charge for the year was lower than expected.
- 48.22 **Investment Property:** Due to the reclassification of assets.
- 48.23 **Heritage Assets:** Due to the reclassification of assets.

Liabilities:

- 48.24 **Borrowing:** The municipality early settled a loan resulting in lower balance at year-end.
- 48.25 **Trade and other payables non-exchange:** Some grants were received after the adjustment budget which will only be accommodated for in the following budget.
- 48.26 **VAT:** Due to low creditors at year-end the VAT claimable was lower than expected.
- 48.27 **Provision:** Due to loss on employee benefits and SARS VAT provision.

Cash flow from investing activities

- 48.28 **Interest:** Due to the accrual of long-term investment interest budgeted for as a receipt.
- 48.29 **Proceeds on disposal of PPE:** Less cash was generated from the sale of land than expected.
- 48.30 **Increase (decrease) in non-current investments:** Due to the accrual of long-term investment interest budgeted for as a receipt.
- 48.31 **Increase (decrease) in consumer deposits:** Consumer deposits increased more than expected.

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48. Budget differences (continued)

Differences between budget and actual amounts basis of preparation and presentation

The National Treasury Budget Prescripts classifies items differently from the prescripts of GRAP. Significant classifications are shown below. For example, the Current portion of non-current provisions is the Operating lease liability and the Other non-current liabilities refers to the Long Term: Post-Employment Health Care Benefit Liability (R 76 928 000) as disclosed under Note 18.

For ease of reference, the electricity charges were reconciled below. The same principle would apply for all service charges.

Statement of Financial Performance

Operational revenue (exchange)

| | |
|---|-------------------|
| Development charges | 41 767 349 |
| Operational revenue | 17 329 201 |
| Sale of goods and rendering of services | (14 571 306) |
| | 44 525 244 |

Interest earned - outstanding debtors

| | |
|---|-------------------|
| Interest received | 88 032 664 |
| Outstanding debtors: Exchange receivables | (3 268 589) |
| | 84 764 075 |

Transfers and subsidies

| | |
|--|--------------------|
| Government Grants & Subsidies | 283 874 832 |
| Construction contracts | 79 520 |
| Public contribution | 1 178 090 |
| Capital grants (refer Capital Transfers) | (113 470 176) |
| | 171 662 266 |

Gains

| | |
|-------------------------------------|------------------|
| Gains on sale of Fixed Assets | 1 828 939 |
| Gain on sale of land | 211 625 |
| Vesting of properties and equipment | 921 991 |
| | 2 962 555 |

Employee related costs

| | |
|---|--------------------|
| Employee related costs | 316 536 834 |
| Workman's compensation (considered other expenditure by NT) | (1 771 536) |
| Actuarial gains and losses (considered losses by NT) | 943 457 |
| | 315 708 755 |

Debt impairment

| | |
|---|-------------------|
| (Reversal)/impairment of assets and receivables | 18 990 976 |
| Impairment of assets | (8 619 509) |
| | 10 371 467 |

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| 48. Budget differences (continued) | | |
| Depreciation & asset impairment | | |
| Depreciation and amortisation | 103 283 357 | |
| Loss on disposal of assets (reallocated) | 34 943 | |
| Impairment of assets | 8 619 509 | |
| | 111 937 809 | |
| Inventory consumed | | |
| Other materials | 53 319 903 | |
| Reclassification for GRAP | (2 408 121) | |
| | 50 911 782 | |
| Contracted services | | |
| Contracted services | 69 008 625 | |
| Reclassification for GRAP | 2 674 606 | |
| | 71 683 231 | |
| Other expenditure | | |
| Operational Costs | 42 971 455 | |
| Reclassification for GRAP | 528 694 | |
| Workmans compensation (considered other expenditure by NT) | 1 771 536 | |
| | 45 271 685 | |
| Losses | | |
| Water losses | 6 301 059 | |
| Actuarial gains and losses (considered losses by NT) | (943 457) | |
| | 5 357 602 | |
| Other revenue | | |
| Operational revenue | 17 329 201 | |
| Development charges | - | |
| | 17 329 201 | |
| Losses on Disposal of Assets | | |
| Losses on Disposal of Assets | 10 486 669 | |
| Loss on disposal of assets (reallocated) | (34 943) | |
| | 10 451 726 | |
| Interest earned from receivables | | |
| Outstanding debtors: Exchange receivables as per Note 25 | 3 268 589 | |
| Interest - Availability charges as per Note 30 | 426 208 | |
| | 3 694 797 | |

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| 48. Budget differences (continued) | | |
| Statement of Financial Position | | |
| Trade and other receivables from exchange transactions | | |
| Receivables from exchange transactions | 119 105 779 | |
| Other Debtors included above (exchange) | (16 229 586) | |
| | 102 876 193 | |
| Trade payables from exchange transactions | | |
| Payables from exchange transactions | 88 832 666 | |
| 13th Cheque accrual (considered provision by NT) | (7 769 151) | |
| | 81 063 515 | |
| Provision (Current) | | |
| Provisions | 8 780 334 | |
| Employee Benefits (Current portion) | 6 605 000 | |
| 13th Cheque accrual (considered provision by NT) | 7 769 151 | |
| | 23 154 485 | |
| Provisions (Non-current) | | |
| Provision for landfill sites | 57 311 776 | |
| Employee Benefits (Non-current portion) | 12 747 000 | |
| | 70 058 776 | |
| Investments | | |
| Other financial assets | 300 000 000 | |
| Receivables from exchange transactions (non-current) | 33 119 014 | |
| | 333 119 014 | |
| VAT | | |
| Balance as per AFS | 23 036 992 | |
| VAT payable per budget | 9 429 792 | |
| | 32 466 784 | |

Changes from the approved budget to the final budget

Changes between the original and final adjustments budget are due to budget adjustments that are approved by council. Furthermore, for operational and capital expenditure, some virements were approved based on the municipal delegation of authority. No material budget or significant virements were noted.

The capital expenditure budget comparison is included in Note 58.

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|--|-------------------|-------------------|
| 49. Repairs and maintenance expenditure | | |
| <u>Movable assets</u> | 9 252 905 | 7 860 342 |
| Furniture and Office Equipment | 25 098 | 20 985 |
| - Contracted Services | 25 098 | 20 985 |
| Machinery and Equipment | 1 307 600 | 992 144 |
| - Contracted Services | 1 112 059 | 805 213 |
| - Other materials | 195 541 | 186 931 |
| Transport Assets | 7 686 497 | 6 623 908 |
| - Contracted Services | 7 686 497 | 6 623 908 |
| Computer Equipment | 233 710 | 223 305 |
| - Contracted Services | 182 552 | 159 839 |
| - Operation cost | 51 158 | 63 466 |
| <u>Community Assets</u> | 3 110 946 | 3 458 494 |
| - Contracted Services | 3 110 946 | 3 453 915 |
| - Other materials | - | 4 579 |
| <u>Other Assets</u> | 3 199 092 | 2 158 052 |
| - Contracted Services | 2 557 700 | 2 158 052 |
| - Other materials | 641 392 | - |
| <u>Intangible Assets</u> | 4 633 461 | 3 749 763 |
| - Operation cost | 4 633 461 | 3 749 763 |
| <u>Infrastructure Assets</u> | 46 968 982 | 47 907 755 |
| Electrical Infrastructure | 3 583 110 | 3 607 835 |
| - Contracted Services | 250 029 | 199 962 |
| - Other materials | 2 045 858 | 2 124 137 |
| - Labour | 1 287 223 | 1 283 736 |
| Roads Infrastructure | 6 108 028 | 9 656 841 |
| - Contracted Services | 6 108 028 | 9 656 841 |
| Sanitation Infrastructure | 5 491 495 | 4 411 841 |
| - Contracted Services | 5 491 495 | 4 411 841 |
| Solid Waste Disposal Infrastructure | 9 737 676 | 10 017 218 |
| - Contracted Services | 7 953 088 | 8 397 351 |
| - Labour | 1 770 815 | 1 606 665 |
| - Operation cost | 13 773 | 13 202 |
| Storm Water Infrastructure | 20 156 864 | 18 615 718 |
| - Contracted Services | 554 593 | 339 750 |
| - Inventory Consumed | 34 280 | 30 655 |
| - Labour | 18 611 227 | 17 428 152 |
| - Other lease expenditure | 355 991 | 307 945 |
| - Operational costs | 600 773 | 509 216 |
| Water Supply Infrastructure | 1 891 809 | 1 598 302 |
| - Contracted Services | 1 891 809 | 1 598 302 |
| | 67 165 386 | 65 134 406 |

50. Capital commitments

Authorised capital expenditure

Already contracted for but not provided for

| | | |
|--|--------------------|-------------------|
| • Property, plant and equipment - Infrastructure | 231 186 631 | 46 876 912 |
| • Property, plant and equipment - Other assets | 11 588 393 | 14 270 352 |
| | 242 775 024 | 61 147 264 |

Total capital commitments

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|-----------------|------|------|
|-----------------|------|------|

50. Capital commitments (continued)

| | | |
|---|-------------|------------|
| Already contracted for but not provided for | 242 775 024 | 61 147 264 |
|---|-------------|------------|

Non-cancellable Operating Lease Commitments are disclosed in Note 8.

Amounts are exclusive of VAT and the amount for infrastructure includes escalation cost.

51. Contingencies

| | | |
|---|----------------|----------------|
| Guarantees in favour of Eskom | 70 900 | 70 900 |
| Guarantees in favour of South African Post Office Limited | 200 000 | 200 000 |
| | 270 900 | 270 900 |

| | | |
|-------------------------------|-----------|-----------|
| Paulus Smit N.O. and others | 1 283 000 | 1 283 000 |
| VAT on library grant receipts | 726 822 | 676 278 |

| | |
|------------------|------------------|
| 2 009 822 | 1 959 278 |
|------------------|------------------|

Paulus Smit N.O. and others v Swartland Municipality: The case relates to a previous judgment by the High Court (Case No. 11127/2018) delivered on 23 August 2019. The applicant failed to erect the wall, and also to claim payment from the Municipality, but instead issued a summons in the High Court on 22 August 2022, following a notice given on 28 July 2022 i.t.o. section 3 of the Institution of Legal Proceedings against Certain Organs of State Act 4 of 2002 of further legal action contemplated herein, claiming payment by the Municipality of R1 283 000.

The municipality sought the expertise of a tax practitioner regarding the potential Value Added Tax consequences on the Provincial Administration of Western Cape's grant allocation for Libraries which is paid to the municipality. A technical interpretation of the Marshall NO and Others vs Commissioner for the South African Revenue Service (CCT208/17) resulted therein that the municipality could be delivering a service to the Provincial Administration. As such, there is a potential that SARS could expect the municipality to pay VAT over on the grant receipts to date. The municipality has requested a binding Ruling on the matter and has made use of the Voluntary Disclosure Program (VDP) to declare historic receipts.

Given formal communication from The Minister of Finance to the Provincial Minister of Finance, management is of the opinion that SARS would want the municipality to make payment of a deemed VAT on the receipts of the grant in lieu of services rendered to the public. SARS has verbally indicated that it will audit the transactions, resulting in a potential that penalties may be imposed despite the VDP process.

As such, the municipality has estimated that potential VAT penalties that could arise from such audit. A provision was recognised for the receipts with interest that is expected to be incurred and contingent liability has been disclosed for the penalties, both limited to receipts dating back five (5) years as this period is quoted in the Tax Administration Act.

Bank guarantees provided to Eskom for the supply of electricity to the Municipality for distribution amongst consumers. The guarantees are covered to a large extent by cash deposits recovered from the individual consumers of electricity within the municipal area.

A bank guarantee has been obtained from Standard Bank and issued to the SA Post Office which serves as security in respect of the payment for the monthly delivery of the municipal accounts.

Contingent asset

Swartland Municipality vs The National Energy Regulator of South Africa: Application in the high court of South Africa (Gauteng Division) for the judicial review of 2023/24 tariff approvals by the electricity regulator.

The municipality is also involved in various individual building & land use matters, eviction applications, etc.

52. Utilisation of Long-term liabilities reconciliation

| | | |
|---|--------------|--------------|
| Long-term liabilities raised | 38 813 954 | 90 850 978 |
| Used to finance property, plant and equipment | (38 813 954) | (90 850 978) |

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|--|------------------|------------------|
| 52. Utilisation of Long-term liabilities reconciliation (continued) | | |
| Short-term portion of long-term liabilities | 5 455 716 | 8 761 333 |
| | 5 455 716 | 8 761 333 |

Long-term liabilities have been utilised in accordance with the Municipal Finance Management Act (Act 56 of 2003). Sufficient cash is available for the annual repayment of capital and interest until the redemption date.

53. Non-cash investing and financing activities

The Municipality was engaged in exchange transactions of non-monetary assets during the year. Various municipal properties were exchanged for similar assets acquired from the registered owners.

54. In-kind donations and assistance

The municipality received services in-kind under voluntary or non-voluntary schemes which included free training, workshops and technical assistance from government departments and entities. These services in-kind have not been recognised as they were assessed not to be significant to the municipality's operations and/or basic service delivery objectives and are not measurable.

55. Related parties

| | |
|--|--------------------------------------|
| Relationships | |
| Accounting Officer | Refer to accounting officers' report |
| Other spheres of government and municipalities | |
| Councillors | Refer to general information |
| Members of key management | Refer to note 36 |

Municipal services rendered to related parties

The rates, service and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses had been recognised in respect of amounts owed by related parties.

The amounts outstanding are unsecured and will be settled in cash. Consumer Deposits were received from Councillors, the Municipal Manager and Section 57 Personnel (managers directly accountable to the Municipal Manager). No expense has been recognised in the period for the provision for doubtful debts in respect of the amounts owed by related parties.

Services rendered to key management personnel occurred within normal supplier and customer relationships on terms and conditions no more or less favourable than those which the municipality is reasonable to expect to have adopted if dealing with the individual persons in the same circumstances. These terms and conditions are within the normal operating parameters established by the municipality's legal mandate.

No councillor was in arrears for more than 90 days.

Related Party Loans

Loans to Councillors and senior management employees are no longer permitted since 1 July 2004.

Purchases from Related Parties

No purchases were made from related parties that are considered to not be at arms-length. In terms of the municipal accounting policy, transactions and balances that are at arms-length will not be separately disclosed.

The water service concession arrangement would not have been entered into with any party other than a related party. The details of the water service concession arrangement are included in Note 60.

Compensation of key personnel

The compensation of key management personnel is set out in Notes 36 and 37.

Swartland Municipality

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|-----------------|------|------|
|-----------------|------|------|

56. Financial instruments disclosure

Categories of financial instruments

2024

Financial assets

| | At fair value | At amortised cost | Total |
|--|---------------|--------------------|--------------------|
| Cash and cash equivalents | 19 758 | 470 471 553 | 470 491 311 |
| Receivables from exchange transactions | - | 148 141 897 | 148 141 897 |
| Receivables from non-exchange transactions | - | 2 735 076 | 2 735 076 |
| Other Financial Assets | - | 300 000 000 | 300 000 000 |
| | 19 758 | 921 348 526 | 921 368 284 |

Financial liabilities

| | At fair value | At amortised cost | Total |
|---|-------------------|--------------------|--------------------|
| Payables from exchange transactions | - | 59 174 294 | 59 174 294 |
| Consumer deposits | 19 659 688 | - | 19 659 688 |
| Unspent conditional grants and receipts | - | 30 493 915 | 30 493 915 |
| Other financial liabilities | - | 38 813 953 | 38 813 953 |
| | 19 659 688 | 128 482 162 | 148 141 850 |

2023

Financial assets

| | At fair value | At amortised cost | Total |
|--|---------------|--------------------|--------------------|
| Cash and cash equivalents | 16 924 | 721 999 911 | 722 016 835 |
| Receivables from exchange transactions | - | 87 080 556 | 87 080 556 |
| Receivables from non-exchange transactions | - | 2 482 341 | 2 482 341 |
| | 16 924 | 811 562 808 | 811 579 732 |

Financial liabilities

| | At fair value | At amortised cost | Total |
|---|-------------------|--------------------|--------------------|
| Payables from exchange transactions | - | 76 110 961 | 76 110 961 |
| Consumer deposits | 17 845 831 | - | 17 845 831 |
| Unspent conditional grants and receipts | - | 9 360 376 | 9 360 376 |
| Other financial liabilities | - | 90 850 978 | 90 850 978 |
| Construction contracts | - | 79 520 | 79 520 |
| | 17 845 831 | 176 401 835 | 194 247 666 |

57. Risk management

Financial risk management

The municipality's activities expose it to a variety of financial risks. The main categories of risk that the municipality is exposed to is credit risk (pertaining to debtors), interest rate risks for investments and liquidity risk as it pertains to the long-term cashflow of the municipality.

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57. Risk management (continued)

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits, implement controls and monitor adherence.

Due to the large non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Directorate: Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity. Compliance with policies and procedures is reviewed by internal auditors on a continuous basis, and by external auditors annually. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports quarterly to the municipality's Performance Risk and Audit Committee, an independent body that monitors the effectiveness of the internal audit function.

Liquidity risk

Liquidity risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation. A maturity analysis for financial liabilities (where applicable) that shows the remaining undiscounted contractual maturities is disclosed below.

Consumer Deposits (*) are disclosed at the value that could be repayable in the following year. It is unlikely that the full balance would become payable as consumer accounts are expected to remain similar year to year. By implication, if the consumer deposit is paid, a similar receipt from a different customer would be expected. The balance is however disclosed in order to indicate a conservative liquidity risk.

Previously, the Other financial liabilities' maturity analysis was disclosed inclusive of interest payable. Upon reconsideration, it was thought more prudent to disclose only the capital portion due as this balance affects the liquidity as at 30 June 2024. The balance at year end is therefore comparable to the maturity analysis. Only the capital is due as at year end, while interest only accrues in the future (future costs not taken into account).

Ultimate responsibility for liquidity risk management rests with the Council. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

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|-----------------|------|------|
|-----------------|------|------|

57. Risk management (continued)

| At 30 June 2024 | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years | Over 5 years |
|---|------------------|-----------------------|-----------------------|--------------|
| Payables from exchange transactions | 59 174 294 | - | - | - |
| Consumer deposits | 19 659 688 | - | - | - |
| Unspent conditional grants and receipts | 30 493 915 | - | - | - |
| Other financial liabilities | 9 349 099 | 9 349 099 | 25 548 731 | 8 703 937 |
| At 30 June 2023 | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years | Over 5 years |
| Payables from exchange transactions | 76 110 961 | - | - | - |
| Consumer deposits | 17 845 831 | - | - | - |
| Unspent conditional grants and receipts | 9 360 376 | - | - | - |
| Other financial liabilities | 8 761 333 | 9 452 366 | 34 967 679 | 37 669 600 |
| Construction contracts | 79 520 | - | - | - |

Credit risk

Credit risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities. Maximum exposure to credit risk is not covered by collateral unless otherwise specified. Each class of financial instrument is disclosed separately.

Potential concentrations of credit risk consist mainly of fixed deposit investments, finance lease debtors, consumer debtors, other debtors, short-term investment deposits and bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction / exposure limits, which are included in the municipality's Investment Policy. These limits are reviewed annually by the Chief Financial Officer and authorised by Council.

Consumer debtors comprise of a large number of ratepayers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Consumer debtors are presented net of an allowance for doubtful debt.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

The municipality exposure to the credit risk is wide-spread, but a single significant debtor, Sasko (Pty) Ltd can be noted as disclosed in Note 3.

Financial assets exposed to credit risk at year end were as follows:

| Financial instrument | 2024 | 2023 |
|--|-------------|-------------|
| Cash and cash equivalents | 470 471 553 | 721 999 911 |
| Receivables from exchange transactions | 115 022 884 | 87 080 556 |
| Receivables from non-exchange transactions | 24 694 947 | 23 302 441 |
| Other Financial Assets | 333 119 014 | - |

The municipality is exposed to a number of guarantees issued in favour of the creditors of the municipality. Refer to note 51 for additional details.

The gross balance from receivables has been grouped into risk groupings (Group 1-3). Group 1 are those debtors with a high certainty of timely payment. Risk of non- payment is considered to be low as these receivables maintained a payment rate of more than 70 %. Group 2 are those debtors with a reasonable certainty of timely payment. The risk of non-payment is considered to be moderate as these receivables maintained a payment rate of 50 - 70 % during the year. Group 3 are those debtors for which the risk factors of non- payment are larger as these receivables had a payment rate of below 50 % during the year.

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57. Risk management (continued)

Grouping include property rates debtors (Statutory Receivables) due to council's policy to allocate payments on a hierarchical basis which includes property rates. The debtor as a whole is only presented fairly by including the property rates balances in the grouping as per the table below.

| Gross balances of receivables from exchange transactions | 2024 | 2023 |
|--|--------------------|-------------------|
| Group 1 | 70 901 176 | 57 516 745 |
| Group 2 | 2 113 360 | 1 476 496 |
| Group 3 | 39 162 354 | 34 836 109 |
| | 112 176 890 | 93 829 350 |

Market risk

Interest rate risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes. Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, finance lease debtors, consumer debtors, other debtors, and bank and cash balances.

The municipality is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates.

At 30 June 2024, if interest rates on Rand-denominated borrowings and investments had been 2% higher (200 basis points) with all other variables held constant, surplus for the year would have been R 16 738 921 (2023: R 14 384 099) higher, mainly as a result of higher interest income.

58. Segment information

General information

The municipal management accounts that are used to review the performance of the municipality are based on National Treasury's Budget schedules as published in the Municipal Budget Reporting Regulations. The management accounts therefore comprise the actual consolidated GRAP results which are presented two different segmental reports: 1) MSCOA's Function Segment and the Municipal Standard Classification (Votes 1-8). Monthly management accounts are however only reviewed for purposes of measuring performance in terms of the municipal organogram (Municipal Votes). Therefore only this report has been presented. The monthly municipal management accounts are available on the municipal website. Details of each municipal service has been reported in the annual performance report.

All figures reported in the management accounts are based on the measurement principles of GRAP. Interdepartmental transactions are already eliminated in the published figures order to present the GRAP accounting to management when reviewing performance.

Management does not review segmented profit or loss as segments are reviewed based on the budget expectations for revenue and expenditure rather than the overall net-profit result. As segmented profit is not reviewed, this has not been presented. For the segment report, only total revenue and total expenditure is reviewed. The detailed breakdown of revenue and expenditure per AFS classification is not reviewed on a segment report level in the monthly management meetings. The detailed analysis is reviewed by each individual manager, but these detailed results are not presented as part of the senior management discussions.

Management does not review restated financial performance or capital expenditure. As such the comparative figures were not updated for the restatements of the prior year.

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58. Segment information (continued)

Segment surplus or deficit, assets

2024

| | Actual | Final Budget | Budget Variance |
|--|----------------------|----------------------|---------------------|
| Revenue | | | |
| Vote 1 - Corporate Services | 15 130 417 | 14 795 120 | 335 297 |
| Vote 2 - Civil Services | 323 767 239 | 321 785 060 | 1 982 179 |
| Vote 3 - Council | 153 529 | 335 379 | (181 850) |
| Vote 4 - Electricity Services | 498 222 211 | 448 934 804 | 49 287 407 |
| Vote 5 - Financial Services | 331 233 583 | 333 603 522 | (2 369 939) |
| Vote 6 - Development Services | 64 426 390 | 70 359 053 | (5 932 663) |
| Vote 7 - Municipal Manager | - | 418 031 | (418 031) |
| Vote 8 - Protection services | 59 887 228 | 62 191 744 | (2 304 516) |
| Total segment revenue | 1 292 820 597 | 1 252 422 713 | 40 397 884 |
| Entity's revenue | | | 40 397 884 |
| Expenditure | | | |
| Vote 1 - Corporate Services | 43 205 466 | 45 147 086 | (1 941 620) |
| Vote 2 - Civil Services | 355 063 552 | 369 881 687 | (14 818 135) |
| Vote 3 - Council | 21 803 265 | 23 634 003 | (1 830 738) |
| Vote 4 - Electricity Services | 392 324 871 | 397 583 965 | (5 259 094) |
| Vote 5 - Financial Services | 63 357 834 | 79 737 269 | (16 379 435) |
| Vote 6 - Development Services | 30 997 007 | 32 995 494 | (1 998 487) |
| Vote 7 - Municipal Manager | 8 464 860 | 9 967 660 | (1 502 800) |
| Vote 8 - Protection Services | 110 278 402 | 112 405 042 | (2 126 640) |
| Total segment expenditure | 1 025 495 257 | 1 071 352 206 | (45 856 949) |
| Total segmental surplus/(deficit) | 267 325 340 | 181 070 507 | 86 254 833 |

Swartland Municipality

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| | Actual | Final Budget | Budget Variance |
|--|--------------------|--------------------|---------------------|
| 58. Segment information (continued) | | | |
| Assets | | | |
| Vote 1 - Corporate Services | 237 386 | 165 813 | 71 573 |
| Vote 2 - Civil Services | 108 415 097 | 116 764 942 | (8 349 845) |
| Vote 3 - Council | 11 061 | 12 000 | (939) |
| Vote 4 - Electricity Services | 67 419 582 | 63 808 632 | 3 610 950 |
| Vote 5 - Financial Services | 3 219 840 | 2 538 856 | 680 984 |
| Vote 6 - Development Services | 55 743 129 | 62 290 745 | (6 547 616) |
| Vote 7 - Municipal Manager | 20 631 | 20 632 | (1) |
| Vote 8 - Protection Services | 3 042 878 | 3 088 299 | (45 421) |
| Total Capital Expenditure | 238 109 604 | 248 689 919 | (10 580 315) |
| Total assets as per Statement of financial Position | | | (10 580 315) |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

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58. Segment information (continued)

2023

| | Actual | Final Budget | Budget Variance |
|--|----------------------|----------------------|---------------------|
| Revenue | | | |
| Vote 1 - Corporate Services | 13 416 327 | 12 798 595 | 617 732 |
| Vote 2 - Civil Services | 293 035 429 | 298 253 544 | (5 218 115) |
| Vote 3 - Council | 103 327 | 299 425 | (196 098) |
| Vote 4 - Electricity Services | 393 023 473 | 410 288 864 | (17 265 391) |
| Vote 5 - Financial Services | 287 844 206 | 278 834 788 | 9 009 418 |
| Vote 6 - Development Services | 31 971 405 | 47 587 169 | (15 615 764) |
| Vote 7 - Municipal Manager | - | 418 000 | (418 000) |
| Vote 8 - Protection Services | 53 349 066 | 49 537 194 | 3 811 872 |
| Total segment revenue | 1 072 743 233 | 1 098 017 579 | (25 274 346) |
| Entity's revenue | | | (25 274 346) |
| Expenditure | | | |
| Vote 1 - Corporate Services | 37 799 564 | 41 200 514 | (3 400 950) |
| Vote 2 - Civil Services | 325 327 523 | 356 613 686 | (31 286 163) |
| Vote 3 - Council | 18 881 370 | 19 502 019 | (620 649) |
| Vote 4 - Electricity Services | 342 784 143 | 371 902 840 | (29 118 697) |
| Vote 5 - Financial Services | 52 095 308 | 67 142 502 | (15 047 194) |
| Vote 6 - Development Services | 50 629 443 | 64 578 736 | (13 949 293) |
| Vote 7 - Municipal Manager | 7 573 005 | 10 753 501 | (3 180 496) |
| Vote 8 - Protection Services | 99 440 829 | 93 882 193 | 5 558 636 |
| Total segment expenditure | 934 531 185 | 1 025 575 991 | (91 044 806) |
| Total segmental surplus/(deficit) | 138 212 048 | 72 441 588 | 65 770 460 |

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| | Actual | Final Budget | Budget Variance |
|---|--------------------|--------------------|---------------------|
| 58. Segment information (continued) | | | |
| Assets | | | |
| Vote 1 - Corporate Services | 595 547 | 594 671 | 876 |
| Vote 2 - Civil Services | 107 124 266 | 116 195 463 | (9 071 197) |
| Vote 3 - Council | 663 869 | 663 869 | - |
| Vote 4 - Electricity Services | 48 605 561 | 49 576 775 | (971 214) |
| Vote 5 - Financial Services | 665 314 | 314 293 | 351 021 |
| Vote 6 - Development Services | 6 934 611 | 7 435 113 | (500 502) |
| Vote 7 - Municipal Manager | 12 135 | 12 135 | - |
| Vote 8 - Protection Services | 4 045 233 | 4 047 485 | (2 252) |
| Reconciling items | | | |
| Landfill site (movement on provision) | 1 855 785 | - | - |
| Total capital expenditure | 170 502 321 | 178 839 804 | (10 193 268) |
| Total additions as per Statement of Financial Position | | | (10 193 268) |

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|-----------------|------|------|
|-----------------|------|------|

59. Accounting by principals and agents

The entity is a party to principal-agent arrangements.

Details of the arrangements are as follows:

Licensing fees collected on behalf of the Provincial Department

The municipality collects licensing fees on behalf of the Provincial Department of Transport and Public Works. The municipality can retain a portion of the fees collected and the net amount is due to the Provincial Department. The amount retained is recorded as Income from Agency Services in the Statement of Financial Performance. The amounts due to the Provincial Department at year end are included in the balances reported as Payables from Exchange Transactions in the Statement of Financial Position.

The municipality does not incur any additional expenses on behalf of the Provincial Department as the collection of fees are within the normal operations of the municipality. No significant risks are noted to arise from the arrangement as the municipality merely collects monies on behalf of the department as part of its existing service offering at the traffic department and municipal cashier collection points. No resources are held on behalf of the Provincial Department (other than the receipts). Monies are paid to the department every 5 days (or first business day thereafter).

Other Arrangements

The municipality has entered into arrangements with service providers where they provide services to the public on behalf of the municipality. The nature of these arrangements was assessed and since the municipality collects all revenues in full, the transactions are not considered to be those within the scope of GRAP 109. The types of arrangements considered for this purpose are:

- Traffic fines are issued on our behalf by a service provider. Some collections are also collected via their service level agreements with e-payment service providers.
- Various prepaid electricity vendors sell electricity on our behalf. The software used results in all transactions being recorded in our sub-system. We collect the cash receipts from the vendors daily. Prepaid vendors earn commission on the value of each transaction with a maximum limit in place.

For conditional grant receipts, kindly refer to Note 31.

Commission to Prepaid vendors and expenditure relating to services rendered by the traffic services vendor are disclosed in Note 39.

No other resources are held by these vendors on behalf of the municipality. As no resources are held, except the daily cash-ups, no significant risks have been transferred to these vendors.

Entity as agent

Additional information

Revenue and expenses that relate to transactions with third parties undertaken in terms of the principal-agent arrangement

Category(ies) of revenue received or to be received on behalf of the principal, are:

Categories

Licensing fees

Additional details

The municipality receives a commission on collection of Licensing Fees on behalf of the Provincial Department of Transport and Public Works. The municipality accounts for its portion as Income from Agency Services and the net amount due to the Provincial Department is transferred to such department.

Receivables and/or payables recognised based on the rights and obligations established in the binding arrangement(s)

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

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| Figures in Rand | 2024 | 2023 |
|--|--------------|--------------|
| 59. Accounting by principals and agents (continued) | | |
| Reconciliation of the carrying amount of payables | | |
| Motor Vehicle Licenses | | |
| Revenue that principal is entitled to | 47 773 560 | 43 296 577 |
| Cash repaid to the principal | (42 424 477) | (37 785 098) |
| Income from agency service | (5 348 435) | (5 511 479) |
| | 648 | - |

The amount due to the Department is included under Payables from Exchange Transactions (Other payables).

60. Service Concession Arrangements

In terms of the Municipal Systems Act, Bulk Water service falls under the domain of the District Municipality which would mean that these assets would fall under West Coast District Municipality, however authority was given by way of a Government Gazette notice whereby the Local Municipalities of Bergrivier, Swartland and Saldanha Bay were given Water Service Authority Status with the responsibility for the provision of the Bulk Water Function.

This effectively meant that this function was taken over from the District Municipality. At this stage the assets should in effect have been transferred to the Local Municipalities.

In terms of the Section 78 Study dated August 2005 a decision was made to maintain the status quo, whereby West Coast District Municipality would continue to operate the water function on behalf of the three local municipalities (Swartland, Saldanha bay and Bergrivier), the agreement was for a period of 10 years and the function ultimately remains that of the Local Municipalities. Currently the agreement is cancellable by either of the parties, but it is unlikely that the agreement would be terminated in the foreseeable future. No changes to the arrangement were made during the current or previous financial periods, but minor administrative matters are constantly being addressed (e.g. procurement strategies). No breaches by either of the parties have been identified to date.

In return for operating the Bulk Water service function the District received compensation as follows:

- Monthly Tariff Fee
- Administrative fee equal to 5% of the operating costs

The Local Municipalities are thus in control of the Bulk Water assets, and as a result these assets are, measured and disclosed in our financial records.

The effect of the service concession arrangement in the financial statements of the municipality can be summarised as follows:

| | | |
|---|-------------|------------|
| Property, plant and equipment | | |
| Infrastructure (Water) | 88 693 038 | 91 893 970 |
| Borrowings | | |
| Expenditure relating to service concession arrangement | | |
| Depreciation | 3 200 932 | 3 192 977 |
| Loss on disposal of assets | - | 36 061 |
| Finance charges | - | 25 886 |
| Total water purchased from District | 33 540 669 | 33 612 592 |
| - Purchased at agreed rate | 39 119 956 | 33 519 410 |
| - Adjusted for distribution (gains)/losses | (5 579 287) | 93 182 |

No revenue is receivable by the municipality in terms of the arrangement. The municipality's water purchases are generated through this arrangement.

The loans are registered in the name of West Coast District Municipality, but have been entered into solely to finance the purchase or upgrade of the service concession assets. For this purpose, the loans have been apportioned to each municipality within the district in relation to the approximate value of the infrastructure assets purchased by the operator (West Coast District Municipality).

Swartland Municipality

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|---|-------------------|-------------------|
| 60. Service Concession Arrangements (continued) | | |
| Service Concession Assets | | |
| Included in the total for Property, Plant and Equipment are assets that are separately attributable to the service concession arrangement between the municipality and West Coast District Municipality which has assumed the responsibility for the water distribution on behalf of the municipality. The carrying values of these assets are disclosed below: | | |
| Infrastructure: Water | 88 693 038 | 91 893 970 |
| Reconciliation of Carrying Amounts of Service Concession Assets | | |
| Opening Balance (Carrying Value) | 91 893 970 | 95 053 032 |
| Additions | - | 69 976 |
| Depreciation | (3 200 932) | (3 192 977) |
| Disposal of assets | - | (36 061) |
| Total Carrying Amounts of Service Concession Assets | 88 693 038 | 91 893 970 |

61. Multi-employer retirement benefit information

The personnel of the Swartland Municipality are members of the funds as set out below. These schemes are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below. The Local Authority Retirement Fund, The Consolidated Retirement Fund for Local Government, The National Municipal and Related Services Employee Retirement Fund and The National Fund for Municipal Workers are defined contribution plans. Sufficient information is not available to use defined benefit accounting for the pension and retirement funds, due to the following reasons:

- The assets of each fund are held in one portfolio; these assets are not nationally allocated to each of the participating employers.
- One set of financial statements are compiled for each fund and financial statements are not drafted for each participating employer.
- The rate of contributions is provided below under each fund.

Each fund operates as a single entity and is not divided into sub-funds for each participating employer.

The only obligation of the municipality in respect of the defined contribution plans is to make the specified contributions.

LOCAL AUTHORITY RETIREMENT FUND

The Local Authority Retirement Fund operates as a defined contribution scheme.

The defined contribution scheme is a multi-employer plan and the contribution rate payable is 9,00% by the members and 18,00% by Council. The last valuations performed for the year ended 30 June 2023 (30 June 2022) had an overall funding level of 106.9% (2022: 111.6%) and is in a sound financial position. The next actuarial valuation will be as at 30 June 2024.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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|-----------------|------|------|

61. Multi-employer retirement benefit information (continued)

CONSOLIDATED RETIREMENT FUND FOR LOCAL GOVERNMENT

The contribution rate paid by the members (9,00% by employees, 7,50% by section 57 employees and 12,00% by councillors) and by Council (18,00% for employees, 19,50% for section 57 employees and 15,00 % for councillors) is sufficient to fund the benefits accruing from the fund in future. The last valuation performed for the year ended 30 June 2023 (30 June 2022) revealed that the fund had a funding level of 120.6% (131.6%). Certified to be of a sound financial position as at 30 June 2023.

MUNICIPAL WORKERS RETIREMENT FUND

The contribution rate payable is 7,50% by the members 18% by Council. Actuarial valuation on this fund is performed every three years, and the last valuation performed for the year ended 30 June 2020 (30 June 2019) certified that the fund is in a sound financial state. The funding level was 100,00% at valuating date (2019: 100,00%).

NATIONAL FUND FOR MUNICIPAL WORKERS

The above mentioned fund is a Defined Contribution Fund and the contribution rate paid by the members is 9,00% and 7,50% by section 57 employees and that of council 18,00% and 19,50% respectively. The latest statutory valuation was done on 30 June 2023. As at 30 June 2023 the results state that the funding level was 100,00% (2022: 100%).

Employers do not have any liability for any fund's performances or deficits. None of the above mentioned plans are state plans.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

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|-----------------|------|------|
|-----------------|------|------|

62. Restatement of prior year

Presented below are those items contained in the statement of financial performance that have been affected by prior-year adjustments:

No restatements were made to the Statement of Financial Position.

Statement of financial position

2023

| | Note | As previously reported | Correction of error | Re-classification | Restated |
|--|------|------------------------|---------------------|-------------------|----------------------|
| Current Assets | | 879 602 153 | - | - | 879 602 153 |
| Cash and cash equivalents | | 722 016 835 | - | - | 722 016 835 |
| Receivables from exchange transactions | | 87 080 558 | - | 3 762 438 | 90 842 996 |
| Receivables from non-exchange transactions | | 38 450 917 | - | (3 762 438) | 34 688 479 |
| Inventories | | 23 023 111 | - | - | 23 023 111 |
| VAT receivable | | 9 030 732 | - | - | 9 030 732 |
| Non-Current Assets | | 2 234 437 195 | 6 603 664 | - | 2 241 040 859 |
| Property, plant and equipment | | 2 211 648 413 | 4 101 525 | - | 2 215 749 938 |
| Investment property | | 20 836 982 | 2 502 139 | - | 23 339 121 |
| Intangible assets | | 606 400 | - | - | 606 400 |
| Heritage assets | | 1 345 400 | - | - | 1 345 400 |
| Total Assets | | 3 114 039 348 | 6 603 664 | - | 3 120 643 012 |
| Liabilities | | | | | |
| Current Liabilities | | 144 679 086 | 8 192 545 | - | 152 871 631 |
| Operating lease liability | | 223 681 | - | - | 223 681 |
| Payables from exchange transactions | | 103 492 343 | - | - | 103 492 343 |
| Consumer deposits | | 17 845 831 | - | - | 17 845 831 |
| Construction contracts payables | | 79 520 | - | - | 79 520 |
| Unspent conditional grants and receipts | | 9 360 378 | - | - | 9 360 378 |
| Other financial liabilities | | 8 761 333 | - | - | 8 761 333 |
| Employee benefit obligation | | 4 916 000 | - | - | 4 916 000 |
| Provisions | | - | 8 192 545 | - | 8 192 545 |
| Non-Current Liabilities | | 223 550 521 | - | - | 223 550 521 |
| Other financial liabilities | | 82 089 645 | - | - | 82 089 645 |
| Employee benefit obligation | | 82 974 000 | - | - | 82 974 000 |
| Provisions | | 58 486 876 | - | - | 58 486 876 |
| Total Liabilities | | 368 229 607 | 8 192 545 | - | 376 422 152 |
| Reserves | | 2 745 809 741 | (1 588 881) | - | 2 744 220 860 |
| Reserves | | 259 260 281 | - | - | 259 260 281 |
| Accumulated surplus | | 2 486 549 460 | (1 588 881) | - | 2 484 960 579 |
| Total Net Assets | | 2 745 809 741 | (1 588 881) | - | 2 744 220 860 |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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|---|------|------------------------|---------------------|----------------------|
| 62. Restatement of prior year (continued) | | | | |
| Statement of financial performance | | | | |
| 2023 | | | | |
| | Note | As previously reported | Correction of error | Restated |
| Revenue | | | - | - |
| Revenue from exchange transactions | | | - | - |
| Service charges | | 523 090 767 | - | 523 090 767 |
| Agency services | | 5 511 479 | - | 5 511 479 |
| Construction contracts | | 17 729 913 | - | 17 729 913 |
| Interest received | | 61 748 083 | - | 61 748 083 |
| Operational revenue | | 15 130 524 | - | 15 130 524 |
| Rental of facilities and equipment | | 1 589 981 | - | 1 589 981 |
| Development charges | | 1 706 706 | - | 1 706 706 |
| Total revenue from exchange transactions | | 626 507 453 | - | 626 507 453 |
| Revenue from non-exchange transactions | | - | - | - |
| Taxation revenue | | | - | - |
| Property rates | | 152 116 870 | - | 152 116 870 |
| Interest received on rates receivables | | 1 239 369 | - | 1 239 369 |
| Transfer revenue | | | - | - |
| Government grants and subsidies | | 214 873 746 | (289 107) | 214 584 639 |
| Donated property, plant and equipment | | 6 143 474 | - | 6 143 474 |
| Fines, Penalties and Forfeits | | 34 692 160 | - | 34 692 160 |
| Licences and permits (non-exchange) | | 5 087 529 | - | 5 087 529 |
| Public contributions and donations | | 11 248 071 | - | 11 248 071 |
| Vesting of properties and equipment | | 732 965 | - | 732 965 |
| Availability charges | | 10 889 395 | - | 10 889 395 |
| Total revenue from non-exchange transactions | | 437 023 579 | (289 107) | 436 734 472 |
| Total revenue | | 1 063 531 032 | (289 107) | 1 063 241 925 |
| Expenditure | | | - | - |
| Employee related costs | | 286 378 168 | - | 286 378 168 |
| Remuneration of councillors | | 11 225 003 | - | 11 225 003 |
| Bad debts written off | | 43 096 415 | - | 43 096 415 |
| Bulk purchases | | 289 451 395 | - | 289 451 395 |
| Contracted services | | 87 019 625 | - | 87 019 625 |
| Depreciation and amortisation | | 94 180 770 | 382 169 | 94 562 939 |
| Finance costs | | 15 655 387 | 610 652 | 16 266 039 |
| Grants and subsidies paid | | 4 245 586 | - | 4 245 586 |
| Operational cost | | 38 191 069 | - | 38 191 069 |
| Other materials | | 55 778 336 | - | 55 778 336 |
| Total expenditure | | 925 221 754 | 992 821 | 926 214 575 |
| Operating surplus | | 138 309 278 | (1 281 928) | 137 027 350 |
| Gains on sale of fixed assets | | 2 185 594 | - | 2 185 594 |
| Gains on sale of land | | 7 026 603 | - | 7 026 603 |
| (Reversal) / impairment of assets and receivables | | 5 396 351 | - | 5 396 351 |
| Inventory losses: Water losses | | (4 439 286) | - | (4 439 286) |
| Loss on disposal of assets | | (10 266 498) | - | (10 266 498) |
| Gains and (losses) for the year | | (97 236) | - | (97 236) |
| Surplus for the year | | 138 212 042 | (1 281 928) | 136 930 114 |

Swartland Municipality

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|-----------------|------|------|

62. Restatement of prior year (continued)

(a) Correction of Non-current assets

During the year under review, a data cleansing exercise on the asset register was conducted to confirm the asset register to the latest standards and norms as per the municipal asset management policy. During the review of the land and buildings some assets were discovered which was not previously included in the asset register. These were found to be historic donations (such as grass for a cricket field and a wheel-chair ramp at Yzerfontein beach).

Furthermore, during the current year unbundling evidence was obtained of projects that were completed in previous years, but for which the evidence was not obtained during the prior year's unbundling (for example the required as-built drawings were not available). Such resulted in a correction of the opening balance cost (donations) and depreciation.

Increase/(Decrease) in Property, Plant and Equipment

| | |
|---|----------------------|
| Closing Balance - previously stated | 2 211 648 413 |
| Opening balance cost restated due to data cleansing | 3 626 365 |
| Opening balance accumulated depreciation restated due to data cleansing | (2 222 320) |
| Opening balance cost restated during current year unbundling | 723 598 |
| Opening balance accumulated depreciation restated due to unbundling | (130 235) |
| Additions restated during current year unbundling | 2 286 137 |
| Depreciation restated due to data cleansing | (144 379) |
| Depreciation restated during current year unbundling | (37 641) |
| | 2 215 749 938 |

Increase/(Decrease) in Investment Property

| | |
|---|-------------------|
| Closing Balance - previously stated | 20 836 982 |
| Opening balance cost restated due to data cleansing | 14 391 512 |
| Opening balance accumulated depreciation restated due to data cleansing | (11 689 224) |
| Depreciation restated due to data cleansing | (200 149) |
| | 23 339 121 |

(b) Correction of error - provisions

Kindly refer to Note 51 for details on SARS VAT matter. A provision has been created based on formal correspondence from the Minister of Finance on the matter.

Increase/(Decrease) in provisions

| | |
|--|-------------------|
| Closing Balance - previously stated | 58 486 876 |
| Opening balance adjustment | 7 292 786 |
| Remeasure/Redemption adjustment | 289 107 |
| Interest due to passage of time adjustment | 610 652 |
| | 66 679 421 |

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|-----------------|------|------|
|-----------------|------|------|

62. Restatement of prior year (continued)

(e) Adjustment of surplus for the year

The aforementioned adjustments resulted in adjustments to the accumulated surplus for the year as follows:

Statement of Financial Performance

| | |
|--|----------------------|
| Closing Balance - previously stated | 2 486 549 460 |
| Opening balance adjustment due to Fixed assets | 6 985 833 |
| Opening balance adjustment due to Provisions | (7 292 786) |
| Restated opening balance | 2 486 242 507 |
| Restated surplus for the year | (1 281 928) |
| | 2 484 960 579 |

Statement of financial performance

| | |
|--|--------------------|
| Depreciation restated | (382 169) |
| Finance cost restated | (610 652) |
| Government grants and subsidies restated | (289 107) |
| | (1 281 928) |

63. Comparative figures

Certain comparative figures have been reclassified as indicated in Notes 62. These reclassifications were made in order to ensure comparability (consistency) to the current and future periods.

64. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

| | | |
|---|-------------|-------------|
| Current year subscription / fee | 3 240 371 | 3 070 399 |
| Amount paid - current year | (3 240 371) | (3 070 399) |
| Balance unpaid (included in creditors) | - | - |

Audit fees

| | | |
|----------------------------|-------------|-------------|
| Current year fee | 3 665 578 | 3 451 139 |
| Amount paid - current year | (3 665 578) | (3 451 139) |
| | - | - |

VAT

| | | |
|-------------------|------------|-----------|
| VAT payments made | 23 365 523 | 9 259 612 |
|-------------------|------------|-----------|

VAT output payables and VAT input receivables are shown in note 9.

All VAT returns have been submitted by the due date throughout the year.

PAYE, UIF and SDL

| | | |
|---|--------------|--------------|
| Current year amounts due | 51 151 451 | 46 384 424 |
| Amount paid - current year | (51 151 451) | (46 384 424) |
| Balance unpaid (included in creditors) | - | - |

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64. Additional disclosure in terms of Municipal Finance Management Act (continued)

Pension and Medical Aid Deductions

| | | |
|---|--------------|--------------|
| Current year contributions due | 78 994 435 | 72 681 635 |
| Amount paid - current year | (78 994 435) | (72 675 635) |
| Balance unpaid (included in creditors) | - | 6 000 |

Councillors' arrear consumer accounts

During the financial year under review no Councillor was in arrears with the settlement of their municipal accounts.

Deviations in terms of section 36 of the Municipal Supply Chain Regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Municipal Manager and noted by Council. The incidents were reported to council.

Incident

| | | |
|---|-------------------|-------------------|
| Deviations above R30 000 due to Emergencies (occurrences: 23 (2023: 23)) | 2 677 606 | 2 632 493 |
| Deviations above R30 000 due to Sole Supplier deviations (occurrences: 6 (2023: 3)) | 677 903 | 208 603 |
| Deviations based on section 2(6) of Supply Chain Policy - Impractical to obtain quotes - special goods/services (occurrences: 79 (2023: 46)) | 6 098 509 | 1 858 089 |
| Deviations based on section 2(6) of Supply Chain Policy - Impractical to obtain quotes for repairs and services to specialised equipment or vehicles (occurrences: 470 (2023: 469)) | 5 311 616 | 4 610 862 |
| Deviations below R30 000 (occurrences: 398 (2023: 435)) | 3 252 173 | 3 809 840 |
| | 18 017 807 | 13 119 887 |

Bulk Electricity and Water Losses in terms of Section 125 (2)(d)(i) of the MFMA

Immaterial Electricity and Water Losses were as follows and are not recoverable:

Technical electricity losses

| | | |
|-------------------------------------|-------------------|------------------|
| Units purchased | 181 968 411 | 178 364 118 |
| Units sold | (171 735 306) | (168 951 523) |
| Technical electricity losses | 10 233 105 | 9 412 595 |
| | 5,62% | 5.28% |

Electricity Losses occur due to inter alia, technical and non-technical losses (Technical losses - inherent resistance of conductors, transformers and other electrical equipment; Non-technical losses - the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal electricity connections). The problem with tampered meters and illegal connections is an ongoing occurrence, with regular actions being taken against defaulters. Faulty meters are replaced as soon as it is reported.

Water distribution losses and non-revenue water

| | | |
|--------------------------------------|------------------|----------------|
| Kilolitres purchased | 5 714 492 | 5 183 703 |
| Kilolitres sold | (4 452 371) | (4 328 018) |
| Kilolitres Lost in distribution (kl) | 1 262 121 | 855 685 |
| Unbilled / Unmetered Water (kl) | (188 578) | (171 062) |
| Actual loss in units (kl) | 1 073 543 | 684 623 |
| Percentage loss | 18,78% | 13.21% |

Water losses occur due to inter alia evaporation, leakages, the tampering of meters, faulty meters and illegal water connections. The problem with tampered meters and illegal connections is an ongoing occurrence, with regular action being taken against defaulters. Faulty meters and leakages are replaced/repared as soon as it is reported.

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64. Additional disclosure in terms of Municipal Finance Management Act (continued)

Disclosure of awards of more than R2 000 to a person who is a family member of a person in the service of the state in terms of section 45 of the Municipal Supply Chain Regulations:

Kindly note that certain previously disclosed names and amounts have been restated to reflect the correct information available to the municipality as at 30 June 2023.

| Service Provider | Relation to Service Provider | Name of Relation in the Employment of the Organ of State | Organ of State | Position of the person in the employment of the Organ of State | Value of Transaction 2024 R | Value of Transaction 2023 R |
|---|------------------------------|--|-------------------------------------|--|-----------------------------|-----------------------------|
| Neil Lyners and Associates (RF) (OCT Potgieter) | Daughter | Alicia Potgieter | City of Cape Town | Professional Officer | 4 680 196 | 7 221 955 |
| WJ Cotter Electrical (J Cotter) | Father in law | T van Essen | Swartland Municipality | Councillor | 538 829 | 1 088 485 |
| WJ Cotter Electrical (R Crawford) | Father in law | T van Essen | Swartland Municipality | Councillor | | |
| Lumico (Pty) Ltd (D Malherbe) | Father in law | L Fourie | Swartland Municipality | Strategic management | - | 20 700 |
| Euraf Agencies CC (P Fourie) | Spouse | R Fourie | Department of Correctional Services | Financial Manager | 171 820 | 277 730 |
| Golden Rewards 1873 cc t/a Futasia Caterers (Suenelle De Jager) | Spouse | R De Jager | Department of Education | Teacher | 270 460 | 264 682 |
| Jonathan Wayne Lawrence t/a J Lawrence (J Lawrence) | Son | Bjorn | Swartland Municipality | General Worker | 228 970 | 177 360 |
| JPCE (J Minnie) | Spouse | J Minnie | City of Cape Town | Director | 3 269 291 | 2 261 961 |
| Conlog (L Moodley) | Spouse | N Moodley | Department of Health | Director | 138 000 | 224 250 |
| Zutari (Aurecon South Africa) (KP Nadasen) | Wife | K Nadasen | National Department of Public Works | Director: Key Account Management | 3 419 448 | 4 100 046 |
| Zutari (Aurecon South Africa) (RJ Ahlschlager) | Spouse | HC Ahlschlager | Special Investigating Unit | Legal Representative | - | - |
| Zutari (Aurecon South Africa) (I Gasant) | Sister | N Allie | City of Cape Town | Head of Security Architecture | - | - |
| Zutari (Aurecon South Africa) (I Gasant) | Sister | M Gasant | | | - | - |
| Zutari (Aurecon South Africa) (I Gasant) | | | | | - | - |
| Zutari (Aurecon South Africa) (E Marques) | Spouse | M Marques | Department of Internal Affairs | Director | - | - |
| Zutari (Aurecon South Africa) (J Ndala) | Spouse | TJ Ndala | | | - | - |
| Fonnies Enterprises (BA Adonis) | Sister | T Adonis | Statistics SA | Data Capturer | 61 618 | 42 718 |
| Fonnies Enterprises (Brent Angelo Adonis) | Brother | A Adonis | Metro EMS | Rescue Technician | - | - |
| Yolanda Petersen - Petersen Tuindienste (Y Petersen) | Spouse | R Petersen | Department of Correctional Services | Correctional Officer | 226 920 | 152 000 |

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64. Additional disclosure in terms of Municipal Finance Management Act (continued)

| | | | | | | |
|---|-------------|--------------|--|--------------------------------|------------|------------|
| Thembile Petrus Dapula t/a T P Dapula (TP Dapula) | Spouse | N Dapula | West Coast TVET College | Deputy Principal | 66 950 | 83 030 |
| Blackbird 49 - Koos Smit (K Smit) | Spouse | M Smit | Swartland Municipality | Clerk | 26 700 | 60 500 |
| Webber Wentzel (J Watson) | Mother | E Watson | Department of Public Service | Official | - | - |
| Webber Wentzel (J Smit) | Father | JCL Smit | Beaufort West Municipality | Director: Engineering Services | - | - |
| Webber Wentzel (G Truter) | Father | LC Truter | Newton Primary School | School Principal | - | - |
| Webber Wentzel (G Truter) | Mother | AM Truter | West Coast Education District | Chief Education Specialist | - | - |
| Webber Wentzel (T Thekiso) | Sister | N Ndebele | Melodi Primary School | Principal | - | - |
| Webber Wentzel (M Mahlangu) | Mother | BT Mahlangu | Hlolisa Combined School | School Principal | - | - |
| Webber Wentzel (B Abraham) | Mother | J Abraham | Department of Education | Secretary | - | - |
| Webber Wentzel (S Dias) | Spouse | N Dias | City of Cape Town | Senior Legal Advisor | - | - |
| Webber Wentzel (K Nonyane) | Spouse | K Nonyane | Petro SA | Senior Planning Technician | - | - |
| Amandla GCF Construction (W Frazenburg) | Sister | U Frazenburg | National Government: Deeds Office | Registrar of Deeds | 29 660 419 | 10 374 243 |
| Amandla GCF Construction (W Frazenburg) | Brother | E Frazenburg | Kimberley Department of Education | Teacher | - | - |
| Amandla GCF Construction (W Frazenburg) | Sister | J Frazenburg | Western Cape Department of Education | Teacher | - | - |
| Amandla GCF Construction (W Frazenburg) | Brother | B Frazenburg | City of Cape Town: Traffic | Municipal Prosecutor | - | - |
| Turner and Townsend (G Bulmer) | Wife | T Bulmer | Department of Health: Gauteng | Chief Physiotherapist | - | 48 300 |
| Turner and Townsend (E Harmse) | Step mother | N Harmse | Tswane University of Technology | Head of Department | - | - |
| Turner and Townsend (R Singh) | Sister | B Singh | Department of Health Kwazulu Natal | Sister | - | - |
| Turner and Townsend (C Barnard) | Wife | E Barnard | Telkom | Risk Manager | - | - |
| Turner and Townsend (V Naidoo) | Wife | P Naidoo | Helen Joseph Hospital | Doctor | - | - |
| Turner and Townsend (Y Naicker) | Mother | S Naicker | Department of Education: Kwazulu Natal | Head of Department | - | - |

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64. Additional disclosure in terms of Municipal Finance Management Act (continued)

| | | | | | | |
|---|----------|-------------|---------------------------------------|-----------------------------------|-----------|-----------|
| Turner and Townsend (K Pauw) | Brother | B Pauw | Department of Health: Western Cape | Community Service Medical Officer | - | - |
| Turner and Townsend (J van der Merwe) | Sister | M Wepener | Agricultural Research Council SADF | Senior Research Veterinarian | - | - |
| Turner and Townsend (P Shezi) | Sister | I Shezi | SAPS | Warrant Officer Forensic Analyst | - | - |
| Turner and Townsend (J Maphala) | Aunt | S Raphadu | Department of Education: Gauteng | Head | - | - |
| Turner and Townsend (J Louw) | Wife | M Louw | Eskom | Contract Management | - | - |
| Turner and Townsend (N McMahon) | Sister | E Louw | City of Cape Town | Principal Professional Officer | 1 352 517 | 6 688 758 |
| Actom (S Nel) | Daughter | I Nel | Department of Education | Nurse | - | - |
| Actom (D Lubbe) | Spouse | T Lubbe | Department of Health | Teacher | - | 9 695 |
| Cyote Fire Services (M Muller) | Spouse | B Muller | Department of Education | Curriculum Advisor | - | 16 840 |
| MT Panelbeating (M Bocks) | Spouse | C Bocks | Department of Education: Western Cape | Teacher | - | 34 105 |
| Mubesko Africa (Pty) Ltd (B Saaiman) | Spouse | L Saaiman | Department of Education | Supervisor | 160 686 | 71 024 |
| Redhill Electronics (E Hartley) | Spouse | L Hartley | Department of Labour | Finance Clerk | - | - |
| Landis & Gyr (C Ngcukana) | Spouse | C Ngcukana | Department of Health | Nurse | 689 242 | 477 393 |
| Landis & Gyr (C Ngcukana) | Brother | V Ngcukana | Groote Schuur Hospital | Psychologist | - | 306 637 |
| Landis & Gyr (C Dingaan) | Sister | P Nquomo | Department of Health | Doctor | 6 401 006 | 1 821 364 |
| Swartland and West Coast Trading (Pty) Ltd (L Marcus) | Spouse | H Marcus | SAPS | Clerk | 967 231 | 828 612 |
| Swartland and West Coast Trading (Pty) Ltd (L Marcus) | Child | K Dietrich | SANRAL | Ops Maintenance Manager | 106 205 | 106 570 |
| IX Engineers (M Mashegana) | Spouse | R Mashegana | Gauteng Provincial Government | IT | - | 23 000 |
| Mainstruct Project (E Isaacs) | Spouse | E Benjamin | Emfulweni Municipality | Horticulture | - | - |
| IQ Vision (J Meyer) | Daughter | MD Meyer | Eskom Rotek Industries | Engineering Technician | - | - |
| Johan Bester Ingenieurswerke (A Jordaan) | Spouse | M Jordaan | | | | |
| Adapt IT (M Mbambo) | Spouse | MS Mbambo | | | | |
| GIBB (N Phizda) | Brother | FF Phizda | | | | |
| GIBB (N Phizda) | Brother | R Phizda | | | | |
| GIBB (N Phizda) | Sister | T Phizda | | | | |

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64. Additional disclosure in terms of Municipal Finance Management Act (continued)

| | | | | | | |
|--|----------|-----------------|---|---------------------------------------|-----------|---------|
| Innovative Transport Solutions (L Pretorius) | Son | D Pretorius | CSIR | Engineer | 199 645 | 264 417 |
| Innovative Transport Solutions (C Krogscheepers) | Daughter | M van der Merwe | City of Cape Town | Doctor | - | - |
| Innovative Transport Solutions (O Rebeiro) | Spouse | N Khena | PRASA | Chief Operating Officer | - | - |
| Bubbles Household Chemicals (C Pieters) | Spouse | JR Pieters | Swartland Municipality | Chief Engineering Technician | 537 116 | 414 345 |
| Mindspring Computing (R Hendricks) | Spouse | B Hendricks | City of Cape Town | Electrician | - | 59 413 |
| Indecon (Pty) Ltd (T Barnard) | Spouse | L Barnard | Department of Education | Teacher | 195 326 | 113 729 |
| Cigicell (Pty) Ltd (M Nyawane) | Spouse | T Nyawane | Department of Education | Deputy Principal | - | 379 258 |
| Ian Dickie & Co (Pty) Ltd (M Samuels) | Spouse | D Samuels | SAPS | Warrant Officer | 135 677 | 16 216 |
| JVZ Construction (M Matthee) | Spouse | R Matthee | Correctional Services | Security Guard | 30 492 | 704 766 |
| Siphakame Skills Development (N Vacu) | Spouse | NS Vacu | Drakenstein Municipality | Economic Growth Officer | 404 628 | 839 040 |
| Melloda Project Management (LE Daniels) | Spouse | MN Daniels | Swartland Municipality | Principal Clerk: Sundries and Housing | 6 169 | 28 750 |
| Motheo Construction (LT Mashau) | Brother | N Ndhlovu | Department of Statistics | Statistician | 217 723 | - |
| Motheo Construction (SJ Matlhasi) | Sister | B Mantlhasi | North West Department of Cooperative Governance and Traditional Affairs | PA - HR Manager | - | - |
| Motheo Construction (U Langa) | Mother | DM Langa | Department of Education | Senior Educational Specialist | - | - |
| Motheo Construction (RC Diphoko) | Father | KE Monareng | SANDF | Warrant Officer | - | - |
| Motheo Construction (RC Diphoko) | Spouse | M Diphoko | Transnet | Senior Construction Manager | - | - |
| Motheo Construction (R Madi) | Father | M Madi | Tholomela Municipality | Environmental Manager | - | - |
| Motheo Construction (V Singh) | Spouse | R Singh | Department of Education | Teacher | - | - |
| Motheo Construction (FA Matsila) | Sister | N Matsila | National Prosecuting Authority | Senior Administrator | - | - |
| F Bocks Construction (F Bocks) | Spouse | S Bocks | Department of correctional services | officer Warden | 3 164 141 | - |
| Spill Tech (GZ Goosen) | Spouse | S Goosen | Transnet | Supply Chain Manager | 13 455 | - |

Swartland Municipality

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64. Additional disclosure in terms of Municipal Finance Management Act (continued)

| | | | | | | |
|-----------------------|--------|---------|------|---------------|-------------------|-------------------|
| Spill Tech (SA Ngema) | Spouse | T Ngema | SARS | Audit Manager | - | - |
| | | | | | 57 340 880 | 41 621 239 |

65. Fruitless and wasteful expenditure

Due to the fiscal governance control environment of the municipality, paired with our commitment to pay creditors within 30-days from statement or invoice, no fruitless expenditure was incurred during the year.

66. Irregular expenditure

| | | |
|---|-------------------|-----------|
| Add: Irregular Expenditure - current | 1 606 612 | - |
| Add: Irregular expenditure - prior period | 12 263 605 | 435 563 |
| Less: Amount written off - current | (522 691) | (435 563) |
| Closing balance | 13 347 526 | - |

Current year irregular expenditure

During the prior year audit, management concurred with the auditor that some deviations listed as emergencies were in fact not due to emergencies, resulting in a breach of the municipal supply management policy. As such the expenditure was considered irregular. Following an investigation by the disciplinary committee, council wrote off the R506 377 pertaining to the prior year audit.

Furthermore, 7 other cases were investigated for current year expenditure where the requirements of the supply chain management was not followed. Each case was investigated and council wrote off the expenditure after due care was exercised (total of cases (R30 880)). One of these cases were only written off during August 2024 (R10 799).

Lastly, following guidance from National Treasury, all payments in lieu of grants in aid since the inception of the MFMA towards our local tourism offices was reconsidered to be in breach of the supply chain management regulations. Management acted in good faith given repealed legal requirements that stated that a local tourism office's revenue should comprise contributions from the local government. Following an investigation, Council wrote off the R13 336 728 in irregular expenditure during August 2024.

Prior year expenditure

The irregular expenditure - prior period for 2022/23 pertains to a contract that fell subject to the requirements of Local production and content requirements not included in advertisement and bid documents in the 2021-2022 year. The matter was only identified during the prior year audit. Given the municipal policies the matter was only considered for investigation in the 2022/23 financial year.

67. Unauthorised expenditure

| | | |
|---|------------------|-------------------|
| Opening balance as previously reported | 5 556 386 | 11 717 297 |
| Opening balance as restated | 5 556 386 | 11 717 297 |
| Add: Expenditure identified - current | - | 5 556 386 |
| Less: Approved/condoned/authorised by council | (5 556 386) | (11 717 297) |
| Closing balance | - | 5 556 386 |

Prior year Unauthorised Expenditure

The Department of Protection Services overspent by an amount of R 5 556 386 (2022: R Nil). The overspent amount is as a result of the traffic fines that appeared before the court to be issued for summons. Only the Department of Justice has through the local courts the authority to issue summons on a fine. However, due to the court rolls being full, the rolls were scrapped without due consideration (non-cash transaction). This resulted in a significant overspent for the department against bad debts. The over-spending could not reasonably have been foreseen at the time of the mid-year budget review as court processes fall outside of the ambit of control.

Swartland Municipality

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68. Events after the reporting date

Management would like to bring to the attention of the users that following copious rain, three dams burst their banks on 8 August, near the municipal border. Sadly, one of our towns, Riverlands, suffered severe flood damage. Support operations is still under way, as at 31st August, to the community of the affected area. Management is expecting to replace capital service delivery assets of approximately R13 500 000 (gross replacement value) and the disaster will have an impact on the municipal operational expenditure once additional funding has been secured to support the community.

Management would also like to highlight that the upper limits for council remuneration were published after the date of signature of the annual financial statements. For the financial impact, kindly refer to Note 37, which outlines the scenario if the Minister had published the upper limits before the year end.

69. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus of R 2 712 124 967 (2023: R 2 484 960 582) and that the municipality's total assets exceed its liabilities.

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.

In assessing whether the going concern assumption is appropriate under the current economic climate, management considered a wide range of factors including the current and expected performance of the municipality, the likelihood of continued government funding and, if necessary, potential sources of replacement funding.

70. BBBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

| EXTERNAL LOANS | Redeemable | Balance at 2023/06/30 | Received/ Transferred during the period | Interest capitalised during the period | Redeemed written off during the period | Balance 2024/06/30 |
|-------------------------------|-------------------|----------------------------------|--|---|---|-------------------------------|
| LONG- TERM LOANS | | | | | | |
| Development Bank | 2028/12/29 | 20 981 060 | - | 9 400 | 3 065 163 | 17 925 297 |
| Development Bank | 2023/12/29 | 143 711 | - | - | 143 711 | - |
| Development Bank | 2031/12/31 | 46 938 006 | - | - | 46 938 006 | - |
| Sanlam | 2031/06/30 | 22 788 202 | - | 12 537 | 1 912 082 | 20 888 657 |
| Total Long- Term Loans | | 90 850 978 | - | 21 937 | 52 058 962 | 38 813 953 |
| | | | | | | |
| TOTAL EXTERNAL LOANS | | 90 850 978 | - | 21 937 | 52 058 962 | 38 813 953 |

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Appendix B: Analysis of Property, Plant and Equipment

| Asset Type | Cost | | | | Accumulated Depreciation and Impairment | | | | | Book Value |
|--------------------------------|----------------------|--------------------|---------------------|----------------------|---|--------------------|------------------|---------------------|----------------------|----------------------|
| | Opening Balance | Additions | Disposals | Closing Balance | Opening balance | Depreciation | Impairments | Disposals | Closing balance | |
| Heritage Assets | 5 078 800 | - | - | 5 078 800 | 958 109 | - | - | - | 958 109 | 4 120 691 |
| Intangible assets | 4 661 707 | - | (300) | 4 661 407 | 4 055 307 | 103 258 | - | (299) | 4 158 266 | 503 141 |
| Investment property | 55 289 027 | - | (347 418) | 54 941 609 | 29 606 168 | 394 173 | 625 | - | 30 000 966 | 24 940 643 |
| Property, plant and equipment | 4 472 908 621 | 231 673 675 | (32 047 348) | 4 672 534 948 | 2 262 226 538 | 102 785 925 | 8 618 884 | (21 896 380) | 2 351 734 968 | 2 320 799 980 |
| Land | 96 235 849 | 830 000 | (1 462 040) | 95 603 809 | 8 834 651 | - | 5 567 850 | - | 14 402 501 | 81 201 308 |
| Movable assets | 140 798 348 | 17 843 943 | (7 081 123) | 151 561 168 | 66 746 412 | 8 691 424 | - | (4 730 020) | 70 707 816 | 80 853 353 |
| Computer Equipment | 17 165 114 | 1 319 378 | (573 176) | 17 911 316 | 11 144 941 | 1 671 774 | - | (563 890) | 12 252 825 | 5 658 490 |
| Furniture and Office Equipment | 10 156 534 | 1 737 397 | (291 271) | 11 602 660 | 7 679 213 | 659 700 | - | (260 581) | 8 078 331 | 3 524 329 |
| Machinery and Equipment | 36 351 393 | 2 895 646 | (497 833) | 38 749 207 | 20 013 128 | 2 540 038 | - | (476 018) | 22 077 148 | 16 672 059 |
| Transport Assets | 77 125 307 | 11 891 522 | (5 718 843) | 83 297 985 | 27 909 129 | 3 819 913 | - | (3 429 531) | 28 299 511 | 54 998 475 |
| Infrastructure | 3 830 714 318 | 178 544 515 | (23 348 900) | 3 985 909 933 | 1 925 935 126 | 85 055 234 | (817 913) | (17 070 732) | 1 993 101 715 | 1 992 808 218 |
| Electrical infrastructure | 675 659 262 | 69 732 070 | (1 038 192) | 744 353 140 | 311 458 207 | 14 876 186 | - | (232 344) | 326 102 049 | 418 251 091 |
| Roads infrastructure | 1 046 386 925 | 53 882 625 | (12 312 588) | 1 087 956 962 | 573 496 379 | 25 739 593 | - | (8 880 377) | 590 355 595 | 497 601 367 |
| Sanitation infrastructure | 877 944 679 | 13 223 672 | (9 665 566) | 881 502 786 | 386 305 953 | 19 914 161 | (817 913) | (7 856 417) | 397 545 784 | 483 957 001 |
| Solid waste infrastructure | 70 167 193 | (4 515 724) | - | 65 651 469 | 31 280 561 | 3 047 718 | - | - | 34 328 279 | 31 323 190 |
| Storm-water infrastructure | 232 439 609 | 17 198 286 | - | 249 637 895 | 113 711 922 | 4 703 867 | - | - | 118 415 790 | 131 222 105 |
| Water supply infrastructure | 928 116 650 | 29 023 585 | (332 554) | 956 807 681 | 509 682 102 | 16 773 708 | - | (101 593) | 526 354 217 | 430 453 463 |
| Community assets | 244 927 928 | 24 546 308 | (155 284) | 269 318 951 | 141 786 972 | 7 076 374 | 3 857 395 | (95 628) | 152 625 113 | 116 693 839 |
| Other assets | 160 232 178 | 9 908 910 | - | 170 141 087 | 118 923 378 | 1 962 894 | 11 552 | - | 120 897 824 | 49 243 264 |
| | 4 537 938 154 | 231 673 675 | (32 395 066) | 4 737 216 764 | 2 296 846 121 | 103 283 357 | 8 619 509 | (21 896 679) | 2 386 852 308 | 2 350 364 455 |

Swartland Municipality

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Appendix C: Segmental Analysis of Assets

| Department | Cost | | | | Accumulated Depreciation and Impairment | | | | | Book Value |
|-------------------------------------|-------------------------|-----------------------|------------------------|-------------------------|---|-----------------------|---------------------|------------------------|-------------------------|-------------------------|
| | Opening Balance | Additions | Disposals | Closing Balance | Opening balance | Depreciation | Impairments | Disposals | Closing balance | |
| Administration Civil | 1 173 182.55 | 143 965.89 | (42 383.01) | 1 274 765.43 | 604 271.01 | 84 118.88 | 37 267.78 | (42 036.28) | 683 621.39 | 591 144.04 |
| Administration Corporate Servi | 11 426 183.12 | 8 051.33 | (265 453.61) | 11 168 780.84 | 2 630 033.91 | 31 398.66 | - | (264 460.59) | 2 396 971.98 | 8 771 808.86 |
| Administration Development Services | 1 045 233.94 | 44 886.27 | (5 139.89) | 1 084 980.32 | 576 212.52 | 36 971.05 | - | (5 103.83) | 608 079.74 | 476 900.58 |
| Administration Financial Services | 7 528 474.99 | 2 508 719.15 | (1 404 693.37) | 8 632 500.77 | 5 814 732.82 | 493 834.04 | - | (1 014 820.72) | 5 293 746.14 | 3 338 754.63 |
| Administration Municipal Manag | 83 552.10 | 17 857.24 | - | 101 409.34 | 62 090.28 | 4 601.77 | - | - | 66 692.05 | 34 717.29 |
| Administration Protection Services | 36 630.40 | - | (5 965.00) | 30 665.40 | 20 194.35 | 4 233.69 | - | (4 598.47) | 19 829.57 | 10 835.83 |
| Building Control | 78 575.94 | 18 500.00 | - | 97 075.94 | 74 095.86 | 3 755.45 | - | - | 77 851.31 | 19 224.63 |
| Caravan Park - Yzerfontein | 2 238 142.11 | 558 592.71 | (30 211.15) | 2 766 523.67 | 466 685.78 | 87 599.94 | - | (2 015.20) | 552 270.52 | 2 214 253.15 |
| Cemetries | 6 251 266.18 | 546 366.96 | - | 6 797 633.14 | 4 866 614.49 | 188 253.90 | 269 559.74 | - | 5 324 428.13 | 1 473 205.01 |
| Civil Protection | - | - | - | - | - | - | - | - | - | - |
| Community Development | 312 120.02 | 950 045.46 | (628.50) | 1 261 536.98 | 52 368.78 | 41 067.52 | - | (627.26) | 92 809.04 | 1 168 727.94 |
| Council | 1 207 222.14 | 58 810.87 | - | 1 266 033.01 | 334 207.54 | 129 926.99 | 17 274.02 | - | 481 408.55 | 784 624.46 |
| Electricity Distribution | 692 346 736.20 | 74 589 794.90 | (1 219 487.00) | 765 717 044.10 | 320 097 360.03 | 15 777 856.92 | 36 212.38 | (411 348.44) | 335 500 080.89 | 430 216 963.21 |
| Fire Fighting | 12 416 818.11 | 2 259 665.09 | (545 986.62) | 14 130 496.58 | 2 029 762.91 | 742 713.42 | - | (268 588.52) | 2 503 887.81 | 11 626 608.77 |
| Grants and Subsidies General | - | - | - | - | - | - | - | - | - | - |
| Housing | 52 805 675.72 | 5 984 442.65 | (2 300.00) | 58 787 818.37 | 8 042 364.56 | 1 093 554.37 | 535 137.80 | (1 903.38) | 9 669 153.35 | 49 118 665.02 |
| Human Resources | 52 710.31 | 2 315.25 | (2 936.03) | 52 089.53 | 40 388.94 | 3 497.96 | - | (1 788.86) | 42 098.04 | 9 991.49 |
| Internal Audit | 26 353.44 | 2 773.91 | - | 29 127.35 | 21 689.40 | 1 125.45 | - | - | 22 814.85 | 6 312.50 |
| IT Services | 17 681 153.27 | 1 967 302.24 | (145 026.66) | 19 503 428.85 | 11 008 661.27 | 1 787 815.19 | - | (138 584.74) | 12 657 891.72 | 6 845 537.13 |
| Libraries | 10 104 951.71 | 164 125.26 | (46 723.34) | 10 222 353.63 | 4 462 042.57 | 374 210.34 | - | (45 444.63) | 4 790 808.28 | 5 431 545.35 |
| Licencing and Traffic Services | 2 610 675.73 | 648 554.68 | (28 088.91) | 3 231 141.50 | 1 962 617.63 | 186 626.40 | - | (26 638.66) | 2 122 605.37 | 1 108 536.13 |
| Multi Purpose Centres | 262 138.10 | - | - | 262 138.10 | 156 092.91 | 17 391.72 | - | - | 173 484.63 | 88 653.47 |
| Municipal Property | 421 939 228.03 | 4 144 609.99 | (2 169 875.22) | 423 913 962.80 | 245 263 233.09 | 5 579 009.25 | 5 787 983.11 | (306 962.15) | 256 323 263.30 | 167 590 699.50 |
| Occupational Health and Safety | 85 686.56 | - | (8 313.68) | 77 372.88 | 65 311.51 | 3 814.95 | - | (8 281.68) | 60 844.78 | 16 528.10 |
| Parks and Recreational Areas | 13 989 377.09 | 2 281 884.66 | (326 215.64) | 15 945 046.11 | 6 384 050.38 | 858 918.08 | 90 182.44 | (205 654.25) | 7 127 496.65 | 8 817 549.46 |
| Planning and Valuation | 89 382.29 | - | - | 89 382.29 | 76 520.44 | 3 275.89 | - | - | 79 796.33 | 9 585.96 |
| Policing and Law Enforcement | 8 589 957.34 | 293 055.79 | (372 180.42) | 8 510 832.71 | 4 010 516.43 | 638 715.07 | - | (241 584.15) | 4 407 647.35 | 4 103 185.36 |
| Refuse Removal | 91 699 946.13 | (3 164 958.88) | (2 052 521.00) | 86 482 466.25 | 37 382 085.81 | 4 089 358.37 | - | (1 196 786.12) | 40 274 658.06 | 46 207 808.19 |
| Sewerage | 880 827 484.80 | 8 170 375.34 | (9 838 604.10) | 879 159 256.04 | 390 274 856.11 | 20 366 214.49 | (817 913.09) | (7 978 894.78) | 401 844 262.73 | 477 314 993.31 |
| Sportgrounds | 78 876 616.55 | 14 336 560.59 | (75 582.56) | 93 137 594.58 | 40 999 891.57 | 2 140 381.31 | 2 316 006.21 | (62 528.51) | 45 393 750.58 | 47 743 844.00 |
| Streets and Stormwater | 1 272 914 887.71 | 72 683 390.92 | (12 746 975.77) | 1 332 851 302.86 | 695 092 555.65 | 30 702 254.38 | 3 018.82 | (9 156 915.76) | 716 640 913.09 | 616 210 389.77 |
| Supply Chain Management | 56 335.35 | 3 946.61 | - | 60 281.96 | 31 354.19 | 6 383.51 | - | - | 37 737.70 | 22 544.26 |
| Swimming Pools | 716 222.37 | 7 322 250.00 | - | 8 038 472.37 | 15 604.26 | 1 931.67 | - | - | 17 535.93 | 8 020 936.44 |
| Tourism | 12 084.21 | 9 500.00 | (450.00) | 21 134.21 | 11 899.63 | 628.74 | - | (449.09) | 12 079.28 | 9 054.93 |
| Town and Community Halls | 18 386 714.74 | 170 510.83 | - | 18 557 225.57 | 1 533 250.16 | 766 895.42 | 344 779.86 | - | 2 644 925.44 | 15 912 300.13 |
| Unspecified | - | - | - | - | - | - | - | - | - | - |
| Water Services | 930 066 435.22 | 34 947 779.44 | (1 059 324.62) | 963 954 890.04 | 512 382 504.40 | 17 035 021.91 | - | (510 662.48) | 528 906 863.83 | 435 048 026.21 |
| Grand Total | 4 537 938 154.47 | 231 673 675.15 | (32 395 066.10) | 4 737 216 763.52 | 2 296 846 121.19 | 103 283 356.70 | 8 619 509.07 | (21 896 678.55) | 2 386 852 308.41 | 2 350 364 455.11 |

Appendix D: Segmental Statement of Financial Performance

Refer note 58.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2024

Appendix E: Disclosure of Grants and Subsidies in terms of Section 123 of the MFMA, 56 of 2003

| GRANT NAME | O/B | Receipts Q1 | Receipts Q2 | Receipts Q3 | Receipts Q4 | Expenditure Q1 | Expenditure Q2 | Expenditure Q3 | Expenditure Q4 | Unspent | Grants and subsidies delayed or withheld? | Reason | Compliant to DoRA |
|--|----------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|--------|-------------------|
| Community Development Workers Programme | (2 500.80) | (38 000.00) | 2 500.80 | - | - | 689.68 | - | - | 35 999.65 | (1 310.67) | No | N/a | Yes |
| CHIETA Grant | (138 558.65) | - | - | (101 250.00) | (1 091 520.00) | 121 586.67 | 337 164.00 | 809 333.20 | 63 244.78 | - | No | N/a | Yes |
| Emergency Fire Kits Funding | - | - | - | - | (284 100.00) | - | - | - | 281 980.00 | (2 120.00) | No | N/a | Yes |
| Expanded Public Works Programme | - | (458 000.00) | (823 000.00) | (549 000.00) | - | 281 175.00 | 428 130.00 | 521 566.20 | 599 128.80 | - | No | N/a | Yes |
| Fire Service Capacity Building Grant | - | (926 000.00) | - | - | - | - | - | - | 926 000.00 | - | No | N/a | Yes |
| Housing Projects: Darling (Capital) | - | - | (2 843 179.00) | (454 000.00) | - | - | 981 928.68 | 6 214.44 | 1 861 855.92 | (447 179.96) | No | N/a | Yes |
| Housing Project: Malmesbury De Hoop | - | - | (24 237 823.00) | (24 173 194.00) | - | - | 3 485 917.76 | 4 935 695.96 | 39 626 024.32 | (363 378.96) | No | N/a | Yes |
| Housing project: Moorreesburg (Capital) | - | 900 000.00 | (2 303 633.75) | (896 366.25) | (900 000.00) | - | 1 275 376.33 | - | 1 924 623.67 | - | No | N/a | Yes |
| Housing project: Silvertown (Capital) | - | - | - | (5 500 000.00) | - | - | - | - | - | (5 500 000.00) | No | N/a | Yes |
| Integrated National Electrification Programme | - | (6 500 000.00) | (8 158 000.00) | (9 000 000.00) | - | 1 001 970.28 | 2 658 876.32 | 18 720 216.83 | 1 276 936.57 | - | No | N/a | Yes |
| Comm Safety (K9 UNIT) | - | (3 305 000.00) | - | - | - | 1 446 734.24 | 1 554 932.87 | 303 332.89 | - | 0.00 | No | N/a | Yes |
| Comm Safety (K9 UNIT): Capital | - | (40 000.00) | - | - | - | - | - | - | 40 000.00 | - | No | N/a | Yes |
| Law Enforcement Reaction Unit | - | (5 509 000.00) | - | - | - | 1 587 568.33 | 1 631 107.54 | 1 636 353.42 | 653 970.71 | - | No | N/a | Yes |
| LG Emergency Mun Load-Shedding Relief Grant | (8 506 516.74) | - | - | - | - | - | 1 805 909.71 | 1 258 257.06 | 5 442 349.97 | - | No | N/a | Yes |
| LG Financial Management Grant | - | (1 550 000.00) | - | - | - | 109 201.20 | 300 340.82 | 418 393.95 | 722 064.03 | - | No | N/a | Yes |
| Library Service: Capital | - | - | (50 000.00) | - | - | 4 719.93 | 4 050.45 | - | 41 229.62 | - | No | N/a | Yes |
| Library Service: Operating | - | (3 972 000.00) | (3 920 000.00) | (4 362 000.00) | - | 2 569 642.17 | 3 168 420.05 | 2 652 928.02 | 3 863 009.76 | - | No | N/a | Yes |
| Municipal Accreditation and Capacity Building | (58 349.60) | (245 000.00) | 58 349.99 | - | - | 51 953.73 | 51 953.73 | 51 953.73 | 49.33 | (89 089.09) | No | N/a | Yes |
| Municipal Disaster Relief Grant | - | - | - | (350 000.00) | - | - | - | - | - | (350 000.00) | No | N/a | Yes |
| Mun Energy Resilience Grant | - | - | (680 000.00) | - | - | - | 461 833.16 | - | 218 166.84 | - | No | N/a | Yes |
| Municipal Infrastructure Grant | - | (12 900 000.00) | (6 808 000.00) | (3 347 000.00) | - | 2 664 343.46 | 12 784 407.16 | 7 226 169.55 | 380 079.83 | 0.00 | No | N/a | Yes |
| Maintenance of Main Road (Capital) | - | - | - | (500 000.00) | - | - | - | - | 500 000.00 | - | No | N/a | Yes |
| Maintenance of Main Road (Operating) | - | - | - | (170 000.00) | - | - | 170 000.00 | - | - | - | No | N/a | Yes |
| Municipal Service Delivery and Capacity Building Grant | - | - | - | (500 000.00) | - | - | - | - | 500 000.00 | - | No | N/a | Yes |
| Regional Socio-economic Project | - | - | (500 000.00) | - | - | - | - | 500 000.00 | - | - | No | N/a | Yes |
| Sport Development | - | - | (966 373.63) | - | - | - | 575 000.00 | 133 257.43 | 258 116.20 | - | No | N/a | Yes |
| SETA | - | (456 253.52) | (939 255.16) | (107 657.02) | 966 552.67 | - | 1 111 924.38 | (966 890.77) | 391 579.42 | - | No | N/a | Yes |
| WC FMCG (Internal Audit) | (418 031.00) | - | - | - | - | - | - | - | - | (418 031.00) | No | N/a | Yes |
| WC FMCG (Student Bursaries) | (161 420.00) | - | - | (100 000.00) | - | - | - | 84 612.70 | - | (176 807.30) | No | N/a | Yes |