

2024/2025 ANNUAL REPORT



Draft January 2026

CONTENTS

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

1.1	MAYOR’S FOREWORD	1
1.2	EXECUTIVE SUMMARY	3
1.2.1	MUNICIPAL MANAGER’S OVERVIEW	3
1.2.2	MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW	8
1.2.3	SERVICE DELIVERY OVERVIEW	9
1.2.4	FINANCIAL HEALTH OVERVIEW	10
1.2.5	ORGANISATIONAL DEVELOPMENT OVERVIEW	14
1.2.6	AUDITOR GENERAL REPORT	14
1.2.7	STATUTORY ANNUAL REPORT PROCESS	24

CHAPTER 2 – GOVERNANCE

2.1	INTRODUCTION	25
2.2	POLITICAL AND ADMINISTRATIVE GOVERNANCE	25
2.2.1	INTRODUCTION	25
2.2.2	POLITICAL GOVERNANCE	25
2.2.3	ADMINISTRATIVE GOVERNANCE	28
2.3	INTERGOVERNMENTAL RELATIONS	30
2.3.1	NATIONAL INTERGOVERNMENTAL STRUCTURES	30
2.3.2	PROVINCIAL INTERGOVERNMENTAL STRUCTURES	30
2.3.3	DISTRICT INTERGOVERNMENTAL STRUCTURES	30
2.4	PUBLIC ACCOUNTABILITY AND PARTICIPATION	30
2.4.1	PUBLIC MEETINGS	30
2.4.2	IDP PARTICIPATION AND ALIGNMENT	32
2.5	CORPORATE GOVERNANCE	32
2.5.1	OVERVIEW	32
2.5.2	INTERNAL AUDIT	32
2.5.3	RISK MANAGEMENT	33
2.5.4	ANTI-CORRUPTION AND FRAUD	34
2.5.5	PERFORMANCE AND RISK AUDIT COMMITTEE	34
2.5.6	SUPPLY CHAIN MANAGEMENT	35
2.5.7	BY-LAWS	35

2.5.8	MUNICIPAL WEBSITE- CURRENT YEAR	35
2.5.9	PUBLIC SATISFACTION ON MUNICIPAL SERVICES	36
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE		
3.1.	TOP LEVEL REPORTING	38
3.2	BASIC SERVICES	47
3.2.1	WATER SERVICES	47
3.2.2	SEWERAGE SERVICES	52
3.2.3	ELECTRICITY DISTRIBUTION	55
3.2.4	REFUSE REMOVAL	63
3.2.5	HOUSING	66
3.2.6	FREE BASIC SERVICES AND INDIGENT SUPPORT	70
3.3	ROAD TRANSPORT	72
3.3.1	PROCLAIMED ROADS, STREETS AND STORM WATER	72
3.4	PLANNING AND ECONOMIC DEVELOPMENT	76
3.4.1	BUILT ENVIRONMENT	76
3.4.2	ECONOMIC DEVELOPMENT	79
3.5	COMMUNITY AND SOCIAL SERVICES	82
3.5.1	COMMUNITY DEVELOPMENT AND THUSONG SERVICE CENTRES	82
3.5.2	LIBRARIES	86
3.5.3	CEMETERIES	87
3.6	OCCUPATIONAL HEALTH AND SAFETY (INCLUDING POLLUTION CONTROL)	88
3.7	SECURITY AND SAFETY	89
3.7.1	TRAFFIC AND LAW ENFORCEMENT SERVICES (INCLUDING LICENCING AND REGISTRATION SERVICES)	90
3.7.2	FIRE FIGHTING SERVICES	94
3.7.3	CIVIL PROTECTION (INCLUDING DISASTER MANAGEMENT)	96
3.8	SPORT AND RECREATION	97
3.8.1	SPORT, PARKS AND RECREATIONAL AREAS AND SWIMMING POOLS	97
3.8.2	CARAVAN PARK YZERFONTEIN	100
3.9	CORPORATE MANAGEMENT	102
3.9.1	MANAGEMENT CIVIL ENGINEERING SERVICES	102
3.9.2	MANAGEMENT CORPORATE SERVICES	106
3.9.3	MANAGEMENT DEVELOPMENT SERVICES	111
3.9.4	MANAGEMENT ELECTRICAL ENGINEERING SERVICES	116

3.9.5	MANAGEMENT FINANCIAL SERVICES	120
3.9.6	MANAGEMENT OFFICE OF THE MUNICIPAL MANAGER	125
3.9.7	MANAGEMENT PROTECTION SERVICES	128
3.10	OTHER SERVICES	132
3.10.1	EXPENDITURE	132
3.10.2	BUDGET OFFICE AND COSTING	134
3.10.3	FIANCIAL STATEMENTS AND CONTROL	136
3.10.4	INCOME	138
3.10.5	STRATEGIC MANAGEMENT	140
3.10.6	INTERNAL AUDIT (INCLUDING RISK MANAGEMENT)	143
3.10.7	INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES	147
3.10.8	MUNICIPAL PROPERTY MAINTENANCE	150
3.10.9	TOWN AND COMMUNITY HALLS (INCLUDING PROPERTY AND LEGAL)	152

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1	INTRODUCTION	154
4.2	MUNICIPAL PERSONNEL	154
4.3	MANAGING THE MUNICIPAL WORKFORCE	157
4.3.1	HR POLICIES AND PLANS	157
4.3.2	INJURIES, SICKNESS AND SUSPENSIONS	160
4.4	CAPACITATING THE MUNICIPAL WORKFORCE	161
4.4.1	INTRODUCTION	161
4.4.2	SKILLS DEVELOPMENT AND TRAINING	161
4.5	MANAGING THE WORKFORCE EXPENDITURE	164
4.5.1	INTRODUCTION	164
4.5.2	EMPLOYEE EXPENDITURE	164

CHAPTER 5 – FINANCIAL PERFORMANCE

5.1	INTRODUCTION	165
5.2	STATEMENTS OF FINANCIAL PERFORMANCE	165
5.2.1	INTRODUCTION	165
5.2.2	STATEMENTS OF FINANCIAL PERFORMANCE	166
5.2.3	GRANTS	170
5.2.4	ASSET MANAGEMENT	172

5.2.5	FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS	173
5.3	SPENDING AGAINST CAPITAL BUDGET	173
5.3.1	INTRODUCTION	173
5.3.2	CAPITAL EXPENDITURE	174
5.3.3	SOURCES OF FINANCE	174
5.3.4	CAPITAL SPENDING ON 5 LARGEST PROJECTS	175
5.3.5	BASIC SERVICE AND INFRASTRUCTURE BACKLOGS OVERVIEW	175
5.4	CASH FLOW MANAGEMENT AND INVESTMENTS	176
5.4.1	INTRODUCTION	176
5.4.2	CASH FLOW	176
5.4.3	BORROWING AND INVESTMENTS	177
5.4.4	PUBLIC PRIVATE PARTNERSHIPS	179
CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS		
6.1	INTRODUCTION	180
6.2	AUDITOR-GENERAL OPINION (PREVIOUS YEAR)	180
6.2.1	AUDITOR GENERAL REPORTS	180
6.3	AUDITOR-GENERAL OPINION (CURRENT YEAR)	181
6.3.1	AUDITOR GENERAL REPORTS	181
GLOSSARY		183
APPENDICES		185
ANNUAL FINANCIAL STATEMENTS		[separately numbered]

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

1.1. MAYOR’S FOREWORD



It is my distinct honour to present the 2024/2025 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 realising 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 organisations, 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 2024/2025 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 2024/2025 fiscal year, we maintained healthy liquidity levels, ending with a positive cash balance of R677 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 (R294.75 pm), refuse removal (R182.65 pm), water (R142.98 pm), and electricity (R82.86) fees. Indigent households receive 50 kWh of free electricity (in those instances where an Electricity network charge is applicable to indigent consumers, it will be fully subsidised on their account), 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 465 jobs in the 2024/2025 financial year, and an additional 194 jobs were realised 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 2024/2025 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 emphasise 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.

RATINGS AFRIKA:

Ratings Afrika has been analysing and publishing information on municipal financial sustainability for more than 10 years. The Municipal Financial Sustainability Index has become the benchmark for responsible financial and fiscal management for municipalities.

At the first ever Municipal Performance Awards, hosted by SAPOA (the South African Property Owners Association), Ratings Afrika and BASA (the Banking Association of South Africa), Swartland was recognised as the top-performing municipality in South Africa, alongside Saldanha Bay Municipality.

This recognition is significant because it is based on research conducted by independent experts outside of the government and political sphere. The award is derived from Ratings Afrika’s Municipal Financial Sustainability Index.

The index benchmarks municipal fiscal health using six key financial components to assess stability, sustainability and resilience. These include:

- A comprehensive measure of fiscal health, assessing a municipality’s ability to generate an operating surplus to fund services
- Maintaining cash reserves to absorb shocks
- Practising prudent borrowing and repayment
- Applying disciplined and forward-looking budgeting
- Maintaining affordable rates and tariffs
- Investing in infrastructure to strengthen long-term, sustainable service delivery

Swartland Municipality has moved up in the rankings from last year. In 2024, the municipality scored 71 out of 100 points. This year, Swartland improved to 74 out of 100, fulfilling the commitment made by Executive Mayor Harold Cleophas that the municipality would continue to improve its score and ranking.

At a time when headlines in South Africa continue to highlight the fiscal collapse of many local governments, Swartland and a handful of other municipalities are refusing to yield to the pressures of poor governance. Strict and disciplined financial management is the cornerstone of this achievement, enabling responsible municipalities like Swartland to do more with less.

SEVICE EXCELLENCE 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.

Of the eight projects entered, four were shortlisted, the most of any municipality in attendance. Our SMME Development Programme achieved bronze in the Best Municipal Project category. This initiative has been a trailblazing success for the municipality, focusing on creating sustainable support and growth opportunities for small, micro, and medium enterprises (SMMEs).

Over the past three years, Swartland Municipality has worked tirelessly to establish both a community and a support network for SMMEs. In the past year alone, 160 participants benefited from six SMME training sessions, while 25 business registrations were referred to SEDA for further assistance.

Annual Report for 2024/2025

In addition, the Municipality has created a comprehensive database of 172 SMMEs, making it easier for businesses to access resources and support. In 2024, Darling became the third town to benefit from an economic business hub, following Riebeek Valley and Malmesbury. These hubs provide carefully selected entrepreneurs with their first formal business space from which to launch and grow. They are closely monitored to track challenges, successes, and long-term sustainability.

These initiatives demonstrate Swartland Municipality's continued commitment to empowering entrepreneurs, expanding access to business development resources, and promoting inclusive local economic growth.

Swartland Municipality was further honoured with silver in the Best Municipality in the Western Cape category. We remain one of the top-performing municipalities in both the Western Cape and South Africa, and we are deeply grateful for this recognition from the Western Cape Government.

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 R677.019 million (Excluding the long-term investment of R300 million that will mature on 29 June 2026) for the 2024/2025 fiscal year, demonstrating our commitment to effective and sustainable service delivery.

Our sustainable financial management is further underscored by an outstanding current ratio of 6.83:1 for the year under review, surpassing the already impressive 4.02:1 ratio achieved in 2023/2024. This reflects our ability to implement sound financial and governance principles effectively.

The 2024/2025 debtors' collection rate was 96.71% compared to an average of 96.63% 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 R359.4 million as of June 2025. 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 R33.3 million by the close of the 2024/2025 financial year compared to R38.8 million at 30 June 2024 and R90.9 million at 30 June 2023.

Personnel costs remained well within the national norm, amounting to 32.21% of total expenditure for 2024/2025 and 31,85% in 2023/2024. 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 17.63%, reaching R1.5 billion by June 2025, compared to R1.3 billion in 2023/2024. Importantly, operating expenditure remained under control, rising by just 8.20% to R1.1 billion during the same period, excluding Gains and Losses. These figures illustrate our commitment to responsible financial management.

LOCAL ECONOMIC DEVELOPMENT:

According to the 2024 Socio-Economic Profile (SEP) Report, the Swartland economy expanded by an estimated 0.2% in 2023, demonstrating the creation of a total of 795 new jobs.

As stated in the 2024-25 Municipal Economic Review and Outlook (MERO) for the West Coast District, the Swartland economy ranks second-largest, contributing 26.7 per cent to the total GDP in 2023. The economy of Swartland is characterised by significant diversification, with the manufacturing, agriculture, and wholesale and retail sectors collectively accounting for 60 per cent of the local economic activity. Manufacturing is a key driver of the economy accounting for the largest share of 21.9 per cent, highlighting Swartland's robust industrial base. The primary sector, particularly agriculture, forestry, and fishing, also plays a crucial role, contributing 17.9 per cent to the GDP, emphasizing the significance of agricultural activities. Furthermore, the wholesale and retail trade, alongside catering and accommodation, contributes 15.0 per cent, bolstered by a thriving retail sector centred in Malmesbury.

The economic growth outlook for 2025 indicates that overall growth will moderate to 1.4 per cent. Within this framework, the agricultural sector is expected to show robust growth at a rate of 4.2 per cent, while the mining sector is anticipated to experience growth of 5.1 per cent.

SERVICES:

Our commitment to essential services led to several significant capital projects in 2024/2025, 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 3.20%, and water losses at 19.66% during the rolling 12 months of 2024/2025. Moreover, 1.8 km of roads were resealed during the fiscal year, accompanied by the successful repair of 2135 potholes. Our projected spending on road resealing reflects our commitment to maintaining infrastructure to a high standard.

PLANNING AND DEVELOPMENT:

In 2024/2025, the Municipality approved 864 building plan applications, totalling R858 million. This represents a 13% decrease in total value compared to the previous year.

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 2024/2025 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 2024/2025.

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 the 2024-25 Municipal Economic Review and Outlook (MERO) for the West Coast District, the Swartland municipal economy ranks second-largest, contributing 26.7 per cent to the total GDP in 2023. The economy of Swartland is characterised by significant diversification, with the manufacturing, agriculture, and wholesale and retail sectors collectively accounting for 60 per cent of the local economic activity. Manufacturing is a key driver of the economy, accounting for the largest share at 21.9 per cent, highlighting Swartland’s robust industrial base. The primary sector, particularly agriculture, forestry, and fishing, also plays a crucial role, contributing 17.9 per cent to the GDP, emphasising the significance of agricultural activities. Furthermore, the wholesale and retail trade, alongside catering and accommodation, contributes 15.0 per cent, bolstered by a thriving retail sector centred in Malmesbury. These sectors were also the leading sources of formal employment in the Swartland municipal area.

GDPR contribution per sector - 2021

Sector		%
Primary	Agriculture, forestry, and fishing	18.00
	Mining and quarrying	0.00
Secondary	Manufacturing	22.0
	Construction	4.0
	Electricity, gas, and water	2.0
Tertiary	Finance, insurance, real estate, and business services	14.0
	Wholesale and retail trade, catering, and accommodation	15.0
	Community, social, and personal services	13.0
	Transport, storage, and communication	12.0
Total		100

Source: MERO West Coast District, 2024

(d) Comment on background data

None

1.2.3 SERVICE DELIVERY OVERVIEW

(a) Introduction

Basic Services were delivered as follows by 30 June 2025:

- Water - 23 672
- Electricity - 17 570
- Sanitation - 22 511
- Refuse removal - 23 175

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

- Electricity - 50 kWh free
- Water - 6 kl free

- Sanitation - R294.75 per month levy (VAT excl)
- Refuse removal - R182.65 per month levy for one removal per week (VAT excl)

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

Service	Households	Percentage
Electricity Distribution	8 011	93.01%
Rates Services	7 646	88.77%
Refuse Removal	8 613	100.00%
Sewerage Services	8 209	95.31%
Water Services	8 597	99.81%

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 12.81% as well as the collective agreements on employee related costs of 5.2%. Total revenue for the year amounts to R1 519.9m while operating expenditure amounts to R 1 109.2m, with the budgeted surplus being R 410.7m.

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	2025	2024
Current Ratio	2 : 1	6.83:1	4.02:1
Collection Rate	>95%	96.71%	95.83%
Cost Coverage	>4 months	11 Months	5 Months
Debtors Turnover Days	<75 Days	53 days	56 days
Long Term Debt as % Revenue	<40%	2.23%	3.07%
Capital Cost	5%	0.84%	5.92%
Creditors Payment Period	<30 Days	19 days	18 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 - 2024/2025

Description	Original Budget	Adjustment Budget	Actual
Grants	R415,830,591	R436,040,664	R401,705,388
Taxes, Levies and tariffs	R843,841,136	R868,023,691	R914,913,804
Other	R199,325,167	R180,995,849	R203,281,140
Income	R1,458,996,894	R1,485,060,204	R1,519,900,332
Less Expenditure	R1,189,045,717	R1,210,970,777	R1,109,208,694
Net Total	R269,951,177	R274,089,427	R410,691,638

(d) Operating Ratios

Expenditure Type	Ratio
1 Employees	31,58%
2 Contracted Services	5,98%
3 Other	62,44%

(d) Comment on operating ratios

Total revenue is 2.3% over budget, mainly due to the following:

- **Service charges - sanitation revenue:** The increased sewerage due to the expansion of commercial client is more than expected
- **Operational revenue (exchange):** Development charges (non-cash) were more than expected
- **Fines, penalties and forfeits:** Fines from Provincial Fines were more than budgeted

Total expenditure is 8.4% under budget, mainly due to the following:

- **Debt impairment:** Due to a reduction in the write-offs, the impairment of fines were more than expected
- **Irrecoverable debts written off:** Due to a reduction in the write-offs, the impairment of fines were more than expected
- **Depreciation and amortisation:** Capital projects completed later in the year due to the municipality shifting focus to respond to the Riverlands disaster
- **Contracted services:** Various savings on the use of consultants
- **Inventory consumed:** The municipality received a credit note for water, resulting in a budget surplus
- **Losses on Disposal of Assets:** More new assets were created (in comparison to replacement) than expected

Employee costs (including Councillors Remuneration) represent 32.36% 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 60.3%, which is well above the benchmark.

Repairs and Maintenance costs represents 6.40% of total operating expenditure. Should depreciation and bulk purchases be excluded from expenses, the repairs and maintenance as a percentage of operating expenditure is 11.92% 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;

Annual Report for 2024/2025

- 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 increased from 5.2 months for the previous financial year to 11 months for 30 June 2025, 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
R376,477,670	R325,809,079	R298,168,067

(f) Comment on capital expenditure

Expenditure on the capital budget was underspent by **8.48%**. The main reason were the following:

The underspent on the capital budget is due to Silvertown - Purchasing of Land, Planning and Professional Fees of around R12.4m and the Municipal Disaster Response Grant (Riverlands flood) of R7.4m. The Silvertown Purchasing of Land and the Municipal Disaster response grant makes up an enormous amount of the capital budget.

(g) Cost containment measures

Cost Containment In-Year Report Measures	2024/2025 YTD Budget	Actual Expenditure Q1	Actual Expenditure Q2	Actual Expenditure Q3	Actual Expenditure Q4	2024/2025 Total Expenditure	Savings
Use of professional services	R 15 976 264	R 2 602 982	R 2 134 578	R 2 532 699	R 4 352 331	R 11 622 590	R 4 353 674
Travel and Subsistence	R 764 014	R 151 217	R 142 308	R 118 278	R 125 265	R 537 068	R 226 946
Domestic accommodation	R 437 337	R 198 848	R 119 980	R 25 301	R 23 438	R 367 567	R 69 770
Sponsorships, events and catering	R 1 890 080	R 166 643	R 691 322	R 344 891	R 452 997	R 1 655 852	R 234 228
Overtime Pay	R 18 840 834	R 4 118 870	R 5 840 087	R 4 983 609	R 5 678 491	R 20 621 056	R -1 780 222
Communication	R 6 603 653	R 608 779	R 1 086 920	R 1 508 243	R 1 966 996	R 5 170 937	R 1 432 716
Telephone cost	R 888 925	R 115 215	R 154 466	R 146 584	R 198 510	R 614 775	R 274 150
Vehicles used for political office -bearers	None	None	None	None	None	None	None

Number of Credit Cards	None	None	None	None	None	None	None
Grand Total	R 45 401 107	R 7 962 554	R 10 169 660	R 9 659 604	R 12 798 028	R 40 589 846	

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

Follows on the next page. The report was issued on 28 November 2025 in accordance with the requirements set in the MFMA section 126(3)(b).

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Swartland Municipality set out on pages 5 to 127, which comprise the statements of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, the 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 2025 and its financial performance and cash flows for the year then ended in accordance with the South African Generally Recognised Accounting Practice and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (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 53 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2025.

Material impairments

8. As disclosed in note 3 and 4 to the financial statements, the municipality provided for impairment of trade and other receivables from exchange and non-exchange transactions amounting to R19,1 million (2023-24: R16 million) and R62,0 million (2023-24: R42,2 million) respectively.

Bad debts written off

9. As disclosed in note 4 to the financial statements, the municipality has written off bad debts amounting to R19,3 million (2023-24: R34,7 million).

Contingencies

10. With reference to note 42 of the financial statements, the municipality has increased the bank guarantee amounting to R30,1 million (2024: R0,1 million) provided to Eskom for the supply of electricity to the municipality for distribution amongst consumers.

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 information set out on pages 128 to 132 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 the 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. This description, which is located at page 6(20), forms part of my auditor's report.

Report of the audit of the annual performance report

1. 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.
2. I selected the following strategic goal presented in the annual performance report for the year ended 30 June 2025 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	40-41	For everyone in the community to have access to excellent and sustainable services

3. I evaluated the reported performance information for the selected strategic objective against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
4. 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 measures taken to improve performance.
5. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
6. I did not identify any material findings on the reported performance information for the selected strategic goal.

Report on compliance with legislation

7. 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.
8. 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.
9. 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.
10. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

11. The accounting officer is responsible for the other information included in the annual report. The other information 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.

12. My opinion on the financial statements, and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
13. 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.
14. I have nothing to report in this regard.

Internal control deficiencies

15. 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.
16. I did not identify any significant deficiencies in internal control.

Auditor - General

Cape Town

28 November 2025



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 objective and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the municipality to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii) Sections 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 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), 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), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Division of Revenue Act 24 of 2024	Sections 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)

Legislation	Sections or regulations
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 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), 26(5), 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Municipal Staff Regulations, 2021	Regulations 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

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	
5	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	October
6	Auditor General audits Draft Annual Report excluding consolidated Annual Financial Statements , including Performance data	November - December
7	Municipalities receive and start to address the Auditor General's comments	January - March
8	Mayor tables Draft 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	
11	Council adopts Annual Report and Oversight report	March - April
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 -

Annual Report for 2024/2025

- (1) Municipal Manager, Administration and Finance
- (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 and Risk Audit Committee provides opinions and recommendations on the overall control environment, financial processes 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.

(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 November 2021.

- **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	
GBVF 100 days challenges – services rendered toward children and families	17 July 2024	0	2	23	Meeting 23 January 2025, 13 & 14 May 2025, 21 May 2025, 19 June 2025
IDP Engagement Ward 1	28 October 2024	1	4	10	Meeting 16 April 2025
IDP Engagement Ward 2	28 October 2024	1	2	10	Meeting 16 April 2025
IDP Engagement Ward 3	29 October 2024	1	2	6	Meeting 16 April 2025
IDP Engagement Ward 4	7 November 2024	1	2	5	Meeting 16 April 2025
IDP Engagement Ward 5	29 October 2024	1	2	8	Meeting 16 April 2025
IDP Engagement Ward 6	29 October 2024	1	2	9	Meeting 16 April 2025
IDP Engagement Ward 7	7 November 2024	2	2	8	Meeting 16 April 2025
IDP Engagement Ward 8	28 October 2024	1	2	7	Meeting 16 April 2025
IDP Engagement Ward 9	6 November 2024	2	2	7	Meeting 16 April 2025
IDP Engagement Ward 10	28 October 2024	1	2	9	Meeting 16 April 2025
IDP Engagement Ward 11	29 October 2024	1	2	7	Meeting 16 April 2025
IDP Engagement Ward 12	29 October 2024	1	2	7	Meeting 16 April 2025
IGR meeting to discuss the allocation of small farmers (Tygerfontein)	1 November 2024	0	3	18	Meeting 14 February 2025, 13 March 2025, 15 April 2025
Mayoral Consultative Forum	16 April 2025	10	11	21	
Provincial WCSAF/LDAC & Stakeholders bi-annual Mstreams meeting	18 March 2025	0	1	66	Collaboration between role players on awareness and prevention initiatives
Swartland Educational and Development Forum	20 July 2024	0	1	74	Meeting 18 October 2024, 29 January 2025, 4 April 2025, 10 April 2025, 20 June 2025
Swartland Social Development Forum	10 September 2024	1	2	22	Meeting 15 October 2024, Facilitate, monitor and review programmes according to the identified focus areas

(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.

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
Tariff By-law		Revised	No	2025-03-31	Yes	2025-06-06

(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	29 May 2025
All current budget-related policies	Yes	29 May 2025
The previous year's annual report	Yes	31 March 2025
The annual report published/to be published	TBC	31 March 2026
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	When applicable
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	Various dates during year

2.5.9 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

No Client Satisfaction Survey was done since 2017.



2024/2025

ANNUAL REPORT CHAPTER 3

(PERFORMANCE REPORT)

29 August 2025

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE

3.1 TOP LEVEL REPORTING

3.1.1 KPI'S AND TARGETS FROM THE IDP FOR 2024/2025

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 30 May 2024 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>
1.2 Social regeneration	Social Regeneration Strategy developed and approved by Council by June 2025	1 by June 2025	1	Social Regeneration adopted by Council on 19 February 2025.	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	1	Reported on 4 June 2025	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	0	Reason: A service provider needed to be appointed. Corrective Measure: Will complete in the new 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	1	Was submitted on 25 June 2025	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				
1.11 Extension of Traffic and Law Enforcement Services	Establishment of a learners 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 and submit a report to Management meeting by June 2025	100%	100%	Skills development report approved by MAYCO on 16 April 2025.	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	1	Twinning agreement concluded in May 2025	3.4.2(d)
2.3 Investment Promotion / Marketing	(3) 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)
2.4 Assist and support SMME	(2) Ensure the organisation of an annual SMME summit or indaba	1 annually	1	SMME Indaba held on 4 April 2025.	3.4.2(d)
	(3) Ensure the investigation of SMME hubs in the Swartland area and submit report to the Management meeting by June 2025	1 by June 2025	1	Economic hubs report to Management Team on 28 March 2025	3.4.2(d)
2.5 Improving the ease of doing business	Create an automated one stop shop for all business enquiries by June 2026	100% by June 2026	N/a (2025/2026 financial year)		3.4.2(d)

(c) Strategic Goal 3: Quality and Reliable Services

Strategic Initiative	Key Performance Indicator	Target	Actual	Notes	Reference
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	1	Report submitted 12 March 2025	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 24 April 2025		3.2.1(f)
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	1	Report tabled on 18 June 2025.	3.3.1(g)
3.6 Wheeling framework development	(2) Submit Wheeling Framework to Council for approval by June 2025	1 by June 2025	1	Wheeling Framework was submitted on 21 May 2025	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	Reviewed and signed of on 07 May 2025	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 30 October 2024		3.2.3(d)
3.9 Ensure sustainable electricity tariffs	Submit application to Nersa for approval annually by June	1 annually by June	1	Application submitted 29 April 2025	3.2.3(d)

General KPI's linked to Strategic Goal 3

Regulation	Key Performance Indicator	Target	Actual	Notes	Reference
Reg 10 (a): Access to water, sanitation and refuse removal	Supplying of piped water service points to residential account holders which are connected to the municipal water infrastructure network as at 30 June	22 124	23 672		3.2.1(f)
Reg10 (a): Access to water, sanitation and refuse removal	Supplying of sanitation services to municipal residential account holders as at 30 June	21 851	22 511		3.2.2(d)
Reg10 (a): Access to water, sanitation and refuse removal	Number of residential account holders receiving refuse removal services as at 30 June	21 635	23 175		3.2.4(d)
Reg 10 (a): Improve access to electricity	Supplying of electricity services to residential account holders for electrical metering	16 326	17 570		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	1	Housing Accreditation report submitted to council 19 February 2025.	3.2.5(c)
	(2) Develop a housing pipeline annually by May	1 annually by May	1	Housing pipeline approved on 16 April 2025	3.2.5(c)
	(3) Obtain land use rights for mixed housing developments annually by end of June and submit a report to the Municipal Manager	100% annually	100%	Email sent 5 March 2025 to MM	3.2.5(c)
	(4) Appoint credible social housing institution to build and manage social housing and submit a report to the Municipal Manager by June 2026	100% by June 2026	N/a (2025/2026 financial year)		3.2.5(c)
4.2 Alignment of capital expenditure	Develop a capital expenditure	1 by June 2026	N/a (2025/2026		3.4.1(c)

Strategic Initiative	Key Performance Indicator	Target	Actual	Notes	Reference
framework between spatial planning, engineering and financial services	framework in collaboration with DEADP and the Development Bank of SA and submit a report to the Management meeting by June 2026		financial year)		
4.3 Climate change study	Do a study of climate change mitigation and adaptation and report to the Management meeting by June 2026	1 by June 2026	N/a (2025/2026 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	1	The ICT plan was submitted to the Mayoral Committee on 18 June 2025	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	1	Framework was submitted to EMC in May 2025. EMC meeting was held on 21 May 2025	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	1	Item submitted to the Mayoral Committee of 21 May 2025	3.9.2(a)
	(2) Investigate and submit a report to the Mayoral Committee by June 2025 on a digital people-centred	1 by June 2025	1	Item submitted to the Mayoral Committee of 21 May 2025	3.9.2(a)

Strategic Initiative	Key Performance Indicator	Targets	Actual	Notes	Reference
	application				
	(3) Investigate the feasibility of a full time customer care centre and submit a report to the Mayoral Committee by June 2026	1 by June 2026	N/a (2025/2026 financial year)		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%	100% of all indigent applications received were processed and captured on the indigent register at year-end.	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	Spent/achieved 95% of capital budget by the end of June	95% by end of June	91.52%	The Silvertown Purchasing of Land and the Municipal Disaster response grant makes up an enourmos amount of the capital budget. If these two grants is not included in the capital budget, the total spent would have been around 96,17% for the Municipality. However due to the ongoing court issue with Silver town and the late receival of the Disaster grant funds it was just not possible to spent these funds.	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	194		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	The percentage (%) of appointments made in the three highest levels of management which comply with the Employment Equity Plan, measured by the Number of appointments in the three highest levels of management, which comply with Employment Equity targets/Total appointments made in three highest levels of management x 100	70% annually by end of June	N/a	There were no appointments made during the financial year. All positions was filled	3.9.2(a)
Reg 10(f): The percentage of a	Spent 90% of the Municipality's	90% by end of June	99.97%		3.9.2(a)

Regulation	Key Performance Indicator	Target	Actual	Notes	Reference
municipality's budget actually spent on implementing its workplace skills plan	training budget on implementing its Workplace Skills Plan by end of June				
Reg 10(g): Financial viability as expressed by the following ratios:	Measure the % of debt coverage ratio for the current financial year	45%	4.12%	Result is well below the norm	3.9.5(a)
	Measure the % of the outstanding service debtors	20%	6.37%	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	5.3 months	The 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=67	<35=27 35-55=71 >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 >55=1	Western Cape	F=1, M=1	DG grant of R225 000,00 received for 5 officials not included in the figure above
Learnership	64	A=9 C=54	AF=0, AM=9 CF=8, CM=47	<35=16 35-55=46 >55=2	Western Cape	F=2, M=9	Included in the figure above
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	
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

Note: Swartland Municipality makes use of the National Treasury database to source suppliers. Documents submitted with tenders and quotations do not contain this information. BBBEE certificates issued do not contain all the information. Where a certificate is not mandatory, legislation requires a supplier to only confirm by affidavit whether his company is 100% black owned. Nowhere is any mention made of, for example, % Black Women Ownership.

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 Department of Water Affairs Berg River-Voëlvlei Augmentation Scheme (BRVAS). The scheme will augment yield of Voëlvlei dam by about 23 million cubic meters per annum by abstracting water from the Berg River and pumping it to the existing Voëlvlei Dam. 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	Domes. c	Unaccountable Water Losses	Total
101,734	558,755	705,461	3,334,964	1,401,332	6 102 246

(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. Through these measures it was possible to maintain water losses at 19.66%.

(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	1,08%	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										
Reg 10 (a): 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	21 942	22 060	5	22 124	23 672	5	22 124	
2 Indicators from IDP										
3.2 Bulkwater supplysystem that is fit for future	D41	Develop a 15 year priority project list by December 2025	1 by December 2025	N/a (2025/2026 financial year)	0	1 by December 2025	N/a (2025/2026 financial year)		1 by December 2025	
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	1 by March 2025	N/a (2024/2025 financial year)	0	1 by March 2025	1	4	1 by March 2025	Report submitted 12 March 2025 To compiled the report there were two documents (Water Service Level Agreement and Tarrifs) needed from City of Cape Town which was only received during March 2025
3.4 Ensure sufficient infrastructure that is fit for future	D45	Master plans reviewed and updated if required annually by June	1 annually by June	1 by 28 March 2024	5	1 annually by June	1 by 24 April 2025	5	1 annually by June	Submitted to the Municipal Manager via email on 24 April 2025
3 Indicators Directors										
Improved water sustainability	D35	Manage the % water losses within the National Treasury norm annually by end of June	21% by end of June	18.78%	5	21% by end of June	19.66%	5	21% by end of June	

(g) Employees: Water Services

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

(h) Financial Performance: Water Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R24,571,749	R23,706,643	R24,538,643	R25,341,755	106,90%
2 Contracted Services	R4,512,614	R2,579,537	R2,287,361	R1,828,743	70,89%
3 Other	R62,760,380	R81,964,580	R96,765,653	R70,828,571	86,41%
TOTAL	R91,844,743	R108,250,760	R123,591,657	R97,999,069	90.53%

(i) Capital Expenditure: Water Services

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Replace Existing Water pipe: Illinge Lethu	R3,774,921	R3,774,921	R3,774,921	100,00%
24/25 Malmesbury Irrigation: Replace pumpsets	R500,000	R376,585	R376,585	75,32%
24/25 Year-end Water Meters: Gains	R0	R0	R10,154	0,00%
24/25 Chatsworth/Riverlands upgrade bulk water supply	R500,000	R500,000	R499,042	99,81%
24/25 Mobile water pumps x 4 (replacement)	R150,000	R150,000	R107,369	71,58%
24/25 Compactor replacement x 3	R280,000	R236,040	R236,039	84,30%
24/25 Donated PPE: Electrical Infrastructure MV (Mount	R0	R501,000	R0	0,00%

Royal) Water				
24/25 Moorreesburg SMoW2.3 water network upgrade (for housing project)	R124,055	R0	R0	0,00%
24/25 Bulk water infrastructure (emergency spending)	R500,000	R0	R0	0,00%
24/25 Water networks: Upgrades and Replacement	R2,000,000	R5,424,055	R5,438,557	271,93%
24/25 Darling SDW2.4 & SDW2.5, SDW1.2 & SDW2.1 water network upgrades (for housing project) MIG	R2,591,464	R530,947	R530,947	20,49%
24/25 Equipment : Water	R53,000	R52,723	R52,280	98,64%
24/25 Connections: Water Meters (New/Replacements) (Materials and Supplies)	R930,993	R480,993	R358,557	38,51%
24/25 Connections: Water Meters (New/Replacements)(Acquisitions:Outsourced)	R10,000	R460,000	R460,000	4600,00%
24/25 Darling SDW2.4 & SDW2.5, SDW1.2 & SDW2.1 water network upgrader (for housing project)	R263,822	R475,018	R475,018	180,05%
24/25 Malmesbury SMW1.3 Wesbank Reservoir to Malm/Abb pipeline	R500,000	R500,000	R499,996	100,00%
24/25 Moorreesburg SMoW2.3 water network upgrade (for housing project) MIG	R480,159	R0	R0	0,00%
24/25 Water:Upgrading water reticulation network: PRV's,flow control,zone metering and water augment	R200,000	R0	R0	0,00%
24/25 Water Reticulation and Connection: Illinge Lethu	R2,083,221	R2,083,221	R2,083,221	100,00%
TOTAL	R14,941,635	R15,545,503	R14,902,686	

(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. Back-up (standby) generators with a total project value of R14 514 751 were successfully installed and secured for critical water and wastewater infrastructure in the Swartland Municipal District at Riverlands, Kalbaskraal, Wesbank and Rustfontein - Water Pump Stations; Darling and Abbotsdale - Sewer Pump Stations and at Darling and Moorreesburg WWTW.

The Master Plan for bulk water services has identified between the Pella reservoirs of the City of Cape Town and the Chatsworth Reservoir as a solution to augment water supply to the area of Chatsworth and Riverlands. In this regard formal discussion on a technical level was initiated with the City and consultants were appointed for preliminary investigations. The proposed augmentation include a pipeling from the COCT Pella Reservoirs to Chatsworth Reservoir and a new reservoir to increase water storage for the area.

3.2.2 SEWERAGE SERVICES

(a) Introduction

All sewage generated in the Swartland Municipal area is treated at 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 consisting of gravity-, pumped mains and sewer pump stations or vacuum tanker services.

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 continuously monitored using automated samplers, that collect composite or grab samples for quality monitoring and to ensure that industrial effluent charges can be raised according to the Chemical Oxygen Demand (COD) and Fat, Oil, Grease (FOG) levels.

The Municipality participated in the Green Drop audit of the Department of Water and Sanitation in 2024/2025. All the treatment works and associated sewer networks were audited and Swartland awaits the results.

(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										
Reg 10 (a): Access to water, sanitation and refuse removal	D37	Supplying of sanitation services to municipal residential account holders as at 30 June	22 124	21 850	5	21 851	22 511	5	21 851	

(e) Employees: Sewerage Services

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies as Percentage
00 - 03	2	2	2	0	0,00%
04 - 06	15	15	15	0	0,00%
07 - 09	10	9	10	1	10,00%
10 - 12	4	3	4	1	25,00%
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	30	32	2	

(f) Financial Performance: Sewerage Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R13,734,674	R14,008,097	R13,901,097	R14,323,232	102,25%
2 Contracted Services	R7,328,628	R7,156,614	R8,434,639	R7,667,459	107,14%
3 Other	R44,044,681	R46,451,337	R50,132,320	R43,953,357	94,62%
TOTAL	R65,107,983	R67,616,048	R72,468,056	R65,944,048	97.53%

(g) Capital Expenditure: Sewerage Services

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Donated PPE: Electrical Infrastructure LV (Mount Royal) Sewerage	R0	R940,000	R0	0,00%
24/25 Equipment : Sewerage	R34,000	R34,000	R33,732	99,21%
24/25 Equipment : Sewerage Telemetry	R40,000	R34,942	R0	0,00%
24/25 Malmesbury WWTW: Replace Clarifier Mechanical Equipment	R1,500,000	R300,000	R300,000	20,00%
24/25 Schoonspruit: Pipe Replacement	R3,000,000	R3,000,000	R2,999,650	99,99%
24/25 Sewer Reticulation and Connection: Illingworth Lethu	R517,214	R517,214	R517,214	100,00%
24/25 Sewerage: CK18526 Isuzu FSR750	R2,510,572	R2,322,000	R2,323,565	92,55%
24/25 Upgrading of bulk collectors: Darling	R2,200,000	R1,988,804	R1,919,629	87,26%
24/25 Upgrading of bulk collectors: Darling (MIG)	R1,516,105	R3,576,622	R3,576,622	235,91%
24/25 Upgrading of bulk collectors: Moorreesburg	R1,600,000	R0	R116,778	7,30%
24/25 Upgrading of bulk collectors: Moorreesburg (MIG)	R511,370	R0	R0	0,00%
TOTAL	R13,429,261	R12,713,582	R11,787,190	

(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 who legally occupy a proclaimed plot has access to electricity. There are a small number of households that have recently moved on a few demarcated stands between Phase 3 and 4 in Ilengu Lethu that needs to be electrified in the 2025/26 financial year once a budget has been secured.

Top three service delivery priorities:

(1 Upgrading of obsolete electrical networks/infrastructure

The annual projects for the renewal, upgrading and refurbishment of obsolete electrical networks and associated infrastructure remained in place and for the 2024/25 financial year R7.2m 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 mini-substations and switchgear. Upgrading of obsolete low voltage networks in Malmesbury, Moorreesburg and Darling was undertaken.

(2 Completion of capital projects

For the 2024/25 financial year the department spent more than 98% of the available capital budget. The phased construction of the Municipal 2 x 20 MVA 132/11kV De Hoop substation has been completed while the design of the 4.5 km double circuit 132 kV line and 132 kV switching station for Eskom is in progress. The aim is that the new 132 kV infeed to be commissioned in the third quarter of 2026/27.

(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 2024/25. Considering all the challenges faced in this regard this is an exceptional performance when compared to the NERSA benchmark of 10%.

Lowering the cost of electricity.

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. The Darling Green Utility (DGU) 1 MVA Solar PV plant was commissioned in March 2025 and has delivered around 600 000 kWh up to 30 June 2025 to the municipality. The reduced purchase price for the energy procured from DGU instead of Eskom was factored into the tariff increase application submitted to NERSA and all customers of Swartland is benefiting from the agreement between DGU and Swartland.

In support of the municipal councils resolution to make municipal land available for the development of a solar plant outside Malmesbury we have been working with the Department of Infrastructure to prepare a RFP to call for tenders from Independent Power Producers (IPPs) for the construction of a Solar PV plant. Once again the municipality aims to enter into a power purchase agreement to purchase energy from the IPP at rates that are lower than the Eskom energy rate with the view of lower tariff increases in the future. Our aim is to issue the RFP later this year in accordance with the requirements of the MFMA.

The total number of consumers with registered SSEG (Small Scale Embedded Generation) installations in the Swartland Municipal area has increase to 682 with an installed capacity of 8682 KWp.

Major successes achieved and challenges

Annual Report for 2024/2025

The municipality continued with its initiatives around revenue protection and once again our technical and non-technical losses has shown an improvement against the previous year's performance. At 3.2% total losses this is significantly better than the NERSA benchmark of 10%.

At least 98% expenditure of the capital budget was achieved despite various challenges and weather patterns during 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 maintaining a level of above 70% for this particular KPI.

The following capital projects were successfully implemented:

- The Municipal 2 x 20 MVA 132/11 kV substation portion of the De Hoop project was finalised
- Replacement of oil insulated switchgear and minisubstations
- In addition to this the installation of batteries and inverters at some of the municipal service centres we also installed backup supplies to the traffic lights at the major intersections in Malmesbury and Moorreesburg.
- With the assistance of the finance department a new Online Electricity Vending system was implemented which allows prepaid electricity customers to purchase replacement tokens at the ATM, on banking Apps and various other platforms on a 24 hour basis.

The much talked about Token Identifier (TID) or Key Revision Number Project (KRN) to recode all our Standard Transfer Specific cation (STS) prepaid meters were successfully completed before the deadline of 24 November 2024. ea has increase to 682 with an installed capacity of 8682 KWp. **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 2024/25 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 maintaining a level of above 70% for this particular 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 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 financial 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 building 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 achieved 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	16 326 residential account holders	17 913	5	16 326	17 570	5	16 326 residential account holders	

2 Indicators from IDP										
3.6 Wheeling framework development	D111	(2) Submit Wheeling Framework to Council for approval by June 2025	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	4	N/a	Wheeling Framework was submitted on 21 May 2025
3.7 Ensure bulk infrastructure capacity that is adequate for future developments	D112	Master plans reviewed and updated if required annually by June	1 annually by June	1 by March 2024	5	1 annually by June	1	4	1 annually by June	Reviewed and signed of on 07 May 2025
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)	1 annually by November	1 by 31 October 2023	4,9	1 annually by November	1 by 30 October 2024	5	1 annually by November	
3.9 Ensure sustainable electricity tariffs	D114	Submit application to Nersa for approval annually by June	1 annually by June	1 on 2 March 2024	5	1 annually by June	1	5	1 annually by June	Application submitted 29 April 2025
3 Indicators Directors										
Improved energy sustainability	D107	Manage the % of electricity losses within the NERSA benchmark norm annually by end of June	10%	5.62%	5	10%	3.20%	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	8	10	2	20,00%
13 - 15	4	3	3	0	0,00%
16 - 18	2	3	3	0	0,00%
19 - 20	0	1	1	0	0,00%
TOTAL	41	40	42	2	

(f) Financial Performance: Electricity Distribution

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R23,447,639	R24,971,887	R24,506,887	R24,228,390	97,02%
2 Contracted Services	R3,422,356	R2,531,900	R2,852,564	R1,136,930	44,90%
3 Other	R347,951,314	R407,829,735	R425,014,139	R418,233,349	102,55%
TOTAL	374,821,309	R435,333,522	R452,373,590	R443,598,669	101.90%

(g) Capital Expenditure: Electricity Distribution

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Connections: Electricity Meters (New/Replacements) (Materials and Supplies)	R880,000	R880,000	R698,574	79,38%
24/25 Connections: Electricity Meters (New/Replacements)(Acquisitions:Outsourced)	R20,000	R20,000	R	0,00%
24/25 Darling 184 IRDP erven. Electrical bulk supply, infrastructure and connections	R400,000	R400,000	R261,620	65,41%
24/25 Donated PPE: Electrical Infrastructure LV (Mount Royal) Elec	R	R1,304,415	R1,798,701	0,00%
24/25 Donated PPE: Electrical Infrastructure MV (Mount Royal) Elec	R	R1,520,821	R440,338	0,00%
24/25 Emergency Power Supply	R300,000	R336,000	R322,593	107,53%
24/25 Illinge Lethu School Electrical Service Connection	R	R93,600	R85,954	0,00%
24/25 Illinge Lethu School Electrical Service Connection (Acquisitions:Outsourced)CR	R110,000	R16,400	R16,400	14,91%
24/25 Illinge Lethu School Electrical Service Connection (Acquisitions:Outsourced)WC	R700,000	R700,000	R696,771	99,54%
24/25 Illinge Lethu School Electrical Service Connection (Materials and Supplies)	R400,000	R400,000	R399,991	100,00%
24/25 Installation of new air conditioners	R	R82,167	R82,167	0,00%
24/25 LV Upgrading: Swartland (Acquisitions:Outsourced)	R100,000	R100,000	R	0,00%
24/25 LV Upgrading: Swartland (Materials and Supplies)	R1,100,000	R1,100,000	R1,099,695	99,97%
24/25 Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Compensati- CR	R50,000	R198,975	R199,562	399,12%
24/25 Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Compensati-Ex	R300,000	R	R	0,00%
24/25 Malmesbury De Hoop 132/11kV Substation, 132kV transmission line, servitudes and 132kV Eskom	R22,818,000	R22,401,642	R22,401,642	98,18%

Annual Report for 2024/2025

24/25 Malmesbury De Hoop 132/11kV Substation,132kV transmission line and servitudes (Acquisitions:CR	R5,360,560	R1,660,709	R1,638,402	30,56%
24/25 Malmesbury De Hoop 132/11kV Substation,132kV transmission line and servitudes (Acquisitions:Ex	R25,700,000	R	R	0,00%
24/25 Malmesbury Security Operational Centre: Communication, Monitoring and Other infrastructure equ	R200,000	R200,000	R194,694	97,35%
24/25 Moorreesburg Development 600 IRDP erven. Electrical infrastructure and connections	R500,000	R500,000	R500,000	100,00%
24/25 MV Upgrading: Swartland (Acquisitions:Outsourced)	R100,000	R100,000	R69,866	69,87%
24/25 MV Upgrading: Swartland (Materials and Supplies)	R1,000,000	R1,087,000	R1,472,269	147,23%
24/25 Protection and Scada Upgrading: Swartland	R350,000	R263,000	R255,192	72,91%
24/25 Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Acquisitions:CR	R22,500	R22,500	R	0,00%
24/25 Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Acquisitions:WC	R50,000	R50,000	R29,075	58,15%
24/25 Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Materials and Sup	R250,000	R250,000	R242,083	96,83%
24/25 Replace oil insulated switchgear and equipment (Acquisitions:Outsourced)	R4,500,000	R4,500,000	R4,424,685	98,33%
24/25 Replace oil insulated switchgear and equipment (Materials and Supplies)	R5,000,000	R500,000	R452,352	9,05%
24/25 Replacement of obsolete air conditioners	R250,000	R250,000	R192,101	76,84%
24/25 Streetlight, kiosk and polebox replacement: Swartland	R650,000	R613,000	R344,763	53,04%
24/25 Streetlights Eskom AOS	R400,000	R400,000	R287,882	71,97%
24/25 Substation Fencing: Swartland (Acquisitions:Outsourced)	R180,000	R180,000	R163,085	90,60%
24/25 Substation Fencing: Swartland (Materials and Supplies)	R20,000	R20,000	R15,210	76,05%
24/25 Traffic Light Controlling Equipment	R150,000	R151,000	R150,516	100,34%
24/25 Year-end Electricity Meters: Gains	R	R	R78,699	0,00%
TOTAL	R71,861,060	R40,301,229	R39,014,882	

(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.

The Municipal 2 x 20 MVA 132/11 kV substation work has now being completed with the remainder of the work inclusive of a 4.5 km double circuit 132 kV line and a 132 kV switching station to connect the Eskom network to the Swartland substation will be undertaken during 2025/26 and 2026/27.

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 2024/25:

- (1) Replacement of obsolete miniature substations and switchgear in all the supply areas (Malmesbury, Moorreesburg, Darling and Yzerfontein.)
- (2) The installation/replacement of oil filled Ring Main Units
- (3) 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.
- (4) To ensure continued service delivery by other departments provision was made for battery back-up and inverters at a number of the municipal buildings and the traffic lights at our major intersections were fitted with back up supplies to ensure continued operation and vehicle safety during load shedding events. The rest of the traffic lights will be done during 2025/26 financial year.

VARIANCES BETWEEN BUDGET AND ACTUAL

The variances between capital budget and actual expenditure achieved is less than 2.0%.

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. Due to delays in getting the environmental approval and design approvals from Eskom (since the outstanding portion is an Eskom Self built Project) it is now anticipated that the assets will be in full operation around the third quarter of 2026/27.

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.

Thanks to improved performance by the Eskom Generation Fleet we have seen far less load shedding events and thus now exceedances of the maximum demand as a result of cold load startup when the power returns after load shedding.

The Darling Green Utility (DGU) 1 MVA Solar plant was successfully commissioned in March 2025 after some initial delays due to severe weather. All the energy, measured in kWh, that we purchase from DGU is to the benefit of all Swartland consumers in that we are purchasing the solar energy at a discounted rate when compared to the Eskom tariff and this reduction is factored into the price electricity increase on an annual basis.

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 than 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										
Reg 10 (a): Access to water, sanitation and refuse removal	D38	Number of residential account holders receiving refuse removal services as at 30 June	22 265	21 631	5	21 635	23 175	5	21 635	
2 Indicators from IDP										
3.3 Extension of the Highlands landfill site	D43	Development of cell 2 by March 2027	1 by March 2027	N/a (2026/2027 financial	0	1 by March 2027	N/a (2026/2027 financial			

				year)			year)			
3.3 Extension of the Highlands landfill site	D44	Identify measures and report to Council on organic waste diversion by June 2027	1 by June 2027	N/a (2026/2027 financial year)	0	1 by June 2027	N/a (2026/2027 financial year)			

(e) Employees: Refuse Removal

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	50	49	50	1	2,00%
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	0	0	0	0	0,00%
16 - 18	1	1	1	0	0,00%
19 - 20	0	0	0	0	0,00%
TOTAL	77	76	77	1	

(f) Financial Performance: Refuse Removal

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R21,233,689	R23,121,781	R22,806,781	R23,168,248	100,20%
2 Contracted Services	R19,838,047	R17,953,890	R21,516,983	R20,442,893	113,86%
3 Other	R18,648,969	R24,307,833	R21,721,007	R18,060,702	74,30%
TOTAL	R59,720,705	R65,383,504	R66,044,771	R61,671,843	94.32%

(g) Capital Expenditure: Refuse Removal

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Equipment : Refuse bins, traps, skips (Swartland)	R160,000	R193,000	R192,607	120,38%
24/25 Equipment : Refuse Removal	R28,000	R347,000	R33,363	119,15%

24/25 Highlands: Development of new cell	R1,332,000	R8,038,370	R8,037,563	603,42%
24/25 Highlands: Development of new cell (Loan)	R10,950,588	R0	R0	0,00%
24/25 Highlands: Development of new cell (MIG)	R17,338,000	R15,500,000	R15,500,000	89,40%
24/25 Refuse: CK21988 Nissan UD CW26 370 FC	R3,281,276	R3,245,319	R3,251,744	99,10%
TOTAL	R33,089,864	R27,323,689	R27,015,277	

(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.

The construction of a new cell at Highlands landfill has commenced in the 2024/2025 financial year and will be completed in the 2025/2026 financial year. The new cell will provide increased capacity for solid waste disposal up to 2032/2033

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	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	5	1 by June 2025	Housing Accreditation report submitted to council 19 February 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	1 annually by May	1 by 9 November 2023	5	1 annually by May	1	4	1 annually by May	Housing pipeline approved on 16 April 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	D197	(3) Obtain land use rights for mixed housing developments annually by end of June and submit a report to the Municipal Manager	100% annually	100% by 6 June 2024	5	100% annually	100%	5	100% annually	Email sent 5 March 2025 to MM
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	D198	(4) Appoint credible social housing institution to build and manage social housing and submit a report to the Municipal Manager by June 2026	100% by June 2025	N/a (2024/2025 financial year)	0	100% by June 2026	N/a (2025/2026 financial year)		100% by June 2025	

Area										
------	--	--	--	--	--	--	--	--	--	--

(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	R2,575,495	R3,072,186	R2,857,186	R2,704,522	88,03%
2 Contracted Services	R358,868	R9,534,834	R8,274,103	R1,027,621	10,78%
3 Other	R1,815,588	R9,585,004	R2,135,929	R293,717	3,06%
TOTAL	R4,749,951	R22,192,024	R13,267,218	R4,025,860	18.14%

(f) Capital Expenditure: Housing Services

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Purchasing of Land: Kalbaskraal (Transnet Land)	R2,400,000	R0	R0	0,00%
24/25 Purchasing of Land: Silvertown	R6,000,000	R8,300,000	R0	0,00%
24/25 Darling Serviced Sites (186) Phase 1 (Sewerage)	R2,373,670	R1,668,619	R1,124,445	47,37%
24/25 Moorreesburg Serviced Sites (645 (Sewerage)	R8,730,947	R8,226,882	R5,771,501	66,10%
24/25 Malmesbury De Hoop Serviced Sites (Phola Park) (Prof	R686,000	R686,000	R0	0,00%

Fees)				
24/25 Darling Serviced Sites (186) Phase 1 (Streets & Stormwater)	R9,643,034	R4,861,260	R4,861,259	50,41%
24/25 Silvertown: Profesional Fees	R1,200,000	R3,368,068	R216,969	18,08%
24/25 Moorreesburg Serviced Sites (645) (Roads & Stormwater)	R35,469,474	R34,841,436	R34,841,436	98,23%
24/25 Malmesbury De Hoop Serviced Sites Phase 1 (Streets & Stormwater)	R44,445,951	R46,475,000	R46,475,000	104,57%
24/25 Malmesbury De Hoop Serviced Sites (Prof Fees)	R7,621,614	R4,500,000	R4,500,000	59,04%
24/25 Silver Town: Bulk Services (Prof Fees/ Constrcution)	R0	R1,000,000	R0	0,00%
24/25 Darling Serviced Sites (186) Prof Fees Phase 1	R1,468,564	R1,547,527	R989,573	67,38%
24/25 Moorreesburg Serviced Sites(652) Prof Fees	R3,897,744	R4,205,974	R4,051,518	103,95%
24/25 Moorreesburg Serviced Sites (645) (Water)	R10,368,000	R9,394,423	R7,862,764	75,84%
24/25 Darling Serviced Sites (186) Phase 1 (Water)	R2,818,733	R9,003,878	R7,985,094	283,29%
24/25 Malmesbury De Hoop Serviced Sites Phase 1 (Water)	R10,940,542	R11,440,000	R11,440,000	104,57%
24/25 Malmesbury De Hoop Serviced Sites Phase 1 (Sewerage)	R12,991,893	R13,585,000	R13,046,734	100,42%
24/25 Silvertown:IBS	R10,800,000	R70,742	R0	0,00%
24/25 Darling Serviced Sites (327) Prof Fees Phase 2	R1,453,000	R1,750,503	R1,750,503	120,48%
TOTAL	R173,309,166	R164,925,312	R144,916,796	

(g) Comment on Housing performance overall

Please be advised that the Municipality have completed Civil Engineering Services to residential erven for the following housing projects:

De Hoop Housing Project 1 502 residential erven

Moorreesburg Housing Project 646 residential erven

Darling Housing Project 184 residential erven

Also note that we will proceed with the construction of Top Structures in the 2025/2026 financial year.

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 2024-2025 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 R4515; 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

- 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	8,613

Service Name	Households	Percentage
Electricity Distribution	8 011	93.01%
Rates Services	7 646	88.77%
Refuse Removal	8 613	100.00%
Sewerage Services	8 209	95.31%
Water Services	8 597	99.81%

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

Service	Original Budget	Adjustment Budget	Actual
Electricity Distribution	R10,811,556	R10,811,556	R8,588,443
Rates Services	R3,597,229	R3,597,229	R3,769,309
Refuse Removal	R19,662,694	R19,662,694	R19,229,392
Sewerage Services	R32,769,900	R32,769,900	R29,638,586
Water Services	R15,850,230	R15,850,230	R14,283,644

(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 9010 on 30 June 2024 to 8613 on 30 June 2025.

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 355km 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, R2 268 406.90 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 239 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
62	0	2	62

(c) Kilometres Tarred Road Infrastructure

Total Tarred Roads	New Tar Roads	Existing Tar Roads Retarred	Existing Tar Roads Resheeted	Tar Roads Maintained
355	18	0	2	355

(d) Kilometres Storm water Infrastructure

Total Stormwater Measures	New Stormwater Measures	Stormwater Measures Upgraded	Stormwater Measures Maintained
239	15	0	239

(e) Cost of Construction/Maintenance - Roads

Gravel New	Gravel - Tar	Gravel Maintained	Tar New	Tar Re-Worked	Tar Maintained
0	0	R8,884,575	R27,665,222	R28,193,172	R30,473,816

(f) Cost of Construction/Maintenance – Storm water

New Stormwater Measures	Upgraded Stormwater Measures	Maintained Stormwater Measures
15	0	R0

(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	1 annually by June	0	4	1 annually by June	1	3	1 annually by June	Report tabled on 18 June 2025

(h) Employees: Streets and Storm Water

Job Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	21	21	21	0	0,00%
04 - 06	26	25	26	1	3,85%
07 - 09	19	18	18	0	0,00%
10 - 12	4	5	5	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	71	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	R20,616,325	R23,034,518	R24,758,518	R23,693,915	102,86%
2 Contracted Services	R7,475,244	R6,497,705	R7,271,166	R6,693,238	103,01%
3 Other	R41,958,761	R58,444,877	R59,446,194	R37,164,412	63,59%
TOTAL	R70,050,330	R87,977,100	R91,475,878	R67,551,565	76.78%

(j) Capital Expenditure: Streets and Storm Water

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Ward Committee Projects: Roads (Materials and Supplies)	R100,000	R100,000	R0	0,00%
24/25 Stormwater Network (Compensation of Employees)	R30,000	R30,000	R30,000	100,00%
24/25 Construction of New Roads: Swartland	R24,700,000	R5,746,686	R5,746,686	23,27%
24/25 Equipment: Streets and Stormwater	R66,000	R65,407	R65,407	99,10%
24/25 Roads Swartland: Resealing of Roads (MIG)	R0	R2,268,407	R2,268,407	0,00%
24/25 Stormwater Network (Materials and Supplies)	R20,000	R20,000	R20,000	100,00%
24/25 Stormwater Network (Acquisitions: Outsourced)	R200,000	R200,000	R136,600	68,30%

24/25 Riverlands Disaster: Roads and associated earth works	R0	R6,468,700	R1,765,621	0,00%
24/25 Riverlands Disaster: Stormwater and associated earth works	R0	R2,772,300	R0	0,00%
24/25 Roads: CK274 Caterpillar	R5,139,225	R3,212,853	R3,124,998	60,81%
24/25 Access road and Intersection Storm water: Illinge Lethu	R1,508,539	R1,508,539	R1,508,539	100,00%
24/25 Construction of New Roads: Swartland (MIG)	R1,894,902	R2,426,024	R2,426,024	128,03%
24/25 Access road and Intersection Upgrading: Illinge Lethu	R9,749,214	R9,749,214	R9,472,940	97,17%
24/25 Ward Committee Projects: Roads (Acquisitions:Outsourced)	R1,000,000	R1,100,000	R1,100,000	110,00%
TOTAL	R44,407,880	R35,668,130	R27,665,222	

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

The amount of R2 268 406.90 was spent on the resealing and the rehabilitation of roads.

The amount of R8 172 710 was spent on the construction of new roads with a length of 1.8km. (roads are constructed over two financial years)

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. Minor amendments have been adopted in May 2025.

All land use applications whereby no objections have been received within the public participation are finalised by the authorised employee and 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. 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 has been implemented on 1 July 2024. Since then six (6) in-time Supplementary Valuation Roles has been implemented. The supplementary valuation roles have been seamlessly integrated with the financial system..

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 issues have been addressed.

(b) Applications for Built Environment

	Subdivision		Rezoning		Building Plans	
Application Category	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year
Determination made in following year	0	2	1	5	531	130
Applications outstanding at year end	3	2	0	1	3	0
Applications withdrawn	0	0	0	0	0	0
Determination made in year of receipt	34	41	23	19	386	734
Planning application received	37	45	27	25	917	864

(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 the Management meeting by June 2026	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2026	N/a (2025/2026 financial year)		1 by June 2026	
4.3 Climate change study	D200	Do a study of climate change mitigation and adaptation and report to the Management meeting by June 2026	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2026	N/a (2025/2026 financial year)		1 by June 2026	

(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	0	0	0	0	0,00%
10 - 12	1	1	1	0	0,00%
13 - 15	3	2	3	1	33,33%
16 - 18	1	1	1	0	0,00%
19 - 20	1	1	1	0	0,00%
TOTAL	6	5	6	1	

(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	0	0	0	0	0,00%
07 - 09	2	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	R6,484,442	R6,747,229	R6,832,229	R6,756,927	100,14%
2 Contracted Services	R2,202,187	R2,296,397	R1,892,937	R1,767,404	76,96%
3 Other	R612,377	R1,166,764	R1,020,867	R886,895	76,01%
TOTAL	R9,299,006	R10,210,390	R9,746,033	R9,411,226	92.17%

(g) Financial Performance: Building Control

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R3,578,119	R3,876,982	R3,906,982	R4,122,828	106,34%
2 Contracted Services	R0	R0	R0	R0	0,00%
3 Other	R69,304	R118,827	R127,801	R141,899	119,42%
TOTAL	R3,647,423	R3,995,809	R4,034,783	R4,264,727	106.73%

(h) Capital Expenditure: Built Environment

No capital projects

(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. The municipality also won an award during 2025 at the Cape Chambers for Proactive Investment in Public infrastructure in Swartland.

3.4.2 ECONOMIC DEVELOPMENT

(a) Introduction

The Swartland Economic Development Plan (EDP) is a strategic initiative aimed at realising the Vision of Swartland Municipality. Approved by the Executive Mayoral Committee in May 2025, the EDP aligns with government policy direction and leverages the region's inherent economic strengths. The plan serves as a foundation for unlocking investment, implementing catalytic infrastructure, and ensuring that economic development efforts are credible, accountable, and sustainable. It prioritises vulnerable and high-potential sectors, such as agriculture, agro-processing, manufacturing, and tourism, with an emphasis on stimulating market demand through accelerated public infrastructure development to create jobs and improve access to services. Additionally, the EDP focuses on removing barriers to enterprise and innovation by reducing red tape, enhancing communication, aligning policies, and providing support mechanisms for businesses to thrive. It is designed to guide implementation planning, enhance the Municipality's ability to attract investment, and leverage strategic partnerships. Ultimately, the EDP positions Swartland Municipality as a proactive enabler of local economic development, offering a structured platform for targeted interventions, effective public-private collaboration, and inclusive, sustainable growth.

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

Description	Jobs Created
Capital projects (contracts > R200 000)	194

(c) Job creation through EPWP projects

Number Of Jobs

465

(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 projects	D60	Create 150 jobs through Municipality's capital projects (contracts > R200 000) by 30 June	150 jobs by 30 June	186	5	150 jobs by 30 June	194	5	150 jobs by 30 June	
2 Indicators from IDP										
2.1 Skills development	D61	Investigate the establishment of a skills development centre and submit a report to Management meeting by June 2025	1 by June 2025	N/a (2024/2025 financial year)	0	100%	100%	5	N/a	Skills development report approved by MAYCO on 16 April 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	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	4,5	1 by June 2025	Twinning agreement concluded in May 2025

										to conclude the agreement during May 2025.
2.3 Investment Promotion / Marketing	D64	(3) 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)	0	100% by June 2026	N/a (2025/2026 financial year)		100% by June 2026	
2.4 Assist and support SMME	D66	(2) Ensure the organisation of an annual SMME summit or indaba	1 annually	1	5	1 annually	1	5	1 annually	SMME Indaba held on 4 April 2025.
2.4 Assist and support SMME	D67	(3) Ensure the investigation of SMME hubs in the Swartland area and submit report to the Management meeting by June 2025	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	5	1 by June 2025	Economic hubs report to Management Team on 28 March 2025
2.5 Improving the ease of doing business	D68	Create an automated one stop shop for all business enquiries by June 2026	100% by June 2025	N/a (2024/2025 financial year)	0	100% by June 2026	N/a (2025/2026 financial year)		100% by June 2026	
3 Indicators Directors										
Liaison with business role-players	D47	Hold a annual event with local businesses before end of June	1 annually before end of June	1	5	1 annually before end of June	4	5	1 annually before end of June	
LED fund management	D48	Spend 90% of the LED funds by end of June	90% by end of June	93.3%	5	90% by end of June	N/a (No budget for this financial year)		90% by end of June	

(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, Senior Coordinator: Special Projects and one Thusong Service Centre Coordinator 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										
1.2 Social regeneration	D192	Social Regeneration Strategy developed and approved by Council by June 2025	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	5	N/a	Social Regeneration adopted by Council on 19 February 2025.
1.3 Take action against Gender-Based Violence and Femicide (GBVF)	D193	GBVF Strategy developed and approved by Council by June 2026	1 by June 2026	N/a (2025/2026 financial year)	0	1 by June 2026	N/a (2025/2026 financial year)		1 by June 2026	
1.4 Youth Development	D194	Youth Policy developed and	1 by June	N/a	0	1 by June	N/a			

		approved by Council by June 2027	2027	(2026/2027 financial year)		2027	(2026/2027 financial year)			
--	--	----------------------------------	------	----------------------------	--	------	----------------------------	--	--	--

(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	1	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	4	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	2	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	4	4	4	0	

(e) Financial Performance: Community Development

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R3,113,166	R3,246,524	R3,263,524	R3,236,584	99,69%
2 Contracted Services	R300,116	R537,696	R541,626	R360,450	67,04%
3 Other	R144,087	R565,638	R567,121	R178,907	31,63%
TOTAL	R3,557,369	R4,349,858	R4,372,271	R3,775,941	86.81%

(f) Financial Performance: Thusong Service Centres

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R1,381,457	R1,492,530	R1,494,530	R1,495,402	100,19%
2 Contracted Services	R18,633	R153,535	R153,753	R132,049	86,01%
3 Other	R193,883	R225,735	R225,120	R162,573	72,02%
TOTAL	R1,593,973	R1,871,800	R1,873,403	R1,790,024	95.63%

(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 was carried out in the field of social development in 2024/2025. Programmes that was implemented was part of the SOCIAL REGENERATION initiatives 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 facilities and Early Childhood Development;

A total of nineteen (15) 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 strengthen overall discipline of learners. Assistance to 21 ECD facilities was rendered in order to legalise and register facilities. In total three facilities obtained registration at the Department of Social Development and 18 facilities received conditional registration.

Promote Child Development:

School holiday programmes were implemented in September 2024, December 2024 and January 2025. A total of 2233 children benefited from the school holiday programme and 164 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 (DarlingOutreach).

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 5328 for the year. In terms of youth development a total of 1312 youth received assistance with job applications and 38 were placed in job opportunities. 1019 youth and community members 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 4000 for the year. The Annual Career Exhibition was held in February 2025 where 2392 learners were reached (Ilinglethu Secondary School, Swartland High School, Schoonspruit Secondary School, Wesbank Secondary School and Riebeek Valley Special School).

Collaboration and coordination

In terms of collaboration and co-ordination the Swartland Social Development Forum organised the 16 days to 365 day of activism against GBVF., The Ward Gender based Ambassadors were further capacitated with numerous trainings. This was done in partnership with DSD, WCDM, Foundation, SAPS, NGO's and government departments to focus on gender violence. The Local Drug Action Committee implemented various programmes, from substance abuse training, Gender Based awareness sessions and the strategic sessions held by the Western Cape Department of Social Development to draw up an action plan to address substance abuse. The LDAC is in process to draw up a referral pathway in order for people to know who is their stakeholders and steps they need to follow to report and combat social ills.

Access to economy

To provide access to the economy 520 people attended the entrepreneurial workshops which included SEDA, WCDM and service providers that capacitated entrepreneurs 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.

Vulnerable groups

The Thusong programme, by means of the Thusong Mobile Outreaches were held and reached 4495 people by assisting them to access essential government services. A total of nine mobile outreaches were held for people within the Swartland Municipal area. This made essential government services accessible to the rural communities.

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	8	8	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	33	33	33	0	

(c) Financial Performance: Libraries

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R11,521,656	R12,226,302	R12,226,302	R11,598,857	94,87%
2 Contracted Services	R97,282	R133,200	R133,200	R93,303	70,05%
3 Other	R1,724,059	R1,493,876	R1,530,760	R1,796,516	120,26%
TOTAL	R13,342,997	R13,853,378	R13,890,262	R13,488,676	97.37%

(d) Capital Expenditure: Libraries

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Equipment: Libraries	R50,000	R50,000	R46,356	92,71%

(e) Comment on the performance of libraries overall

All nine libraries have free internet access available to the public through the RLCP (Rural Library Connectivity Program) / ICT project funded by the Department of Cultural Affairs and Sport.

Most libraries have young adults called "YeBoNeers" which are on an internship programme from Provincial Government and Year Beyond, where they support the literacy initiatives and promoting a culture of reading, as well as supporting and promoting the use of technology by enhancing digital literacy skills and contributing to the library's overall mission of providing accessible and innovative services to the community.

The average monthly circulation of books between the libraries are +- 13 500. Between the 9 libraries, they do an average of 125 outreach programmes per month.

Riebeeck Kasteel Library offers a programme "Library for the Blind", in collaboration with the South African Library for the Blind, whereby audio books and equipment are made 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	R353,643	R337,134	R339,434	R383,094	113,63%
2 Contracted Services	R157,895	R227,117	R213,034	R193,657	85,27%
3 Other	R477,794	R508,242	R486,621	R167,861	33,03%

TOTAL	R989,332	R1,072,493	R1,039,089	R744,612	69,43%
--------------	-----------------	-------------------	-------------------	-----------------	---------------

(c) Capital Expenditure: Cemeteries

No capital projects

(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	R1,962,149	R2,078,441	R2,096,441	R2,067,873	99,49%
2 Contracted Services	R45,770	R65,173	R27,596	R12,851	19,72%
3 Other	R51,997	R127,164	R153,740	R134,901	106,08%
TOTAL	R2,059,916	R2,270,778	R2,277,777	R2,215,625	97.57%

(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

Following the Swartland Municipal Council's decision to restructure the Municipal Police Service into a dedicated **Traffic and Law Enforcement Service**, effective **1 July 2013**, the Swartland Municipality has continued to operate a fully functional and effective **Traffic and Law Enforcement Division (STLES)**.

The core mandate of STLE is to:

- Proactively police and enforce compliance with **municipal by-laws**;
- Enforce the **National Road Traffic Act 93/96**
- Promote **road safety** and reduce **road accident fatalities** within the Swartland region.

During the **2023/2024 financial year**, STLE delivered impactful and efficient services in both traffic law enforcement and by-law policing across the WCO15 and the performance of the service remains directly influenced by the availability of resources, particularly in terms of **personnel and fleet capacity**.

Key developments and activities for the reporting period include:

- The establishment of two specialized units — the **Dog Unit** and **LEAP (Law Enforcement Advancement Plan)**— funded through grants provided by the **Western Cape Provincial Government**.
- Ongoing **crime prevention operations**, conducted in close collaboration with the **South African Police Service (SAPS)** and other **law enforcement partners** to **remove illicit contraband, illegal firearms and ammunition** from communities and out of the hands of criminals — contributing to safer neighbourhoods and a more secure environment for all residents.
- Continued partnership with the **Western Cape Liquor Authority** to identify and monitor **problematic liquor outlets**, helping reduce alcohol-related incidents and improve community safety.
- Delivery of **traffic and by-law awareness campaigns** at **schools** and to **non-governmental organizations (NGOs)** across the municipal area.
- Implementation of **road safety programs** targeting both motorists and pedestrians, aimed at encouraging **proactive behaviour** and promoting **positive road safety attitudes**.

These combined enforcement and education efforts have made a measurable contribution to reducing accident risks and criminal activity, supported by high-visibility operations and sustained public engagement.

The **Swartland Traffic and Law Enforcement Service** remains steadfast in its commitment to upholding the rule of law, enhancing public safety, and contributing to a safe, lawful, and well-governed community throughout the Swartland Municipality.

(b) Traffic Policing and By-law Enforcement

Category	Previous Year Actual Number	Actual Number
Number of by-law infringements attended	1826	2584

Number of road traffic accidents during the year	0	0
Number of law enforcement officers in the field on an average day	58	37
Number of law enforcement officers on duty on an average day	50	18

(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	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	3	1 by June 2025	Reported on 4 June 2025
1.6 Animal pound for the Swartland area	D237	(1) Animal bylaw developed and approved by Council by June 2025	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	0	0	1 by June 2025	Reason: A service provider needed to be appointed. Corrective Measure: Will complete in the new financial year.
1.6 Animal pound for the Swartland area	D238	(2) Available land identified and the possibility of a pound investigated by June 2026	100% by June 2026	N/a (2025/2026 financial year)	0	100% by June 2026	N/a (2025/2026 financial year)	0	100% by June 2026	
1.7 Integrated operational emergency room	D239	(1) Viability and feasibility study in collaboration with all role-players conducted by June 2026	100% by June 2026	N/a (2025/2026)	0	100% by June 2026	N/a (2025/2026)	0	100% by June 2026	

				financial year)			financial year)			
1.7 Integrated operational emergency room	D240	(2) CCTV camera bylaw developed by June 2025	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	3	N/a	Was submitted on 25 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	100% by June 2028	N/a (2027/2028 financial year)	0	100% by June 2028	N/a (2027/2028 financial year)	0		
1.11 Extension of Traffic and Law Enforcement Services	D244	Establishment of a learners licence centre for Riebeek Valley by June 2026	100% by June 2026	N/a (2025/2026 financial year)	0	100% by June 2026	N/a (2025/2026 financial year)	0	100% by June 2026	
3 Indicators Directors										
Effective monitoring of informal settlements	D235	Report monthly to the Portfolio Committee on any new informal dwellings / structures erected	12 for the year	12	5	12 for the year	12	4	12 for the year	

(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	32	30	32	2	6,25%
10 - 12	46	42	45	3	6,67%
13 - 15	2	3	3	0	0,00%
16 - 18	1	1	1	0	0,00%
19 - 20	0	0	0	0	0,00%
TOTAL	81	76	81	5	

(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	R45,744,463	R47,743,081	R48,544,703	R48,339,325	101,25%
2 Contracted Services	R5,906,659	R5,775,984	R6,169,570	R4,605,199	79,73%
3 Other	R32,635,831	R38,522,312	R28,475,486	R27,832,068	72,25%
TOTAL	R84,286,953	R92,041,377	R83,189,759	R80,776,592	87.76%

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

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 New Quantam (LEAP)	R822,500	R995,418	R995,418	121,02%
24/25 Equipment : K9 Unit	R34,783	R34,783	R13,273	38,16%
TOTAL	R857,283	R1,030,201	R1,008,691	

(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.

3.7.2 FIRE FIGHTING SERVICES

(a) Introduction

Swartland Municipality has a Fire Fighting Service consisting of 8 full-time fire department personnel and 20 voluntary municipal workers. The top service delivery priorities for the year under review were:

- (a) preventing the outbreak or spread of a fire
- (b) fighting or extinguishing a fire
- (c) the protection of life or property against a fire or other threatening danger
- (d) the rescue of life or property from a fire or other danger
- (e) subject to the provisions of the Health Act, 1977 (Act No. 63 of 1977), the rendering of an ambulance service as an integral part of the fire brigade service; or
- (f) the performance of any other function connected with any of the matters referred to in paragraphs (a) to (e)

During the year under review (2024/2025), the Swartland Fire Service responded to 851 fires and 303 other incidents within the average turnout time in urban areas. Efficient and effective service delivery in the rural areas is challenging due to the lack of resources. Fire safety awareness campaigns (smoke detectors) were conducted in informal settlements, schools, and crches as an early warning system to assist with the loss of life and property.

(b) Municipal Fire Service Data

Category	Previous Year Actual Number	Actual Number
Total fire appliances at year end	9	10
Total of other incidents attended in the year	334	303
Fire fighters in post at year end	6	8
Total fires attended in the year	856	851
Average turnout time - rural areas	18 minutes	18 minutes
Average number of appliance off the road during the year	2	1
Average turnout time - urban areas	12 minutes	12 minutes

(c) Fire Service Policy performance results

Note: No strategic KPI's for the 2024/2025 financial year.

(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	6	6	0	0,00%
10 - 12	1	1	1	0	0,00%
13 - 15	1	0	0	0	0,00%
16 - 18	0	1	1	0	0,00%
19 - 20	0	0	0	0	0,00%
TOTAL	6	8	8	0	

(e) Financial Performance: Fire Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R7,816,724	R8,523,888	R9,271,214	R8,783,216	103,04%
2 Contracted Services	R1,107,992	R867,666	R1,082,825	R977,326	112,64%
3 Other	R2,561,323	R3,046,947	R2,900,482	R2,289,428	75,14%
TOTAL	R11,486,039	R12,438,501	R13,254,521	R12,049,970	96.88%

(f) Capital Expenditure: Fire Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Conversion of CK38172 (Light Pumper)	R1,704,814	R1,769,914	R1,769,844	103,81%
24/25 Equipment : Fire Fighting	R200,000	R134,900	R134,660	67,33%
TOTAL	R1,904,814	R1,904,814	R1,904,504	

(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	R85,147	R31,000	R283,541	R261,699	844,19%
3 Other	R810,973	R718,253	R1,446,244	R1,387,568	193,19%
TOTAL	R896,120	R749,253	R1,729,785	R1,649,267	220.12%

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

No capital projects

(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 R357 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	0	0	0	0,00%
07 - 09	4	5	5	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	0	0	0	0	0,00%
TOTAL	5	5	5	0	

(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	R3,257,057	R3,451,415	R2,893,015	R3,377,762	97,87%
2 Contracted Services	R1,190,055	R986,716	R1,131,911	R1,071,564	108,60%
3 Other	R6,480,043	R4,224,928	R4,024,542	R4,147,932	98,18%
TOTAL	R10,927,155	R8,663,059	R8,049,468	R8,597,258	99,24%

Parks and Recreational Areas

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R16,454,588	R18,065,048	R17,982,048	R17,124,224	94,79%
2 Contracted Services	R1,266,368	R1,126,813	R1,596,061	R1,515,536	134,50%
3 Other	R2,700,499	R4,831,371	R4,421,545	R2,684,378	55,56%
TOTAL	R20,421,455	R24,023,232	R23,999,654	R21,324,138	88,76%

Swimming Pools

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
3 Other	R994,035	R2,337,129	R1,409,643	R1,763,084	75,44%
1 Employees	R2,790,903	R3,161,067	R3,434,467	R3,363,604	106,41%
2 Contracted Services	R307,498	R738,494	R646,994	R547,049	74,08%
TOTAL	R4,092,436	R6,236,690	R5,491,104	R5,673,737	90,97%

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

Sport

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Upgrading of Ilinge Lethu Sports Fields	R5,000,000	R5,000,000	R4,989,510	99,79%
24/25 Rosenhof Sportgrounds: Replace Pavillion Roof	R670,000	R370,000	R337,310	50,34%
24/25 Gene Louw Sportgrounds: Perimeter protection	R300,000	R300,000	R18,400	6,13%
24/25 Koringberg Sport Field: Ablution Facilities	R700,000	R50,000	R8,270	1,18%
24/25 Sportgrounds: Blower Mower: sn 20134 (replace)	R54,700	R81,700	R80,771	147,66%
24/25 Construction of Sport Facility: Riverlands	R434,783	R434,783	R427,784	98,39%
TOTAL	R7,159,483	R6,236,483	R5,862,045	

Parks and Recreational Areas

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Parks: Slasher (Bossiekapper): sn 18795	R55,000	R60,000	R59,441	108,07%
24/25 Equipment: Parks	R150,000	R150,000	R148,083	98,72%
24/25 Parks: CK30905 John Deere Tractor	R655,725	R620,000	R620,000	94,55%
24/25 Ward Committee Projects: Parks (Materials and Supplies)	R100,000	R24,157	R24,154	24,15%
24/25 Ward Committee Projects: Parks (Acquisitions:Outsourced)	R1,000,000	R1,285,852	R1,243,743	124,37%
TOTAL	R1,960,725	R2,140,009	R2,095,421	

Swimming Pools

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Moorreesburg Swimming Pool: Perimeter protection	R250,000	R250,000	R241,680	96,67%
24/25 Swimming Pool: Wesbank	R11,060,700	R12,218,069	R12,218,069	110,46%
TOTAL	R11 310 700	R12 468 069	R12 459 749	

(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	R2,288,665	R2,369,448	R2,305,448	R2,534,242	106,95%
2 Contracted Services	R159,982	R220,457	R204,763	R177,148	80,35%
3 Other	R830,172	R878,359	R892,316	R982,460	111,85%
TOTAL	R3,278,819	R3,468,264	R3,402,527	R3,693,850	106.50%

(d) Capital Expenditure: Caravan Parks

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 YZF Caravan Park: CK39039 Isuzu KB250D	R383,145	R390,196	R390,196	101,84%
24/25 Equipment: YZF Caravan Park	R105,474	R101,974	R105,943	100,44%
TOTAL	R488,619	R492,170	R496,139	

(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	Spent/achieved 95% of capital budget by the end of June	95% by end of June	92.85%	5	95% by end of June	91.13%	5	95% by end of June	Budget: R 112 148 390 YTD Actual: R102 200 586 Includes R10 153.83 non-cash transactions (Exc R10 153.83 non-cash transactions and retention of R116 777.95 = 91,02%) Reason: R9 241 000 funds received late (budget approved 31 March 2025) from the NDMC, spending was subject to EA and Escom wayleave which was only received in May 2025. Corrective measure: Apply for roll-over
Operating expenditure in line with budget and time frames	D03	Spend 90% of the operating budget by the end of June	90% by end of June	98.47%	5	90% by end of June	84.17%	4	90% by end of June	Budget: R 418 919 375 YTD Actual: R352 598 747 Includes R25 424 224 non-cash transactions. (Exc R25 424 224 non-cash transactions= 92.40%)

										Reason: Underspending on non cash transactions. Corrective measure: N/a
Council decision implementation	D05	Initiate/implement 100% of council decisions monthly	100%	100% for past 12 months	5	100%	100% for past 12 months	5	100%	
Performance and financial monitoring	D06	Ensure that monthly performance assessments are held	11 for the year	12	5	8 for the year	12	5	8 for the year	
Annual Report inputs provided by departments	D07	Complete departmental input to the annual report on the AR Framework annually by end of October	100% annually by end of October	100%	5	100% annually by end of October	100% by 13 August 2024	5	100% annually by end of October	
Budget inputs provided by departments	D08	Submit budget requests to the financial department by end of October	1 by end of October	1 by 31 October 2023 at 15:14	5	1 by end of October	1 by 25 October 2024	5	1 by end of October	
Audit issues resolved	D13	% of internal audit actions implemented by 30 June	100% by 30 June	100%	5	100% by 30 June	N/a (No IA actions to implement for the year)		100% by 30 June	
Audit issues resolved	D15	% of Auditor General's findings implemented by 30 June	100% by 30 June	N/a (No COMAFs)	0	100% by 30 June	N/a (No COMAFs)		100% by 30 June	
Risk identification and control implementation	D16	Complete bi-annual departmental risk assessments	2 for the year	2	5	2 for the year	2	5	2 for the year	
Risk identification and control implementation	D17	% of Risk Action Plans implemented by 30 June	100% by 30 June	100% by 28 June 2024	5	100% by 30 June	100% by 30 Sept	5	100% by 30 June	

							2024			
Invocoms held	D21	Ensure that monthly invocoms are held	10 for the year	15	5	10 for the year	34	5	10 for the year	
Average duration of vacancies reduced	D22	Fill vacancies within 6 months after decision was taken by management to fill the post	Within 6 months	Within 1.6 months	5	Within 6 months	Within 1.55 months	5	Within 6 months	
Productive workforce	D23	Monitor the percentage of person days lost per month due to sick leave	4%	2.48%	5	4%	3.09%	4	4%	
EPWP monitoring	D25	Monitor the number of EPWP work opportunities created by 30 June	296	307	5	296	465	5	296	
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	1	1 by 1 July 2024	5	1	1 by 1 July 2024	5	1	
Asset safeguarding	D27	Report all moveable assets quarterly that were lost or stolen in the prescribed manner to the Head: Asset Management	4 for the year	4	5	4 for the year	4	5	4 for the year	
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	1 by end of June	1 by 30 May 2024	5	1 by end of June	1 by 20 May 2025	5	1 by end of June	

		end of June								
Communication Strategy implementation	D29	Submit quarterly reports on all communication activities undertaken by the directorate submitted to the Communication Officer	4 for the year	4	5	4 for the year	4	3	4 for the year	
Spending of grants	D31	Spend 100% of operational and capital grants by the end of June	100% by end of June	100%	5	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	1 annually by end of October	1 by 31 Oct 2023 at 15:14	5	1 annually by end of October	1 by 25 Oct 2024	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	100% annually by 10 July	100%	5	100% annually by 10 July	100%	5	100% annually by 10 July	

(b) Employees: Infrastructure and Civil Engineering Services

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0
04 - 06	0	0	0	0	0
07 - 09	2	2	2	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	3	3	3	0	0
19 - 20	1	1	1	0	0
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	R3,320,615	R3,424,592	R3,513,792	R3,482,034	101,68%
2 Contracted Services	R1,723	R1,897	R1,897	R1,185	62,47%
3 Other	R721,262	R793,498	R835,909	R801,708	101,03%
TOTAL	R4,043,600	R4,219,987	R4,351,598	R4,284,927	101.54%

(d) Capital Expenditure: Infrastructure and Civil Engineering Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Equipment : Civil	R56,000	R52,118	R52,117	93,07%

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 (e) : People from employment equity target groups employed	D365	The percentage (%) of appointments made in the three highest levels of management which comply with the Employment Equity Plan, measured by the Number of appointments in the three highest levels of management, which comply with Employment Equity targets/Total appointments made in	90% annually by end of June	100%	5	70% annually by end of June	N/a		70% annually by end of June	There were no appointments made during the financial year.All positions were filled

		three highest level								
Reg 10 (f): Budget spent on implementing the workplace skills plan	D365	Spent 90% of the Municipality's training budget on implementing its Workplace Skills Plan by end of June	90% by end of June	100%	5	90% by end of June	99.97%	5	90% by end of June	
2 Indicators from IDP										
5.5 Improved corporate image and communication	D365	(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)	0	1 by June 2025	1	5	1 by June 2025	Item submitted to the Mayoral Committee of 21 May 2025
5.5 Improved corporate image and communication	D365	(2) Investigate and submit a report to the Mayoral Committee by June 2025 on a digital people-centred application	1 by June 2026	N/a (2025/2026 financial year)	0	1 by June 2025	1	5		Item submitted to the Mayoral Committee of 21 May 2025
5.5 Improved corporate image and communication	D365	(3) Investigate the feasibility of a full time customer care centre and submit a report to the Mayoral Committee by June 2026	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2026	N/a (2025/2026 financial year)		1 by June 2026	
3 Indicators Directors										
Capital expenditure in line with budget and time frames	D365	Spent/achieved 95% of capital budget by the end of June	95% by end of June	143.17%	5	95% by end of June	88.61%	5	95% by end of June	Budget: R478 000 YTD Actual: R423 543 Reason: The under expenditure is the result of a saving, and not because of funds not spent. Effectively spent 98% Corrective Measure: N/a

Operating expenditure in line with budget and time frames	D365	Spend 90% of the operating budget by the end of June	90% by end of June	95 98%	5	90% by end of June	93.19%	5	90% by end of June	Budget: R47 581 652 YTD Actual: R44 343 176 Includes R325 099 non-cash transactions. (Exc R325 099 non-cash transactions = 92,95%)
Council decision implementation	D365	Initiate/implement 100% of council decisions monthly	100%	100%	5	100%	100% for past 12 months	5	100%	
Performance and financial monitoring	D365	Ensure that monthly performance assessments are held	11 for the year	12	5	8 for the year	12	5	8 for the year	
Annual Report inputs provided by departments	D365	Complete departmental input to the annual report on the AR Framework annually by end of October	100% annually by end of October	100% by 20 October 2023	5	100% annually by end of October	100% by 11 September 2024	5	100% annually by end of October	
Budget inputs provided by departments	D365	Submit budget requests to the financial department by end of October	1 by end of October	1 by 25 October 2023	5	1 by end of October	1 by 17 October 2024	5	1 by end of October	
Audit issues resolved	D365	% of internal audit actions implemented by 30 June	100% by 30 June	100%	5	100% by 30 June	N/a (No IA findings)		100% by 30 June	
Audit issues resolved	D365	% of Auditor General's findings implemented by 30 June	100% by 30 June	N/a (no COMAFs)	0	100% by 30 June	N/a (no COMAFs)		100% by 30 June	
Risk identification and control implementation	D365	Complete bi-annual departmental risk assessments	2 for the year	2	5	2 for the year	2	5	2 for the year	
Risk identification and control implementation	D365	% of Risk Action Plans implemented by 30 June	100% by 30 June	N/a (No action plans for 2023/2024)	0	100% by 30 June	N/a (No risk action plans)		100% by 30 June	
Invocoms held	D365	Ensure that monthly invocoms are held	10 for the year	11	4	10 for the year	11	4	10 for the year	
Average duration of	D365	Fill vacancies within 6	Within 6	Within 1	5	Within 6	Within	5	Within 6	

vacancies reduced		months after decision was taken by management to fill the post	months	month		months	0.87 months		months	
Productive workforce	D365	Monitor the percentage of person days lost per month due to sick leave	4%	2.39%	5	4%	2.32%	5	4%	
Assets safeguarding	D365	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 financial year end	1	1 by 6 July 2024	4	1	1 by 5 July 2024	5	1	
Assets safeguarding	D365	Report all moveable assets quarterly that were lost or stolen in the prescribed manner to the Head: Asset Management	4 for the year	4	5	4 for the year	4	5	4 for the year	
Communication Strategy implementation	D365	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	1 by end of June	1 by 13 May 2024	5	1 by end of June	1 by 20 May 2025	5	1 by end of June	
Communication Strategy implementation	D365	Submit quarterly reports on all communication activities undertaken by the directorate submitted to the Communication Officer	4 for the year	4	5	4 for the year	4	3	4 for the year	
Spending of grants	D365	Spend 100% of operational	100% by	100%	5	100% by	100%	5	100% by	

		and capital grants by the end of June	end of June			end of June			end of June	
Ensure that accurate revenue estimates are prepared in relation to operating requirements	D365	Submit projected tariff increases determined for the new budget annually by end of October	1 annually by end of October	1 on 31 October 2024	3	1 annually by end of October	1 on 25 September 2024	5	1 annually by end of October	
Auditor General's queries (comafs)	D365	% of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days			0	100%	N/a (No comafs)		100%	

(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	R8,733,469	R10,137,724	R10,268,724	R10,142,979	100,05%
2 Contracted Services	R2,155,143	R2,466,920	R2,679,996	R2,201,260	89,23%
3 Other	R1,793,722	R2,519,298	R2,603,572	R1,957,176	77,69%
TOTAL	R12,682,334	R15,123,942	R15,552,292	R14,301,415	94.56%

(d) Capital Expenditure: Corporate Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Equipment : Corporate	R28,000	R30,800	R30,093	107,48%
24/25 Expropriation of splays	R300,000	R0	R0	0,00%
TOTAL	R328,000	R30,800	R30,093	

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	Spent/achieved 95% of capital budget by the end of June	95% by end of June	89.49%	3	95% by end of June	87.96%	5	95% by end of June	Budget: R166 211 808 YTD Actual: R146 206 659 Reason: The underspent on the capital budget is due to Silvertown - Purchasing of Land, Planning and Professional Fees (R8.3 mil + R4 189 296 = R12 489 296) Corrective Measure: Apply for a roll-over
Operating expenditure in line with budget and time frames	D159	Spend 90% of the operating budget by the end of June	90% by end of June	94.99%	5	90% by end of June	76.42%	4	90% by end of June	Budget: R42 028 430 YTD Actual: R32 119 939 Includes R245 637 non-cash transactions. (Exc R245 637 non-cash transactions = 76,80%) Reason: Top structure tender was only awarded at the end

										of May 2025 when the new MTREF budget was approved. Corrective Measure: Funds to be roll over
Council decision implementation	D161	Initiate/implement 100% of council decisions monthly	100%	99.71%	5	100%	100% for the past 12 months	5	100%	
Performance and financial monitoring	D162	Ensure that monthly performance assessments are held	11 for the year	12	5	8 for the year	12	5	8 for the year	
Annual Report inputs provided by departments	D163	Complete departmental input to the annual report on the AR Framework annually by end of October	100% annually by end of October	100%	5	100% annually by end of October	100% by 19 September 2024	5	100% annually by end of October	
Budget inputs provided by departments	D164	Submit budget requests to the financial department by end of October	1 by end of October	1 by 13 October 2023	5	1 by end of October	1 by 23 October 2024	5	1 by end of October	
Audit issues resolved	D169	% of internal audit actions implemented by 30 June	100% by 30 June	100% by 30 Apr 2024	5	100% by 30 June	100% by 27 June 2025	5	100% by 30 June	
Audit issues resolved	D170	% of Auditor General's queries (comafs) for which an action plan was submitted within 5 working days	100%	N/a (No COMAFs)	0	100%	N/a (No comafs)		100%	
Audit issues resolved	D171	% of Auditor General's findings implemented by 30 June	100% by 30 June	N/a (No COMAFs)	0	100% by 30 June	N/a (No comafs)		100% by 30 June	
Risk identification and control implementation	D172	Complete bi-annual departmental risk assessments	2 for the year	2	5	2 for the year	2	5	2 for the year	

Risk identification and control implementation	D173	% of Risk Action Plans implemented by 30 June	100% by 30 June	100%	5	100% by 30 June	N/a (No risk action plans for the financial year)		100% by 30 June	
Invocoms held	D177	Ensure that monthly invocoms are held	11 for the year	12	5	10 for the year	12	5	10 for the year	
Average duration of vacancies reduced	D178	Fill vacancies within 6 months after decision was taken by management to fill the post	Within 6 months	Within 2 months	5	Within 6 months	N/a (No vacancies for the financial year)		Within 6 months	
Productive workforce	D179	Monitor the percentage of person days lost per month due to sick leave	4%	1.27%	5	4%	2%	5	4%	
EPWP monitoring	D181	Monitor the number of EPWP work opportunities created by 30 June	296	307	5	296	465	5	296	
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	1	1	5	1	1	2,5	1	
Assets safeguarding	D183	Report all moveable assets quarterly that were lost or stolen in the prescribed manner to the Head: Asset Management	4 for the year	4	5	4 for the year	4	5	4 for the year	
Communication Strategy	D184	Submit a plan of all	1 by end of	1 on 28	5	1 by end of	1 on 14	5	1 by end of	

implementation		planned communication activities for the next financial year in terms of the Communication Strategy to the Communication Officer by end of June	June	June 2024		June	May 2025		June	
Communication Strategy implementation	D185	Submit quarterly reports on all communication activities undertaken by the directorate submitted to the Communication Officer	4 for the year	4	5	4 for the year	4	2,9	4 for the year	
Spending of grants	D187	Spend 100% of operational and capital grants by the end of June	100% by end of June	89.4%	4	100% by end of June	88.11%	5	100% by end of June	Reason: The underspent on the capital budget is due to Silvertown - Purchasing of Land, Planning and Professional Fees (R8.3 mil + R4 189 296 = R12 489 296) , Top structure tender was only awarded at the end of May 2025 when the new MTREF budget was approved. DOI underwent an amalamation and therefore we received funds for the appointment of an offical late and could not make an appointment. The Thusong centre grant saving occured due to two of the contractors that was not registered for VAT. Corrective Measure: Apply for a roll-over
Ensure that accurate	D188	Submit projected tariff	1 annually	1 by 11	5	1 annually	1 by 20	5	1 annually	

revenue estimates are prepared in relation to operating requirements		increases determined for the new budget annually by end of October	by end of October	October 2023		by end of October	September 2024		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	100% annually by 10 July	1 by 4 July 2023	5	100% annually by 10 July	1 by 4 July 2024	5	100% annually by 10 July	

(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	R2,604,013	R2,716,407	R2,795,907	R2,779,771	102,33%
2 Contracted Services	R0	R1,897	R1,897	R0	0,00%
3 Other	R206,539	R302,236	R256,614	R162,914	53,90%
TOTAL	R2,810,552	R3,020,540	R3,054,418	R2,942,685	97.42%

(d) Capital Expenditure: Development Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Kalbaskraal SEF (Prof. Fees)	R980,000	R744,891	R744,836	76,00%
24/25 Equipment : Development Services	R46,000	R49,435	R48,890	106,28%
TOTAL	R1,026,000	R794,326	R793,726	

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	1 by end of June	1 on 28 May 2024	5	1 by end of June	1 on 8 May 2025	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	4 for the year	4	5	4 for the year	4	3	4 for the year	
Spending of grants	D103	Spend 100% of operational and capital grants by the end of June	100% by end of June	100%	5	100% by end of June	100%	5	100% by end of June	
Ensure that accurate revenue estimates are prepared in relation to	D104	Submit projected tariff increases determined for the new budget annually	1 annually by end of October	1 on 31 October 2023	3	1 annually by end of October	1 on 27 Sept 2024	5	1 annually by end of October	

operating requirements		by end of October								
Ensure timeous submission of capital payment invoices and payment certificates to the finance department	D105	Submit all capital unbundling packs with all outstanding invoices annually to the Finance Department by 10 July	100% annually by 10 July	100% on 8 July 2023	5	100% annually by 10 July	100% on 8 Jul 2024	5	100% annually by 10 July	
Capital expenditure in line with budget and time frames	D73	Spent/achieved 95% of capital budget by the end of June	95% by end of June	105.66%	5	95% by end of June	105.66 %	5	95% by end of June	Budget: R41 911 229 YTD Actual: R44 284 236 Includes R2 317 737,65 non-cash transactions (Excl R2 317 737,65 non-cash transaction and R1 472 269.48 that moved from the operating budget = 96.62%)
Operating expenditure in line with budget and time frames	D75	Spend 90% of operating budget by the end of June	90% by end of June	100.38%	5	90% by end of June	97.4%	5	90% by end of June	Budget: R 475 645 314 YTD Actual: R 463 276 397 Includes R1 595 366 non-cash transactions. (Exc R1 595 366 non-cash transactions.= 98,99%)
Council decision implementation	D77	Initiate/Implement 100% of council decisions monthly	100%	100% for past 12 months	5	100%	100% for past 12 months	5	100%	
Performance and financial monitoring	D78	Ensure that monthly performance assessments are held	11 for the year	12	5	8 for the year	12	5	8 for the year	
Annual Report inputs provided by departments	D79	Complete departmental input to the annual report on the AR Framework annually by end of October	100% annually by end of October	100% by 27 Aug 2023	5	100% annually by end of October	100% by 7 August 2024	5	100% annually by end of October	
Budget inputs provided by departments	D80	Submit budget requests to the financial department	1 by end of October	1 by 31 October	5	1 by end of October	1 on 30 Oct	5	1 by end of October	

		by end of October		2023 at 15:27			2024 at 12:35			
Audit issues resolved	D85	% of internal audit actions implemented by 30 June	100% by 30 June	100%	5	100% by 30 June	100% on 27 June 2025	5	100% by 30 June	
Audit issues resolved	D87	% of Auditor General's findings implemented by 30 June	100% by 30 June	N/a (no COMAFs)	0	100% by 30 June	100% by 14 April 2025	5	100% by 30 June	
Risk identification and control implementation	D88	Complete bi-annual departmental risk assessments	2 for the year	2	5	2 for the year	2	5	2 for the year	
Risk identification and control implementation	D89	% of Risk Action Plans implemented by 30 June	100% by 30 June	100% by 24 June 2024	5	100% by 30 June	N/a (No risk action plans for the financial year)		100% by 30 June	
Invocoms held	D93	Ensure that monthly invocoms are held	10 for the year	12 by 24 June 2024	5	10 for the year	11 for the year	4	10 for the year	
Average duration of vacancies reduced	D94	Fill vacancies within 6 months after decision was taken by management to fill the post	Within 6 months	Within 1 month	5	Within 6 months	Within 0.43 months	5	Within 6 months	
Productive workforce	D95	Monitor the percentage of person days lost per month due to sick leave	4%	1.87%	5	4%	2.16%	5	4%	
EPWP monitoring	D97	Monitor the number of EPWP work opportunities created by 30 June	296	307	5	296	465	5	296	
Assets safeguarding	D98	Complete a condition assessment and a review of the remaining useful life	1	1 on 5 July 2023	5	1	1 on 5 July 2024	5	1	

		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								
Assets safeguarding	D99	Report all moveable assets quarterly that were lost or stolen in the prescribed manner to the Head: Asset Management	4 for the year	4	5	4 for the year	4	5	4 for the year	

(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	R1,688,721	R2,171,704	R2,765,704	R2,749,220	126,59%
2 Contracted Services	R0	R0	R0	R0	0,00%
3 Other	R50,445	R69,106	R102,816	R77,675	112,40%
TOTAL	R1,739,166	R2,240,810	R2,868,520	R2,826,895	126.16%

(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										
Reg 10 (g): Ensure general financial viability	D279	Measure the % of the outstanding service debtors	20%	7.85%	5	20%	6.37%	5	20%	The ratio is well below the norm
Reg 10 (g): Ensure general financial viability	D280	Measure financial viability in terms of cost coverage ratio for the current financial year	3 months	9 months	5	3 months	5.3 months	5	3 months	The ratio is well above the norm of 3 months
Reg 10 (g): Ensure general financial viability	D281	Measure the % of debt coverage ratio for the current financial year	45%	8.93%	5	45%	4.12%	5	45%	Ratio 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	100% at 30 June	100%	5	100% at 30 June	100%	5	100%	100% of all indigent applications received were processed and captured on the indigent register at year-end.
3 Indicators Directors										
Capital expenditure in line with budget and time frames	D246	Spent/achieved 95% of capital budget by the end of June	95% by end of June	126.82%	5	95% by end of June	111.33 %	5	95% by end of June	Budget: R 568 096 YTD Actual: R 632 466 Includes R31 000 non-cash transactions. (Exc R31 000 non-cash transactions and overspending of R33 371.08 = 100%)
Operating expenditure in line with budget and time frames	D248	Spend 90% of the operating budget by the end of June	90% by end of June	89.06%	4	90% by end of June	96.95%	5	90% by end of June	Budget: R 77 612 208 YTD Actual: R 75 248 748 Includes R7 344 121 non-cash transactions. (Exc R7 344 121 non-cash

										transactions= 92,39%)
Council decision implementation	D250	Initiate/implement 100% of council decisions monthly	100%	100% for past 12 months	5	100%	100% for past 12 months	5	100%	
Performance and financial monitoring	D251	Ensure that monthly performance assessments are held	11 for the year	12	5	8 for the year	12	5	8 for the year	
Annual Report inputs provided by departments	D252	Complete departmental input to the annual report on the AR Framework annually by end of October	100% annually by end of October	100% by 23 October 2023	5	100% annually by end of October	100% by 26 September 2024	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	1 by end of October	1 by 31 October 2023 at 15:56	5	1 by end of October	1 by 29 Oct 2024	5	1 by end of October	
Audit issues resolved	D258	% of internal audit actions implemented by 30 June	100% by 30 June	100%	5	100% by 30 June	N/a (No Internal Audit Action plans to be addressed)		100% by 30 June	
Audit issues resolved	D260	% of Auditor General's findings implemented by 30 June	100% by 30 June	100% by 24 April 2024	5	100% by 30 June	100% by 28 March 2025	5	100% by 30 June	
Risk identification and control implementation	D261	Complete bi-annual departmental risk assessments	2 for the year	2	5	2 for the year	2	5	2 for the year	
Risk identification and control implementation	D262	% of Risk Action Plans implemented by 30 June	100% by 30 June	100% by 24 June 2024	5	100% by 30 June	N/a (No Risk Action plans to		100% by 30 June	

							be address ed)			
Invocoms held	D266	Ensure that monthly invocoms are held	10 for the year	14	5	10 for the year	12	5	10 for the year	
Average duration of vacancies reduced	D267	Fill vacancies within 6 months after decision was taken by management to fill the post	Within 6 months	Within 2 months	5	Within 6 months	Within 0.96 months	5	Within 6 months	
Productive workforce	D268	Monitor the percentage of person days lost per month due to sick leave	4%	2.68%	5	4%	2.33%	5	4%	
Asset safeguarding	D269	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	1	2	5	1	1	5	1	
Asset safeguarding	D270	Report all moveable assets quarterly that were lost or stolen in the prescribed manner to the Head: Asset Management	4 for the year	4	5	4 for the year	4	5	4 for the year	
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	1 by end of June	1 on 26 June 2024	5	1 by end of June	1 on 30 May 2025	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	4 for the year	4	5	4 for the year	4	5	4 for the year	
Spending of grants	D274	Spend 100% of operational	100% by end	100%	5	100% by	100%	5	100% by	

		and capital grants by the end of June	of June			end of June			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	1 annually by end of October	1 on 30 October 2023 at 09:34	5	1 annually by end of October	1 on 22 Oct 2024	5	1 annually by end of October	
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	1 annually by end of February	1 on 28 February 2024	5	1 annually by end of February	1 on 26 February 2025	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	0	0	0	0	0,00%
19 - 20	1	1	1	0	0,00%
TOTAL	1	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	R31,089,564	R35,045,670	R34,812,670	R34,160,095	97,47%
2 Contracted Services	R1,351,190	R6,628,300	R1,893,343	R1,406,602	21,22%
3 Other	R10,739,200	R15,191,979	R15,813,361	R15,447,147	101,68%
TOTAL	R43,179,954	R56,865,949	R52,519,374	R51,013,844	89.71%

(d) Capital Expenditure: Financial Services

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Year-end Deeds	R0	R0	R31,000	0,00%
24/25 Finance: CK30046 Citi Golf 310	R275,625	R227,974	R3,337,108	1210,74%
24/25 Meter Installation Handheld Devices	R3,000,000	R226,065	R226,064	7,54%
24/25 Equipment : Financial	R122,000	R114,057	R114,056	93,49%
TOTAL	R3,397,625	R568,096	R3,708,228	

(e) Debt Efficiency

Details	Previous Year Actual Billed	Previous Year Percentage	Billed In Year	Actual Billed	Percentage
Electricity	R0	0,00%	R472,747,422	R516,000,743	109,15%
Other	R0	0,00%	R0	R0	0,00%
Property Rates	R0	0,00%	R201,371,451	R200,765,307	99,70%
Refuse	R0	0,00%	R38,063,559	R38,791,037	101,91%
Sanitation	R0	0,00%	R57,625,233	R63,838,863	110,78%
Water	R0	0,00%	R98,216,026	R95,517,854	97,25%

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	Spent/achieved 95% of capital budget by the end of June	95% by end of June	95.75%	5	95% by end of June	91.52%	5	95% by end of June	Reason: The underspent on the capital budget is due to Silvertown - Purchasing of Land, Planning and Professional Fees (R8.3 mil + R4 189 296 = R12 489 296) and Municipal Disaster Response Grant (Riverlands flood) - R7 443 610 (Exc R2 358 892 non-cash transactions, R1 622 419 overspend and retention= 90.79%) The Silvertown Purchasing of Land and the Municipal Disaster response grant makes up an enormous amount of the capital budget. If these two grants is also not included in the capital budget, the total spent would have been around 96,17% for the Municipality. However due to the ongoing court issue with Silvertown and Disaster grant that were received late, it was just not possible to spend these funds. Corrective Measure: Apply for a roll-over

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	1 by June 2026	N/a (2025/2026 financial year)	0	1 by June 2026	N/a (2025/2026 financial year)		1 by June 2026	
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	1 by June 2026	N/a (2025/2026 financial year)	0	1 by June 2026	N/a (2025/2026 financial year)		1 by June 2026	
3 Indicators Directors										
Sound management	D49	Hold monthly management meetings	10 for the year	12	5	8 for the year	11	5	8 for the year	
Legally compliant procurement	D50	Monitor the number of appeals monthly against the municipality regarding the awarding of tenders	0	0	5	0	0	5	0	
Performance and financial monitoring	D51	Ensure that monthly performance assessments are held	11 for the year	12	5	8 for the year	12	5	8 for the year	
Annual report compilation and approval	D52	Table the Annual Report as required by MFMA (121) to Council annually by end of January	1 annually by end of January	1	5	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 2025, 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	1 annually by end of March	1	5	1 annually by end of March	1	5	1 annually by end of March	Annual Report approved by council 31 March 2025 without reservations.

Council decision implementation	D54	Initiate/Implement 100% of council decisions monthly	100%	100% for past 12 months	5	100%	100% for past 12 months	5	100%	
Functional macrostructure maintained	D56	Review the macro structure annually	1 annually	2	5	1 annually	2	5	1 annually	
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	100% by 30 June	100% by 12 April 2024	5	100% by 30 June	100% by 14 April 2025	5	100% by 30 June	
Performance evaluation of the Section 57 managers	D737	Conduct a formal performance evaluation of the Section 57 managers in terms of their signed performance agreements annually	1 annually	1 on 15 September 2023	5	1 annually	1 on 18 September 2024	5	1 annually	

(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	1	0	0	0	0,00%
10 - 12	1	1	1	0	0,00%
13 - 15	0	1	1	0	0,00%
16 - 18	0	0	0	0	0,00%
19 - 20	1	1	1	0	0,00%
TOTAL	3	3	3	0	

(c) Financial Performance: Office of the Municipal Manager

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R3,736,739	R4,232,989	R4,143,989	R4,023,906	95,06%
2 Contracted Services	R0	R1,897	R1,897	R0	0,00%
3 Other	R122,786	R166,932	R225,453	R224,602	134,55%
TOTAL	R3,859,525	R4,401,818	R4,371,339	R4,248,508	

(d) Capital Expenditure: Office of the Municipal Manager

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Council: CK15265 Caravelle Kombi (Replace with 11 seater)	R865,555	R874,524	R874,524	101,04%
24/25 Equipment : Council	R12,000	R12,000	R3,123	26,03%
24/25 Equipment : MM	R12,000	R20,017	R19,060	158,83%
24/25 New Website: Development and Implementation	R400,000	R450,000	R450,000	112,50%
24/25 Park equipment: Tosca street	R0	R80,000	R70,500	0,00%
TOTAL	R1,289,555	R1,436,541	R1,417,207	

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	1 by June 2027	N/a (2026/2027 financial year)	0	1 by June 2027	N/a (2026/2027 financial year)		1 by June 2027	
3 Indicators Directors										

Annual Report for 2024/2025

Capital expenditure in line with budget and time frames	D201	Spent/achieved 95% of capital budget by the end of June	95% by end of June	98.53%	5	95% by end of June	98.31%	5	95% by end of June	Budget: R3 055 015 YTD Actual: R3 003 371
Operating expenditure in line with budget and time frames	D203	Spend 90% of the operating budget by the end of June	90% by end of June	100.55%	5	90% by end of June	95.28%	5	90% by end of June	Budget: R113 702 831 YTD Actual: R108 330 767 Includes R23 658 860 non-cash transactions. (Exc R23 658 860 non-cash transactions = 93,90%)
Council decision implementation	D205	Initiate/implement 100% of council decisions monthly	100%	100%	5	100%	100% for the past 12 months	5	100%	
Performance and financial monitoring	D206	Ensure that monthly performance assessments are held	11 for the year	12	5	8 for the year	12	5	8 for the year	
Annual Report inputs provided by departments	D207	Complete departmental input to the annual report on the AR Framework annually by end of October	100% annually by end of October	100% by 30 October 2023	3,8	100% annually by end of October	100% by 5 Aug 2024	5	100% annually by end of October	
Budget inputs provided by departments	D208	Submit budget requests to th financial department by end of October	1 by end of October	1 by 26 October 2023	5	1 by end of October	1 by 18 October 2024	5	1 by end of October	
Audit issues resolved	D213	% of internal audit actions implemented by 30 June	100% by 30 June	100% by 24 Jun 2024	5	100% by 30 June	N/a (No IA actions for the year)		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	100% by 30 June	N/a (no COMAFs)	0	100% by 30 June	N/a (no comafs)		100% by 30 June	
Audit issues resolved	D215	% of Auditor General's	100% by 30	N/a (no	0	100% by 30	N/a (no		100% by 30	

		findings implemented by 30 June	June	COMAFs)		June	comafs)		June	
Risk identification and control implementation	D216	Complete bi-annual departmental risk assessments	2 for the year	2	5	2 for the year	2	5	2 for the year	
Risk identification and control implementation	D217	% of Risk Action Plans implemented by 30 June	100% by 30 June	100%	5	100% by 30 June	100%	5	100% by 30 June	
Invocoms held	D221	Ensure that monthly invocoms are held	10 for the year	11	4	10 for the year	12	5	10 for the year	
Average duration of vacancies reduced	D222	Fill vacancies within 6 months after decision was taken by management to fill the post	Within 6 months	Within 2 months	5	Within 6 months	within 1.36 months	5	Within 6 months	
Productive workforce	D223	Monitor the percentage of person days lost per month due to sick leave	4%	3.01%	5	4%	3.68%	5	4%	Reason: An Employee have cancer and had to undergo a lot of chemo sessions. Thus the actual is due to valid sick leave. Corrective Measure: N/a
EPWP monitoring	D225	Monitor the number of EPWP work opportunities created by 30 June	296	307	5	296	465	5	296	
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	1	1 on 6 July 2023	4	1	1 on 2 July 2024	5	1	
Assets safeguarding	D227	Report all moveable assets quarterly that were lost or stolen in the prescribed	4 for the year	4	5	4 for the year	4	5	4 for the year	

		manner to the Head: Asset Management								
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	1 by end of June	1 on 31 May 2024	5	1 by end of June	1 by 21 May 2025	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	4 for the year	4	4	4 for the year	4 by 14 July 2025	2,5	4 for the year	Last report was submitted on 14 July 2025 Reason: Request from CO was received and stated that the documents must be submitted in July. Corrective Measure: N/a
Spending of grants	D231	Spend 100% of operational and capital grants by the end of June	100% by end of June	100%	5	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	1 annually by end of October	1 on 26 October 2023	5	1 annually by end of October	1 by 1 October 2024	5	1 annually by end of October	

(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	0	1	1	100,00%
TOTAL	2	1	2	1	

(c) Financial Performance: Protection Services

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R2,641,106	R2,792,266	R2,876,266	R2,851,129	102,11%
2 Contracted Services	R19,722	R31,129	R31,129	R14,864	47,75%
3 Other	R110,151	R190,506	R171,874	R114,816	60,27%
TOTAL	R2,770,979	R3,013,901	R3,079,269	R2,980,809	98.90%

(d) Capital Expenditure: Protection Services

ProjectName	OriginalBudget	AdjustmentBudget	Actual	OriginalBudgetVariance
24/25 CCTV Equipment and Radio Communication	R60,000	R60,000	R30,434	50,72%
24/25 Equipment: Protection	R60,000	R60,000	R59,741	99,57%

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										
Delegated Designated South African Revenue Service (SARS) Representative for Swartland Municipality	IIA675	Evaluate the VAT apportionment based on the accrual basis by 31 March	1 by 31 December	1	3	1 annually by 31 March	1	3	1 by 31 March	

Financial Planning and Reporting	IIA676	Compile and submit the 1st Draft Salary Budget to the Director: Financial Services by 31 October	1 by 31 October	1	3	1 annually by 31 October	1	3	1 by 31 October	
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	12 for the year	12	3	12 for the year	12	5	12 for the year	
Delegated Designated South African Revenue Service (SARS) Representative for Swartland Municipality	IIA678	Ensure the submission of the EMP 501 biannually as determined by SARS	1 by 31 May	1	5	1	1	5		KPI was added with the mid-year review.
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	12 for the year	12	3	12 for the year	12	5	12 for the year	
Manage the Expenditure and VAT Section	IIA680	Pay creditors within 30 days after receipt of invoice	97% within 30 days	99.39%	5	97% within 30 days	99.63%	4	97% within 30 days	
Procedure, Systems and Controls	IIA681	Review the policies the incumbent is responsible for and submit to the Senior Manager: Treasury by 25 January	1 by 31 January	1	3	1 annually by 25 January	1	4	1 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	12 for the year	12	3	12 for the year	12	4	12 for the year	
Personnel and Performance Management	IIA684	Limit personnel days lost per month due to sick leave by 4% per month	4%	1.97%	4	4%	2.77%	5	4%	
Personnel and Performance Management	IIA688	Hold quarterly meetings with all direct reportees	4 for the year	4	3	4 for the year	4	4	4 for the year	

		(INVOCOMS)								
Financial Planning and Reporting	IIA689	Review the operational risk register bi-annually by 31 December and 30 June	2 (by 31 December and 30 June)	2	3	2 for the year	2	3	2 for the year	
Procedure, Systems and Controls	IIA692	Respond to AG queries within 5 working days (or prescribed by query) after the request was received	100%	100%	3	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	0	0	0	0	0,00%
07 - 09	7	7	7	0	0,00%
10 - 12	3	1	1	0	0,00%
13 - 15	1	2	2	0	0,00%
16 - 18	0	1	1	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										
Training	IIA1868	Ensure that 95% of planned training sessions according to the			0	95%	N/a (No training sessions)		95%	

		Workplace Skills Plan realised by the end of June								
Training	IIA1909	Submit training needs of staff to HR at meetings held with all departments during November annually			0	1 annually by November	1	5	1 annually by November	
Procedures, Systems And Controls	IIA436	Review the Virement Policy and submit to the Director: Financial Services by 31 January	1 annually by 31 January	1 in January 2024	3	1 annually by 31 January	1	4	1 annually by 31 January	
Procedures, Systems And Controls	IIA437	Review the Budget Implementation Policy and submit to the Director: Financial Services by 31 January	1 annually by 31 January	1 in January 2024	3	1 annually by 31 January	1	4	1 annually by 31 January	
Budget Compilation and Financial Reporting	IIA438	Submit the Mid-Year Adjustment Budget requests to the Director: Financial Services by 10 December	1 annually by 10 December	1	3	1 annually by 10 December	1	5	1 by 10 December	
Budget Compilation and Financial Reporting	IIA439	Submit the verified multi-year draft operating and capital budgets to the Director: Financial Services by 31 December	1 annually by 31 December	1	3	2 annually by 31 December	2	5	2 by 31 December	
Personnel and Performance Management	IIA440	Limit personnel days lost per month due to sick leave by 4% per month	4%	1.01%	5	4%	2.37%	5	4%	
Participation and Communication	IIA444	Hold quarterly meetings with all direct reportees (INVOCOMS)	4 for the year	4	3	4 for the year	4	4		
Participation and Communication	IIA445	Review the operational risk register bi-annually by 31 December and 30 June	2 for the year	2	3	2 for the year	2	5	2 for the year	

(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										
Training	IIA1853	Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June			0	95% annually by June	N/a (No training for the financial year)		95% annually by June	
Training	IIA1894	Submit training needs of staff to HR at meetings held with all departments during November annually			0	1 annually by November	1	5	1 annually by November	
Strategic Financial Management and Financial Planning of the Municipality's Priorities in	IIA848	Review the Department's Budget related policies accounting policies and submit to the Director	1 by 31 January	1	3	1 by 31 January	1	5	1 by 31 January	

line with the Municipality's Fiscal Objectives		Financial Services 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	1 by 31 August	1	3	1 by 31 August	1	5	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	12 for the year	12	3	12 for the year	15	5	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)	10 for the year	12	5	10 for the year	13	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	2 (by 31 December and 30 June)	3	3	2 for the year	2	5	2 for the year	
Management of Reporting and Correspondence	IIA858	Respond to AGSA findings within 5 working days (or prescribed by query) after the request was received	100%	100%	3	100%	100%	5	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	4%	4.36%	3	4%	2.74%	5	4%	

(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	0	0	0	0,00%
16 - 18	2	3	3	0	0,00%
19 - 20	0	0	0	0	0,00%
TOTAL	3	3	2	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	1 by 30 November	1	3	1 annually by 30 November	1		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	12 for the year	12	3	12 for the year	12		12 for the year	
Statutory Frameworks, Policies, and Procedures,	IIA465	Review the Tariff Policy and submit to the Senior	1 by 15 January	1	3	1 annually by 15	1		1 by 15 January	

Systems and Controls		Manager by the 15th January				January				
Divisional Strategic Reporting	IIA466	Review the operational risk register bi-annually by 31 December and 30 June	2 (by 31 December and 30 June)	2	3	2 for the year	2		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	100%	100%	3	100%	100%		100%	
Divisional Strategic Matters	IIA471	Hold monthly meetings (INVOCOMS) with all direct reportees	10 for the year	10	3	10 for the year	10		10 for the year	
Divisional Strategic Matters	IIA474	Limit personnel days lost per month due to sick leave by 4% per month	4%	1.64%	4	4%	1.73%		4%	

(b) Employees: Income

Level	Previous Year Posts	Employees	Posts	Vacancies	Vacancies As Percentage
00 - 03	0	0	0	0	0,00%
04 - 06	11	11	11	0	0,00%
07 - 09	17	16	17	1	5,88%
10 - 12	3	2	3	1	33,33%
13 - 15	1	1	1	0	0,00%
16 - 18	0	1	1	0	0,00%
19 - 20	0	0	0	0	0,00%
TOTAL	32	31	33	2	

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	4 for the year	4	3	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	4%	1.16%	4	4%	0.43%	5	4%	
Development and management of the Strategic Services function	IIA1074	Review the operational risk register bi-annually by 31 December and 30 June	2 (by 31 December and 30 June)	2	3	2 for the year	2	5	2 for the year	
Development and management of the Strategic Services function	IIA1075	Respond to requests from Internal Audit within 5 working days	90%	95.42%	5	90%	96.42%	4	90%	
Community Participation	IIA1076	Consult stakeholders bi-annually on the compilation of the IDP	2 for the year	2	3	2 for the year	3	3	2 for the year	
Community Participation	IIA1077	Conduct a strategic	100% by 30	100% on 12	2	100% by 30	100%	3	100% by	

		session with Councillors and management with the compilation and revision of the IDP by 30 November	November	December 2023		November			30 November	
Strategic Planning	IIA1078	Develop a time schedule for the IDP and budget process by 31 August and submit to Council for approval	1 by 31 August	1 by 24 August 2023	4	1 by 31 August	1	3	1 by 31 August	
Local economic development	IIA1079	Review Local Economic Development Policy and submit to the MM by 31 May	1 by 31 May	1	3	1 by 31 May	1	4	1 by 31 May	
Strategic Planning	IIA1080	Review the Performance Management Policy/framework and submit to the MM by 31 May	1 by 31 May	1 in January 2024	5	1 by 31 May	1	4	1 by 31 May	
Strategic Planning	IIA1081	Oversee the compilation and submission of the final IDP to Council by 31 May	1 by 31 May	1	3	1 by 31 May	1	3	1 by 31 May	
Performance Management	IIA1082	Attend performance management meetings monthly	10 for the year	10	3	8 for the year	12	5	8 for the year	
Performance Management	IIA1083	Hold performance evaluation session for section 57 managers annually by September	100% annually by September	100%	3	100% annually by September	100%	3	100% annually by September	
Performance Management	IIA1084	Submit the Section 72 report to the Mayor by the 25th of January	1 by the 25th of January	1	3	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	1 by 31 January	1	4	1 by 31 January	1	3	1 by 31 January	

Performance Management	IIA1086	Review Key performance indicators of Section 57 managers and submit a report to the Mayoral Committee by 31 January	1 by 31 January	1 on 24 January 2024	3	1 by 31 January	1	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 within 14 days after the budget has been approved by Council	1	1 on 14 June 2024	3	1	1	3	1	
Local economic development	IIA1088	Report to the MM quarterly on economic development issues	4 for the year	4	3	4 for the year	4	3	4 for the year	
Training	IIA1863	Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June			0	95%	N/a (no training sessions)		95%	
Training	IIA1904	Submit training needs of staff to HR at meetings held with all departments during November annually			0	1 annually by November	1	5	1	

(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

The Strategic Management Services continued to play a pivotal role in guiding Swartland Municipality's long-term planning and performance oversight during 2024/2025. The unit successfully coordinated the development, monitoring and review of the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP), ensuring alignment with Council's strategic objectives and legislative requirements. It facilitated performance reporting and compliance processes, contributing to improved governance and transparency. Notable achievements include supporting the implementation of strategic infrastructure planning for growth areas, strengthening interdepartmental coordination, and enhancing public participation in municipal planning processes. These efforts have helped position the municipality to respond proactively to community needs and development opportunities.

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 Chief Audit Executive 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	1 annually by 30 June	1 by 22 August 2023	5	1 annually by 30 June	1 by 27 May 2025	5	1 annually by 30 June	
Development of Policies and Procedures	IIA1097	Review and submit Internal Audit Charter to the PRAC by 30 June	1 annually by 30 June	1 by 22 August 2023	5	1 annually by 30 June	1 by 26 November 2024	5	1 annually by 30 June	
Development of Policies and Procedures	IIA1098	Review and submit PRAC Charter to the EMC annually by 30 June	1 annually by 30 June	1 by 11 September 2023	5	1 annually by 30 June	1 by 11 December 2024	5	1 annually by 30 June	
Development of Policies and Procedures	IIA1099	Review and submit Risk Management Strategic Plan to the PRAC by 30 June	1 annually by 30 June	1 by 28 May 2024	5	1 annually by 30 June	1 by 27 May 2025	5	1 annually by 30 June	
Development of Policies and Procedures	IIA1100	Review and submit Fraud and Anti-Corruption Policy to the Mayoral Committee by 30 June	1 annually by 30 June	1 by 8 December 2023	5	1 annually by 30 June	1 by 25 March 2025	5	1 by 30 June	
Development of Policies and Procedures	IIA1101	Review and submit Risk Management Policy to the Mayoral Committee by 30 June	1 annually by 30 June	1 by 8 December 2023	5	1 annually by 30 June	1 by 25 March 2025	5	1 annually by 30 June	

Resource Management	IIA1102	Limit personnel days lost per month due to sick leave by 4% per month	4%	2.67%	4	4%	0.21%	5	4%	
Resource Management	IIA1103	Hold 1 INVOCOM per quarter with direct reportees	4 for the year	4	3	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	12 for the year	12	3	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	4 for the year	4	3	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	100%	100%	3	100%	100%	3	100%	
Ensure effective liaison with the Auditor-General and coordination of the implementation of the AGs findings	IIA1107	Obtain comments / action plan from responsible manager within 5 days from date of issue for all COMAFS submitted by the AG	100%	100%	3	100%	100%	3	100%	
Reporting to the Performance, Risk and Audit Committee and Senior Management	IIA1108	Submit quarterly risk report to PRAC	4 for the year	5	3	4 for the year	4	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	4 for the year	4	3	4 for the year	4	3	4 for the year	
Reporting to the	IIA1110	Develop and submit the	1 annually	1 by 28 May	5	1 annually	1 by 27	5	1 annually	

Performance, Risk and Audit Committee and Senior Management		Risk Based Audit Plan to the PRAC annually by 30 June	by 30 June	2024		by 30 June	May 2025		by 30 June	
Training	IIA1862	Ensure that 95% of planned training sessions according to the Workplace Skills Plan realised by the end of June			0	95% by the end of June	100%	5	95% by the end of June	
Training	IIA1903	Submit training needs of staff to HR at meetings held with all departments during November annually			0	1 annually by November	1	5	1 annually by November	
Execution of Audits	IIA1926	Complete 100% of the Risk Based Audit Plan annually by 30 June			0	100% annually by 30 June	100%	3	100% annually by 30 June	

(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	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	2	2	2	0	

(d) Financial Performance: Internal Audit

Operational Expenditure Type	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance
1 Employees	R1,806,730	R2,033,504	R2,033,504	R2,001,531	98,43%
2 Contracted Services	R157,601	R300,691	R254,891	R197,080	65,54%
3 Other	R62,305	R535,015	R550,942	R437,654	81,80%
TOTAL	R2,026,636	R2,869,210	R2,839,337	R2,636,265	91.88%

(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 Chief Audit Executive. 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:

The implementation of the combined assurance plan is still in progress and a draft combined assurance report was tabled to management and the PRAC during May 2025 however further improvements still need to be made before a final report will be tabled.

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 Microsoft 365 which include Office and teams, 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 were 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. The Department distributes approximately 17 864 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.

The Department assist with the rollout of purchasing prepaid electricity via various other channels including banking application and other online platforms.

(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	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	3	1 by June 2025	The ICT plan was submitted to the Mayoral Committee on 18 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	1 by June 2025	N/a (2024/2025 financial year)	0	1 by June 2025	1	4	1 by June 2025	Framework was submitted to EMC in May 2025. EMS meeting was held on 21 May 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	R4,744,968	R5,211,940	R5,122,940	R4,986,672	95,68%
2 Contracted Services	R207,552	R1,775,701	R1,623,234	R1,359,550	76,56%
3 Other	R10,811,876	R14,022,671	R13,657,030	R10,504,612	74,91%
TOTAL	R15,764,396	R21,010,312	R20,403,204	R16,850,834	80.20%

(e) Capital Expenditure: ICT Services

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 DeskTops	R368,000	R368,010	R368,008	100,00%
24/25 Equiping Fire Office: Darling	R50,000	R49,990	R49,990	99,98%
24/25 Equipment: Information Technology	R75,000	R75,000	R72,733	96,98%
24/25 Equipping Law Enf Office: K9 Unit (Malmesbury)	R150,000	R150,000	R150,000	100,00%
24/25 Notebooks	R510,000	R510,000	R507,216	99,45%
24/25 Printers	R77,000	R77,000	R75,460	98,00%
TOTAL	R1,230,000	R1,230,000	R1,223,407	

(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 asset
- Reduce cost through IT without compromising support and productivity
- Bring innovation through IT when required to support economic growth
- Interconnecting all Municipal buildings via Fibre optical cable network
- Enabling ease of business via Mobile application
- Rolling out a Smart City concept and technology (smart metring, public wif hotspot, CCTV cameras)

The capital projects for 2024/25 were intended to upgrade aging infrastructure, to bring down operating and maintenance costs by making use of equipment with a longer life cycle and connecting two new offices. The department was able to spent just over 99% of the availabel Capital budget and implemented all projects resulting in a +/-1% saving.

3.10.8 MUNICIPAL PROPERTY MAINTENANCE

(a) Introduction

The Division : Buildings and Structures completed a total of 201 small projects for the 2024/2025 financialyear scoring 96.79% on its overall performance and meeting its annual target of 90%. One major projects namely: "New Ablution facility at Moorreesburg Municipal Store" was also completed within the same year

(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	R5,463,173	R6,482,025	R6,403,525	R5,881,711	90,74%
2 Contracted Services	R4,509,047	R3,642,075	R3,483,683	R3,323,408	91,25%
3 Other	R17,423,593	R9,866,421	R12,059,665	R9,154,607	92,79%
TOTAL	R27,395,813	R19,990,521	R21,946,873	R18,359,726	91.84%

(d) Capital Expenditure: Municipal Property Maintenance

Project Name	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Equipment : Buildings & Maintenance	R30,000	R33,110	R33,108	110,36%
24/25 Riebeek Kasteel Stores: Ablution Facilities	R300,000	R30,000	R25,750	8,58%
24/25 Moorreesburg Stores: Ablution Facilities	R350,000	R350,000	R302,022	86,29%
TOTAL	R680,000	R413,110	R360,880	

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

The Division : Buildings and Structures completed a total of 201 small projects for the 2024/2025 financial year scoring 96.79% on its overall performance and meeting its annual target of 90%. One major project namely : “New Ablution facility at Moorreesburg Municipal Store” was also completed within the same year.

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	4	4	4	0	0,00%
04 - 06	12	12	12	0	0,00%
07 - 09	1	1	1	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	19	19	19	0	

(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	R4,587,749	R5,479,126	R5,352,126	R5,109,860	93,26%
2 Contracted Services	R153,650	R277,323	R160,918	R118,340	42,67%
3 Other	R1,524,376	R1,369,770	R1,419,505	R1,201,790	87,74%
TOTAL	R6,265,775	R7,126,219	R6,932,549	R6,429,990	90.23%

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

Project	Original Budget	Adjustment Budget	Actual	Original Budget Variance
24/25 Equipment Corporate: Buildings & Swartland Halls	R100,000	R100,000	R96,380	96,38%
TOTAL	R100,000	R100,000	R96,380	

(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	3	3	0	0,00%
Electricity Distribution	42	40	2	4,76%
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	8	8	0	0,00%
Grants and subsidies Council	0	0	0	0,00%
Grants and subsidies Financial Services	0	0	0	0,00%

Annual Report for 2024/2025

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	33	31	2	6,06%
Internal Audit (including Risk Management)	2	2	0	0,00%
Legal and Credit Control	14	13	1	7,14%
Library and Client Services	33	33	0	0,00%
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	3	0	0,00%
Management Protection Services	2	1	1	50,00%
Marketing and Tourism	1	0	1	100,00%
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	54	2	3,57%
Planning and Valuations	6	5	1	16,67%
Proclaimed Roads	4	4	0	0,00%
Rates Services	3	3	0	0,00%
Refuse Removal	77	76	1	1,30%
Secretariat and Archives	6	6	0	0,00%
Sewerage Services	32	30	2	6,25%

Sports Grounds	5	5	0	0,00%
Strategic Management	3	3	0	0,00%
Streets and Stormwater	71	70	1	1,41%
Supply Chain Management	14	14	0	0,00%
Swimming Pools	8	8	0	0,00%
Thusong Service Centres	4	4	0	0,00%
Town and Community Halls (including Property and Legal)	19	19	0	0,00%
Traffic and Law Enforcement Services	81	76	5	6,17%
Water Services	41	41	0	0,00%
TOTAL	676	655	21	

(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	8	0	0,00%
g Senior Management: Levels 13-18 (excluding Finance Posts)	46	1	2,17%
h Senior Management: Levels 13-18 (Finance Posts)	17	0	0,00%
i Highly skilled supervision: Levels 9-12 (excluding Finance Posts)	167	11	6,59%
j Highly skilled supervision: Levels 9-12 (Finance Posts)	16	0	0,00%

(c) Turn-over Rate

Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-Over Rate
651	38	5,84%

(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 5.8%.

4.3 MANAGING THE MUNICIPAL WORKFORCE

4.3.1 HR POLICIES AND PLANS

(a) HR policies and plans as on 30 June 2025

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%	2025-05-29	
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	

Annual Report for 2024/2025

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%	2023-10-20	
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 and 2023/24 periods 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 2024/25 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
Fatal	0	0	0,00%	0	R0
Required basic medical attention only	174	19	10,92%	9	R125,184
Permanent disablement	0	0	0,00%	0	R0
Temporary total disablement	0	0	0,00%	0	R0
TOTAL	174	19			

(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)	1627	30,90%	186	213	9	R1,004,399
c Highly skilled production (Levels 6 - 8)	1832	20,40%	167	203	11	R18,314,581
d Highly skilled supervision (Levels 9 - 12)	1339	21,20%	136	170	10	R1,996,740
e Senior management (Levels 13 - 18)	425	10,90%	46	62	9	R1,273,673
f MM and S56	16	0,00%	3	7	5	R6,947

(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 2024/25 for sick leave being 2.8% and for injury on duty 0.1%. 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 2024/2025 an amount of R1 707 407 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 25 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 2025

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	59	0	3	2	0	6	1	0	0	0	0	12
Professionals	28	0	2	0	0	5	2	0	0	0	0	9
Technicians and Associate Professionals	56	0	1	4	0	19	2	0	0	0	0	26
Clerks	112	0	8	0	0	19	7	0	0	0	0	34
Service and Sales Workers	109	0	6	3	0	34	1	0	0	0	1	45
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	13	0	0	0	0	3	0	0	0	0	0	3

Plant and Machine Operators and Assemblers	102	0	0	14	0	22	0	0	0	0	5	41
Elementary Occupations	197	1	0	13	0	37	0	0	0	0	5	56
TOTAL PERMAMENT	676	1	20	36	0	145	13	0	0	0	11	226

(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	80	0	80	0	0	0
e Heads of supply chain management units	3	0	3	3	3	3
f Supply chain management senior managers	1	0	1	1	1	1
TOTAL	91	0	91	11	11	11

(c) Skills Development Expenditure as at 30 June 2025

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 2024/2025 an amount of R1 707 407 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 25 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 Resource Management 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	R1,109,208,699	R350,316,579	31,58%

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

Through job evaluation 14 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 118 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 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)	R1,179,043,598	R1,212,934,619	R1,237,783,194	R1,287,865,214	106,18%	104,05%
a Property rates	R163,174,552	R199,371,451	R201,371,451	R200,765,307	100,70%	99,70%
b Service charges	R630,654,583	R644,469,685	R666,652,240	R714,148,497	110,81%	107,12%
c Investment revenue	R84,764,075	R93,728,426	R91,790,361	R95,898,921	102,32%	104,48%
d Transfers recognised - operational	R171,662,265	R190,028,052	R188,763,654	R181,823,211	95,68%	96,32%
e Other own revenue	R128,788,123	R85,337,005	R89,205,488	R95,229,278	111,59%	106,75%
1b Total Expenditure	-R1,025,495,256	-R1,189,045,717	-R1,210,970,777	-R1,109,208,694	93,29%	91,59%
a Employee costs	R315,708,755	R341,481,368	R344,750,516	R339,021,425	99,28%	98,34%
b Remuneration of councillors	R12,004,775	R13,273,105	R13,270,105	R12,597,587	94,91%	94,93%
c Depreciation and asset management	R111,937,809	R128,253,066	R125,315,806	R103,496,742	80,70%	82,59%
d Finance charges	R12,335,335	R14,689,377	R10,568,552	R9,902,725	67,41%	93,70%
e Materials and bulk purchases	R391,243,562	R453,835,498	R473,657,402	R468,420,857	103,21%	98,86%
f Transfers and grants	R4,424,278	R5,902,360	R4,263,764	R3,486,341	59,07%	81,77%
g Other expenditure	R177,840,742	R231,610,943	R239,144,632	R172,283,017	74,38%	72,08%
1c Capital transfers and contributions	R113,776,998	R246,062,275	R247,277,010	R232,035,118	94,30%	93,84%
a Transfers recognised - capital	R113,470,176	R246,062,275	R247,277,010	R232,035,118	94,30%	93,84%
b Contributions recognised - capital and contributed assets	R0	R0	R0	R0	0,00%	0,00%
c Donated property, plant and equipment	R306,822	R0	R0	R0	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	-R238,109,605	-R376,477,670	-R325,809,079	-R298,168,067	79,20%	91,52%
a Transfers recognised - capital	R112,285,469	R226,958,732	R227,134,411	R199,607,817	87,95%	87,88%
b Public contributions and donations	R1,200,108	R19,033,109	R19,113,109	R18,795,256	98,75%	98,34%
c Borrowing	R0	R36,950,588	R0	R0	0,00%	0,00%
d Internally generated funds	R124,624,028	R93,535,241	R79,561,559	R79,764,994	85,28%	100,26%
3 Financial position						
a Total current assets	R668,528,985	R669,334,494	R751,676,377	R990,846,288	148,03%	131,82%
b Total non-current assets	R2,683,524,285	R2,907,286,698	R2,861,224,921	R2,912,460,333	100,18%	101,79%
c Total current liabilities	R160,162,051	R160,288,792	R132,113,662	R287,100,951	179,11%	217,31%
d Total non-current liabilities	R180,345,015	R219,780,971	R195,152,004	R199,418,514	90,74%	102,19%
4 Cash Flows						
a Net cash from (used) operating	R306,894,276	R470,660,548	R432,811,135	R481,517,281	102,31%	111,25%
b Net cash from (used) investing	R508,196,632	R430,201,442	R368,717,659	R269,510,995	62,65%	73,09%
c Net cash from (used) financing	R50,223,168	-R29,182,237	R4,955,716	R5,477,653	-18,77%	110,53%
d Cash/Cash Equivalents at the year end	R470,491,311	R464,184,431	R529,629,071	R677,019,944	145,85%	127,83%

(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	R3,585,833	R7,060,589	R5,846,476	R5,079,407	71,94%	86,88%
Budget Office and Costing	R4,677,096	R3,572,164	R5,443,110	R4,707,542	131,78%	86,49%
Building Control	R3,647,423	R3,995,809	R4,034,783	R4,264,727	106,73%	105,70%
Caravan Park Yzerfontein	R3,278,819	R3,468,264	R3,402,527	R3,693,850	106,50%	108,56%
Cemeteries	R989,332	R1,072,493	R1,039,089	R744,612	69,43%	71,66%
Civil Protection (including Disaster Management)	R896,120	R749,253	R1,729,785	R1,649,267	220,12%	95,35%
Communication Management	R0	R0	R0	R0	0,00%	0,00%
Community Development	R3,557,369	R4,349,858	R4,372,271	R3,775,941	86,81%	86,36%
Council General Expenses	R21,803,265	R26,049,108	R25,455,670	R23,585,064	90,54%	92,65%
Electricity Distribution	R374,821,309	R435,333,522	R452,373,590	R443,598,669	101,90%	98,06%
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	R11,486,039	R12,438,501	R13,254,521	R12,049,970	96,88%	90,91%
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	R1,551,914	R1,476,986	R1,477,166	R1,477,209	100,02%	100,00%
Harbour Yzerfontein	R401,146	R499,660	R499,660	R415,377	83,13%	83,13%
Housing	R4,749,951	R22,192,024	R13,267,218	R4,025,860	18,14%	30,34%
Human Resources	R8,441,395	R8,083,616	R8,779,877	R7,815,682	96,69%	89,02%
ICT Services	R15,764,396	R21,010,312	R20,403,204	R16,850,834	80,20%	82,59%

Income	R0	R0	R0	R0	0,00%	0,00%
Internal Audit (including Risk Management)	R2,026,636	R2,869,210	R2,839,337	R2,636,265	91,88%	92,85%
Legal and Credit Control	R0	R0	R0	R0	0,00%	0,00%
Library and Client Services	R13,342,997	R13,853,378	R13,890,262	R13,488,676	97,37%	97,11%
Licencing and Registration Services	R10,437,166	R11,939,224	R11,949,837	R10,458,753	87,60%	87,52%
Local Economic Development	R0	R0	R0	R0	0,00%	0,00%
Management Civil Engineering Services	R4,043,600	R4,219,987	R4,351,598	R4,284,927	101,54%	98,47%
Management Corporate Services	R12,682,334	R15,123,942	R15,552,292	R14,301,415	94,56%	91,96%
Management Development Services	R2,810,552	R3,020,540	R3,054,418	R2,942,685	97,42%	96,34%
Management Electrical Engineering Services	R1,739,166	R2,240,810	R2,868,520	R2,826,895	126,16%	98,55%
Management Financial Services	R43,179,954	R56,865,949	R52,519,374	R51,013,844	89,71%	97,13%
Management Municipal Manager	R3,859,525	R4,401,818	R4,371,339	R4,248,508	96,52%	97,19%
Management Protection Services	R2,770,979	R3,013,901	R3,079,269	R2,980,809	98,90%	96,80%
Marketing and Tourism	R2,472,966	R2,558,656	R2,426,672	R2,307,414	90,18%	95,09%
Municipal Property Maintenance	R27,395,813	R19,990,521	R21,946,873	R18,359,726	91,84%	83,66%
Occupational Health and Safety (including Pollution Control)	R2,059,916	R2,270,778	R2,277,777	R2,215,625	97,57%	97,27%
Parks and Recreational Areas	R20,421,455	R24,023,232	R23,999,654	R21,324,138	88,76%	88,85%
Planning and Valuations	R9,299,006	R10,210,390	R9,746,033	R9,411,226	92,17%	96,56%
Proclaimed Roads	R470,000	R461,227	R461,227	R447,826	97,09%	97,09%
Rates Services	R1,812,282	R1,866,734	R1,562,993	R3,105,473	166,36%	198,69%
Refuse Removal	R59,720,705	R65,383,504	R66,044,771	R61,671,843	94,32%	93,38%
Secretariat and Archives	R0	R0	R0	R0	0,00%	0,00%
Sewerage Services	R65,107,983	R67,616,048	R72,468,056	R65,944,048	97,53%	91,00%
Sports Grounds	R10,927,155	R8,663,059	R8,049,468	R8,597,258	99,24%	106,81%
Strategic Management	R2,578,698	R2,759,133	R2,814,621	R2,821,083	102,25%	100,23%
Streets and Stormwater	R70,050,330	R87,977,100	R91,475,878	R67,551,565	76,78%	73,85%
Supply Chain Management	R8,550,755	R10,837,571	R10,763,089	R9,865,274	91,03%	91,66%
Swimming Pools	R4,092,436	R6,236,690	R5,491,104	R5,673,737	90,97%	103,33%
Thusong Service Centres	R1,593,973	R1,871,800	R1,873,403	R1,790,024	95,63%	95,55%

Annual Report for 2024/2025

Town and Community Halls (including Property and Legal)	R6,265,775	R7,126,219	R6,932,549	R6,429,990	90,23%	92,75%
Traffic and Law Enforcement Services	R84,286,953	R92,041,377	R83,189,759	R80,776,592	87,76%	97,10%
Water Services	R91,844,743	R108,250,760	R123,591,657	R97,999,069	90,53%	79,29%
TOTAL	R1,025,495,260	R1,189,045,717	R1,210,970,777	R1,109,208,699		

(c) Comment on financial performance

Total operating expenditure amounted to R1 109 208 693 and 91.60% of the budget was spent.

Total operating revenue amounted to R1 519 900 334 which is equal to 102.3%.

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	R23,658,000	R22,818,000	R22,401,642	R22,401,642	98,18%	100,00%
Municipal Disaster Response Grant	R0	R0	R9,241,000	R1,797,390	0,00%	19,45%
Municipal Infrastructure Grant (MIG)	R0	R0	R0	R0	0,00%	0,00%
Municipal Infrastructure Grant (MIG)	R0	R0	R0	R0	0,00%	0,00%
Municipal Infrastructure Grant (MIG)	R23,055,000	R29,332,000	R29,302,000	R29,302,000	99,90%	100,00%
TOTAL	R46,713,000	R52,150,000	R60,944,642	R53,501,032		
National Government (operating)						
Expanded Public Works Programme Integrated Grant	R1,830,000	R1,593,000	R1,593,000	R1,593,000	100,00%	100,00%
Finance Management	R1,550,000	R1,600,000	R1,600,000	R1,600,000	100,00%	100,00%
Integrated National Electrification Programme	R0	R0	R416,358	R416,358	0,00%	100,00%
Local Government Equitable Share Grant	R143,235,000	R153,764,000	R153,764,000	R153,764,000	100,00%	100,00%

Municipal Disaster Response Grant	R0	R0	R0	R0	0,00%	0,00%
Municipal Disaster Response Grant	R0	R0	R0	R0	0,00%	0,00%
TOTAL	R146,615,000	R156,957,000	R157,373,358	R157,373,358		
Provincial Government (capital)						
Developement of Sport and Recreation Facilities Grant	R966,374	R500,000	R500,000	R498,434	99,69%	99,69%
Establishment of a K9 Unit (capital)	R40,000	R40,000	R40,000	R13,273	33,18%	33,18%
Human Settlements Development Grant (capital)	R54,097,638	R174,289,166	R165,670,203	R155,141,862	89,01%	93,65%
Library Service: Conditional Grant (capital)	R50,000	R50,000	R50,000	R46,356	92,71%	92,71%
TOTAL	R55,154,012	R174,879,166	R166,260,203	R155,699,925		
Provincial Government (operating)						
Community Development Workers Grant	R36,689	R38,000	R38,000	R33,988	89,44%	89,44%
Establishment of a K9 Unit (operating)	R3,305,000	R3,732,000	R4,132,000	R4,158,727	111,43%	100,65%
Establishment of a Law Enforcement Reaction Unit	R0	R5,712,000	R5,712,000	R5,712,000	100,00%	100,00%
Fire Kits	R0	R416,591	R416,591	R414,554	99,51%	99,51%
Human Settlements Development Grant (operating)	R0	R9,344,834	R8,103,103	R0	0,00%	0,00%
Library Service: Conditional Grant (operating)	R12,161,393	R12,002,000	R12,002,000	R12,005,644	100,03%	100,03%
Municipal Accreditation and Capacity Building Grant	R0	R249,000	R249,000	R165,904	66,63%	66,63%
Proclaimed Roads Subsidy (operating)	R170,000	R170,000	R170,000	R170,000	100,00%	100,00%
Thusong Service Centres Grant (Sustainability: Operation Support)	R0	R150,000	R150,000	R134,563	89,71%	89,71%
Title Restoration	R281,980	R30,000	R30,000	R0	0,00%	0,00%
WC Financial Management Capability Grant	R0	R0	R100,000	R0	0,00%	0,00%
TOTAL	R15,955,062	R31,844,425	R31,102,694	R22,795,380		

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

Government grants and subsidies: Operating was underspent by 4,41% and Government grants and subsidies: Capital was underspend by 8,79% based on the table above.

(c) Grants received from sources other than DoRA

Description	Previous Year Actual	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjusted Budget Variance
Education, Training and Development Practices SETA	R2,075,717	R0	R0	R1,115,668	0,00%	0,00%
TOTAL	R2,075,717	R0	R0	R1,115,668		

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

The municipality adhered to the conditions of all conditional transfers.

- Unspent Municipal Accreditation and Capacity Building Grant to an amount of R83 095.60 were approved to be rolled-over.
- Unspent Community Development Workers (CDW) Operational Support Grant to an amount of R4 012.41 was repaid to the Provincial Fiscus.
- Unspent Thusong Service Centres Grant (Sustainability: Operational Support Grant) to an amount of R15 437.29 was repaid to the Provincial Fiscus.
- Unspent Development of Sport and Recreation Facilities to an amount of R1 566.11 was repaid to the Provincial Fiscus.
- Unspent Financial Assistance for the Provision of Emergency Kits and Relocation Costs to an amount of R2 036.70 was repaid to the Provincial Fiscus.
- Unspent Human Settlements Development Grant (Beneficiaries) to an amount of R20 592 398.22 were approved to be rolled-over.

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	R1 109 208 695	R70 941 072	6.40%

(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 2.79%.

5.2.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Financial viability ratio's	Norms	Criteria	2024/2025	2023/2024
Cost coverage	>4 months	Higher than 4 months is better	11 Months	5 Months
Debt coverage	40%	The lower the actual the better the result	2.23%	3.07%

(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 91.52% 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	R376,477,670	R325,809,079	R298,168,067

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)	R124,624,028	R93,535,241	R79,561,559	R79,764,994	85,28%	100,26%
External loans	R0	R36,950,588	R0	R0	0,00%	0,00%
Grants and subsidies	R112,285,469	R226,958,732	R227,134,411	R199,607,818	87,95%	87,88%
Other	R1,200,108	R19,033,109	R19,113,109	R18,795,256	98,75%	98,34%

(b) Comment on sources of funding

Capital sources of funding for actual capital expenditure amounting to R299,168,067 consist of Transfers recognised - capital which amounted to 66.94%, Other Contributions and Public Donations was 6.30% and Internally generated funds was 26.75%.

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
24/25 Highlands: Development of new cell (MIG)	R17,338,000	R15,500,000	R15,500,000	89,40%	100,00%
24/25 Malmesbury De Hoop 132/11kV Substation, 132kV transmission line, servitudes and 132kV Eskom	R22,818,000	R22,401,642	R22,401,642	98,18%	100,00%
24/25 Malmesbury De Hoop Serviced Sites Phase 1 (Sewerage)	R12,991,893	R13,585,000	R13,046,734	100,42%	96,04%
24/25 Malmesbury De Hoop Serviced Sites Phase 1 (Streets & Stormwater)	R44,445,951	R46,475,000	R46,475,000	104,57%	100,00%
24/25 Moorreesburg Serviced Sites (645) (Roads & Stormwater)	R35,469,474	R34,841,436	R34,841,436	98,23%	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	44,727	95,00%	2,291	5,00%
Refuse Removal	40,778	87,00%	6,093	12,00%
Water Services	46,151	98,00%	857	2,00%
Electricity Distribution	0,00	0,00%	0,00	0,00%

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

Service	Original Budget	Adjustment Budget	Actual	Original Budget Variance	Adjustment Budget Variance
	R0	R0	R0	0,00%	0,00%
	R0	R0	R0	0,00%	0,00%
	R29,332,000	R29,302,000	R29,302,000	99,90%	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	R1,158,232,196	R1,648,330,544	R1,633,874,925	R1,422,620,945	86,31%	87,07%
a Ratepayers and other	R797,478,556	R1,123,242,268	R1,127,388,437	R966,671,926	86,06%	85,74%
b Government - operating	R171,246,227	R190,068,052	R188,731,187	R180,663,157	95,05%	95,73%
c Government - capital	R133,512,728	R246,022,275	R225,964,940	R208,178,681	84,62%	92,13%
d Interest	R55,994,685	R88,997,949	R91,790,361	R67,107,181	75,40%	73,11%
1b Payments	-R851,337,921	-R1,177,669,996	-R1,201,063,790	-R941,103,664	79,91%	78,36%

a Suppliers and employees	R839,716,810	R1,163,758,039	R1,192,911,254	R937,232,217	80,53%	78,57%
b Finance charges	R6,896,832	R8,009,597	R3,888,772	R3,871,447	48,34%	99,55%
c Transfers and Grants	R4,724,279	R5,902,360	R4,263,764	R0	0,00%	0,00%
2a Receipts	R301,828,939	R2,453,327	R2,929,640	R1,213,622	49,47%	41,43%
a Proceeds on disposal of PPE	R1,828,939	R2,453,327	R2,929,640	R1,213,622	49,47%	41,43%
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	R300,000,000	R0	R0	R0	0,00%	0,00%
2b Payments	-R210,025,571	-R432,654,769	-R371,647,299	-R270,724,617	62,57%	72,84%
a Capital assets	R210,025,571	R432,654,769	R371,647,299	R270,724,617	62,57%	72,84%
3a Receipts	R1,813,857	R40,500,000	R500,000	R0	0,00%	0,00%
a Short term loans	R0	R0	R0	R0	0,00%	0,00%
b Borrowing long term/refinancing	R0	R40,000,000	R0	R0	0,00%	0,00%
c Increase (decrease) in consumer deposits	R1,813,857	R500,000	R500,000	R0	0,00%	0,00%
3b Payments	-R52,037,024	-R11,317,763	-R5,455,716	-R5,477,653	48,40%	100,40%
a Repayment of borrowing	R52,037,024	R11,317,763	R5,455,716	R5,477,653	48,40%	100,40%

(b) Comment on cash flow outcomes

The net cash position of the municipality, as indicated above, has increased from R 470.491m to R677.019m. Unspent conditional grants and receipts grants amounted to R21.7m .

The net increase in Cash and cash equivalents amounts to R206.5m compared to the previous year's (2023/2024) decrease of R251.5m.

5.4.3 BORROWING AND INVESTMENTS

(a) Introduction

No new borrowing contracts were taken up for the 2024/2025 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.

Annual Report for 2024/2025

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

(b) Actual Borrowings

Instrument	Previous Year Amount	Current Year Amount
Financial Leases	R0	R0
Instalment Credit	R0	R0
Long-Term Loans (annuity/reducing balance)	R38,813,954	R33,336,301
Long-Term Loans (non-annuity)	R0	R0
Marketable Bonds	R0	R0
Non-Marketable Bonds	R0	R0
TOTAL	R38,813,954	R33,336,301

(c) Municipal Investments

Investment Type	Previous Year Amount	Current Year 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	R470 491 311	R677 019 944
Repurchase Agreements - Banks	R0	R0
Securities - National Government	R0	R0
TOTAL	R470 491 311	R677 019 944

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 2024/2025 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 - 2023/2024)

6.2.1 AUDITOR GENERAL REPORTS

(a) 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

(b) Auditor-General Report on Service Delivery 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

6.3 AUDITOR-GENERAL OPINION (CURRENT YEAR 2024/2025)

6.3.1 AUDITOR GENERAL REPORTS

(a) 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 2025. No material non-compliance issues with the selected legislative requirements were identified.	None

(b) Auditor-General Report on Service Delivery Performance

Status of 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 2025. No material non-compliance issues with the selected legislative requirements were identified.	None

(c) Auditor-General Report on the financial statements

See Chapter 1 paragraph 1.2.6

(d) Comments on Auditor-General's opinion

None.

(e) 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 wavy line.

Signed (Chief Financial Officer) 31 October 2025

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	• 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:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <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> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

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
				%	%
Nel, M	PT	Chairperson: PF-committee (Protection Services); PF-committee (Municipal Manager, Administration and Finances); PF-committee (Civil and Electrical Services); MPAC	Ward 1	90%	100%
Pypers, D C	PT	PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) ; MPAC	Ward 2	90%	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	90%	100%
Jooste, R J	PT	Chairperson: PF-committee (Civil and Electrical Services); PF-committee (Protection Services) ; MPAC	Ward 4	100%	N/a
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	90%	100%
Williams, A M	PT	PF-committee (Civil and Electrical Services); PF- committee (Development Services); PF-committee (Protection Services)	Ward 7	100%	N/a
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	100%	N/a
White, G E	PT	PF-committee (Development Services); PF-committee (Protection Services) ; MPAC	Ward 11	90%	100%
Bess, D G	FT	Executive Mayoral Committee; PF-committee (Civil and Electrical Services); PF-committee (Development Services); PF-committee (Protection Services)	Ward 12	100%	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	100%	N/a
Le Minnie, I S	PT	Chairperson: PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services); PF-committee (Protection Services) ; MPAC	Party Representative	63%	100%
Penxa, B J	PT	PF-committee (Municipal Manager, Administration and Finances)	Party Representative	72%	90%
Pieters, C	PT	PF-committee (Civil and Electrical Services); PF-committee (Protection Services)	Party Representative	90%	100%
Fortuin, C	PT	PF-committee (Civil and Electrical Services); PF-committee (Protection Services)	Party Representative	81%	100%
Soldaka, P E	PT	PF-committee (Municipal Manager, Administration and Finances); PF-committee (Development Services) ; MPAC	Party Representative	81%	100%
Vermeulen, G	PT	Chairperson: PF-committee (Development Services); PF-committee (Municipal Manager, Administration and Finances)	Party Representative	90%	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
Gaika, M F	PT	PF-committee (Civil and Electrical Services) ; MPAC	Party Representative	81%	90%
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them.</i> <i>Council meetings = 11</i> <i>EMC meetings = 13</i> <i>Portfolio meetings = 36</i> <i>MPAC = 5</i> <i>Ward Committees =4/ward</i>					

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

Annual Report for 2024/2025

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

Ward Number	Name of Ward Councillor	Committee established (Yes / No)	*Number of quarterly 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 Nel	Yes	4	4	1
2	D C Pypers	Yes	4	4	1
3	N Smit	Yes	4	4	1
4	R J Jooste	Yes	4	4	1
5	M A Rangasamy	Yes	4	4	1
6	A K Warnick	Yes	4	4	1
7	A M Williams	Yes	4	4	1
8	J M de Beer	Yes	4	4	1
9	M Ngosi	Yes	4	4	1
10	T van Essen	Yes	4	4	1
11	G E White	Yes	4	4	1
12	D G Bess	Yes	4	4	1

APPENDIX F – Largest Capital Projects PER WARD

Project Description	Budget for 2024/2025
WARDS 1 & 2	
Moorreesburg Serviced Sites (645) (Roads & Stormwater)	34 841 436
WARDS 3 & 12	
Riebeek Kasteel Stores: Ablution Facilities	30 000
WARD 4	
Purchasing of Land: Silvertown	8 300 000
WARDS 5 & 6	
Darling Serviced Sites (186) Phase 1 (Water)	9 003 878
WARD 7	
Kalbaskraal SEF (Prof. Fees)	744 891
WARDS 8, 9, 10 & 11	
Malmesbury De Hoop Serviced Sites Phase 1 (Streets & Stormwater)	46 475 000
VARIOUS WARDS	
Swimming Pool: Wesbank	12 260 700
ALL WARDS	
Electricity Distribution	
Replace oil insulated switchgear and equipment	5 000 000
Refuse Removal	
Highlands: Development of new cell	24 038 370
ICT Services	
IT: notebooks	510 000
Parks and recreation	
Ward committee projects	1 100 000
Sports Grounds	
Sportgrounds: Blower Mower: sn 20134 (replace)	81 700
Roads and storm water	
Roads Swartland: New Roads	7 672 710
Water Distribution	
Water networks: Upgrades and Replacement	5 424 055

Project Description	Budget for 2024/2025
Financial Services	
Meter Installation Handheld Devices	226 065
Protection Services	
CCTV Equipment and Radio Communication	60 000
Corporate Services	
Installation of fire alarm system: Registry office	297 200
MM and Council	
New Website: Development and Implementation	400 000

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

FINAL REPORT OF THE PERFORMANCE AND RISK AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2025 FOLLOWS ON THE NEXT PAGE.

FINAL REPORT OF THE INDEPENDENT PERFORMANCE, RISK AND AUDIT COMMITTEE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 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 2025 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 2024/2025 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 operates in accordance with a formal terms of reference outlined in its charter, which is periodically reviewed by PRAC and approved by the Executive Mayoral Committee. The Charter was most recently reviewed by the Committee and the proposed amendments were accepted at its meeting held on 25 November 2025.

PRAC MEMBERS AND ATTENDANCE

The Committee currently comprises of 4 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:

PRAC MEMBER	20 AUG 2024	27 AUG 2024	26 NOV 2024	25 FEB 2025	27 MAY 2025
Mr. CB de Jager (<i>outgoing Chairperson</i>)	✓	✓			
Ms. R Gani (<i>new Chairperson</i>)	✓	✓	✓	✓	✓
Mr. BJ Gouws	✓	✓	✓	✓	✓
Ms. S Jones			✓	✓	✓
Adv M Mdludlu			✓	✓	✓

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 ended)
Ms. R Gani	Baccalaureus Commercii Honores with specialization Accounting Sciences CA (SA) Certified Director (IOD)	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.

Governance and Ethical Oversight

During the year, the Committee focused on and discussed KING IV principles during their meetings and started to focus on the Code for Ethical Leadership in Local Government 2023 in the 2025/2026 financial year. As part of their oversight duties they reviewed the municipality's governance structures, policies, auditor general reports and ethical practices through discussions with management during their meetings.

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 2025/2026 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 2024/2025
- Performance Management reports (Quarter 1 to 4)
- DORA expenditure for 2024/2025
- Risk Management report (executed by West Cost District Municipality)
- Revenue - Property Rates
- SCM Tenders and Payments
- Proclaim Main Roads – Letter of internal control environment
- Eunomia compliance reports
- Progress report- Mscoa Implementation
- Review of the 2024/2025 draft Annual Financial Statements
- Follow-up reports on Internal Audit recommendations
- Ad-hoc reports
 - Evaluation of Tender T09/24/25
 - Evaluation of Tender T12/24/25
 - Evaluation of Tender T 22/24/25
 - Evaluation of Tender T29/24/25

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 25 March 2025 and the Risk Management Strategic Plan approved on 27 May 2025 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 2024/2025

- Reviewed and discussed the Auditor-General's Engagement Letter and Audit Strategy on 23 September 2025
- Received and reviewed the Final Management Report on 27 November 2025
- Received the reviewed the Final Audit Report on 05 December 2025
- Discussed the Final Audit Report with the AG on 08 December 2025

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 2024/2025 draft annual financial statements on 26 August 2025. 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 was required to provide explanations and corrective actions for variances between planned and actual performance. The PRAC emphasised the need to maintain appropriate evidence to substantiate performance information.

The PRAC has made suggestions/input to enhance/improve the quality of the Directors' performance reports and 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 2024/2025 Management report that the *"We assessed the operations and impact of the audit committee and the responsiveness by leadership to its reports and recommendations. The audit committee functioned effectively during the year and operated within the prescripts of applicable legislation. The committee is adequately capacitated and suitably qualified to carry out its responsibilities"*.

Based on information and assurance obtained from internal and external auditors, management, and other assurance providers, the PRAC concludes that the municipality's governance, risk management, and internal control environment are adequate and requires minor improvements.

Annual Evaluation of the PRAC Performance by the Executive Mayor and Municipal Manager.

In its annual performance evaluation of the PRAC's performance, the Executive Mayor and Municipal Manager commented that PRAC is adding value to the Swartland Municipality.

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 its 13th clean audit report since 2011 and the Committee is proud to be part of such an institution.



Ms. R Gani

Chairperson of the Performance, Risk and Audit Committee

Date: 12 December 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
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
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
Amandla GCF Construction	Construction of New Sports Fields, Lighting and Ablution Facility at Ilinge Lethu Sports Ground in Holomisa Straat, Malmesbury	Sep 2023	Apr 2024	Mr J Spies	R9 697 435,50
VE Reticulation (Pty) Ltd	New 132/11kV Substation in the De Hoop area, Malmesbury (Phase 3)	Oct 2023	June 2025	Mr M J Swanepoel	R51 304 047,22
Asla Konstruksie	Construction of Civil Engineering Services for the development of low cost housing erven in Malmesbury and Darling	Oct 2023	June 2025	Mr J Spies	R80 015 546,28
Nammic Western Cape (Pty) Ltd	Construction of new Olympic size swimming pool at Wesbank Sports Ground in Alfa Street, Malmesbury	Feb 2024	Oct 2024	Mr J Spies	R17 961 336,75
Wastewant Waste Management	Community based collection of general solid waste at Chatsworth, Riverlands and Kalbaskraal	May 2024	June 2026	Mr P Marais	Tariffs/Rates
F Bocks Verfkontrakteurs	Construction of new ablution facility and upgrading of existing ablution facility at the Ilinge Lethu Sports Ground, Malmesbury	Aug 2024	Jan 2025	Mr J Spies	R4 224 878,35
JB's Commercial (RF)	Supply and delivery of Hich Compaction REL Refuse Collection Truck	Aug 2024	Dec 2024	Mr P Marais	R3 245 318,70
JVZ Construction	Bulk earthworks and associated infrastructure for Cell 3A at the Highlands Landfill Site	Sep 2024	June 2025	Mr E de Jager	R14 392 817,97
Exeo Khokela Civil Engineering Construction	Construction of Sarah Baartman Road and Associated Civil Works, Malmesbury	Sep 2024	March 2025	Mr J Spies	R17 231 615,94

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
Baseline Civil Contractores	Construction of Roads in various towns in the Swartland municipal area	Feb 2025	Jan 2026	Mr J Spies	Tariffs/Rates
JVZ Construction (Pty) Ltd	Construction of new Cell 3A at the Highlands Landfill Site, Civil and Lining Works	May 2025	Jan 2026	Mr E de Jager	R28 994 804,89
JVZ Construction (Pty) Ltd	Upgrading of External Water and Sewer Services in Darling	Nov 2024	June 2025	Mr E de Jager	R5 906 155,57
Kusasa Commodities 151	Supply and delivery of various vehicles	Nov 2024	Dec 2024	Ms A Beneke	R2 521 417,15

(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
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
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
Tshayela Projects cc	Sweeping of streets and cleansing services for the period ending 30 June 2025	Yes		Mr P Marais
Amandla GCF Construction	Construction of New Sports Fields, Lighting and Ablution Facility at Ilinge Lethu Sports Ground in Holomisa Straat, Malmesbury	Yes		Mr J Spies
VE Reticulation (Pty) Ltd	New 132/11kV Substation in the De Hoop area, Malmesbury (Phase 3)	Yes		Mr M J Swanepoel
Asla Konstruksie	Construction of Civil Engineering Services for the development of low cost housing erven in Malmesbury and Darling	Yes		Mr J Spies
Nammic Western Cape (Pty) Ltd	Construction of new Olympic size swimming pool at Wesbank Sports Ground in Alfa Street, Malmesbury	Yes		Mr J Spies
Wastewant Waste Management	Community based collection of general solid waste at Chatsworth, Riverlands and Kalbaskraal	Yes		Mr P Marais
F Bocks Verfkontrakteurs	Construction of new ablution facility and upgrading of existing ablution facility at the Ilinge Lethu Sports Ground, Malmesbury	Yes		Mr J Spies
JB's Commercial (RF)	Supply and delivery of Hich Compaction REL Refuse Collection Truck	Yes		Mr P Marais
JVZ Construction	Bulk earthworks and associated infrastructure for Cell 3A at the Highlands Landfill Site	Yes		Mr E de Jager
Exeo Khokela Civil Engineering Construction	Construction of Sarah Baartman Road and Associated Civil Works, Malmesbury	Yes		Mr J Spies
Baseline Civil Contractores	Construction of Roads in various towns in the Swartland municipal area	Yes		Mr J Spies

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
JVZ Construction (Pty) Ltd	Construction of new Cell 3A at the Highlands Landfill Site, Civil and Lining Works	Yes		Mr E de Jager
JVZ Construction (Pty) Ltd	Upgrading of External Water and Sewer Services in Darling	Yes		Mr E de Jager
Kusasa Commodities 151	Supply and delivery of various vehicles	Yes		Ms A Beneke

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 2025. 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 Function						
Function Description	2023/2024	2024/2025			2024/2025 Variances	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Executive and council	153,529	351,690	402,690	294,998	-16%	-27%
Finance and administration	335,171,175	377,304,529	384,388,783	386,715,894	2%	1%
Internal audit	-	-	-	-	0%	0%
Community and social services	14,480,157	14,097,759	13,270,650	15,104,414	7%	14%
Sport and recreation	15,077,559	10,770,502	10,890,502	11,246,034	4%	3%
Public safety	49,107,857	48,569,692	41,282,352	46,317,944	-5%	12%
Housing	54,301,540	184,125,773	173,518,875	154,760,009	-16%	-11%
Planning and development	5,718,293	5,107,177	5,513,862	6,113,517	20%	11%
Road transport	31,337,578	25,069,249	35,004,369	29,748,702	19%	-15%
Energy sources	498,206,166	488,849,244	513,084,411	559,073,392	14%	9%
Water management	129,141,847	127,631,272	125,971,596	124,100,664	-3%	-1%
Waste water management	102,316,500	96,862,568	103,312,675	106,952,983	10%	4%
Waste management	57,789,278	80,219,576	78,381,576	79,467,123	-1%	1%
Other	19,118	37,863	37,863	4,657	-88%	-88%
Total Revenue by Vote	1,292,820,597	1,458,996,894	1,485,060,204	1,519,900,332	4,17%	2,35%

(b) By Vote

Revenue Collection Performance by Vote						
Vote Description	2023/2024	2024/2025			2024/2025 Variances	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Corporate Services	15,130,417	13,429,802	12,533,255	14,062,028	5%	12%
Civil Services	323,767,239	327,034,489	340,042,040	338,702,363	4%	0%
Council	153,529	351,690	402,690	294,998	-16%	-27%
Electricity Services	498,222,211	488,867,244	513,102,411	559,090,083	14%	9%
Financial Services	331,233,583	374,410,088	380,818,889	384,310,013	3%	1%
Development Services	64,426,390	193,449,141	183,913,819	165,992,754	-14%	-10%
Municipal Manager	-	-	80,000	130,500	0	63%
Protection Services	59,887,229	61,454,440	54,167,100	57,317,592	-7%	6%
Total Revenue by Vote	1,292,820,597	1,458,996,894	1,485,060,204	1,519,900,332	4,17%	2,35%

(c) By Source

Revenue Collection Performance by Source						
Description	2023/2024	2024/2025			2024/2025 Variances	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Revenue						
Exchange Revenue						
Service charges - Electricity	443,249,370	451,420,002	472,747,422	516,000,743	14%	9%
Service charges - Water	92,981,779	97,940,403	98,216,026	95,517,854	-2%	-3%
Service charges - Waste Water Management	60,460,874	57,021,901	57,625,233	63,838,863	12%	11%
Service charges - Waste management	33,962,559	38,087,379	38,063,559	38,791,037	2%	2%
Sale of Goods and Rendering of Services	14,571,306	13,619,164	14,129,365	15,294,773	12%	8%
Agency services	5,348,435	6,787,076	6,787,076	5,658,345	-17%	-17%
Interest			-	-		
Interest earned from Receivables	3,694,797	3,406,877	4,114,765	4,078,102	20%	-1%
Interest from Current and Non Current Assets	84,764,075	88,997,949	91,790,361	95,898,921	8%	4%
Dividends			-	-		
Rent on Land			-	-		
Rental from Fixed Assets	1,382,483	1,929,774	1,929,774	1,883,457	-2%	-2%
Licence and permits			-	-		
Operational Revenue	44,525,244	4,028,029	9,640,358	12,085,148	200%	25%
Non-Exchange Revenue						

Property rates	163,174,552	199,371,451	201,371,451	200,765,307	1%	0%
Surcharges and Taxes			-	-		
Fines, penalties and forfeits	38,582,079	38,990,582	31,213,041	36,325,543	-7%	16%
Licence and permits	5,079,410	5,467,036	5,467,036	4,837,755	-12%	-12%
Transfers and subsidies - Operational	171,662,265	190,028,052	188,763,654	181,836,113	-4%	-4%
Interest	1,547,866	1,323,600	1,670,788	1,783,175	35%	7%
Fuel Levy			-	-		
Operational Revenue	11,093,950	12,062,017	11,323,645	11,580,602	-4%	2%
Gains on disposal of Assets	2,962,555	2,453,327	2,929,640	1,702,378	-31%	-42%
Transfers and subsidies - capital (monetary allocations)	113,776,998	246,062,275	247,277,010	232,022,216	-6%	-6%
Total Revenue	1,292,820,597	1,458,996,894	1,485,060,204	1,519,900,332	4%	2%

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG					
	2024/2025			2024/2025 Variances	
Description	Original Budget	Adjustments Budget	Actual	Variance Budget	Variance Adj Budget
Finance Management	1,600,000	1,600,000	1,600,000	0%	0%
EPWP Incentive	1,593,000	1,593,000	1,593,000	0%	0%
Integrated National Electrification Programme	22,818,000	22,818,000	22,818,000	0%	0%
Municipal Disaster Response Grant	-	9,241,000	1,797,390	0%	-81%
Community Development: Workers	38,000	38,000	33,988	-11%	-11%
Human Settlements	183,634,000	173,773,306	155,141,862	-18%	-12%
Municipal Accreditation and Capacity Building Grant	249,000	249,000	165,904	-33%	-33%
Libraries	12,052,000	12,052,000	12,052,000	0%	0%
Proclaimed Roads Subsidy	170,000	170,000	170,000	0%	0%
Establishment of a K9 Unit	3,772,000	4,172,000	4,172,000	11%	0%
Establishment of a Law Enforcement Reaction Unit	5,712,000	5,712,000	5,712,000	0%	0%
Thusong Grant	150,000	150,000	134,563	-10%	-10%
Fire Kits	416,591	416,591	414,554	0%	0%
Sport Development	500,000	500,000	498,434	0%	0%
	232,704,591	232,484,897	206,303,695	-13%	-13%

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

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

WC015 Swartland - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class								
Description	2023/24	Budget Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>								
-								
Infrastructure	148,372	275,466	223,254	209,951	223,571	13,621	6,1%	223,254
Roads Infrastructure	60,113	117,253	101,419	97,216	101,919	4,703	4,6%	101,419
<i>Roads</i>	60,113	117,253	101,419	97,216	101,919	4,703	4,6%	101,419
Storm water Infrastructure	1,529	1,509	4,281	1,509	4,281	2,772	64,8%	4,281
<i>Storm water Conveyance</i>	1,529	1,509	4,281	1,509	4,281	2,772	64,8%	4,281
Electrical Infrastructure	58,109	61,979	34,380	36,362	34,750	(1,613)	-4,6%	34,380
<i>MV Substations</i>	20,289	31,611	24,091	24,418	24,461	43	0,2%	24,091
<i>MV Switching Stations</i>	4,830	5,350	5,263	5,132	5,263	131	2,5%	5,263
<i>MV Networks</i>	32,064	22,818	1,521	1,961	1,521	(440)	-29,0%	1,521
<i>LV Networks</i>	926	2,200	3,504	4,851	3,504	(1,347)	-38,4%	3,504
<i>Capital Spares</i>			–			–		
Water Supply Infrastructure	17,173	38,951	33,864	30,566	33,811	3,245	9,6%	33,864
<i>Distribution</i>	17,173	38,951	33,864	30,566	33,811	3,245	9,6%	33,864
Sanitation Infrastructure	9,351	26,154	25,273	20,760	25,273	4,513	17,9%	25,273
<i>Pump Station</i>	1,212	–				–		

Annual Report for 2024/2025

<i>Reticulation</i>	8,138	26,154	25,273	20,760	25,273	4,513	17,9%	25,273
Solid Waste Infrastructure	2,098	29,621	24,038	23,538	23,538	1	0,0%	24,038
<i>Landfill Sites</i>	2,098	29,621	24,038	23,538	23,538	1	0,0%	24,038
<u>Community Assets</u>	10,446	14,141	14,536	14,328	14,703	375	2,6%	14,536
Community Facilities	2,615	1,800	1,230	1,347	1,440	93	6,5%	1,230
<i>Cemeteries/Crematoria</i>	453	–				–		
<i>Parks</i>	1,212	1,100	1,180	1,338	1,390	52	3,7%	1,180
<i>Public Ablution Facilities</i>	–	700	50	8	50	42	83,5%	50
<i>Markets</i>	950	–				–		
Sport and Recreation Facilities	7,831	12,341	13,306	12,981	13,263	282	2,1%	13,306
<i>Indoor Facilities</i>	–	980	745	745	745	0	0,0%	745
<i>Outdoor Facilities</i>	7,831	11,361	12,561	12,236	12,518	282	2,2%	12,561
						–		
<u>Investment properties</u>	681	–	–	31	–	(31)	0,0%	–
Revenue Generating	681	–	–	31	–	(31)	0,0%	–
<i>Unimproved Property</i>	681			31	–	(31)	0,0%	
Non-revenue Generating	–	–	–	–	–	–		–
<u>Other assets</u>	19,457	16,977	17,509	11,836	17,438	5,602	32,1%	17,509
Operational Buildings	2,955	650	380	328	380	52	13,7%	380
<i>Municipal Offices</i>	2,906	300	30	26	30	4	13,33%	30
<i>Stores</i>	48	350	350	302	350	48	13,7%	350
Housing	16,503	16,327	17,129	11,509	17,058	5,550	32,5%	17,129
<i>Social Housing</i>	16,503	16,327	17,129	11,509	17,058	5,550	32,5%	17,129
<u>Biological or Cultivated Assets</u>	–	–	–	–	–	–		–

Intangible Assets	–	400	400	450	450	–		400
Licences and Rights	–	400	400	450	450	–		400
<i>Computer Software and Applications</i>		400	400	450	450	–		400
Computer Equipment	2,306	1,790	1,790	1,771	1,826	55	3,0%	1,790
Computer Equipment	2,306	1,790	1,790	1,771	1,826	55	3,0%	1,790
Furniture and Office Equipment	1,140	920	935	858	935	76	8,2%	935
Furniture and Office Equipment	1,140	920	935	858	935	76	8,2%	935
Machinery and Equipment	12,905	2,187	2,610	1,852	2,110	257	12,2%	2,610
Machinery and Equipment	12,905	2,187	2,610	1,852	2,110	257	12,2%	2,610
Transport Assets	10,690	15,638	13,658	13,612	13,658	47	0,3%	13,658
Transport Assets	10,690	15,638	13,658	13,612	13,658	47	0,3%	13,658
Land	149	8,700	8,300	–	8,300	8,300	100,0%	8,300
Land	149	8,700	8,300	–	8,300	8,300	100,0%	8,300
Total Capital Expenditure on new assets	206,147	336,219	282,991	254,690	282,991	28,301	10,0%	282,991

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

WC015 Swartland - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class								
Description	2023/24	Budget Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
-								
Infrastructure	13,147	3,000	5,268	5,268	5,268	0	0,0%	5,268
Roads Infrastructure	9,251	–	2,268	2,268	2,268	0	0,0%	2,268
<i>Roads</i>	9,251		2,268	2,268	2,268	0	0,0%	2,268
Sanitation Infrastructure	3,896	3,000	3,000	3,000	3,000	0	0,0%	3,000
<i>Reticulation</i>	3,896	3,000	3,000	3,000	3,000	0	0,0%	3,000
Community Assets	–	250	250	242	250	8	3,3%	250
Community Facilities	–	–	–	–	–	–		–
Sport and Recreation Facilities	–	250	250	242	250	8	3,3%	250
<i>Outdoor Facilities</i>		250	250	242	250	8	3,3%	250
Machinery and Equipment	–	160	193	193	193	0	0,2%	193
Machinery and Equipment		160	193	193	193	0	0,2%	193
Total Capital Expenditure on renewal of existing assets	13,147	3,410	5,711	5,702	5,711	9	0,2%	5,711

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

WC015 Swartland - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class								
Description	2023/24	Budget Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure	8,060	30,744	31,302	32,022	31,302	(720)	-2,3%	31,302
Roads Infrastructure	667	9,749	9,749	9,473	9,749	276	2,8%	9,749
<i>Roads</i>	667	9,749	9,749	9,473	9,749	276	2,8%	9,749
Storm water Infrastructure	246	250	250	187	250	63	25,4%	250
<i>Storm water Conveyance</i>	246	250	250	187	250	63	25,4%	250
Electrical Infrastructure	3,554	4,483	4,533	5,531	4,533	(998)	-22,0%	4,533
<i>MV Networks</i>	945	2,633	2,720	4,086	2,720	(1,367)	-50,3%	2,720
<i>LV Networks</i>	2,610	1,850	1,813	1,444	1,813	369	20,3%	1,813
<i>Capital Spares</i>						—		
Water Supply Infrastructure	1,550	10,434	11,205	11,218	11,205	(14)	-0,1%	11,205
<i>Bulk Mains</i>	499	500	500	499	500	1	0,2%	500
<i>Distribution</i>	1,000	9,734	10,705	10,719	10,705	(14)	-0,1%	10,705
<i>PRV Stations</i>	51	200	—	—	—	—		—
Sanitation Infrastructure	2,043	5,827	5,565	5,613	5,565	(48)	-0,9%	5,565
<i>Waste Water Treatment Works</i>	2,043	5,827	5,565	5,613	5,565	(48)	-0,9%	5,565
Community Assets	10,755	6,105	5,805	5,755	5,805	50	0,9%	5,805
Community Facilities	24	—	—	—	—	—		—
<i>Cemeteries/Crematoria</i>	24	—	—	—	—	—		—
Sport and Recreation Facilities	10,732	6,105	5,805	5,755	5,805	50	0,9%	5,805

Annual Report for 2024/2025

<i>Outdoor Facilities</i>	10,732	6,105	5,805	5,755	5,805	50	0,9%	5,805
Total Capital Expenditure on upgrading of existing assets	18,816	36,848	37,107	37,776	37,107	(669)	-1,8%	37,107

APPENDIX N – CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

2024/2025 CAPITAL BUDGET						
Nr.	Project Description	mSCOA Allocation	Original Budget 2024/25	Final Budget 2024/25	YTD ACTUAL	Sources of Finance
	<u>CIVIL</u>					
1	Equipment : Civil	9/115-690-801	56,000	52,118	52,117	CRR
					-	
	<u>SEWERAGE SERVICE</u>				-	
2	Malmesbury WWTW: Replace Clarifier Mechanical Equipment	9/107-887-1043	1,500,000	300,000	300,000	CRR
3	Upgrading of bulk collectors: Darling	9/111-694-805	2,200,000	1,988,804	1,919,629	CRR
4	Upgrading of bulk collectors: Darling (MIG)	9/111-694-806	1,516,105	3,576,622	3,576,622	MIG
5	Upgrading of bulk collectors: Moorreesburg	9/111-696-808	1,600,000	-	116,778	CRR
6	Upgrading of bulk collectors: Moorreesburg (MIG)	9/111-696-809	511,370	-	-	MIG
7	Schoonspruit: Pipe Replacement	9/111-699-812	3,000,000	3,000,000	2,999,650	CRR
8	Equipment : Sewerage Telemetry	9/111-701-814	40,000	34,942	-	CRR
9	Equipment : Sewerage	9/111-702-815	34,000	34,000	33,732	CRR
10	Sewerage: CK18526 Isuzu FSR750	9/111-704-817	2,510,572	2,322,000	2,323,565	CRR

11	Sewer Reticulation and Connection: Illinge Lethu	9/111-866-1012	517,214	517,214	517,214	WCED
12	Donated PPE: Electrical Infrastructure LV (Mount Royal)	9/111-926-1085		940,000	-	CRR
			13,485,261	12,765,700	11,839,308	
	<u>Buildings & Maintenance</u>					
13	Equipment : Buildings & Maintenance	9/108-705-818	30,000	33,110	33,108	CRR
14	Moorreesburg Stores: Ablution Facilities	9/108-707-820	350,000	350,000	302,022	CRR
15	Riebeek Kasteel Stores: Ablution Facilities	9/108-711-824	300,000	30,000	25,750	CRR
			680,000	413,110	360,880	
	<u>Parks</u>					
16	Ward Committee Projects: Parks (Acquisitions:Outsourced)	9/112-716-829	1,000,000	1,285,852	1,243,743	CRR
17	Ward Committee Projects: Parks (Materials and Supplies)	9/112-716-830	100,000	24,154	24,154	CRR
18	Equipment: Parks	9/112-717-831	150,000	150,000	148,083	CRR
19	Parks: CK30905 John Deere Tractor	9/112-719-833	655,725	620,000	620,000	CRR
20	Parks: Slasher (Bossiekapper): sn 18795	9/112-723-837	55,000	60,000	59,441	CRR
			1,960,725	2,140,006	2,095,421	

	<u>Roads</u>					
21	Roads Swartland: Construction of New Roads	9/110-725-840	24,700,000	5,746,686	5,746,686	CRR
22	Roads Swartland: Construction of New Roads (MIG)	9/110-725-841	1,894,902	2,426,024	2,426,024	MIG
23	Ward Committee Projects: Roads (Acquisitions:Outsourced)	9/110-728-844	1,000,000	1,100,000	1,100,000	CRR
24	Ward Committee Projects: Roads (Materials and Supplies)	9/110-728-845	100,000	-	-	CRR
25	Roads: CK274 Caterpillar	9/110-888-1044	5,139,225	3,212,853	3,124,998	CRR

26	Access road and Intersection Upgrading: Illinge Lethu	9/110-867-1013	9,749,214	9,749,214	9,472,940	WCED
27	Roads Swartland: Resealing of Roads (MIG)	9/110-919-1078		2,268,407	2,268,407	MIG
28	Riverlands Disaster: Roads and associated earth works	9/110-929-1087		6,468,700	1,765,621	MDRG
			42,583,341	30,971,884	25,904,676	
	<u>Swimming Pools</u>					
29	Swimming Pool: Wesbank	9/113-734-851	11,060,700	12,218,069	12,218,069	CRR
30	Moorreesburg Swimming Pool: Perimeter protection	9/113-890-1046	250,000	250,000	241,680	CRR
			11,310,700	12,468,069	12,459,749	
	<u>Sportgrounds</u>					
31	Upgrading of Illinge Lethu Sports Fields	9/106-735-852	5,000,000	5,000,000	4,989,510	MIG
32	Koringberg Sport Field: Ablution Facilities	9/106-918-1077	700,000	50,000	8,270	CRR
33	Rosenhof Sportgrounds: Replace Pavillion Roof	9/106-891-1047	670,000	370,000	337,310	CRR
34	Gene Louw Sportgrounds: Perimeter protection	9/106-892-1048	300,000	300,000	18,400	CRR
35	Construction of Sport Facility: Riverlands	9/106-914-1070	434,783	434,783	427,784	Dept. CA and Sport

36	Sportgrounds: Blower Mower: sn 20134 (replace)	9/106-736-854	54,700	81,700	80,771	CRR
			7,159,483	6,236,483	5,862,045	
	<u>Stormwater</u>					
37	Stormwater Network (Acquisitions:Outsourced)	9/114-741-859	200,000	200,000	136,600	CRR
38	Stormwater Network (Materials and Supplies)	9/114-741-860	20,000	20,000	20,000	CRR
39	Stormwater Network (Compensation of Employees)	9/114-741-861	30,000	30,000	30,000	CRR
40	Equipment: Streets and Stormwater	9/114-743-863	66,000	65,407	65,407	CRR
41	Access road and Intersection Storm water: Illinge Lethu	9/114-868-1014	1,508,539	1,508,539	1,508,539	WCED
42	Riverlands Disaster: Stormwater and associated earth works	9/114-928-1088		2,772,300	-	MDRG
			1,824,539	4,596,246	1,760,546	
	<u>Water</u>					
43	Water networks: Upgrades and Replacement	9/105-744-864	2,000,000	5,424,055	5,438,557	CRR
44	Darling SDW2.4 & SDW2.5, SDW1.2 & SDW2.1 water network upgrades (for housing project)	9/105-745-865	263,822	475,018	475,018	CRR
45	Darling SDW2.4 & SDW2.5, SDW1.2 & SDW2.1 water network upgrades (for housing project) MIG	9/105-745-866	2,591,464	530,947	530,947	MIG

46	Moorreesburg SMoW2.3 water network upgrade (for housing project)	9/105-746-867	124,055	-	-	CRR
47	Moorreesburg SMoW2.3 water network upgrade (for housing project) MIG	9/105-746-868	480,159	-	-	MIG
48	Water: Upgrading water reticulation network: PRV's, flow control, zone metering and water augmentation	9/105-747-869	200,000	-	-	CRR
49	Bulk water infrastructure (emergency spending)	9/105-749-871	500,000	-	-	CRR
50	Connections: Water Meters (New/Replacements) (Acquisitions:Outsourced)	9/105-750-872	10,000	460,000	460,000	CRR
51	Connections: Water Meters (New/Replacements) (Materials and Supplies)	9/105-750-873	930,993	480,993	358,557	CRR
52	Equipment : Water	9/105-751-874	53,000	52,723	52,280	CRR
53	Malmesbury Irrigation: Replace pumpsets	9/105-754-877	500,000	376,585	376,585	CRR
54	Mobile water pumps x 4 (replacement)	9/105-755-878	150,000	150,000	107,369	CRR
55	Compactor replacement x 3	9/105-756-879	280,000	236,040	236,039	CRR
56	Malmesbury SMW1.3 Wesbank Reservoir to Malm/Abb pipeline	9/105-758-881	500,000	500,000	499,996	CRR
57	Chatsworth/Riverlands upgrade bulk water supply	9/105-760-884	500,000	500,000	499,042	CRR
58	Water Reticulation and Connection: Illinge Lethu	9/105-869-1015	2,083,221	2,083,221	2,083,221	WCED
59	Replace Existing Water pipe: Illinge Lethu	9/105-870-1016	3,774,921	3,774,921	3,774,921	WCED
60	Donated PPE: Electrical Infrastructure MV (Mount Royal)	9/105-927-1086		501,000	-	CRR

61	Water Meters: Gains	9/105-586-341			10,154	CRR
			14,941,635	15,545,503	14,902,685	
	<u>Refuse</u>					
62	Highlands: Development of new cell	9/104-764-889	1,332,000	8,038,370	8,037,563	CRR
63	Highlands: Development of new cell (MIG)	9/104-764-890	17,338,000	15,500,000	15,500,000	MIG
64	Highlands: Development of new cell (Loan)	9/104-764-1003	10,950,588	-	-	Ext Loans
65	Equipment : Refuse bins, traps, skips (Swartland)	9/104-766-892	160,000	193,000	192,607	CRR
66	Equipment : Refuse Removal	9/104-767-893	28,000	34,700	33,363	CRR
67	Refuse: CK21988 Nissan UD CW26 370 FC	9/104-769-895	3,281,276	3,245,319	3,251,744	CRR
			33,089,864	27,011,389	27,015,277	
	<u>Development Services</u>					
68	Equipment : Development Services	9/123-775-901	46,000	49,435	48,890	CRR
69	Equipment: YZF Caravan Park	9/120-778-906	105,474	101,974	105,943	CRR
70	YZF Caravan Park: CK39039 Isuzu KB250D	9/120-779-907	383,145	390,196	390,196	CRR
71	Kalbaskraal SEF (Prof. Fees)	9/123-916-1073	980,000	744,891	744,836	DHS

			1,514,619	1,286,496	1,289,863	
	<u>Housing</u>					
72	Malmesbury De Hoop Serviced Sites (Prof Fees)	9/123-839-975	7,621,614	4,500,000	4,500,000	DHS
73	Malmesbury De Hoop Serviced Sites Phase 1 (Sewerage)	9/123-839-976	12,991,893	13,585,000	13,046,734	DHS
74	Malmesbury De Hoop Serviced Sites Phase 1 (Water)	9/123-853-996	10,940,542	11,440,000	11,440,000	DHS
75	Malmesbury De Hoop Serviced Sites Phase 1 (Streets & Stormwater)	9/123-854-997	44,445,951	46,475,000	46,475,000	DHS
76	Malmesbury De Hoop Serviced Sites (Phola Park) (Prof Fees)	9/123-839-977	686,000	686,000	-	DHS
77	Darling Serviced Sites (186) Prof Fees Phase 1	9/123-840-980	1,468,564	1,547,527	989,573	DHS
78	Darling Serviced Sites (186) Phase 1 (Water)	9/123-840-1030	2,818,733	9,003,878	7,985,094	DHS
79	Darling Serviced Sites (186) Phase 1 (Sewerage)	9/123-840-1024	2,373,670	1,668,619	1,124,445	DHS
80	Darling Serviced Sites (186) Phase 1 (Streets & Stormwater)	9/123-840-1025	9,643,034	4,861,260	4,861,259	DHS
81	Darling Serviced Sites (327) Prof Fees Phase 2	9/123-840-982	1,453,000	1,750,503	1,750,503	DHS
82	Moorreesburg Serviced Sites(652) Prof Fees	9/123-841-983	3,897,744	4,205,974	4,051,518	DHS
83	Moorreesburg Serviced Sites (645) (Water)	9/123-841-984	10,368,000	9,394,423	7,862,764	DHS
84	Moorreesburg Serviced Sites (645) (Sewerage)	9/123-841-1074	8,730,947	8,226,882	5,771,501	DHS
85	Moorreesburg Serviced Sites (645) (Roads & Stormwater)	9/123-841-1075	35,469,474	34,841,436	34,841,436	DHS

86	Purchasing of Land: Kalbaskraal (Transnet Land)	9/123-917-1076	2,400,000	-	-	DHS
87	Silvertown: Profesional Fees	9/123-915-1071	1,200,000	3,368,068	216,969	DHS
88	Silvertown:IBS	9/123-915-1072	10,800,000	70,742	-	DHS
89	Purchasing of Land: Silvertown	9/123-843-986	6,000,000	8,300,000	-	DHS
90	Silver Town: Bulk Services (Prof Fees/ Constrction)	9/123-920-1079		1,000,000	-	DHS
			173,309,166	164,925,312	144,916,796	
	<u>Electrical Services</u>					
91	Malmesbury De Hoop 132/11kV Substation, 132kV transmission line, servitudes and 132kV Eskom connection	9/117-781-909	22,818,000	22,401,642	22,401,642	INEP
92	Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Acquisitions:Outsourced)	9/117-782-910	5,360,560	1,660,709	1,638,402	CRR
93	Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Compensation of Employees)	9/117-782-911	50,000	198,975	199,562	CRR
94	Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Acquisitions:Outsourced)	9/117-782-1001	25,700,000	-	-	Ext Loans
95	Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Compensation of Employees)	9/117-782-1002	300,000	-	-	Ext Loans
96	Replace oil insulated switchgear and equipment (Acquisitions:Outsourced)	9/117-787-917	4,500,000	4,500,000	4,424,685	CRR

97	Replace oil insulated switchgear and equipment (Materials and Supplies)	9/117-787-918	500,000	500,000	452,352	CRR
98	LV Upgrading: Swartland (Acquisitions:Outsourced)	9/117-788-919	100,000	100,000	-	CRR
99	LV Upgrading: Swartland (Materials and Supplies)	9/117-788-920	1,100,000	1,100,000	1,099,695	CRR
100	MV Upgrading: Swartland (Acquisitions:Outsourced)	9/117-789-921	100,000	100,000	69,866	CRR
101	MV Upgrading: Swartland (Materials and Supplies)	9/117-789-922	1,000,000	1,087,000	2,545,940	CRR
102	Streetlight, kiosk and polebox replacement: Swartland	9/117-790-923	650,000	613,000	344,763	CRR
103	Protection and Scada Upgrading: Swartland	9/117-791-924	350,000	263,000	255,192	CRR
104	Substation Fencing: Swartland (Acquisitions:Outsourced)	9/117-792-925	180,000	180,000	163,085	CRR
105	Substation Fencing: Swartland (Materials and Supplies)	9/117-792-926	20,000	20,000	15,210	CRR
106	Malmesbury Security Operational Centre: Communication, Monitoring and Other infrastructure equipment	9/117-793-927	200,000	200,000	194,694	CRR
107	Moorreesburg Development 600 IRDP erven. Electrical infrastructure and connections	9/117-794-928	500,000	500,000	500,000	CRR
108	Darling 184 IRDP erven. Electrical bulk supply, infrastructure and connections	9/117-795-929	400,000	400,000	261,620	CRR
109	Replacement of obsolete air conditioners	9/117-797-931	250,000	250,000	192,101	CRR
110	Connections: Electricity Meters (New/Replacements) (Acquisitions:Outsourced)	9/117-798-932	20,000	20,000	-	CRR

111	Connections: Electricity Meters (New/Replacements) (Materials and Supplies)	9/117-798-933	880,000	880,000	698,574	CRR
112	Emergency Power Supply	9/117-799-934	300,000	336,000	322,593	CRR
113	Equipment: Electric	9/117-800-935	380,000	380,000	147,040	CRR
114	Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Acquisitions:Outsourced)	9/117-871-1017	50,000	50,000	29,075	WCED
115	Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Materials and Supplies)	9/117-871-1018	250,000	250,000	242,083	WCED
116	Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S (Acquisitions:Outsourced)	9/117-871-1040	22,500	22,500	-	CRR
117	Illinge Lethu School Electrical Service Connection (Acquisitions:Outsourced)	9/117-872-1019	700,000	700,000	696,771	WCED
118	Illinge Lethu School Electrical Service Connection (Materials and Supplies)	9/117-872-1020	400,000	400,000	399,991	WCED
119	Illinge Lethu School Electrical Service Connection (Acquisitions:Outsourced)	9/117-872-1041	110,000	16,400	16,400	CRR
120	Traffic Light Controlling Equipment	9/117-913-1069	150,000	151,000	150,516	CRR
121	Streetlights Eskom AOS	9/117-903-1059	400,000	400,000	287,882	CRR
122	Illinge Lethu School Electrical Service Connection	9/117-872-1085		93,600	85,954	CRR
123	Installation of new air conditioners	9/117-923-1082		82,167	82,167	CRR
124	Donated PPE: Electrical Infrastructure LV (Mount Royal)	9/117-924-1083		1,304,415	3,103,116	CRR

125	Donated PPE: Electrical Infrastructure MV (Mount Royal)	9/117-925-1084		1,520,821	1,961,159	CRR
126	Electricity Meters: Gains	9/117-595-407			78,699	CRR
			67,741,060	40,681,229	43,060,831	
	<u>Information Technology</u>					
127	Equipment: Information Technology	9/118-807-942	75,000	75,000	72,733	CRR
128	Printers	9/118-808-943	77,000	77,000	75,460	CRR
129	DeskTops	9/118-809-944	368,000	368,010	368,007	CRR
130	Notebooks	9/118-810-945	510,000	510,000	507,216	CRR
131	Equiping Fire Office: Darling	9/118-905-1061	50,000	49,990	49,990	CRR
132	Equipping Law Enf Office: K9 Unit (Malmesbury)	9/118-906-1062	150,000	150,000	150,000	CRR
			1,230,000	1,230,000	1,223,406	
	<u>Financial Services</u>					
133	Equipment : Financial	9/119-813-948	122,000	114,057	114,056	CRR
134	Finance: CK30046 Citi Golf 310	9/119-821-956	275,625	227,974	261,345	CRR
135	Meter Installation Handheld Devices	9/119-907-1063	300,000	226,065	226,064	CRR

136	Deeds	9/119-416-374			31,000	CRR
			697,625	568,096	632,466	
	<u>Protection Services</u>					
137	New Quantam (LEAP)	9/126-908-1064	822,500	995,418	995,418	CRR
138	Equipment: Protection	9/126-829-964	60,000	60,000	59,741	CRR
139	Equipment : K9 Unit	9/126-830-965	34,783	34,783	13,273	Com Safety
140	CCTV Equipment and Radio Communication	9/126-909-1065	60,000	60,000	30,434	CRR
141	Equipment : Fire Fighting	9/125-831-966	200,000	134,900	134,660	CRR
142	Conversion of CK38172 (Light Pumper)	9/125-855-998	1,704,814	1,769,914	1,769,844	CRR
			2,882,097	3,055,015	3,003,371	

	<u>MM and Council</u>					
143	Equipment : MM	9/124-832-967	12,000	20,017	19,060	CRR
144	New Website: Development and Implementation	9/116-910-1066	400,000	450,000	450,000	CRR
145	Equipment : Council	9/116-833-968	12,000	12,000	3,123	CRR
146	Council: CK15265 Caravelle Kombi (Replace with 11 seater)	9/116-834-969	865,555	874,524	874,524	CRR
147	Park equipment: Tosca street	9/124-922-1081		80,000	70,500	CRR
			1,289,555	1,436,541	1,417,206	
	<u>Corporate Services</u>					
148	Equipment : Corporate	9/101-835-970	28,000	30,800	30,093	CRR
149	Equipment: Libraries	9/102-836-971	50,000	50,000	46,356	Dept. CA and Sport
150	Equipment Corporate: Buildings & Swartland Halls	9/103-837-972	100,000	100,000	96,380	CRR
151	Installation of fire alarm system: Registry office, Malmesbury	9/103-911-1067	300,000	297,200	250,714	CRR
152	Expropriation of splays	9/103-912-1068	300,000	-	-	CRR
			778,000	478,000	423,543	
	GRAND TOTAL		376,477,670	325,809,079	298,168,067	

APPENDIX O - CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

Project Description	Budget for 2024/2025
WARDS 1 & 2	
Moorreesburg Stores: Ablution Facilities	350 000
Moorreesburg Swimming Pool: Perimeter protection	250 000
Koringberg Sport Field: Ablution Facilities	50 000
Rosenhof Sportgrounds: Replace Pavillion Roof	370 000
Gene Louw Sportgrounds: Perimeter protection	300 000
Moorreesburg Serviced Sites(652) Prof Fees	4 205 974
Moorreesburg Serviced Sites (645) (Water)	9 394 423
Moorreesburg Serviced Sites (645) (Sewerage)	8 226 882
Moorreesburg Serviced Sites (645) (Roads & Stormwater)	34 841 436
Moorreesburg Development 600 IRDP erven. Electrical infrastructure and connections	500 000
WARDS 3 & 12	
Riebeek Kasteel Stores: Ablution Facilities	30 000
WARD 4	
Construction of Sport Facility: Riverlands	434 783
Chatsworth/Riverlands upgrade bulk water supply	500 000
Silvertown: Profesional Fees	3 438 810
Purchasing of Land: Silvertown	8 300 000
Silver Town: Bulk Services (Prof Fees/ Constrcution)	1 000 000
Donated PPE: Electrical Infrastructure LV (MR)	1 304 415
Donated PPE: Electrical Infrastructure MV (MR)	1 520 821
Donated PPE: Sewerage Infrastructure (MR)	940 000
Donated PPE: Water Infrastructure (MR)	501 000
Roads: Riverlands Disaster: Roads and associated earth works	6 468 700
Stormwater: Riverlands Disaster: Stormwater and associated earth works	2 772 300
WARDS 5 & 6	
Darling SDW2.4 & SDW2.5, SDW1.2 & SDW2.1 water network upgrades (for housing project)	1 005 965
Upgrading of bulk collectors: Darling	5 565 426
Darling Serviced Sites (186) Prof Fees Phase 1	1 547 527
Darling Serviced Sites (186) Phase 1 (Water)	9 003 878

Project Description	Budget for 2024/2025
Darling Serviced Sites (186) Phase 1 (Sewerage)	1 668 619
Darling Serviced Sites (186) Phase 1 (Streets & Stormwater)	4 861 260
Darling Serviced Sites (327) Prof Fees Phase 2	1 750 503
Darling 184 IRDP erven. Electrical bulk supply, infrastructure and connections	400 000
WARD 7	
Kalbaskraal SEF (Prof. Fees)	744 891
WARDS 8, 9, 10 & 11	
Sewerage: Schoonspruit: Pipe Replacement	3 000 000
Sewer Reticulation and Connection: Illinge Lethu	517 214
Access road and Intersection Upgrading: Illinge Lethu	9 749 214
Upgrading of Illinge Lethu Sports Fields	5 000 000
Access road and Intersection Storm water: Illinge Lethu	1 508 539
Malmesbury Irrigation: Replace pumpsets	500 000
Water Reticulation and Connection: Illinge Lethu	2 083 221
Replace Existing Water pipe: Illinge Lethu	3 774 921
Malmesbury De Hoop Serviced Sites (Prof Fees)	4 500 000
Malmesbury De Hoop Serviced Sites Phase 1 (Sewerage)	13 585 000
Malmesbury De Hoop Serviced Sites Phase 1 (Water)	11 440 000
Malmesbury De Hoop Serviced Sites Phase 1 (Streets & Stormwater)	46 475 000
Malmesbury De Hoop Serviced Sites (Phola Park) (Prof Fees)	686 000
Malmesbury De Hoop 132/11kV Substation, 132kV transmission line, servitudes and 132kV Eskom connection	22 401 642
Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Acquisitions:Outsourced)	1 390 709
Malmesbury De Hoop 132/11kV Substation, 132kV transmission line and servitudes (Compensation of Employees)	98 975
Illinge Lethu School Electrical Service Connection	1 210 000
Park equipment: Tosca Street	80 000
VARIOUS WARDS	
Malmesbury WWTW: Replace Clarifier Mechanical Equipment	300 000
Swimming Pool: Wesbank	12 260 700
Malmesbury SMW1.3 Wesbank Reservoir to Malm/Abb pipeline	500 000
Malmesbury Security Operational Centre: Communication, Monitoring and Other infrastructure equipment	200 000
Relocation of section of 11 kV Cable between Darlingweg S/S to Holomisa S/S	322 500

Project Description	Budget for 2024/2025
ALL WARDS	
Electricity Distribution	
Replace oil insulated switchgear and equipment	5 000 000
LV Upgrading: Swartland	1 200 000
MV Upgrading: Swartland	1 187 000
Streetlight, kiosk and polebox replacement: Swartland	613 000
Protection and Scada Upgrading: Swartland	263 000
Substation Fencing: Swartland	200 000
Replacement of obsolete air conditioners	250 000
Installation of new air conditioners	82 167
Connections: Electricity Meters (New/Replacements)	900 000
Emergency Power Supply	300 000
Traffic Light Controlling Equipment	187 000
Streetlights Eskom AOS	400 000
Refuse Removal	
Highlands: Development of new cell	24 038 370
ICT Services	
IT: printers	77 000
IT: desktops	368 000
IT: notebooks	510 000
Equipping Fire Office: Darling	50 000
IT: Equipping Law Enf Office: K9 Unit (Malmesbury)	150 000
Parks and recreation	
Ward committee projects	1 100 000
Parks: Slasher (Bossiekapper): sn 18795	60 000
Sports Grounds	
Sportgrounds: Blower Mower: sn 20134 (replace)	81 700
Roads and storm water	
Roads Swartland: Resealing of Roads	2 268 407
Roads Swartland: New Roads	7 672 710
Roads: Ward committee projects	1 100 000

Project Description	Budget for 2024/2025
Stormwater Network	250 000
Water Distribution	
Water networks: Upgrades and Replacement	5 424 055
Connections: Water Meters	940 993
Mobile water pumps x 4 (replacement)	150 000
Compactor replacement x 3	280 000
Financial Services	
Meter Installation Handheld Devices	226 065
Protection Services	
CCTV Equipment and Radio Communication	60 000
Corporate Services	
Installation of fire alarm system: Registry office	297 200
MM and Council	
New Website: Development and Implementation	400 000
Equipment	
Equipment : Civil Services	52 118
Equipment : Sewerage	34 000
Equipment : Sewerage Telemetry	34 942
Equipment: Buildings & Maintenance	32 240
Equipment: Parks	150 000
Equipment: Streets and Stormwater	66 000
Equipment: Water	53 000
Equipment: Refuse bins, traps, skips (Swartland)	193 000
Equipment: Refuse Removal	34 700
Equipment: Development Services	49 435
Equipment: YZF Caravan Park	101 974
Equipment: Electricity	800 000
Equipment: IT	75 000
Equipment: Finance	114 057
Equipment: Protection	60 000
Equipment: K9 Unit	34 783

Project Description	Budget for 2024/2025
Equipment: Fire Fighting	134 900
Equipment: Municipal Manager	20 017
Equipment: Council	12 000
Equipment: Corporate	30 800
Equipment: Libraries	50 000
Equipment: Corporate: Buildings & Swartland Halls	100 000
Vehicles	
Vehicles Sewerage	2 322 000
Vehicles Parks	620 000
Vehicles Roads	3 212 853
Vehicles Refuse	3 245 319
Vehicles Development Services	390 196
Vehicles Finance	227 974
Vehicles Traffic and Law Enforcement	995 418
Vehicles Fire Services	1 769 914
Vehicles Municipal Manager	874 524
Total	325 809 079

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 2024/2025 financial year was 16 981. 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 TRANSFERS AND SUBSIDIES MADE BY THE MUNICIPALITY - CURRENT YEAR

All Organisations or Persons in receipt of Transfers and Subsidies provided by the municipality	Nature of business	Conditions attached to funding	Total Amount Paid for 2024/2025
Bergrivier Canoe Marathon	Non-profit institution	Yes	R 30,000
Darling Wildflower Society	Non-profit institution	Yes	R 57,881
National Sea Rescue Institute	Non-profit institution	Yes	R 38,434
SPCA	Non-profit institution	Yes	R 359,872
Yzerfontein Conservancy	Non-profit institution	Yes	R 87,604
Darling	Museums	Yes	R 99,414
Malmesbury	Museums	Yes	R 67,188
Oude Kerk	Museums	Yes	R 67,188
Wheat Industry	Museums	Yes	R 11,198
Darling Focus	Social Upliftment	Yes	R 53,910
Elkana Childcare	Social Upliftment	Yes	R 273,894
HUB R27	Social Upliftment	Yes	R 7,680
Huis van Heerde	Social Upliftment	Yes	R 477,348
Jo Dolphin	Social Upliftment	Yes	R 67,387
Multi-Purpose Centre: Moorreesburg	Social Upliftment	Yes	R 80,865
Night Shelter	Social Upliftment	Yes	R 53,695
Old Age Homes	Social Upliftment	Yes	R 1,630,058
Student Bursaries	Social Upliftment	Yes	R 300,000
Top Achievers Award: Grade 12	Social Upliftment	Yes	R 22,725
			R 3,786,341

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 – 2024/2025 CERTIFIED AUDITED ANNUAL FINANCIAL STATEMENTS

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025



Swartland Municipality
Audited
Annual Financial Statements for
the year ended 30 June 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

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.

Swartland Municipality's mandate:

The Municipality 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 Municipality 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 Municipality'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
Alderlady J M De Beer
Alderman M Rangasamy

Members of Executive Mayoral Committee

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

Chairperson 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 M Nel

Members of the Performance Risk and Audit Committee

Chairperson	R Gani
Member	S Jones
Member	M Mdludlu
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 2025

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 2025

Index

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

	Page
Accounting Officer's Responsibilities and Approval	4
Statement of Financial Position	5
Statement of Financial Performance	6
Statement of Changes in Net Assets	7
Cash flow statement	8
Statement of Comparison of Budget and Actual Amounts	9 - 13
Accounting Policies	14 - 40
Notes to the Annual Financial Statements	41 - 127
Appendixes:	
Appendix A: Schedule of External loans	
Appendix B: Analysis of Property, Plant and Equipment	
Appendix C: Segmental analysis of Property, Plant and Equipment	
Appendix D: Segmental Statement of Financial Performance	
Appendix E: Disclosure of Grants and Subsidies in terms of the Municipal Finance Management Act	

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 2025

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.

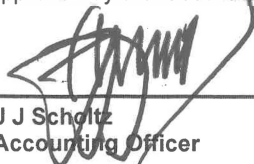
The accounting officer is of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal 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 2026 and, in the light of this review and the current financial position, he 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 29 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 127, which have been prepared on the going concern basis, were approved by the accounting officer on 29 August 2025 and were signed:



J J Scholtz
Accounting Officer

Friday, 29 August 2025

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Position as at 30 June 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Cash and cash equivalents	2	677 019 944	470 491 311
Receivables from exchange transactions	3 and 5	121 756 132	119 105 779
Receivables from non-exchange transactions	4 and 5	43 848 232	34 292 280
Inventories	7	20 100 710	21 602 623
Other financial assets	12	366 329 014	-
VAT accrual receivables	8.2	24 482 884	24 278 115
VAT control	8.1	11 903 400	9 006 270
		1 265 440 316	678 776 378
Non-Current Assets			
Property, plant and equipment	10	2 517 760 669	2 320 840 795
Investment property	11	23 402 204	24 940 643
Intangible assets		847 751	503 141
Heritage assets		4 120 691	4 120 691
Other financial assets	12	-	333 119 014
		2 546 131 315	2 683 524 284
Total Assets		3 811 571 631	3 362 300 662
Liabilities			
Current Liabilities			
Operating lease liability		319 033	334 731
Payables from exchange transactions	13	111 422 975	95 100 946
Consumer deposits	14	20 857 367	19 659 688
Construction contracts payables	6	7 342 180	-
Unspent conditional grants and receipts	15	21 703 995	30 493 916
Other financial liabilities	16	6 044 339	5 455 716
Long-term employee benefits	17	6 748 000	6 605 000
Provisions	18	9 197 492	8 780 333
VAT accrual payables	8.3	11 730 567	9 429 791
		195 365 948	175 860 121
Non-Current Liabilities			
Other financial liabilities	16	27 291 962	33 358 238
Long-term employee benefits	17	104 234 000	89 675 000
Provisions	18	67 892 552	57 311 777
		199 418 514	180 345 015
Total Liabilities		394 784 462	356 205 136
Net Assets		3 416 787 169	3 006 095 526
Reserves			
Reserves	19	359 394 889	299 421 237
Accumulated surplus	20	3 057 392 280	2 706 674 289
Total Net Assets		3 416 787 169	3 006 095 526

* See Note 53

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	21	714 148 497	630 654 582
Agency services		5 658 345	5 348 435
Construction contracts	6	-	79 520
Interest received	22	99 536 450	88 032 664
Operational revenue	23	29 323 924	29 490 594
Rental of facilities and equipment		1 883 457	1 382 483
Development charges	24	10 208 941	41 767 348
Total revenue from exchange transactions		860 759 614	796 755 626
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	25	200 765 307	163 174 552
Interest received on receivables		2 223 748	1 974 074
Transfer revenue			
Government grants and subsidies	26	378 826 841	271 713 439
Donated property, plant and equipment		-	306 822
Fines, Penalties and Forfeits		36 325 543	38 582 078
Licences and permits (non-exchange)		4 837 753	5 079 411
Public contributions and donations		22 878 547	1 178 090
Vesting of properties and equipment		176 324	921 992
Availability charges	27	11 580 603	11 093 950
Total revenue from non-exchange transactions		657 614 666	494 024 408
Total revenue		1 518 374 280	1 290 780 034
Expenditure			
Employee related costs	28	346 367 896	316 536 834
Remuneration of councillors	29	12 597 587	12 004 775
Bad debts written off	4	19 366 692	34 705 031
Bulk purchases - Electricity		410 594 639	344 554 611
Contracted services	30	64 955 958	69 008 625
Depreciation and amortisation	31	103 052 099	103 283 357
Finance costs	32	10 464 303	12 830 517
Grants and subsidies paid	33	3 786 341	4 724 279
Operational cost	34	46 350 681	42 971 455
Other materials	35	57 874 190	53 319 903
Total expenditure		1 075 410 386	993 939 387
Operating surplus		442 963 894	296 840 647
Gains on sale of fixed assets		1 213 620	1 828 939
Gains on sale of land		312 434	211 625
Reversal / (impairment) of assets and receivables	36	(23 006 595)	(18 990 976)
Inventory losses: Water losses	7	(7 431 649)	(6 301 059)
Loss on disposal of assets	37	(3 360 063)	(10 486 669)
		(32 272 253)	(33 738 140)
Surplus for the year		410 691 641	263 102 507

* See Note 53

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Changes in Net Assets

Figures in Rand	Capital Replacement Reserve	Accumulated surplus	Total net assets
Opening balance as previously reported	259 260 281	2 484 960 586	2 744 220 867
Adjustments			
Correction of errors	-	(1 227 848)	(1 227 848)
Balance at 01 July 2023 as restated*	259 260 281	2 483 732 738	2 742 993 019
Changes in net assets			
Transfer to Capital Replacement Reserve	164 784 984	(164 784 984)	-
Property, plant and equipment purchased	(124 624 028)	124 624 028	-
Net income (losses) recognised directly in net assets	40 160 956	(40 160 956)	-
Surplus for the year	-	263 102 507	263 102 507
Total recognised income and expenses for the year	40 160 956	222 941 551	263 102 507
Total changes	40 160 956	222 941 551	263 102 507
Restated* Balance at 01 July 2024	299 421 237	2 706 674 291	3 006 095 528
Changes in net assets			
Transfer to Capital Replacement Reserve	139 738 646	(139 738 646)	-
Property, plant and equipment purchased	(79 764 994)	79 764 994	-
Net income (losses) recognised directly in net assets	59 973 652	(59 973 652)	-
Surplus for the year	-	410 691 641	410 691 641
Total recognised income and expenses for the year	59 973 652	350 717 989	410 691 641
Total changes	59 973 652	350 717 989	410 691 641
Balance at 30 June 2025	359 394 889	3 057 392 280	3 416 787 169
Note(s)	19	20	

Accumulated Surplus has been restated to correctly classify amounts held by the municipality. Refer to Note 53 "Restatement of prior year" for details of the restatements.

* See Note 53

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Cash flow statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from government grants and other grants		388 841 838	304 758 955
Interest income		67 107 181	55 994 685
Cash receipts from services and rate payers		966 671 926	797 478 558
		<u>1 422 620 945</u>	<u>1 158 232 198</u>
Payments			
Finance costs		(3 871 447)	(6 896 832)
Cash paid to suppliers and employees		(937 232 217)	(842 627 234)
		<u>(941 103 664)</u>	<u>(849 524 066)</u>
Net cash flows from operating activities	38	<u>481 517 281</u>	<u>308 708 132</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	38	(270 274 617)	(210 025 571)
Proceeds from sale of property, plant and equipment		1 213 622	1 828 939
Purchase of other intangible assets		(450 000)	-
Long-term Investment		-	(300 000 000)
Net cash flows from investing activities		<u>(269 510 995)</u>	<u>(508 196 632)</u>
Cash flows from financing activities			
Repayment of other financial liabilities		(5 477 653)	(52 037 024)
Net cash flows from financing activities		<u>(5 477 653)</u>	<u>(52 037 024)</u>
Net increase/(decrease) in cash and cash equivalents		<u>206 528 633</u>	<u>(251 525 524)</u>
Cash and cash equivalents at the beginning of the year		470 491 311	722 016 835
Cash and cash equivalents at the end of the year	2	<u>677 019 944</u>	<u>470 491 311</u>

* See Note 53

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

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

Figures in Rand

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Service charges - electricity revenue	472 747 422	-	472 747 422	516 000 743	43 253 321	
Service charges - water revenue	98 216 026	-	98 216 026	95 517 854	(2 698 172)	
Service charges - sanitation revenue	57 625 233	-	57 625 233	63 838 863	6 213 630	39.1
Service charges - refuse revenue	38 063 559	-	38 063 559	38 791 037	727 478	
Rendering of services	14 129 365	-	14 129 365	27 447 714	13 318 349	39.2
Rental from Fixed Assets	1 929 774	-	1 929 774	1 883 457	(46 317)	
Interest from Current and Non Current Assets	91 790 361	-	91 790 361	95 898 921	4 108 560	
Interest earned from receivables	4 114 765	-	4 114 765	4 078 102	(36 663)	
Agency services	6 787 076	-	6 787 076	5 658 345	(1 128 731)	39.3
Operational Revenue	9 640 358	-	9 640 358	12 085 148	2 444 790	39.4
Total revenue	795 043 939	-	795 043 939	861 200 184	66 156 245	

Revenue from non-exchange transactions

Taxation revenue

Property rates	201 371 451	-	201 371 451	200 765 307	(606 144)	
Licences and Permits (Non-exchange)	5 467 036	-	5 467 036	4 837 755	(629 281)	39.6
Interest	1 670 788	-	1 670 788	1 783 175	112 387	

Transfer revenue

Transfers & subsidies - Operational	188 763 654	-	188 763 654	169 670 270	(19 093 384)	39.2
Transfers & Subsidies - Capital Monetary allocations (National/Provincial and District)	247 277 010	-	247 277 010	232 035 118	(15 241 892)	
Fines Penalties & Forfeits	31 213 041	-	31 213 041	36 325 543	5 112 502	39.5
Operational revenue/Availability	11 323 645	-	11 323 645	11 580 602	256 957	
Gains	2 929 640	-	2 929 640	1 702 378	(1 227 262)	39.7

Total revenue from non-exchange transactions	690 016 265	-	690 016 265	658 700 148	(31 316 117)	
Total revenue	1 485 060 204	-	1 485 060 204	1 519 900 332	34 840 128	

Expenditure

Employee related costs	(344 723 149)	(27 367)	(344 750 516)	(339 021 425)	5 729 091	
Remuneration of councillors	(13 273 105)	3 000	(13 270 105)	(12 597 587)	672 518	
Depreciation and asset impairment	(125 315 806)	-	(125 315 806)	(103 496 742)	21 819 064	39.9
Finance charges	(10 568 552)	-	(10 568 552)	(9 902 725)	665 827	
Debt impairment	(12 021 217)	-	(12 021 217)	(22 561 953)	(10 540 736)	39.8
Irrecoverable debts written off	(43 829 132)	-	(43 829 132)	(19 366 692)	24 462 440	39.13
Bulk purchases - electricity	(405 920 257)	-	(405 920 257)	(410 594 639)	(4 674 382)	
Contracted services	(83 319 139)	(747 994)	(84 067 133)	(66 353 797)	17 713 336	39.11

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Transfers and subsidies	(4 263 764)	-	(4 263 764)	(3 486 341)	777 423	39.12
Inventory consumed	(67 887 507)	180 362	(67 707 145)	(57 826 218)	9 880 927	39.10
Operational costs	(65 346 300)	591 999	(64 754 301)	(47 569 353)	17 184 948	
Losses on Disposal of Assets	(22 792 634)	-	(22 792 634)	(3 360 063)	19 432 571	39.14
Losses	(11 710 215)	-	(11 710 215)	(13 071 159)	(1 360 944)	39.15
Total expenditure	(1 210 970 777)	-	(1 210 970 777)	(1 109 208 694)	101 762 083	
Actual Amount on Comparable Basis	274 089 427	-	274 089 427	410 691 638	136 602 211	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

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

Figures in Rand

Statement of Financial Position

Assets

Current Assets

Cash	529 629 071	-	529 629 071	677 019 913	147 390 842	39.21
Trade and other receivables from exchange transactions	104 984 234	-	104 984 234	111 498 475	6 514 241	
Receivables from non-exchange	45 794 022	-	45 794 022	42 452 589	(3 341 433)	
Current portion of long-term receivables	(287 217)	-	(287 217)	(268 134)	19 083	
Inventory	38 030 357	-	38 030 357	20 100 714	(17 929 643)	39.16
VAT	32 467 458	-	32 467 458	138 428 048	105 960 590	39.17
Other current assets	1 058 452	-	1 058 452	1 614 683	556 231	39.18
	751 676 377	-	751 676 377	990 846 288	239 169 911	

Non-Current Assets

Investment property	24 326 728	-	24 326 728	23 402 205	(924 523)	
Property, plant and equipment	2 499 280 232	-	2 499 280 232	2 517 760 672	18 480 440	
Intangible	378 256	-	378 256	847 752	469 496	39.20
Heritage assets	4 120 691	-	4 120 691	4 120 690	(1)	
Investments	333 119 014	-	333 119 014	366 329 014	33 210 000	39.19
	2 861 224 921	-	2 861 224 921	2 912 460 333	51 235 412	

Total Assets

3 612 901 298 - 3 612 901 298 3 903 306 621 290 405 323

Liabilities

Current Liabilities

Borrowing	6 044 339	-	6 044 339	6 044 339	-	
Consumer deposits	20 159 689	-	20 159 689	20 857 367	697 678	
Trade payables from exchange transactions	67 129 956	-	67 129 956	93 000 785	25 870 829	39.22
Trade and other payables from (non-exchange)	8 098 642	-	8 098 642	29 046 174	20 947 532	39.23
VAT	7 293 477	-	7 293 477	113 772 330	106 478 853	39.24
Provisions	23 387 559	-	23 387 559	24 379 956	992 397	
	132 113 662	-	132 113 662	287 100 951	154 987 289	

Non-Current Liabilities

Financial liabilities	27 313 899	-	27 313 899	27 291 960	(21 939)	
Provisions	76 738 557	-	76 738 557	81 973 552	5 234 995	
Other non-current liabilities	91 099 548	-	91 099 548	90 153 000	(946 548)	
	195 152 004	-	195 152 004	199 418 512	4 266 508	

Total Liabilities

327 265 666 - 327 265 666 486 519 463 159 253 797

Net Assets

3 285 635 632 - 3 285 635 632 3 416 787 158 131 151 526

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

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

Figures in Rand

Net Assets

Reserves

Reserves	370 346 331	-	370 346 331	359 394 889	(10 951 442)	
Accumulated surplus	2 915 289 301	-	2 915 289 301	3 057 392 269	142 102 968	
Total Net Assets	3 285 635 632	-	3 285 635 632	3 416 787 158	131 151 526	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Cash receipts from rate payers, government and other	1 127 388 437	-	1 127 388 437	966 671 926	(160 716 511)	39.25
Grants	414 696 127	-	414 696 127	388 841 838	(25 854 289)	
Interest	91 790 361	-	91 790 361	67 107 181	(24 683 180)	39.26
	1 633 874 925	-	1 633 874 925	1 422 620 945	(211 253 980)	
Payments						
Finance charges	(3 888 772)	-	(3 888 772)	(3 871 446)	17 326	
Cash paid to suppliers and employee	(1 197 175 018)	-	(1 197 175 018)	(938 429 896)	258 745 122	39.27
	(1 201 063 790)	-	(1 201 063 790)	(942 301 342)	258 762 448	
Net cash flows from operating activities	432 811 135	-	432 811 135	480 319 603	47 508 468	
Cash flows from investing activities						
Proceeds on disposal of property, plant and equipment	2 929 640	-	2 929 640	1 213 620	(1 716 020)	39.28
Capital assets (Payments)	(371 647 299)	-	(371 647 299)	(270 724 617)	100 922 682	39.29
Net cash flows from investing activities	(368 717 659)	-	(368 717 659)	(269 510 997)	99 206 662	
Cash flows from financing activities						
Repayment of borrowing	(5 455 716)	-	(5 455 716)	(5 477 652)	(21 936)	
Increase (decrease) in consumer deposits	500 000	-	500 000	1 197 678	697 678	39.30
Net cash flows from financing activities	(4 955 716)	-	(4 955 716)	(4 279 974)	675 742	
Net increase/(decrease) in cash and cash equivalents	59 137 760	-	59 137 760	206 528 632	147 390 872	
Cash and cash equivalents at the beginning of the year	470 491 311	-	470 491 311	470 491 311	-	
Cash and cash equivalents at the end of the year	529 629 071	-	529 629 071	677 019 943	147 390 872	

Budget variances are discussed in Note 39.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Accounting Policies

Figures in Rand	Note(s)	2025	2024
-----------------	---------	------	------

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 104: Financial Instruments (effective date 1 April 2025)
- 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 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 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.

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.

At this stage, management cannot determine the exact impact that the revised standard for Financial Instruments would entail. The major change in the standard is the application of expected credit losses in terms of revenue that will be reported. In terms of the revised standard, an estimation would need to be made as to which portion of revenue would not be collectable and this amount would reduce the revenue reported in Statement of Financial Performance. The amendments will therefore also affect the Receivables as well as Provision for Impairment and actual Bad Debts Written Off and Impairment Losses on Assets and Receivables as reported in the Statement of Financial Position and Statement of Financial Performance respectively. The Cashflow Statement and Statement of Net Assets as well as Budget Comparison Statements are expected to remain unaffected.

Financial instruments impairment under 104 (2019): given initial estimates no major changes in the recognition and classification of financial instruments are expected. Models have been run to compare the impairment under the previous standard compared to the new version of GRAP 104. Initial estimates resolve that a slightly higher impairment is likely given the incorporation of forecasted external indicators such as growth rates and inflation. These external factors were not included in the existing in the existing policy as per 1.5 and 1.6.

Accounting Policies

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 the preliminary budget for the ensuing years.

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.

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. 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%. This is considered the appropriate discount rate as it is market based.

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 Note 36 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 18 and 42. 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 post closure monitoring and inspection costs of landfill sites are regarded to not exist at the reporting date.

Accounting Policies

1.5 Significant judgements and sources of estimation uncertainty (continued)

Long-term employee 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 17 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 17 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.

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.

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.

Accounting Policies

1.6 Financial instruments (continued)

Classification

A Financial Asset is any asset that is cash, a contractual right to receive cash or another financial asset from another entity.

In accordance with GRAP 104 the Financial Assets and Financial Liabilities of the municipality are classified as follows into the three categories allowed by this standard:

- *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.

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 disclosed in Notes 47 and 48. 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 materiality. Where immaterial, 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	Category
Cash and cash equivalents (see exception below)	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transactions	Financial asset measured at amortised cost
Construction contracts and payables	Financial asset measured at amortised cost

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

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

Accounting Policies

1.6 Financial instruments (continued)

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.

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.

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

Accounting Policies

1.7 Statutory receivables (continued)

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 1.5) 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.

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). If variations doesn't result in cash flow & revenue.

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).

Accounting Policies

1.8 Construction contracts and payables (continued)

- 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).

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.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

Accounting Policies

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.

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 note to the AFS to permit comparison of our total VAT balance with that of the private sector. The VAT classification is as follows:

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Accounting Policies

1.11 Value-added Tax (VAT) (continued)

VAT Type	Description	Classification
VAT Control	Balance due by/(to) SARS	Statutory receivable or Payable (GRAP 19)
VAT Output Accrual	VAT accrued on outstanding debtors (only payable once the debtor pays its outstanding amounts)	Payable
VAT Input Accrual	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 (GRAP 19)
VAT on provision for impairment of bad debt (accrual)	VAT that could potentially be claimed if the debt is written off	Receivable (GRAP 19)

VAT accruals are estimated values of amounts that could fall due to SARS when debt is paid or written off. As the municipality does not have control over the timing and value of inflows, the accruals pertaining to debtors are subject to variability. Accruals pertaining to trade payables are likely to be converted to a statutory receivable (VAT Control) within 30 days of statement in terms of the municipal policies.

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 40).

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 up 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 comprises 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:

- Land held for long-term capital appreciation rather than for short-term sale in the ordinary course of operations which council intends to sell at a beneficial time in the future.
- Land held for a currently undetermined future use.
- A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases (market rental does not need to be charged).
- A building that is currently vacant but is held to be leased out under one or more operating leases on a commercial basis to external parties
- 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 held for sale in the ordinary course of operations or in the process of construction or development for such sale. This property is treated as inventory.
- Property being constructed or developed on behalf of the Provincial Government: Housing Department.
- Owner-occupied property which is defined as property which is held (by the owner or by the lessee under a finance lease) for use in the production or supply of goods or services or for administrative purposes as per definition criteria of GRAP 17 which includes all council buildings used for administration purposes
- Property occupied by employees such as housing for personnel (whether or not the employees pay rent at market rates) are also regarded to be owner-occupied property.
- 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.
- 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 40).

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 occasional (non-routine) 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 municipality's 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. Non-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 before 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. 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 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 service amount 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 permanent 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 non-routine 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.

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 it is probable 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.

Long-term employee

Long-term employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Long-term 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) as an expense.

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.

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 is due is fairly certain. Provisions are therefore subject to management estimates whereas payables are factual amounts due.

In contrast thereto, contingencies are those amounts 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 Municipality.
- 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 to the accumulated surplus..

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 right 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 could not be read monthly, provisional estimates of consumption, based on the consumption history, are made monthly. 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.

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.

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.

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, etc.) or tariffs approved by council (e.g. availability charges, etc.).

Accounting Policies

1.22 Revenue from non-exchange transactions (continued)

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 embedded in the fine issued, 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 these 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.

1.24 Borrowing costs

Borrowing costs are recognised as an expense in the period in which these are incurred.

1.25 Grants and subsidies paid

The municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the municipality does not:

- Receive any goods or services directly in return, as would be expected in a purchase of sale transaction;
- Expect to be repaid in future; or
- Expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period that the events given raise to the transfer occurred.

1.26 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.

The definition of "vote" for Swartland Municipality is set at the Functional area within the respective department based on the operating and capital budget as a combined total as per the MFMA. Functional areas can be identified based on the top level organogram of the municipality (available on the municipal website).

1.27 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.

1.28 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.

Accounting Policies

1.29 Internal reserves

1.30 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 (eg. Audit fees that are disclosed inclusive of VAT).

Accounting for water losses is discussed in the accounting policy for Inventory (1.9).

1.31 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 51 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

Accounting Policies

1.31 Service concession arrangements (continued)

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.

1.32 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).

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.

1.33 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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Accounting Policies

1.33 Segment reporting (continued)

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
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.

Accounting Policies

1.33 Segment reporting (continued)

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).

National Treasury has issued an instruction to municipalities to disclose the segment report in terms of the Government Finance Statistics embedded in MSCOA per the Municipal Budget and Reporting Regulations (MBRR). The disclosure has been provided in the notes as per NT's instruction. However, this information is not the primary information used by management to evaluate the performance of the municipality. The information is however useful to compare municipalities where a different organogram is in place.

1.34 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 persons designated by the Municipal Manager as persons having the authority and responsibility for planning, directing and controlling the activities of the reporting Municipality.

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.

1.35 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.

1.36 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 2024 to 30 June 2025. During January each year, following a review of the mid-year performance, the adjustment budget is approved by council. Such adjustment budget or similar subsequent adjustment budget is considered the final budget.

Accounting Policies

1.36 Budget information (continued)

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 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Petty cash advances	18 776	19 758
Bank balances	677 001 168	470 471 553
	677 019 944	470 491 311

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 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
Standard Bank of South Africa Limited 372865100	673 703 697	466 445 064	719 086 786	677 001 168	470 471 553	721 999 911
Municipal Traffic Account 372865178	146 467	(17)	190 653	-	-	-
OTM Account 372865119	32 129	4 873	8 568	-	-	-
TMT Fines Account 372865127	11 345	196 939	(251)	-	-	-
ACB 372865151	-	(38)	(38)	-	-	-
Sundries 372865143	-	3 584	-	-	-	-
Total	673 893 638	466 650 405	719 285 718	677 001 168	470 471 553	721 999 911

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 (refer note 15).

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.

The increase in Cash and cash equivalents is due to significant underspending of the operational and capital budget as per the budget comparison statement (refer cash flow statement comparison).

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 359 394 889 (2024: R 299 421 237) are attributable to the capital replacement reserve (Refer to Note 19).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
3. Receivables from exchange transactions		
Prepaid expenses	4 054 345	4 082 895
Electricity	70 076 108	62 045 146
Water	19 928 364	23 705 770
Sewerage	8 485 295	7 240 514
Refuse Removal	6 804 025	5 705 732
Housing rentals / instalments	117 534	96 136
Other	12 290 461	16 229 586
	121 756 132	119 105 779

30 June 2025	Gross Balances	Collective Allowance for Impairment	Net Balances
Service Receivables			
Electricity	71 034 590	(958 482)	70 076 108
Water	29 157 693	(9 229 329)	19 928 364
Sewerage	12 321 895	(3 836 600)	8 485 295
Refuse Removal	10 396 956	(3 592 931)	6 804 025
Subtotal	122 911 134	(17 617 342)	105 293 792
Other Receivables			
Housing rentals / instalments	133 055	(15 521)	117 534
Other	13 781 470	(1 491 009)	12 290 461
Prepaid expenses	4 054 345	-	4 054 345
	140 880 004	(19 123 872)	121 756 132

30 June 2024	Gross Balances	Collective Allowance for Impairment	Net Balances
Service Receivables			
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
	135 074 909	(15 969 130)	119 105 779

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.

The norm for debtors days, due to billing in arrears and 30 day payment terms, is therefore 60 days or less.

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 51). For 30 June 2025, there was a surplus of R 7 170 886 (2024: R 6 414 180) this is a debtor which needs to be paid by WCDM. Furthermore, a deposit of R5 500 000 to purchase land is held at an attorney as at 30 June 2024 (2025: R -).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

3. Receivables from exchange transactions (continued)

Of the exchange receivables balance at the end of the year, R 4 768 151 (2024: R 4 180 682) (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 months past due are not considered to be impaired. At 30 June 2025, 21 671 079 (2024: 18 088 527) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

31 - 60 Days	10 675 801	8 958 020
61 - 90 Days	2 287 298	1 999 523
91 - 120 Days	1 816 917	1 502 937
121 - 365 days	6 891 063	5 628 047
	21 671 079	18 088 527

Reconciliation of bad debts written-off: Exchange Transactions

Electricity	376 780	267 311
Refuse Removal	1 239 653	1 052 615
Sewerage	1 612 713	1 459 800
Water	8 765 803	7 912 438
Housing	45 124	28 596
Other Debtors	306 765	274 163
	12 346 838	10 994 923

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 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

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	2025 Expense	2025 VAT	2025 Total Changes	2024 Expense	2024 VAT	2024 Total Changes
Opening Balance	-	-	15 969 127	-	-	11 896 680
Electricity	74 440	11 166	85 606	386 919	58 038	444 957
Refuse Removal	466 425	69 966	536 391	651 455	97 717	749 172
Sewerage	239 787	35 968	275 755	868 948	130 348	999 296
Water	1 727 781	259 169	1 986 950	1 280 678	192 103	1 472 781
Subtotal	2 508 433	376 269	18 853 829	3 188 000	478 206	15 562 886
Housing	7 339	1 101	8 440	2 164	324	2 488
Other Debtors	228 457	33 143	261 600	351 089	52 664	403 753
	2 744 229	410 513	19 123 869	3 541 253	531 194	15 969 127

4. Receivables from non-exchange transactions

Availability charges	2 941 577	2 735 077
Property Rates	27 080 720	21 959 870
Sundry debtors	468 979	1 132 414
Traffic fines - TMT	13 356 956	8 464 919
	43 848 232	34 292 280

30 June 2025

	Gross Balances	Collective Allowance for Impairment	Net Balances
Property Rates	34 591 464	(7 510 744)	27 080 720
Sundry Debtors	468 979	-	468 979
Traffic Fines	65 155 885	(51 798 929)	13 356 956
Availability charges	5 707 788	(2 766 211)	2 941 577
	105 924 116	(62 075 884)	43 848 232

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

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 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
4. Receivables from non-exchange transactions (continued)		
In contrast to prior years, management has increased efforts to minimise fines being written off. Consequently, the gross balance and impairment at year end increased as the payment ratio for fines remained stable from prior years.		
Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Property Rates	27 080 720	21 959 870
Sundry debtors	468 979	1 132 414
Traffic Fines - TMT	13 356 956	8 464 919
	40 906 655	31 557 203
Financial instruments from Receivables from non-exchange transactions above (Availability charges)	2 941 577	2 735 077
Total receivables from non-exchange transactions	43 848 232	34 292 280

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 Contol	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	2 223 748	1 974 074
---	-----------	-----------

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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

4. Receivables from non-exchange transactions (continued)

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 2025, R26 170 305 (2024: 19 100 544) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2025 Past Due	2024 Past Due	2025 Impaired	2024 Impaired	2025 Past due not impaired	2024 Past due not impaired
31 - 60 Days	5 214 877	5 129 886	-	-	5 214 877	5 129 886
61 - 90 Days	2 924 388	2 096 668	-	-	2 924 388	2 096 668
91 - 120 Days	3 694 568	1 842 387	-	-	3 694 568	1 842 387
121 - 365 days	26 641 684	28 888 798	(12 305 212)	(18 857 195)	14 336 472	10 031 603
> 365 days	49 770 672	23 357 046	(49 770 672)	(23 357 046)	-	-
	88 246 189	61 314 785	(62 075 884)	(42 214 241)	26 170 305	19 100 544

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	2 062 953	1 005 910
Traffic Fines	4 728 921	22 408 685
Availability charges	227 980	295 514
	7 019 854	23 710 109

Reconciliation of changes in Allowance Account	2025 Expense	2025 VAT	2025 Total Changes	2024 Expense	2024 VAT	2024 Total Changes
Opening Balance	-	-	42 214 241	-	-	35 290 310
Rates	1 042 521	-	1 042 521	857 239	-	857 239
Traffic Fines	18 482 412	-	18 482 412	5 738 170	-	5 738 170
Availability charges	292 792	43 918	336 710	285 670	42 852	328 522
	19 817 725	43 918	62 075 884	6 881 079	42 852	42 214 241
	19 817 725	43 918	62 075 884	6 881 079	42 852	42 214 241

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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

4. Receivables from non-exchange transactions (continued)

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.

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 Allowance for impairment on Other Debtors (eg. loans and receivables and availability charges) 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 recivables	12 346 838	10 994 923
Consumer debtors	12 346 838	10 994 923
Non-exchange receivables	7 019 854	23 710 109
Property rates	2 062 953	1 005 910
Availability charges	227 980	295 514
Traffic fines	4 728 921	22 408 685
Total bad debts for the year	19 366 692	34 705 032

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
5. Consumer debtors disclosure		
Gross balances		
Property Rates	34 591 464	28 428 093
Electricity	71 034 590	62 918 023
Water	29 157 693	30 948 149
Sewerage	12 321 895	10 801 359
Refuse Removal	10 396 956	8 762 272
Housing rentals / instalments	133 055	103 217
Other	13 781 470	17 458 994
Payments made in advance	4 054 345	4 082 895
Sundry Debtors *	468 979	1 132 414
Traffic Fines - TMT *	65 155 885	41 781 436
Availability charges *	5 707 788	5 164 577
	246 804 120	211 581 429
Less: Allowance for impairment		
Property Rates	(7 510 744)	(6 468 223)
Electricity	(958 482)	(872 877)
Water	(9 229 329)	(7 242 379)
Sewerage	(3 836 600)	(3 560 845)
Refuse Removal	(3 592 931)	(3 056 540)
Housing rentals / instalments	(15 521)	(7 081)
Other	(1 491 009)	(1 229 408)
Traffic Fines - TMT *	(51 798 929)	(33 316 517)
Availability charges *	(2 766 211)	(2 429 500)
	(81 199 756)	(58 183 370)
Net balance		
Property Rates	27 080 720	21 959 870
Electricity	70 076 108	62 045 146
Water	19 928 364	23 705 770
Sewerage	8 485 295	7 240 514
Refuse Removal	6 804 025	5 705 732
Housing rentals / instalments	117 534	96 136
Other	12 290 461	16 229 586
Payments made in advance	4 054 345	4 082 895
Sundry Debtors *	468 979	1 132 414
Traffic Fines - TMT *	13 356 956	8 464 919
Availability charges	2 941 577	2 735 077
	165 604 364	153 398 059
Rates		
Current (0 -30 days)	16 151 454	12 468 539
31 - 60 days	2 480 684	1 979 669
61 - 90 days	397 947	283 808
91 - 120 days	181 459	153 264
121 - 365 days	7 584 785	6 706 779
> 365 days	7 795 135	6 836 034
Less: Allowance for impairment	(7 510 744)	(6 468 223)
	27 080 720	21 959 870

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
5. Consumer debtors disclosure (continued)		
Electricity		
Current (0 -30 days)	64 755 340	57 729 811
31 - 60 days	4 244 052	3 765 751
61 - 90 days	177 767	112 015
91 - 120 days	65 923	91 367
121 - 365 days	395 473	439 408
> 365 days	1 396 035	779 671
Less: Allowance for impairment	(958 482)	(872 877)
	70 076 108	62 045 146
Water		
Current (0 -30 days)	12 620 100	17 252 494
31 - 60 days	3 259 638	2 532 179
61 - 90 days	1 194 400	1 127 809
91 - 120 days	990 861	765 484
121 - 365 days	5 296 484	4 552 187
> 365 days	5 796 210	4 717 996
Less: Allowance for impairment	(9 229 329)	(7 242 379)
	19 928 364	23 705 770
Sewerage		
Current (0 -30 days)	4 353 282	4 038 994
31 - 60 days	1 605 464	1 332 742
61 - 90 days	450 015	368 556
91 - 120 days	367 824	313 375
121 - 365 days	3 059 504	3 065 522
> 365 days	2 485 806	1 682 170
Less: Allowance for impairment	(3 836 600)	(3 560 845)
	8 485 295	7 240 514
Refuse		
Current (0 -30 days)	3 517 670	3 149 313
31 - 60 days	1 236 343	978 348
61 - 90 days	370 328	297 036
91 - 120 days	317 337	256 034
121 - 365 days	2 541 130	2 318 346
> 365 days	2 414 148	1 763 195
Less: Allowance for impairment	(3 592 931)	(3 056 540)
	6 804 025	5 705 732
Housing		
Current (0 -30 days)	60 777	35 099
31 - 60 days	23 550	20 688
61 - 90 days	3 473	4 304
91 - 120 days	2 276	1 962
121 - 365 days	19 692	18 245
> 365 days	23 287	22 919
Less: Allowance for impairment	(15 521)	(7 081)
	117 534	96 136

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
5. Consumer debtors disclosure (continued)		
Other Exchange Debtors*		
Current (0 -30 days)	14 777 886	18 811 540
31 - 60 days	306 755	328 312
61 - 90 days	91 314	89 802
91 - 120 days	72 696	74 716
121 - 365 days	975 898	1 088 586
> 365 days	1 611 266	1 148 933
Less: Allowance for impairment	(1 491 009)	(1 229 408)
	16 344 806	20 312 481
Other Non-exchange Debtors		
Current (0 -30 days)	1 526 472	2 723 195
31 - 60 days	2 734 192	3 150 217
61 - 90 days	2 526 442	1 812 860
91 - 120 days	3 513 109	1 689 123
121 - 365 days	19 056 899	22 182 020
> 365 days	41 975 538	16 521 011
Less: Allowance for impairment	(54 565 140)	(35 746 017)
	16 767 512	12 332 409
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	72 361 518	73 594 313
31 - 60 days	12 952 245	11 167 780
61 - 90 days	4 859 755	3 959 041
91 - 120 days	5 409 282	3 258 287
121 - 365 days	36 901 913	37 690 667
> 365 days	60 925 420	31 707 580
Subtotal	193 410 133	161 377 668
Less: Allowance for impairment	(50 082 679)	(56 779 899)
	143 327 454	104 597 769
Industrial/ commercial		
Current (0 -30 days)	36 173 476	28 590 167
31 - 60 days	2 534 838	2 796 347
61 - 90 days	229 880	95 759
91 - 120 days	56 734	53 936
121 - 365 days	750 825	836 006
> 365 days	972 154	1 018 720
Subtotal	40 717 907	33 390 935
Less: Allowance for impairment	(756 781)	(1 403 471)
	39 961 126	31 987 464
National and provincial government		
Current (0 -30 days)	9 227 985	13 252 388
31 - 60 days	403 594	123 779
61 - 90 days	122 051	41 392
91 - 120 days	45 470	33 102
121 - 365 days	1 277 126	1 844 419
> 365 days	1 599 851	1 517 747
	12 676 077	16 812 827

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
5. Consumer debtors disclosure (continued)		
Total		
Current (0 -30 days)	117 762 979	115 436 868
31 - 60 days	15 890 677	14 087 906
61 - 90 days	5 211 686	4 096 191
91 - 120 days	5 511 486	3 345 325
121 - 365 days	38 929 864	40 371 092
> 365 days	63 497 426	34 244 047
Subtotal	246 804 118	211 581 429
Less: Allowance for impairment	(50 839 460)	(58 183 370)
	195 964 658	153 398 059

6. Construction contracts and payables

Contracts in progress at statement of financial position date

Construction contracts and receivables/(payables)	(7 342 180)	-
Reconciliation of construction contracts balance		
Opening Balance	-	(79 520)
Receipts for the year	(7 342 180)	-
Deliverables met (Revenue recognised)	-	79 520
	(7 342 180)	-

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 26.

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 2025	Darling	Sibanye
Opening Balance (due to)/from customers	(2 509 895)	(4 832 285)
	(2 509 895)	(4 832 285)

30 June 2024	De Hoop
Opening Balance (due to)/from customers	(79 520)
Transfer from Assets	79 520
	-

7. Inventories

Consumable stores	12 784 421	14 442 840
Stationery	362 851	285 671
Unsold properties held for resale	6 644 180	6 514 309
Water	309 258	359 803
	20 100 710	21 602 623

The cost of water purchases is subject to the water service concession arrangement (refer to Note 51). The adjusted cost per kilolitre for the year amounted to R6.19 (2024: R 5.87).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
7. Inventories (continued)		
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 35).		
Water for distribution		
Opening balance	359 803	382 269
System input volume	37 798 824	33 540 669
Authorised consumption	(30 417 720)	(27 262 076)
Water losses	(7 431 649)	(6 301 059)
Closing balance	309 258	359 803

8. VAT receivable

VAT balances per classification

VAT Control (8.2)	11 903 400	9 006 270
VAT accrual receivables - VAT input (8.1)	24 482 884	24 278 115
VAT accrual payables (8.3)	(11 730 567)	(9 429 791)
Vat Output	(14 635 694)	(11 880 486)
VAT on provision for bad debts	2 905 127	2 450 695
Total for VAT balances (Indirect taxes)	24 655 717	23 854 594

For statutory receivable information regarding VAT refer to Note 4.

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 can be claimed once the debt is written off.

For the restatement of comparative figures refer to Note 53.

9. 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 51.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

10. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	95 101 873	(14 375 756)	80 726 117	95 603 810	(14 402 501)	81 201 309
Movable assets	162 951 986	(75 623 591)	87 328 395	151 561 168	(70 707 816)	80 853 352
Infrastructure	4 255 548 488	(2 072 961 674)	2 182 586 814	3 998 090 135	(1 993 101 714)	2 004 988 421
Community	295 157 425	(164 138 685)	131 018 740	269 318 952	(152 625 113)	116 693 839
Other assets	158 840 602	(122 739 999)	36 100 603	158 001 698	(120 897 824)	37 103 874
Total	4 967 600 374	(2 449 839 705)	2 517 760 669	4 672 575 763	(2 351 734 968)	2 320 840 795

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Transfers received	Depreciation	Impairment loss	Total
Land	81 201 309	31 000	(4 627)	(382 565)	-	(119 000)	80 726 117
Movable assets	80 853 352	16 105 746	(841 681)	-	(8 789 022)	-	87 328 395
Infrastructure	2 004 988 421	265 731 896	(2 587 174)	(40 813)	(85 179 874)	(325 642)	2 182 586 814
Community	116 693 839	19 560 017	(14 278)	1 656 011	(6 876 849)	-	131 018 740
Other assets	37 103 874	838 904	-	-	(1 842 175)	-	36 100 603
	2 320 840 795	302 267 563	(3 447 760)	1 232 633	(102 687 920)	(444 642)	2 517 760 669

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

10. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers	Other changes, movements	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	17 843 944	(2 351 103)	-	-	(8 691 424)	-	80 853 352
Infrastructure	1 910 769 174	190 964 886	(6 278 168)	164 967	(6 395 117)	(85 055 234)	817 913	2 004 988 421
Community	100 918 385	24 546 307	(59 656)	2 222 572	-	(7 076 374)	(3 857 395)	116 693 839
Other assets	42 658 472	3 924 467	-	(7 504 619)	-	(1 962 894)	(11 552)	37 103 874
	2 215 749 938	238 109 604	(10 150 967)	(5 067 853)	(6 395 117)	(102 785 926)	(8 618 884)	2 320 840 795

Reconciliation of Work-in-Progress 2025

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Opening balance	120 714 502	17 979 137	3 869 031	142 562 670
Additions/capital expenditure	258 943 410	20 324 255	18 900 401	298 168 066
Transferred to completed items	(256 766 490)	(36 900 939)	(22 175 287)	(315 842 716)
	122 891 422	1 402 453	594 145	124 888 020

Reconciliation of Work-in-Progress 2024

	Included within Infrastructure	Included within Community	Included within Other PPE	Total
Opening balance	227 756 117	864 960	506 922	229 127 999
Additions/capital expenditure	157 263 574	19 775 310	3 759 989	180 798 873
Transferred to completed items	(264 305 189)	(2 661 133)	(397 880)	(267 364 202)
	120 714 502	17 979 137	3 869 031	142 562 670

The description: Other Assets relates to the traditional line for Buildings.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025

2024

10. 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 356 732 (2024: R 138 750), 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 36, Impairment losses on Property, Plant and Equipment to the amount of R 444 642 (2024: R 8 618 884) 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 40.

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 51.

Contractual commitments for the acquisition of Property, plant and equipment are disclosed in Note 41.

For the reclassification between infrastructure and other assets refer to Note 53.

For more detail on property, plant and equipment refer to the table below for movable assets as well as Appendix B.

Class, Sub-class	Cost				Accumulated Depreciation and Impairment					Book Value
	Opening balance	Additions	Disposals	Closing balance	Opening balance	Depreciation	Impairment	Disposals	Closing balance	
Computer Equipment	17 911 316	1 193 139	1 039 903	18 064 551	12 252 826	1 741 300	-	1 028 399	12 965 726	5 098 825
Furniture and Office Equi	11 602 661	1 191 916	713 964	12 080 614	8 078 331	739 805	-	686 118	8 132 018	3 948 596
Machinery and Equipmen	38 749 207	3 593 261	1 279 554	41 062 913	22 077 148	2 565 474	-	1 126 865	23 515 757	17 547 156
Transport Assets	83 297 985	10 127 430	1 681 508	91 743 907	28 299 511	3 742 444	-	1 031 866	31 010 089	60 733 818
Total	151 561 169	16 105 745	4 714 929	162 951 985	70 707 816	8 789 023	-	3 873 248	75 623 591	87 328 395

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

11. Investment property

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	49 072 201	(25 669 997)	23 402 204	54 941 609	(30 000 966)	24 940 643

Reconciliation of investment property - 2025

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Investment property	24 940 643	56 472	(62 675)	(1 273 447)	(258 789)	23 402 204

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

The municipality's Investment Properties are accounted for according to the cost model and therefore no fair value has been determined.

As per Note 36, impairment losses to the value of R - (2024: R 625) 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 40.

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

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
12. Other financial assets		
At amortised cost		
Long term investment	366 329 014	333 119 014
The investment held with ABSA Bank will mature on 29 June 2026 and accumulates interest at an effective rate of 11.07%. Interest is payable at maturity. Also refer note 53.		
Non-current assets		
At amortised cost	-	333 119 014
Current assets		
At amortised cost	366 329 014	-
13. Payables from exchange transactions		
Trade payables	46 388 409	38 033 039
Payments received in advanced	2 860 371	2 643 045
Retentions	16 591 141	12 844 892
Other payables	16 815 970	13 281 453
Staff leave	19 019 582	19 246 174
Other deposits	1 313 038	1 283 192
13th cheque accrual	8 434 464	7 769 151
	111 422 975	95 100 946

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.

14. Consumer deposits

Electricity and Water	20 857 367	19 659 688
-----------------------	------------	------------

Guarantees amounting to R 2 485 074 (2024: 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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
15. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Community Development Workers	4 012	1 311
Thusong Centre: Refurbishment	15 437	-
Covid-19 - Food Parcels and Financial Support	-	75 000
Municipal Disaster Response Grant: General	-	350 000
Emergency Fire Kits	2 037	2 120
Fire Damaged Houses	760 922	-
WC Financial Management Capability Grant: Internal Audit	-	418 031
WC Financial Management Capability Grant: Student Bursaries	-	176 807
WC Department of Education - Schools Allocation	308 354	23 000 000
Housing: Darling	-	447 179
Housing: Malmesbury De Hoop	-	363 379
Municipal Disaster Response Grant: Riverlands	7 443 610	-
Education, Training and Development Practices (Seta)	399 067	-
Municipal Accreditation and Capacity Building	83 096	89 089
Sport Development	1 566	-
Swartland Business Hive (Entrepreneurial Hub)	9 500	40 000
International Youth Camp	187 098	-
Housing Project - Silvertown	12 489 296	5 500 000
Contribution: Grade 1 project	-	31 000
	21 703 995	30 493 916

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.

Included above are funds received from private institutions such as, WC Department of Education, which are not unspent grants, but rather unspent in terms of the agreement with such funder.

See Note 26 for reconciliation of grants by other spheres of government and for Public Contributions (Other Receipts).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

16. Other financial liabilities

At amortised cost

Annuity loans	33 336 301	38 813 954
---------------	------------	------------

Summary of arrangements

Annuity Loans are repaid over periods varying from ten to twenty years (2024: ten to twenty years), and at interest rates varying from 8.61% to 10.96% (2024: 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	27 291 962	33 358 238
-------------------	------------	------------

Current liabilities

At amortised cost	6 044 339	5 455 716
-------------------	-----------	-----------

17. Long-term Employee Benefits

The amounts recognised in the statement of financial position are as follows:

Carrying value

	95 054 000	81 423 000
Long Term: Post-Employment Health Care Benefit Liability	90 153 000	76 928 000
Current Portion: Post-Employment Health Care Benefit Liability	4 901 000	4 495 000
	15 928 000	14 857 000
Long Term: Long Service Awards	14 081 000	12 747 000
Current portion: Long Service Awards	1 847 000	2 110 000
	110 982 000	96 280 000
Non-current liabilities	104 234 000	89 675 000
Current liabilities	6 748 000	6 605 000
	110 982 000	96 280 000

Post-Employment Health Care Benefit Liability

The Municipality provides certain post-retirement medical benefits by funding the medical aid contributions of qualifying 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 2025 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	337	341
In-service (non)-members	305	306
Continuation members	80	72
	722	719

The municipality estimates that 10% (2024: 10%) of employees currently not in a position to afford medical aid, may be able to join a scheme before retirement. The potential joining rate was determined based on municipal history in conjunction with national data reviewed by the actuaries.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
17. Long-term Employee Benefits (continued)		
Employees appointed before 1 April 2025 will receive a post-employment subsidy of 70% of the contribution payable should they be a member of a medical scheme at retirement, subject to at least ten years of service.		
The liability in respect of past service has been estimated to be as follows:		
In-service members	37 829 000	35 016 000
In-service (non)-members	3 943 000	3 289 000
Continuation members	53 282 000	43 118 000
	95 054 000	81 423 000

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 3 247 000 , whereas the interest-cost for the next year is estimated to be R 10 272 000 (2024: R 2 753 000 and R 9 667 000 respectively).

Key risks pertaining to the defined benefit plan:

- **Inflation:** The risk that future CPI inflation and medical aid contribution inflation are higher than assumed and present in an uncontrolled manner.
- **Longevity:** The risk that eligible individuals live longer than assumed i.e. their benefits are payable for longer than expected.
- **Volatility of open-ended, long-term Defined benefit obligation:** The risk that the defined benefit obligation may be volatile which is exacerbated by its long-term nature.
- **Enforcement of eligibility criteria and rules:** The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.
- **Future changes in legislation:** The risk that changes to legislation with respect to the post-employment medical aid benefit, including tax legislation, may increase the defined benefit obligation for the Municipality.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

17. Long-term Employee Benefits (continued)

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	81 423 000	74 582 000
Benefits paid	(4 428 510)	(3 814 543)
Net expense recognised in the statement of financial performance	18 059 510	10 655 543
	95 054 000	81 423 000

Net expense recognised in the statement of financial performance

Current service cost	2 753 000	2 548 000
Interest cost	9 667 000	9 051 000
Actuarial (gains) losses	5 639 510	(943 457)
	18 059 510	10 655 543

Calculation of actuarial gains and losses

Financial Assumptions

Basis changes: Decrease / (increase) in net discount rate	1 959 000	(1 323 000)
Subsidy inflationary increases higher than assumed	2 034 000	343 000
Actual benefits vested, lower/greater than expected	(66 490)	62 543

Demographic assumptions

Changes to membership profile different from assumed	1 713 000	(26 000)
	5 639 510	(943 457)

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	11.1 %	12.2 %
Expected rate of health care cost inflation rate	6.8 %	7.7 %
Net effective discount rate	4.0 %	4.2 %
Expected CPI inflation rate	5.0 %	6.2 %
Average retirement age	62	62

Reasons for the Movement in the Liability:

The average in-service member liability has increased by 9% 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
- an increase in the average past service
- an increase in the average post-employment subsidy and
- a decrease in the net discount rate

The total in-service non-member liability has increased by 20% due to similar reasons as those described for in-service members, and because there was virtually no change to the number of in-service non-members since the last valuation.

The total continuation member liability has increased by 24% due to an increase in the average subsidy, a decrease in the average age and discount rate, 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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand 2025 2024

17. Long-term Employee Benefits (continued)

	Changes in overall assumptions	One percentage point increase	One percentage point decrease
30 June 2025			
Key assumptions			
Effect on the aggregate of the service cost and interest cost	12 420 000	-	-
Effect on defined benefit obligation	95 054 000	-	-
Health care inflation rate			
Effect on the aggregate of the service cost and interest cost	-	14 400 000	10 814 000
Effect on defined benefit obligation	-	108 329 000	84 111 000
Discount rate			
Effect on the aggregate of the service cost and interest cost	-	11 609 000	13 403 000
Effect on defined benefit obligation	-	84 582 000	107 890 000
Post-employment mortality			
Effect on the aggregate of the service cost and interest cost	-	12 074 000	12 765 000
Effect on defined benefit obligation	-	92 348 000	97 747 000
Average retirement age (1 year later)			
Effect on the aggregate of the service cost and interest cost	13 091 000	-	-
Effect on defined benefit obligation	99 414 000	-	-
Membership continuation (10% longer)			
Effect on the aggregate of the service cost and interest cost	11 435 000	-	-
Effect on defined benefit obligation	89 485 000	-	-

Maturity analysis of the Post-employment medical aid subsidy:

	2025
Within 1 year	5 167 000
Within 2-5 years	25 514 000
Within 6-10 years	47 720 000
Within 11-20 years	187 569 000
Within 11-20 years	819 894 000
Beyond 40 years	942 237 000

The municipality expects to make a contribution of R 5 167 000 (2024: R 4 495 000) to the defined benefit plans during the next financial year.

Refer to Note 52 "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 2025 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 2025 by JC Weiss from 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 95, (2024: 62) employees received Long-service Awards.

Eligible employees at the beginning of the year	647	641
New entrants	9	12
Members that exited	(4)	(6)

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
17. Long-term Employee Benefits (continued)		
Eligible employees at the end of the year	652	647

The future service cost for the ensuing year is established to be R 1 257 000 whereas the interest-cost for the next year is estimated to be R 1 496 000 (2024: R 1 183 000 and R 1 561 000 respectively).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

17. Long-term Employee Benefits (continued)

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	14 857 000	13 308 000
Benefits paid	(2 440 969)	(1 203 946)
Net expense recognised in the statement of financial performance	3 511 969	2 752 946
	15 928 000	14 857 000

Net expense recognised in the statement of financial performance

Current service cost	1 183 000	1 112 000
Interest cost	1 561 000	1 459 000
Actuarial (gains) losses	767 969	181 946
	3 511 969	2 752 946

Calculation of actuarial gains and losses

Financial assumptions

Basis changes: Increase in net discount rate	(85 000)	(79 000)
--	----------	----------

Experience:

Earnings increases higher than assumed	84 000	120 000
Changes to employee profile different from assumed	438 000	101 000
Actual benefits vesting, greater than expected	330 969	39 943
	767 969	181 943

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	10.0 %	11.3 %
Expected rate of salary increases	5.0 %	6.4 %
Net effective discount rate	4.8 %	4.6 %
Average retirement age	62	62

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

17. Long-term Employee Benefits (continued)

Sensitivity analysis and movement for the year

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:

	One percentage point decrease	One percentage point increase	One percentage point decrease
30 June 2025			
Key Assumptions			
Effect on the aggregate of the service cost and interest cost	2 744 000	-	-
Effect on defined benefit obligation	15 928 000	-	-
General earnings Inflation rate			
Effect on the aggregate of the service cost and interest cost	-	2 937 000	2 570 000
Effect on defined benefit obligation	-	16 867 000	15 074 000
Discount rate	-		
Effect on the aggregate of the service cost and interest cost	-	2 709 000	2 782 000
Effect on defined benefit obligation	-	15 058 000	16 899 000
Average retirement age (2 years later)	-		
Effect on the aggregate of the service cost and interest cost	-	3 104 000	2 310 000
Effect on defined benefit obligation	-	18 183 000	13 309 000
Rates of termination of service (x two)	-		
Effect on the aggregate of the service cost and interest cost	-	2 167 000	3 160 000
Effect on defined benefit obligation	-	13 313 000	17 718 000

Maturity analysis of the Long service award (expected benefits vesting):

	2025
Within 1 year	1 977 000
Within 2-5 years	9 812 000
Within 6-10 years	14 089 000
Within 11-20 years	28 001 000
Within 21-40 years	24 055 000

The municipality expects the benefits to vest in the ensuing year of R 1 977 000 (2024: R 2 110 000).

18. Provisions

Reconciliation of provisions - 2025

	Opening Balance	Additions / (Reversal) during the year	Change in discount factor	Total
Landfill Site	57 311 777	4 549 496	6 031 279	67 892 552
SARS Library Grant	8 780 333	(144 419)	561 578	9 197 492
	66 092 110	4 405 077	6 592 857	77 090 044

Reconciliation of provisions - 2024

	Opening Balance	Additions / (Reversal) during the year	Change in discount factor	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

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
18. Provisions (continued)		
Non-current liabilities	67 892 552	57 311 777
Current liabilities	9 197 492	8 780 333
	77 090 044	66 092 110

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

18. Provisions (continued)

Legal Proceedings:

SARS Library Grant

For more information on the matter refer to Note 42.

Environmental rehabilitation provision

In terms of the licencing of the landfill refuse sites, the municipality will incur licensing and rehabilitation costs of R67 892 552 (2024: R57 311 776) 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 2025	Proposed Rehabilitation Date	Size (Square Meters)	Current Costs per Square	2025 Provision	2024 Provision
Darling	2039/2040	32 717	1 054	15 237 560	12 185 533
Highlands	2036/2037	96 456	208	10 757 623	8 499 413
Koringberg	2028/2029	4 500	1 925	7 646 194	6 878 396
Moorreesburg	2034/2035	28 100	821	14 351 486	12 254 779
Riebeek Kasteel	2031/2032	22 118	949	15 945 876	13 999 702
Yzerfontein	2032/2033	27 400	202	3 953 813	3 493 953
		211 291	5 159	67 892 552	57 311 776

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 2025	Years until rehabilitation 2024	Discount rate 2025	Discount rate 2024
Darling	15	16	10.72 %	11.70 %
Highlands	12	14	10.46 %	11.36 %
Koringberg	4	5	8.17 %	8.94 %
Moorreesburg	10	11	9.95 %	10.61 %
Riebeek Kasteel	7	8	9.05 %	9.71 %
Yzerfontein	8	9	9.35 %	9.96 %

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand 2025 2024

18. Provisions (continued)

Sites	Size 2025 (Square Meters)	Size 2024 (Square Meters)	Rate per Square Meter 2025	Rate per Square Meter 2024	% Change in rate/square meter
Darling	32 717	32 717	1 054	998	5.67 %
Highlands	96 456	96 456	208	200	4.27 %
Koringberg	4 500	4 500	1 925	1 835	4.90 %
Moorreesburg	28 100	28 100	821	771	6.54 %
Riebeek Kasteel	22 118	22 118	949	897	5.82 %
Yzerfontein	27 400	27 400	202	193	4.81 %
	211 291	211 291	5 159	4 894	-

Sites	Opening Balance	Interest Expense	Market related adjustments (capitalised)	Total
Darling	12 185 533	1 475 235	1 576 792	15 237 560
Highlands	8 499 413	1 018 251	1 239 960	10 757 624
Koringberg	6 878 396	577 821	189 977	7 646 194
Moorreesburg	12 254 779	1 298 747	797 959	14 351 485
Riebeek Kasteel	13 999 702	1 323 179	622 995	15 945 876
Yzerfontein	3 493 953	338 045	121 815	3 953 813
	57 311 776	6 031 278	4 549 498	67 892 552

19. 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	299 421 237	259 260 281
Contribution from accumulated surplus	134 593 980	123 017 635
Capital contributions received	5 144 665	41 767 349
Funding capital projects	(79 764 993)	(124 624 028)
	359 394 889	299 421 237

20. Accumulated surplus

Accumulated surplus generated from operations	3 057 392 280	2 706 674 289
---	----------------------	----------------------

Accumulated Surplus has been restated to correctly classify amounts held by the municipality. Refer to Note 53 "Correction of Error" for details of the restatements.

21. Service charges

Sale of electricity	516 000 743	443 249 370
Sale of water	95 517 854	92 981 779
Sewerage and sanitation charges	63 838 863	60 460 874
Refuse removal	38 791 037	33 962 559
	714 148 497	630 654 582

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
22. Interest received		
Interest revenue		
Interest earned - Investments	50 522 671	41 694 396
Bank account	12 116 649	9 950 665
Outstanding debtors: Exchange receivables	3 637 529	3 268 589
Other financial assets	33 210 000	33 119 014
Interest earned - Land sales	49 601	-
	99 536 450	88 032 664
23. Operational revenue		
Sale of goods and rendering of services		
Advertisements	418 118	364 777
Application Fees for Land Usage	208 222	200 135
Building Plan Approval	3 854 765	3 613 332
Bulk Waste Dumping	1 432 231	1 702 383
Camping Fees	4 112 063	3 703 373
Cemetery and Burial	1 011 690	901 942
Cleaning and Removal	698 818	726 827
Clearance Certificates (Rates)	547 886	534 974
Library Services Rendered	12 152 941	12 161 393
Encroachment Fees	700	590
Entrance Fees	678 217	745 276
Escort Fees	166 182	107 739
Housing (Boarding Services) - Staff	128 887	126 160
Occupation Certificates	438 387	420 902
Photocopies and Faxes	145 839	135 617
Removal of Restrictions	355 495	367 707
Sewerage Blockages	491 996	408 284
Rendering of Fire Services	4 846	14
Sub-division and Consolidation Fees	153 682	234 551
Tender Documents	63 441	72 793
Town Planning and Servitudes	24 422	31 639
Valuation Services	175 114	156 242
Other operational revenue		
Administrative Handling Fees	61 538	70 430
Application: Service Connections	480 179	532 791
Breakages and Losses Recovered	67 437	58 944
Bad debts recovered	239 128	358 675
Housing Selling Schemes	707	-
Sundry income and cash surpluses	86 690	48 643
Insurance Refund	199 556	423 665
Merchandising, Jobbing and Contracts	94 745	144 526
Other Fees	3 800	2 911
Registration Fees - Road and Transport	281 752	267 360
Transaction Handling Fees	305 842	129 946
Debt Forgiveness	238 608	736 053
	29 323 924	29 490 594

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
24. Development charges		
Development charges received (cash)		
Parking Areas	112 772	54 185
Water	1 521 843	2 785 079
Sanitation	1 612 908	2 865 584
Stormwater	850 236	1 386 758
Electricity	1 046 907	1 768 178
Development charges received through asset donations		
Water	-	9 117 018
Sanitation	-	578 318
Stormwater	-	1 529 395
Electricity	5 064 275	17 613 494
Roads	-	4 069 339
	10 208 941	41 767 348

25. Property rates

Rates received

Residential	122 644 255	95 944 707
Commercial	18 150 499	15 077 119
State	11 331 251	10 759 532
Vacant land	14 503 358	8 908 804
Farm Properties: Agricultural Purposes	24 668 174	24 200 810
Industrial	10 836 871	9 231 312
Rural: Business	1 626 053	1 955 059
Less: Revenue forgone	(2 995 154)	(2 902 791)
	200 765 307	163 174 552

Valuation of properties

Rates Category	Rate 2025	Rate 2024	Valuation 2025 (R'000)	Valuation 2024 (R'000)
Residential	0.005360	0.005956	24 393 470	17 208 324
Commercial	0.008769	0.008769	2 228 020	2 130 608
State	0.008769	0.008769	1 999 904	1 679 912
Vacant land	0.008022	0.008022	2 134 911	1 281 708
Farm properties: Agricultural purposes	0.001340	0.001489	15 016 053	13 552 747
Industrial	0.008769	0.008769	1 138 400	962 705
			46 910 758	36 816 004

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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
26. Government grants and subsidies		
Unconditional grants		
Equitable Share	153 764 000	143 235 000
Conditional grants		
Community Development: Workers	33 988	36 689
Community Safety: K9 Unit	4 172 000	3 345 000
Education, Training and Development Practices (Seta)	1 115 668	2 075 717
Emergency Fire Kit	414 554	281 980
WC Municipal Energy Resilience Grant	-	680 000
Extended Public Works Programme	1 593 000	1 830 000
Municipal Disaster Relief Grant - Riverlands	1 797 390	-
WC Financial Management Capability Grant: Student Bursaries	-	84 613
Municipal Disaster Response Grant - General	350 000	-
Fire Services Capacity Building	-	926 000
Housing Project: Darling	18 831 284	2 850 000
Housing Project: Malmesbury De Hoop	76 604 508	48 047 638
Housing Project: Kalbaskraal - Socio Economic Facility	744 891	-
Housing Project: Sibanye-Moorreesburg	56 661 434	3 200 000
Housing Project: Kalbaskraal-Land	2 050 231	-
Integrated National Electrification Programme	22 818 000	23 658 000
Library service	43 478	50 000
Local Government Financial Management Grant	1 600 000	1 550 000
Municipal Accreditation and Capacity Building	165 904	155 911
Law Enforcement Reaction Unit Grant	5 712 000	5 509 000
Municipal Infrastructure Grant	29 302 000	23 055 000
Municipal Energy Resilience Grant	-	8 506 517
Housing Project: Silvertown	249 514	-
Proclaimed Roads Subsidies	170 000	170 000
Non-motorised Transport Grant	-	500 000
Regional Socio-Economic Project (RSEP)	-	500 000
Service Delivery and Capacity Building Grant	-	500 000
Sports Development Grant	498 434	966 374
Thusong Centre: Refurbishment	134 563	-
	225 062 841	128 478 439
	378 826 841	271 713 439

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 amongst other to subsidise the provision of basic services to indigent community members.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

26. Government grants and subsidies (continued)

Community Development: Workers

Balance unspent at beginning of year	1 311	2 501
Current-year receipts	38 000	38 000
Conditions met - transferred to revenue	(33 988)	(36 689)
Repaid to funder	(1 311)	(2 501)
	4 012	1 311

Conditions still to be met - remain liabilities (see note 15).

Funds made available for sundry expenditure and stationery for workers, under the control of the Municipality but remunerated by PAWC.

Community Safety: K9 Units

Current-year receipts	4 172 000	3 345 000
Conditions met - transferred to revenue	(4 172 000)	(3 345 000)
	-	-

Funds are for the establishment of a dog unit for detecting drugs.

COVID 19 - Food Parcels and Financial Support (Public contribution)

Balance unspent at beginning of year	75 000	75 000
Conditions met - transferred to revenue	(15 000)	-
Re-payment	(60 000)	-
	-	75 000

Conditions still to be met - remain liabilities (see note 15).

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 2024/25 financial year.

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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
26. Government grants and subsidies (continued)		
Education, Training and Development Practices (Seta)		
Balance unspent at beginning of year	-	138 559
Current-year receipts	1 722 510	1 729 383
Conditions met - transferred to revenue	(1 115 668)	(2 075 717)
Transfer from receivables from non-exchange	(207 775)	207 775
	399 067	-

Conditions still to be met - remain liabilities (see note 15).

Training of officials as well as unemployed persons utilised on projects under control of the Municipality.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

26. Government grants and subsidies (continued)

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.

Extended Public Works Programme

Current-year receipts	1 593 000	1 830 000
Conditions met - transferred to revenue	(1 593 000)	(1 830 000)
	-	-

The grant is to enable the Municipality to create jobs.

Thusong Centre: Refurbishment

Current-year receipts	150 000	-
Conditions met - transferred to revenue	(134 563)	-
	15 437	-

Conditions still to be met - remain liabilities (see note 15).

The grant is to enable the Municipality to create jobs.

Municipal Disaster Relief Grant - Riverlands

Current-year receipts	9 241 000	-
Conditions met - transferred to revenue	(1 797 390)	-
	7 443 610	-

Conditions still to be met - remain liabilities (see note 15).

The funds are for maintenance and replacement of roads and storm-water infrastructure following severe floods.

Municipal energy resilience grant

Current-year receipts	-	8 506 517
Conditions met - transferred to revenue	-	(8 506 517)
	-	-

Conditions still to be met - remain liabilities (see note 15).

The grant is for the Municipality to investigate and implement alternative energy solutions.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
26. Government grants and subsidies (continued)		
WC Financial Management Capability Grant: Student Bursaries		
Balance unspent at beginning of year	176 807	161 420
Current-year receipts	-	100 000
Conditions met - transferred to revenue	-	(84 613)
Repaid to funder	(176 807)	-
	-	176 807

Conditions still to be met - remain liabilities (see note 15).

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.

WC Financial Management Capability Grant: Internal Audit

Balance unspent at beginning of year	418 031	418 031
Repaid to funder	(418 031)	-
	-	418 031

Conditions still to be met - remain liabilities (see note 15).

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 electronic system.

Municipal Disaster Response Grant: General

Current-year receipts	-	350 000
Conditions met transferred to revenue	(350 000)	-
	-	350 000

Conditions still to be met - remain liabilities (see note 15).

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 -Socio Economic Facility

Current-year receipts	744 891	-
Conditions met - transferred to revenue	(744 891)	-
	-	-

Funds provided to enable the establish an economic hub in the area.

Emergency Fire Kits

Balance unspent at beginning of year	2 120	-
Current-year receipts	416 591	284 100
Conditions met - transferred to revenue	(414 554)	(281 980)
Repaid to funder	(2 120)	-
	2 037	2 120

Conditions still to be met - remain liabilities (see note 15).

Financial assistance from the Department of Infrastructure for the provision of enhanced emergency kits and relocation costs.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
26. Government grants and subsidies (continued)		
Housing Project: Darling		
Balance unspent at beginning of year	447 179	-
Current-year receipts	18 384 105	3 297 179
Conditions met - transferred to revenue	(18 831 284)	(2 850 000)
Construction contracts receipts	2 509 895	-
Construction contracts balance at year end	(2 509 895)	-
	-	447 179

Conditions still to be met - remain liabilities (see note 15).

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, 23 and 50.

Housing Project: Malmesbury De Hoop

Balance unspent at beginning of year	363 379	-
Current-year receipts	76 604 508	48 411 017
Construction contracts - Collections	(76 604 508)	(48 047 638)
Construction contracts - transfer of asset	(363 379)	79 520
	-	(79 520)
	-	363 379

Conditions still to be met - remain liabilities (see note 15).

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, 23 and 50.

Fire damaged houses

Current-year receipts	760 922	-
-----------------------	---------	---

Conditions still to be met - remain liabilities (see note 15).

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Housing Project: Sibanye-Moorreesburg

Current-year receipts	56 661 434	3 200 000
Conditions met - transferred to revenue	(56 661 434)	(3 200 000)
Construction contracts receipts	4 832 285	-
Construction contracts balance at year end	(4 832 285)	-
	-	-

Funds provided to enable the Municipality to finance the construction costs of housing for low income groups.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

26. Government grants and subsidies (continued)

Integrated National Electrification Programme

Current-year receipts	22 818 000	23 658 000
Conditions met operating - transferred to revenue	(22 401 642)	(23 658 000)
Conditions met Capital - transferred to revenue	(416 358)	-
	-	-

Funds made available for the electrical network to the proposed area where low cost houses are build and the electrification of these houses.

Library service

Current-year receipts	12 052 000	12 304 000
Provision for VAT	144 419	(92 607)
Exchange revenue: Library Services Rendered	(12 152 941)	(12 161 393)
Conditions met Capital - transferred to revenue	(43 478)	(50 000)
	-	-

Grant provided for the partial funding of the operational and capital costs of libraries in the area under the jurisdiction of the Swartland Municipality.

Kindly refer to Note 23 for the Revenue.

Local Government Financial Management Grant

Current-year receipts	1 600 000	1 550 000
Conditions met - transferred to revenue	(1 600 000)	(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	89 089	58 350
Current-year receipts	249 000	245 000
Conditions met - transferred to revenue	(165 904)	(155 911)
Repaid to funder	(89 089)	(58 350)
	83 096	89 089

Conditions still to be met - remain liabilities (see note 15).

Funds received for the remuneration of an intern for the Department of Community Services.

Municipal Infrastructure Grant

Current-year receipts	29 302 000	23 055 000
Conditions met - transferred to revenue	(29 302 000)	(23 055 000)
	-	-

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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
26. Government grants and subsidies (continued)		
Proclaimed Roads Subsidies		
Current-year receipts	170 000	170 000
Conditions met - transferred to revenue	(170 000)	(170 000)
	-	-
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.		
Regional Socio-Economic Project (RSEP)		
Current-year receipts	-	500 000
Conditions met - transferred to revenue	-	(500 000)
	-	-
Funds received from PAWC for the social upliftment in lower income areas to improve living conditions and combat crime.		
Law Enforcement Reaction Unit Grant		
Current-year receipts	5 712 000	5 509 000
Conditions met - transferred to revenue	(5 712 000)	(5 509 000)
	-	-
Funds received from PAWC for establishment of a law enforcement reaction unit.		
Sports Development Grant		
Current-year receipts	500 000	966 374
Conditions met - transferred to revenue	(498 434)	(966 374)
	1 566	-
Conditions still to be met - remain liabilities (see note 15).		
Funds received for the enhancement of existing sports grounds.		
Housing Project: Kalbaskraal - Land		
Current-year receipts	2 050 231	-
Conditions met - transferred to revenue	(2 050 231)	-
	-	-
Funds utilised for the purchase of land for a housing project.		
Fire service delivery		
Current-year receipts	-	926 000
Conditions met - transferred to revenue	-	(926 000)
	-	-
Funding received in order to build a new fire truck.		

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

26. Government grants and subsidies (continued)

Service delivery and capacity building

Current-year receipts	-	500 000
Conditions met - transferred to revenue	-	(500 000)
	-	-

Housing Project - Silvertown

Conditional grants received	5 500 000	5 500 000
Current-year receipts	7 238 810	-
Conditions met transferred to revenue	(249 514)	-
	12 489 296	5 500 000

Conditions still to be met - remain liabilities (see note 15).

Funds provided to enable the Municipality to finance the purchase of land.

Swartland Business Hive Entrepreneurial Hub: (Public contribution)

Balance unspent at beginning of year	40 000	-
Current-year receipts	40 000	40 000
Conditions met - transferred to revenue	(70 500)	-
	9 500	40 000

Conditions still to be met - remain liabilities (see note 15).

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.

Standard Contribution: Top Achievers Award (Public Contribution)

Current-year receipts	60 000	-
Conditions met - transferred to revenue	(60 000)	-
	-	-

Funds received Standard Bank to recognise Top Academic Achievers at local schools.

Swartland Water Week: (Public contribution)

Current-year receipts	-	6 000
Conditions met - transferred to revenue	-	(6 000)
	-	-

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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

26. Government grants and subsidies (continued)

International youth camp: (Public contribution)

Current-year receipts	200 000	-
Conditions met - transferred to revenue	(12 902)	-
	187 098	-

Conditions still to be met - remain liabilities (see note 15).

Funding was received for the sponsorship of a youth event.

This is considered a public contribution rather than a grant.

SANRAL (Public contribution)

Current-year receipts	558 393	613 698
Conditions met - transferred to revenue	-	(1 172 091)
transferred to/(from) debtors (Sundry Receivables - Non-exchange receivables)	(558 393)	558 393
	-	-

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.

Grade 1 Project (Public contribution)

Balance unspent at beginning of year	31 000	31 000
Conditions met - transferred to revenue	(31 000)	-
	-	31 000

Funds received in lieu of Social development for grade 1 learners.

Conditions still to be met - remain liabilities (see note 15).

WC Department of Education - Allocation for municipal services linked to new school (Public Contribution)

Balance unspent at beginning of year	23 000 000	-
Current-year receipts	-	23 000 000
Conditions met - transferred to revenue	(22 691 646)	-
	308 354	23 000 000

Conditions still to be met - remain liabilities (see note 15).

Funds made available for the development costs associated with municipal services to enable the building of a new school in Malmesbury.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

26. Government grants and subsidies (continued)

Reconciliation of grant allocation expenditure (conditions met - transferred to revenue) per vote (MFMA s123(c))

Vote 1 - Corporate Services	1 171 248	2 210 331
Vote 2 - Civil Services	32 662 724	35 027 891
Vote 4 - Electricity Services	23 846 858	24 338 000
Vote 5 - Financial Services	1 620 259	1 550 000
Vote 6 - Development Services	155 463 198	54 869 757
Vote 8 - Protection Services	10 298 554	10 561 980
	225 062 841	128 557 959

The above revenue were recognised as follows:

Construction contracts	-	79 520
Government grants and subsidies	225 062 841	128 478 439
	225 062 841	128 557 959

27. Availability charges

Electricity	3 988 314	3 712 233
Water	1 724 032	1 744 141
Refuse	3 364 061	3 177 139
Sewerage and sanitation charges	2 504 196	2 460 437
	11 580 603	11 093 950

28. Employee related costs

Employee related costs - Salaries and Wages	201 023 605	185 153 132
Employee related costs - Contributions for UIF, pensions, medical aids and other contributions	57 529 595	53 744 909
Bonuses: 13th cheque	15 535 755	14 704 455
Contribution to leave gratuity	1 397 460	3 001 938
Housing benefits and allowances	1 319 035	1 316 892
Overtime payments	20 621 056	19 349 446
Performance bonus	1 790 628	1 155 088
Travel, motor car, accommodation and other allowances	25 579 283	24 702 485
Contribution to provision for post-retirement medical aid benefits	18 059 510	10 655 543
Contribution to long-service provision	3 511 969	2 752 946
	346 367 896	316 536 834

Remuneration of Municipal Manager

Annual Remuneration	1 634 283	1 591 125
Car Allowance	177 612	272 826
Cellphone Allowance	43 200	42 800
Contributions to UIF, Medical and Pension Funds	417 793	418 611
Performance Bonuses	301 679	176 909
	2 574 567	2 502 271

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

28. Employee related costs (continued)

Remuneration of Chief Finance Officer

Annual Remuneration	1 475 822	1 379 918
Car Allowance	72 000	72 000
Cellphone Allowance	43 200	42 800
Contributions to UIF, Medical and Pension Funds	392 638	368 144
Leave Pay	73 448	70 285
Performance Bonuses	254 774	158 142
	2 311 882	2 091 289

Remuneration of Director: Corporate Services

Annual Remuneration	1 509 693	1 421 972
Car Allowance	60 180	60 180
Cellphone Allowance	43 200	42 800
Contributions to UIF, Medical and Pension Funds	366 792	340 686
Long service bonus	261 256	-
Performance Bonuses	247 692	158 142
	2 488 813	2 023 780

Remuneration of Director: Civil Engineering Services

Annual Remuneration	1 455 564	1 359 896
Car Allowance	96 000	96 000
Cellphone Allowance	43 200	42 800
Contributions to UIF, Medical and Pension Funds	372 042	348 709
Leave Pay	74 550	70 285
Performance Bonuses	245 642	158 142
	2 286 998	2 075 832

Remuneration of Director: Electrical Engineering Services

Annual Remuneration	1 953 954	1 161 258
Car Allowance	60 000	60 000
Cellphone Allowance	43 200	42 800
Contributions to UIF, Medical and Pension Funds	438 285	237 195
Performance Bonuses	251 606	187 468
	2 747 045	1 688 721

During the current financial period a consultative request for a waiver from the Minister of Cooperative Governance and Traditional Affairs in respect of the total annual remuneration package payable to the Director: Electrical Engineering Services in terms of the Upper Limits Notice, subject to first seeking concurrence by the Western Cape MEC for local government was concluded. The request was approved and in February 2025 the Director received back pay from inception of his contract in August 2022. Had the new salary agreement been in place since the commencement of employment, the emoluments disclosed would have been R 2 183 492 (2024: R 2 008 955) all inclusive. The back pay amounted to R 802 512.

Remuneration of Director: Development Services

Annual Remuneration	1 424 460	1 328 389
Car Allowance	120 000	120 000
Cellphone Allowance	43 200	42 800
Contributions to UIF, Medical and Pension Funds	382 646	357 305
Performance Bonuses	249 370	158 142
	2 219 676	2 006 636

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

28. Employee related costs (continued)

Remuneration of Director: Protection Services

Annual Remuneration	1 321 036	1 228 005
Bonuses: 13th cheque	74 796	74 796
Car Allowance	228 000	228 000
Cellphone Allowance	43 200	42 800
Contributions to UIF, Medical and Pension Funds	347 365	333 204
Leave Pay	256 097	70 285
Long service bonus	151 477	-
Performance Bonus	239 865	158 142
	2 661 836	2 135 232

Aggregate remuneration to management

Annual Remuneration	10 774 811	9 470 563
Bonuses: 13th cheque	74 796	74 796
Car Allowance	813 792	909 006
Cellphone Allowance	302 400	299 600
Contributions to UIF, Medical, Group Life and Pension	2 717 562	2 403 853
Leave Pay	404 094	210 856
Long service bonus	412 732	-
Performance Bonus	1 790 628	1 155 088
	17 290 815	14 523 762

Director have the option to apportion their package by structuring a non-pensionable 13th cheque from the annual remuneration to receive a 13th cheque.

29. Remuneration of councillors

Executive Mayor	889 987	843 046
Deputy Executive Mayor	762 953	731 967
Mayoral Committee Members	2 436 970	2 314 658
Speaker	548 886	519 333
Councillors	4 872 708	4 535 725
Councillors' - travelling allowances	810 603	810 603
Councillors' - cellular and telephone	1 081 092	1 121 691
Councillors' - pension contribution	976 327	924 738
Councillors' - medical aid contribution	218 061	203 014
	12 597 587	12 004 775

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.

30. Contracted services

Outsourced Services

Actuaries	14 700	-
Alien Vegetation Control	128 700	66 999
Burial services	21 740	-
Business and financial management	196 949	209 954
Catering services	751 739	922 880
Cleaning Services	63 731	116 841
Clearing and Grass cutting services	63 600	44 604

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
30. Contracted services (continued)		
Commissions and committees	17 800	34 200
Dumping site	6 527 715	6 989 455
Electrical	493 414	479 547
Human resources	216 264	-
Hygiene services	31 703	83 435
Litter picking and street cleaning	6 899 055	6 418 099
Sewerage	1 193 716	1 364 625
Meter management	29 938	46 816
Mini dumping sites	124 188	143 659
Quality control	196 128	282 883
Professional staff	38 877	42 892
Refuse removal	2 433 053	1 928 932
Research and advisory	2 592 012	2 979 711
Security services	2 695 483	2 483 538
Stage and sound crew	14 200	14 700
Swimming supervision	48 000	45 023
Traffic fine management	3 847 236	4 931 126
Translators, scribes and editors	85 592	88 510
Transport services	315 885	384 559
Consultants and Professional Services		
Business and advisory	330 638	144 000
Audit committee	114 240	60 120
Business and financial management	3 046 607	2 821 538
Civil engineering	1 040 850	1 911 510
Electrical engineering	371 440	1 160 678
Geodetic, control and surveys	660 315	335 815
Human resources	108 386	148 218
Laboratory services	194 446	163 113
Town planner	1 101 656	1 110 114
Valuer and assessors	540 631	976 951
Contractors		
Artists and performers	5 000	4 974
Building	9 900	-
Construction of Low Cost Housing	929 403	91 169
Employee wellness	92 243	27 130
Fire Protection	301 210	493 206
Forestry	268 545	395 679
Gardening Services	57 249	43 522
Graphic Designers	-	8 335
Harbour services	312 000	297 600
Legal costs	1 511 070	1 391 797
Maintenance of Assets	15 485 503	15 633 281
Maintenance of Buildings and Facilities	3 611 298	4 495 906
Maintenance of Equipment	5 116 937	6 394 875
Management of Informal Settlements	-	5 392
Medical Services	35 351	34 785
Organic and Building Refuse Removal	451 400	575 702
Pest control and fumigation	-	33 245
Removal of Sludge	70 742	-
Qualification verification	19 412	19 971
Town Beautification	15 000	16 100
Traffic and Street Lights	113 068	108 961
Transportation for asset break-downs	-	1 950
	64 955 958	69 008 625

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
31. Depreciation and amortisation		
Property, plant and equipment	102 687 920	102 785 926
Investment property	258 789	394 173
Intangible assets	105 390	103 258
	103 052 099	103 283 357
32. Finance costs		
Unwinding of interest for provisions	6 031 279	5 438 504
Other financial liabilities	3 871 446	6 896 832
Interest on provision for VAT	561 578	495 181
	10 464 303	12 830 517
33. Grants and subsidies paid		
Non-profit institution		
Bergrivier Canoe Marathon	30 000	30 000
Darling Wildflower Society	57 881	55 177
National Sea Rescue Institute	38 434	36 639
SPCA	359 872	343 062
Yzerfontein Conservancy	87 604	83 512
Museums		
Darling	99 414	94 770
Malmesbury	67 188	64 050
Oude Kerk	67 188	64 050
Wheat Industry	11 198	64 050
Tourism		
Swartland and Coastal Area	-	1 579 500
Social upliftment		
Darling Focus	53 910	51 392
Elkana Childcare	273 894	57 817
HUB R27	7 680	379
Huis van Heerde	477 348	113 437
Jo Dolphin	67 387	64 239
Multi-Purpose Centre: Moorreesburg	80 865	77 088
Night Shelter	53 695	32 121
Old Age Homes	1 630 058	1 502 908
Student Bursaries	300 000	384 613
Top Achievers Award: Grade 12	22 725	25 475
	3 786 341	4 724 279

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.

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.

In the prior year 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 annually to the Bergriver Canoe Marathon.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025

2024

33. Grants and subsidies paid (continued)

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.

34. Operational cost

Advertising, publicity and marketing	3 230 757	1 646 024
Assets less than the capitalisation threshold	365 858	276 714
Bank charges, facility and card fees	598 782	1 524 426
Bank charges, fleet card services	1 384 655	1 343 110
Cleaning services: Car valet and washing services	1 950	2 908
Cleaning services: Laundry services	2 637	1 045
Commission: Prepaid electricity	2 087 004	1 725 241
Commission: Third party vendors	667 198	511 957
Communication: Bulk message service	90 443	107 017
Communication: Cellular contract (Subscription and calls)	15 214	19 591
Communication: Licences (Radio and television)	9 146	21 189
Communication: Postage/stamps/franking machines	1 161 172	1 392 541
Communication: Telephone, fax, telegraph and telex	614 775	668 291
Community development and training	701	12 828
Conferences and seminars	4 815	-
Deeds	471 747	58 838
Entertainment: Mayor	24 818	38 122
Entrance fees	66 161	56 143
External audit fees	3 993 952	3 187 459
External computer service	9 466 738	8 611 198
Full time union representative	170 306	136 188
Indigent relief	2 216 476	2 086 541
Insurance	3 323 239	4 494 465
Levies paid - Water resource management charges	-	9 610
Licences: Motor vehicle licence and registrations	899 303	850 723
Licences: Performing arts	67 228	55 366
Operating leases - Machinery, equipment and other	3 018 085	3 232 579
Other	4 393	33 500
Parking fees	91 142	84 375
Printing, publications and books	507 422	379 688
Professional bodies, membership and subscription	3 394 190	3 194 382
Registration fees	118 624	31 127
Remuneration to ward committees	392 394	402 475
Rendering of services	-	-
Resettlement cost	38 155	53 847
Servitudes and land surveys	313 142	76 713
Signage	110 636	120 005
Skills development fund levy	2 803 510	2 577 916
Travel - overseas	12 902	-
Travel and subsistence	926 469	520 867
Uniform and protective clothing	3 445 704	3 193 425
Vehicle tracking	238 838	233 021
	46 350 681	42 971 455

35. Other materials

Consumables	8 242 088	6 076 362
Consumables: Zero rated	13 505 063	15 494 985
Inventory consumed: Water	30 417 720	27 262 076
Materials and supplies	5 709 319	4 486 480
	57 874 190	53 319 903

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
36. Reversal / (impairment) of assets and receivables		
Non-current Assets		
Property, plant and equipment	(444 642)	(8 618 884)
Investment property	-	(625)
	(444 642)	(8 619 509)
Current Assets		
Impairment recognised	(25 971 917)	(10 371 467)
Impairment reversed	3 409 964	-
	22 561 953	10 371 467
Total impairment losses recognised (reversed)	(23 006 595)	(18 990 976)

Refer to notes 10 and 11 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.

In line with changes to MSCOA, as of 1 July 2024, the provision for impairment is reversed when the bad debts are written off. In prior years, the reversal was not done and therefore no comparative is presented.

37. Loss on disposal of assets

Carrying value of Property, plant and equipment disposed	3 447 760	10 150 967
Carrying value of Investment properties disposed	62 675	347 418
Carrying value of Intangible assets disposed	-	1
Less disposals to Inventory (non-current to current assets)	(150 372)	(11 717)
	3 360 063	10 486 669

38. Cash generated from operations

Surplus	410 691 641	263 102 507
Adjustments for:		
Depreciation and amortisation	103 052 099	103 283 357
Loss on sale of property, plant and equipment	3 360 062	10 486 669
Gain on sale of assets and liabilities	(1 213 620)	(1 828 939)
Unwinding of interest on landfill site provision	6 031 278	5 438 504
Vesting of properties	(176 324)	(921 992)
Donated property, plant and equipment	(5 064 275)	(33 214 386)
Water losses	7 431 647	6 301 059
Impairment losses on non-current assets	444 642	8 619 509
Accrued interest	(34 653 017)	(34 012 053)
Movement on current provision	417 159	587 788
Changes in working capital:		
Inventories	(5 758 864)	(4 916 079)
Receivables from exchange transactions	(1 732 788)	(27 398 519)
Receivables from non-exchange transactions	(9 555 952)	954 592
Payables from exchange transactions	9 856 260	3 595 471
VAT control and accruals (receivable and payable)	(801 123)	(14 823 862)
Unspent conditional grants and receipts	(9 335 705)	21 529 599
Consumer deposits	1 197 679	1 813 857
Operating leases	(15 698)	111 050
Construction contracts and receivables	7 342 180	-
	481 517 281	308 708 132

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
38. Cash generated from operations (continued)		
Property, plant and equipment purchased		
Additions as per note (including transfers)	302 267 562	238 109 604
Non-cash transactins included in profit or loss (e.g. gains on vesting of properties and equipment)	(5 240 599)	(34 136 377)
Movement on accruals of Property plant and equipment	(22 218 510)	5 782 685
Non-cash movement in Provision for landfill sites (changes in market values)	(4 533 836)	269 658
	270 274 617	210 025 570
Payables from exchange transactions		
Movement on balance from the prior year	16 322 033	14 659 676
Payment of employee benefits	14 702 000	(8 358 380)
Unspent Grants repaid	1 050 737	108 749
Movement on accruals of Property, Plant and equipment	(22 218 510)	(5 782 685)
	9 856 260	627 360
Receivables from exchange transactions		
Movement on balance from the prior year	(2 650 354)	(61 381 799)
Public contributions received	(504 952)	(76 000)
Profit on sale of land (cost is netted against gain)	(20 500)	47 227
Accrued interest	1 443 017	34 012 053
	(1 732 789)	(27 398 519)
Receivables from non-exchange		
Movement on balance from prior year	(9 555 952)	396 200
Unspent grants - transferred to debtors	-	558 392
	(9 555 952)	954 592
Inventories		
Movement on balance from the prior year	1 501 913	1 420 489
Water losses	(7 431 649)	(6 301 059)
Additions of land (non-cash)	170 872	(35 509)
	(5 758 864)	(4 916 079)
Unspent conditional grants and receipts		
Movement on balance from the prior year	(8 789 920)	21 133 539
Public contributions	504 952	76 000
Transferred to debtors	-	(558 392)
Unspent grants repaid	(1 050 737)	60 850
	(9 335 705)	20 711 997
Movement on operating leases		
Movement on operating lease liability	(15 698)	111 050

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025

2024

39. Budget differences

Material differences between budget and actual amounts

Explanation of material variances:

Revenue:

39.1 **Service charges - sanitation revenue:** The increased sewerage due to the expansion of commercial client is more than expected

39.2 **Rendering of services and Transfers & subsidies - Operational:** The library service was originally budgeted for as a grant.

39.3 **Agency services:** Collections were lower than expected

39.4 **Operational revenue (exchange):** Development charges (non-cash) were more than expected

39.5 **Fines, penalties and forfeits:** Fines from Provincial Fines were more than budgeted

39.6 **Licences and permits:** Less licences issued than expected

39.7 **Gains:** Land sales was lower than expected

Expenditure:

39.8 **Debt impairment:** Due to a reduction in the write-offs, the impairment of fines were more than expected

39.9 **Depreciation and amortisation:** Capital projects completed later in the year due to the municipality shifting focus to respond to the Riverlands disaster

39.10 **Inventory consumed:** The municipality received a credit note for water, resulting in a budget surplus

39.11 **Contracted services:** Various savings on the use of consultants

39.12 **Transfers and subsidies:** Due to NT guideline on grants-in-aid less transfers were made

39.13 **Irrecoverable debts written off:** Due to a reduction in the write-offs, the impairment of fines were more than expected

39.14 **Losses on Disposal of Assets:** More new assets were created (in comparison to replacement) than expected

39.15 **Losses:** The actuarial loss on PEMA was higher than initially expected.

Assets

39.16 **Inventory:** Lower inventory at year-end than previous years

39.17 **VAT:** In total the MSCOA VAT budget was R25 m and the actual is R24 m which is very comparable

39.18 **Other current assets:** Control accounts with balances, whereas the budget is based on control accounts being cleared

39.19 **Investments:** The interest accrual was budgeted for as cash

39.20 **Intangible:** The addition was not expected during budget stage

39.21 **Cash & cash equivalents:** The increase is as a result of underspending of the operating and capital budget

Liabilities:

39.22 **Trade and other payables from exchange transactions:** Higher capital accruals than expected

39.23 **Trade and other payables from non-exchange:** The municipality does not budget for unspent grants except when funds are received after the January adjustment budget

39.24 **VAT:** In total, the VAT budget was R25 m and the actual is R24 m which is very comparable

Cash flow from operating activities

39.25 **Cash receipts from rate payers, government and other:** Other revenue expected inflows of R288 million but only realised R104 million.

39.26 **Interest:** The interest rate remained higher than expected and the R33m accrual was budgeted for as a cash receipt

39.27 **Cash paid to suppliers and employee:** Significant savings noted on operational expenditure for the year

Cash flow from investing activities

39.28 **Proceeds on disposal of PPE:** Less cash was generated from the sale of land than expected

39.29 **Capital assets:** Capital projects were not all completed in time for the year-end as a result of resources being allocated to respond to the Riverlands floods. Accruals at year-end was also more than expected

Cash flow from financing activities

39.30 **Increase (decrease) in consumer deposits:** Consumer deposits increased more than expected

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

39. 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 17.

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)

Operational revenue	29 323 924
Sale of goods and rendering of services	(17 238 774)
Rounding	(2)
	12 085 148

Interest earned - outstanding debtors

Interest received	99 536 450
Outstanding debtors: Exchange receivables	(3 637 529)
	95 898 921

Transfers and subsidies

Government grants & subsidies	378 826 841
Public contribution	22 879 047
Public contribution (refer to Capital Transfers)	(22 835 048)
Capital grants (refer to Capital Transfers)	(209 200 070)
	169 670 770

Gains

Gains on sale of fixed asset	1 213 620
Gain on sale of land	312 434
Vesting of properties and equipment	176 324
	1 702 378

Employee related costs

Employee related costs	346 367 896
Workmans compensation	(1 706 962)
Actuarial gains and losses	(5 639 510)
	339 021 424

Debt impairment

(Reversal)/Impairment of assets and receivables	(444 642)
Impairment of assets	23 006 595
	22 561 953

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
39. Budget differences (continued)		
Inventory consumed		
Other materials	57 874 190	
Reclassification for GRAP	(47 971)	
	57 826 219	
Contracted services		
Contracted Services	64 955 958	
Reclassification for GRAP	1 397 839	
	66 353 797	
Other expenditure		
Operational costs	46 350 681	
Reclassification for GRAP	(1 049 868)	
SARS interest	561 578	
Workmans compensation (considered other expenditure by NT)	1 706 962	
	47 569 353	
Losses		
Water losses	7 431 649	
Actuarial gains and losses (considered losses by NT)	5 639 510	
	13 071 159	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		
Public contribution	22 835 048	
Capital grants	209 200 070	
	232 035 118	
Other revenue		
Operational revenue	29 323 924	
Less sale of goods (MSCOA)	(17 238 774)	
Rounding	(2)	
	12 085 148	
Sale of goods and rendering of services		
Operational revenue	17 238 774	
Development charges	10 208 940	
	27 447 714	
Interest earned from receivables		
Outstanding debtors: Exchange receivables	3 637 529	
Interest - Availability charges	440 573	
	4 078 102	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
39. Budget differences (continued)		
Statement of Financial Position		
Trade and other receivables from exchange transactions		
Balance per AFS	109 465 671	
Reallocation of control accounts and credit balance	2 032 804	
Actual on a comparative basis	111 498 475	
Trade payables from non-exchange transactions		
Balance per AFS	43 848 232	
Reallocation of control accounts and credit balance	(1 395 645)	
Actual on a comparative basis	42 452 587	
Current portion of non-current receivables		
Operating leases	(319 033)	
Reallocation of control accounts and credit balance	50 899	
Actual on a comparative basis	(268 134)	
VAT		
MSCOA input VAT accrual (Asset)	24 482 883	
MSCOA VAT Control (Asset)	113 945 165	
MSCOA VAT Control (Liability)	(102 041 765)	
MSCOA VAT Output (Liability)	(14 635 692)	
MSCOA VAT Provision for bad debt (Liability)	2 905 127	
Combined total	24 655 718	
Other current assets		
Other receivables (exchange receivables)	12 290 462	
Receivables from exchange transactions (non-current)	(10 675 777)	
Actual on comparative basis	1 614 685	
Trade and other payables from exchange transactions		
Reallocation of control accounts and credit balance	(9 987 719)	
13th cheque accrual	(8 434 464)	
Payables from exchange as per AFS	111 422 977	
Actual on comparative basis	93 000 794	
Trade and other payables from non-exchange transactions		
Unspent conditional grants and receipts	21 703 995	
Construction contracts payables	7 342 180	
Actual on comparative basis	29 046 175	
Current provisions		
Current portion provisions	9 197 492	
Current portion of employee benefits	6 748 000	
13th cheque accrual	1	
Actual on comparative basis	15 945 493	
Long term provisions		
Long term provisions	67 892 552	
Long term long service award	14 081 000	
Actual on comparative basis	81 973 552	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

39. Budget differences (continued)

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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
40. Repairs and maintenance expenditure		
Movable assets	10 751 086	9 252 905
Furniture and Office Equipment	24 812	25 098
- Contracted Services	24 812	25 098
Machinery and Equipment	1 309 256	1 307 600
- Contracted Services	1 060 392	1 112 059
- Other materials	248 864	195 541
Transport Assets	9 090 199	7 686 497
- Contracted Services	9 011 873	7 686 497
- Other materials	78 326	-
Computer Equipment	326 819	233 710
- Contracted Services	260 283	182 552
- Operation cost	66 536	51 158
Community Assets	3 587 415	3 110 946
- Contracted Services	3 338 946	3 110 946
- Other materials	248 469	-
Other Assets	1 729 136	3 199 092
- Contracted Services	1 383 596	2 557 700
- Other materials	345 540	641 392
Intangible Assets	5 024 967	4 633 461
- Operation cost	5 024 967	4 633 461
Infrastructure Assets	49 848 469	46 968 982
Electrical Infrastructure	3 530 922	3 583 110
- Contracted Services	329 829	250 029
- Other materials	1 714 859	2 045 858
- Labour	1 486 234	1 287 223
Roads Infrastructure	6 192 398	6 108 028
- Contracted Services	4 666 452	6 108 028
- Other materials	1 525 947	-
Sanitation Infrastructure	5 557 044	5 491 495
- Contracted Services	5 461 469	5 491 495
- Other materials	95 575	-
Solid Waste Disposal Infrastructure	9 538 347	9 737 676
- Contracted Services	7 507 880	7 953 088
- Labour	2 006 211	1 770 815
- Operation cost	24 256	13 773
Storm Water Infrastructure	23 320 294	20 156 864
- Contracted Services	668 383	554 593
- Inventory Consumed	58 536	34 280
- Labour	21 697 690	18 611 227
- Other lease expenditure	302 473	355 991
- Operational costs	593 212	600 773
Water Supply Infrastructure	1 709 463	1 891 809
- Contracted Services	1 011 921	1 891 809
- Inventory Consumed	697 542	-
	70 941 073	67 165 386

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
41. Capital commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment - Infrastructure	132 036 393	231 186 631
• Property, plant and equipment - Other assets	-	11 588 393
	132 036 393	242 775 024
Total capital commitments		
Already contracted for but not provided for	132 036 393	242 775 024
Amounts are exclusive of VAT and the amount for infrastructure includes escalation cost.		
Total commitments		
Total commitments		
Authorised capital expenditure	132 036 393	242 775 024
42. Contingencies		
Guarantees in favour of Eskom	30 070 900	70 900
Guarantees in favour of South African Post Office Limited	200 000	200 000
	30 270 900	270 900
Paulus Smit N.O and others	1 283 000	1 283 000
VAT on library grant receipts	758 713	726 822
	2 041 713	2 009 822

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 the support of the Revenue Augmentation unit of SARS in order to resolve the matter. At the time of the annual financial statements, SARS has not yet appointed a representative to resolve the matter.

As such, the municipality has estimated that potential VAT penalties that could arise from a VAT 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 guarantee was increased during 2024/25 in order to increase the supply to the municipality.

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

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

42. Contingencies (continued)

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 matter was still ongoing at 30 June 2025.

The municipality is also involved in various individual building & land use matters, eviction applications, etc.

43. Utilisation of Long-term liabilities reconciliation

Long-term liabilities raised	33 336 301	38 813 954
Used to finance property, plant and equipment	(33 336 301)	(38 813 954)
Short-term portion of long-term liabilities	6 044 339	5 455 716
	6 044 339	5 455 716

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.

44. 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.

45. 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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

46. 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 28

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 51.

Compensation of key personnel

The compensation of key management personnel is set out in Notes 28 and 29.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

47. Financial instruments disclosure

Categories of financial instruments

2025

Financial assets

	At fair value	At amortised cost	Total
Cash and cash equivalents	18 776	677 001 168	677 019 944
Receivables from exchange transactions	-	117 701 787	117 701 787
Receivables from non-exchange transactions	-	2 941 577	2 941 577
Other Financial Assets	-	366 329 014	366 329 014
	18 776	1 163 973 546	1 163 992 322

Financial liabilities

	At fair value	At amortised cost	Total
Payables from exchange transactions	-	81 108 559	81 108 559
Consumer deposits	20 857 367	-	20 857 367
Unspent conditional grants and receipts	-	21 703 995	21 703 995
Other financial liabilities	-	33 336 301	33 336 301
Construction contracts	-	7 342 180	7 342 180
	20 857 367	143 491 035	164 348 402

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	-	115 022 884	115 022 884
Receivables from non-exchange transactions	-	2 735 077	2 735 077
Other Financial Assets	-	333 311 904	333 311 904
	19 758	921 541 418	921 561 176

Financial liabilities

	At fair value	At amortised cost	Total
Payables from exchange transactions	-	65 442 573	65 442 573
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	134 750 441	154 410 129

48. 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.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

48. 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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

48. Risk management (continued)

At 30 June 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	81 108 559	-	-	-
Consumer deposits	20 857 367	-	-	-
Unspent conditional grants and receipts	21 703 995	-	-	-
Other financial liabilities	9 349 099	9 349 099	20 551 601	4 351 969
Construction contracts	7 342 180	-	-	-
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	65 442 573	-	-	-
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

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	2025	2024
Cash and cash equivalents	677 001 168	470 471 553
Receivables from exchange transactions	117 701 787	115 022 884
Receivables from non-exchange transactions	2 941 577	2 735 077
Other Financial Assets	366 329 014	333 119 014

The municipality is exposed to a number of guarantees issued in favour of the creditors of the municipality. Refer to note 42 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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

48. 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 Consumer debtors	2025	2024
Group 1	77 679 678	70 901 176
Group 2	2 741 937	2 113 360
Group 3	47 549 936	39 162 354
	127 971 551	112 176 890

Property rates included above

Group 1	16 838 056	15 179 289
Group 2	980 816	368 394
Group 3	15 846 318	12 168 582
	33 665 190	27 716 265

Financial instruments included above

Group 1	60 841 622	55 721 886
Group 2	1 761 121	1 744 966
Group 3	31 703 618	26 993 773
	94 306 361	84 460 625

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 2025, 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 20 482 648 (2024: 16 311 122) higher, mainly as a result of higher interest income.

49. 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) MSCO'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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

49. Segment information (continued)

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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

Segment surplus or deficit, assets

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

	Vote 1 - Corporate Services	Vote 2 - Civil Services	Vote 3 - Council	Vote 4 - Electricity Services	Vote 5 - Financial Services	Vote 6 - Development Services	Vote 7 - Municipal Manager	Vote 8 - Protection services	Reclassificatio n to correct GRAP line items	Total
49. Segment information (continued)										
2025										
	Vote 1 - Corporate Services	Vote 2 - Civil Services	Vote 3 - Council	Vote 4 - Electricity Services	Vote 5 - Financial Services	Vote 6 - Development Services	Vote 7 - Municipal Manager	Vote 8 - Protection services	Reclassificatio n to correct GRAP line items	Total
Revenue										
Service charges and rates	-	198 147 754	-	516 017 434	200 765 307	-	-	-	(16 691)	914 913 804
Sale of Goods and Rendering of Services	12 297 702	4 346 773	63 441	-	470 751	9 905 057	-	363 989	(27 447 713)	-
Agency services	-	-	-	-	-	-	-	5 658 345	-	5 658 345
Interest Received	-	-	-	-	101 760 198	-	-	-	-	101 760 198
Rental income, licence and permits and operational revenue	572 674	5 407 757	199 556	6 112 273	1 162 267	435 528	-	4 916 304	27 447 714	46 254 073
Fines, penalties and forfeits	19 603	2 791	1 000	58 396	-	173 852	-	36 069 901	-	36 325 543
Transfers and subsidies - Operational	1 128 570	70 395 824	31 000	8 855 406	78 642 128	336 455	-	10 293 789	209 143 668	378 826 840
Non-exchange operational revenue	-	7 592 289	-	3 988 314	16 691	-	-	-	(16 691)	11 580 603
Gains on disposal of Assets	-	97 626	-	78 699	1 526 054	-	-	-	-	1 702 379
Transfers and subsidies - capital (monetary allocations)	43 478	52 711 550	-	23 979 562	-	155 141 862	130 500	15 264	(209 143 669)	22 878 547
Total segment revenue	14 062 027	338 702 364	294 997	559 090 084	384 343 396	165 992 754	130 500	57 317 592	(33 382)	1 519 900 332

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

	Vote 1 - Corporate Services	Vote 2 - Civil Services	Vote 3 - Council	Vote 4 - Electricity Services	Vote 5 - Financial Services	Vote 6 - Development Services	Vote 7 - Municipal Manager	Vote 8 - Protection services	Reclassificatio n to correct GRAP line items	Total
Expenditure										
Employee related costs	31 945 326	120 139 578	1 302 437	31 964 282	50 030 242	25 698 148	8 725 265	69 216 146	7 346 472	346 367 896
Remuneration of councillors	-	-	12 597 587	-	-	-	-	-	-	12 597 587
Bulk purchases - electricity	-	-	-	410 594 639	-	-	-	-	-	410 594 639
Inventory consumed	592 821	47 795 354	719 516	3 328 791	1 328 688	275 914	42 060	3 743 074	47 971	57 874 189
Debt impairment	-	2 707 702	-	93 523	1 270 978	7 339	-	18 482 412	-	22 561 954
Depreciation and amortisation	995 867	81 865 981	212 741	17 567 809	616 407	309 755	8 567	1 474 974	-	103 052 101
Interest	-	9 540 092	-	358 809	-	-	-	3 825	561 578	10 464 304
Contracted services	4 718 896	43 732 558	365 000	2 496 479	5 038 933	3 477 523	233 064	6 291 343	(1 397 839)	64 955 957
Transfers and subsidies	37 680	-	3 448 661	-	-	-	-	-	300 000	3 786 341
Irrecoverable debts written off	-	11 795 194	-	427 735	2 369 718	45 124	-	4 728 921	-	19 366 692
Operational costs	5 727 487	23 981 960	4 939 121	(4 629 779)	10 890 358	2 112 963	604 699	3 942 545	(1 218 673)	46 350 681
Losses on Disposal of Assets	101 625	2 304 713	-	881 391	13 930	38 629	20	19 755	-	3 360 063
Other Losses	223 474	8 735 614	-	192 718	3 689 495	154 545	92 182	427 773	(5 639 510)	7 876 291
Total segment expenditure	44 343 176	352 598 746	23 585 063	463 276 397	75 248 749	32 119 940	9 705 857	108 330 768	(1) 1 109 208 695	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

49. Segment information (continued)

Assets										
Property, plant and equipment and Intangible assets	454 543	106 750 083	1 327 647	44 284 236	601 466	146 206 657	89 560	3 003 370	-	302 717 562
	Governance & administration	Community & Public Safety	Economic& Environmental Services	Energy Sources	Waste Management	Waste Water Management	Water Management	Other	Reclassification to correct GRAP line items	Total
Revenue										
Service charges and rates	200 765 307	-	-	516 017 434	38 791 037	62 456 383	96 900 334	-	(16 691)	914 913 804
Sale of Goods and Rendering of Services	686 091	18 431 184	5 707 394	-	2 131 049	491 996	-	-	(27 447 714)	-
Agency services	-	-	5 658 345	-	-	-	-	-	-	5 658 345
Interest Received	101 760 198	-	-	-	-	-	-	-	-	101 760 198
Rental income, licence and permits and operational revenue	2 383 072	968 031	5 157 862	6 112 273	18 282	2 493 070	1 669 113	4 657	27 447 714	46 254 074
Fines, penalties and forfeits	1 000	36 100 504	162 852	58 396	-	-	2 791	-	-	36 325 543
Transfers and subsidies - Operational	79 801 698	11 229 644	851 200	8 855 406	19 662 694	33 101 100	16 181 430	-	209 143 669	378 826 841
Non-exchange operational revenue	-	-	-	3 971 622	3 364 061	2 504 196	1 724 032	-	16 691	11 580 602
Gains on disposal of Assets	1 613 526	-	-	78 699	-	-	10 153	-	-	1 702 378
Transfers and subsidies - capital (monetary allocations)	-	160 699 038	18 324 568	23 979 562	15 500 000	5 906 238	7 612 810	-	(209 143 669)	22 878 547
Total segment revenue	387 010 892	227 428 401	35 862 221	559 073 392	79 467 123	106 952 983	124 100 663	4 657	-	1 519 900 332
Entity's revenue										1 519 900 332
	Governance & administration	Community & Public Safety	Economic& Environmental Services	Energy Sources	Waste Management	Waste Water Management	Water Management	Other	Reclassification to correct GRAP line items	Total
Expenditure										
Employee related costs	96 854 655	108 050 692	24 726 777	24 228 390	23 168 248	36 112 428	25 341 755	538 480	7 346 472	346 367 897
Remuneration of councillors	12 597 587	-	-	-	-	-	-	-	-	12 597 587
Bulk purchases - electricity	-	-	-	410 594 639	-	-	-	-	-	410 594 639
Inventory consumed	2 754 908	5 675 946	4 500 511	3 288 309	4 334 414	4 392 588	32 879 542	-	47 971	57 874 189
Debt impairment	1 270 978	18 489 750	-	93 523	567 091	360 705	1 779 906	-	-	22 561 953

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

Depreciation and amortisation	7 297 708	6 201 229	26 729 383	15 658 203	3 888 355	26 048 216	17 227 074	1 932	-	103 052 100
Interest	369 936	59 819	332 854	358 809	6 031 279	2 713 792	36 237	-	561 578	10 464 304
Contracted services	14 772 123	11 443 621	8 345 646	1 136 930	20 442 893	8 335 842	1 828 742	48 000	(1 397 839)	64 955 958
Transfers and subsidies	3 448 661	-	-	-	-	-	-	37 680	300 000	3 786 341
Irrecoverable debts written off	2 369 718	4 774 045	-	427 735	1 329 171	1 646 279	8 819 744	-	-	19 366 692
Operational costs	28 647 273	5 672 362	1 918 950	4 692 657	1 726 576	2 115 486	1 166 106	1 629 943	(1 218 673)	46 350 680
Losses on Disposal of Assets	90 501	202 182	608 393	876 037	3 425	429 911	1 149 599	15	-	3 360 063
Other Losses	4 134 923	623 481	199 257	161 330	377 104	180 204	7 830 214	9 288	(5 639 509)	7 876 292
Total segment expenditure	174 608 971	161 193 127	67 361 771	461 516 562	61 868 556	82 335 451	98 058 919	2 265 338	-	1 109 208 695

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

Assets

Property, plant and equipment and Intangible assets	3 914 764	24 804 295	123 691 941	43 060 831	31 564 773	33 490 415	42 190 543	-	302 717 562
---	-----------	------------	-------------	------------	------------	------------	------------	---	-------------

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

2024

	Vote 1 - Corporate Services	Vote 2 - Civil Services	Vote 3 - Council	Vote 4 - Electricity Services	Vote 5 - Financial Services	Vote 6 - Development Services	Vote 7 - Municipal Manager	Vote 8 - Protection services	Reclassificatio n to correct GRAP line items	Total
Revenue										
Service charges and rates	-	187 405 213	-	443 265 414	163 174 552	-	-	-	(16 044)	793 829 135
Sale of Goods and Rendering of Services	12 312 012	4 281 687	72 793	-	439 154	9 274 446	-	352 606	(26 732 698)	-
Agency services	-	-	-	-	-	-	-	5 348 435	-	5 348 435
Interest Received	-	-	-	-	90 006 738	-	-	-	-	90 006 738
Rental income, licence and permits and operational revenue	594 978	23 775 167	79 432	19 384 065	1 910 743	92 368	-	5 150 384	26 732 698	77 719 835
Fines, penalties and forfeits	13 098	(2 900)	1 304	48 257	-	189 819	-	38 332 501	-	38 582 079
Transfers and subsidies - Operational	2 160 329	65 785 320	-	8 018 303	73 661 377	272 120	-	9 603 423	112 292 086	271 792 958
Non-exchange operational revenue	-	7 381 717	-	3 712 233	16 044	-	-	-	(16 044)	11 093 950
Gains on disposal of Assets	-	786 053	-	135 939	2 040 564	-	-	-	-	2 962 556
Transfers and subsidies - capital (monetary allocations)	50 000	34 205 981	-	23 658 000	-	54 597 638	-	958 557	(113 470 176)	-
Transfers and subsidies - capital (in-kind)	-	149 000	-	-	16 500	-	-	141 322	1 178 090	1 484 912
Total segment revenue	15 130 417	323 767 238	153 529	498 222 211	331 265 672	64 426 391	-	59 887 228	(32 088)	1 292 820 598
Entity's revenue										1 292 820 598
	Vote 1 - Corporate Services	Vote 2 - Civil Services	Vote 3 - Council	Vote 4 - Electricity Services	Vote 5 - Financial Services	Vote 6 - Development Services	Vote 7 - Municipal Manager	Vote 8 - Protection services	Reclassificatio n to correct GRAP line items	Total

Expenditure

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

Employee related costs	30 718 288	111 796 415	1 077 814	29 881 328	44 692 662	23 987 505	7 986 246	65 568 497	828 079	316 536 834
Remuneration of councillors	-	-	12 004 775	-	-	-	-	-	-	12 004 775
Bulk purchases - electricity	-	-	-	344 554 611	-	-	-	-	-	344 554 611
Inventory consumed	557 335	41 971 236	332 302	2 843 258	1 569 052	203 953	19 800	3 414 846	2 408 120	53 319 902
Debt impairment	-	3 011 910	-	461 760	1 157 462	2 164	-	5 738 170	-	10 371 466
Depreciation and amortisation	1 176 631	81 045 462	129 927	17 565 672	500 218	1 287 431	5 727	1 572 289	-	103 283 357
Interest	-	11 909 520	-	420 880	-	-	-	4 936	495 181	12 830 517
Contracted services	4 855 364	47 057 119	632 770	3 629 908	4 645 000	3 055 694	226 250	7 581 126	(2 674 608)	69 008 623
Transfers and subsidies	1 694 491	-	2 729 787	-	-	-	-	-	300 000	4 724 278
Irrecoverable debts written off	-	10 668 807	-	318 871	1 280 073	28 596	-	22 408 685	-	34 705 032
Operational costs	3 892 550	24 920 358	4 878 616	(3 947 165)	9 740 744	1 893 719	242 257	3 650 605	(2 300 230)	42 971 454
Losses on Disposal of Assets	3 413	8 839 345	-	814 580	389 858	28 661	-	410 811	-	10 486 668
Other Losses	307 394	13 843 378	17 274	3 999	(617 234)	509 284	(15 421)	(71 563)	943 457	14 920 568
Total segment expenditure	43 205 466	355 063 550	21 803 265	396 547 702	63 357 835	30 997 007	8 464 859	110 278 402	(1) 1 029 718 085	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

	Vote 1 - Corporate Services	Vote 2 - Civil Services	Vote 3 - Council	Vote 4 - Electricity Services	Vote 5 - Financial Services	Vote 6 - Development Services	Vote 7 - Municipal Manager	Vote 8 - Protection services	Reclassificatio n to correct GRAP line items	Total
49. Segment information (continued)										
Assets										
Property, plant and equipment	237 386	108 415 097	11 061	67 419 582	3 219 840	55 743 129	20 631	3 042 878	-	238 109 604

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

	Governance & Administration	Community & Public Safety	Economic & Environmental Services	Energy Sources	Waste Management	Waste Water Management	Water Management	Other	Reclassification to correct GRAP line items	Total
Revenue										
Service charges and rates	163 174 552	-	-	443 265 414	33 962 559	59 073 233	94 369 421	-	(16 044)	793 829 135
Sale of Goods and Rendering of Services	674 168	17 734 294	5 486 742	-	2 429 211	408 284	-	-	(26 732 699)	-
Agency services	-	-	5 348 435	-	-	-	-	-	-	5 348 435
Interest Received	90 006 738	-	-	-	1	-	-	-	-	90 006 739
Rental income, licence and permits and operational revenue	2 759 173	786 082	9 448 830	19 384 065	14 172	6 374 718	12 200 980	19 117	26 732 698	77 719 835
Fines, penalties and forfeits	1 304	38 358 052	177 366	48 257	-	-	(2 900)	-	-	38 582 079
Transfers and subsidies - Operational	75 821 706	10 832 762	403 439	8 018 303	18 206 198	30 998 056	15 220 408	-	112 292 086	271 792 958
Non-exchange operational revenue	-	-	-	3 696 188	3 177 139	2 460 437	1 744 141	-	16 044	11 093 949
Gains on disposal of Assets	2 721 564	-	-	135 939	-	-	105 053	-	-	2 962 556
Transfers and subsidies - capital (monetary allocations)	-	65 114 600	16 191 059	23 658 000	-	3 001 773	5 504 744	-	(113 470 176)	-
Transfers and subsidies - capital (in-kind)	165 500	141 322	-	-	-	-	-	-	1 178 090	1 484 912
Total segment revenue	335 324 705	132 967 112	37 055 871	498 206 166	57 789 280	102 316 501	129 141 847	19 117	(1) 1 292 820 598	
Entity's revenue										1 292 820 598
	Governance & Administration	Community & Public Safety	Economic & Environmental Services	Energy Sources	Waste Management	Waste Water Management	Water Management	Other	Reclassification to correct GRAP line items	Total
Expenditure										
Employee related costs	87 581 634	101 885 565	23 773 485	23 447 639	21 233 689	32 449 055	24 571 749	765 938	828 079	316 536 833
Remuneration of councillors	12 004 775	-	-	-	-	-	-	-	-	12 004 775

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

Bulk purchases - electricity	-	-	-	344 554 611	-	-	-	-	-	344 554 611
Inventory consumed	2 321 022	5 168 199	2 734 356	2 797 227	4 815 058	4 733 742	28 342 178	-	2 408 120	53 319 902
Debt impairment	1 157 462	5 740 335	-	461 760	757 686	916 222	1 338 002	-	-	10 371 467
Depreciation and amortisation	8 166 732	6 951 633	30 895 912	15 777 857	4 089 358	20 366 214	17 035 022	629	-	103 283 357
Interest	436 524	70 590	393 229	420 880	5 438 659	5 512 544	62 909	-	495 181	12 830 516
Contracted services	14 767 756	11 431 733	9 771 643	3 422 356	19 838 047	7 883 222	4 512 614	55 861	(2 674 608)	69 008 624
Transfers and subsidies	2 814 400	-	-	-	-	-	-	1 609 879	300 000	4 724 279
Irrecoverable debts written off	1 280 073	22 437 281	-	318 871	1 152 174	1 544 502	7 972 131	-	-	34 705 032
Operational costs	27 512 278	5 397 093	1 695 568	3 886 081	1 729 101	3 798 764	1 244 117	8 682	(2 300 230)	42 971 454
Losses on Disposal of Assets	2 251 497	571 467	3 591 460	808 139	855 735	1 859 709	548 662	-	-	10 486 669
Other Losses	5 170 683	3 451 363	(25 736)	9 250	(13 360)	(848 061)	6 234 526	(1 554)	943 457	14 920 568
Total segment expenditure	165 464 836	163 105 259	72 829 917	395 904 671	59 896 147	78 215 913	91 861 910	2 439 435	(1) 1 029 718 087	

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

49. Segment information (continued)

Assets

Property, plant and equipment	8 046 996	24 982 231	88 852 403	66 458 975	3 272 153	20 670 872	25 825 974	-	-	238 109 604
-------------------------------	-----------	------------	------------	------------	-----------	------------	------------	---	---	-------------

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

50. 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 26.

Commission to Prepaid vendors and expenditure relating to services rendered by the traffic services vendor are disclosed in Note 30.

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 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
50. Accounting by principals and agents (continued)		
Reconciliation of the carrying amount of payables		
Motor Vehicle Licenses		
Opening balance	648	-
Revenue that principal is entitled to	50 538 445	47 773 560
Cash repaid to the principal	(44 880 101)	(42 424 477)
Income from agency service	(5 658 345)	(5 348 435)
	647	648

The amount due to the Department is included under Payables from Exchange Transactions (Other payables) 13.

Prepaid Electricity		
Revenue that principal is entitled to	82 178 724	-
Cash received as the principal	(82 179 858)	-
Sundry receipts	1 134	-
	-	-

The arrangement only commenced during the 24/25 financial year. The appointment involves the online purchase of electricity vouchers.

51. 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)	85 043 301	88 693 038
Expenditure relating to service concession arrangement		
Depreciation	3 649 737	3 200 932
Total water purchased from district	37 798 824	33 540 669
Purchased at agreed rate	44 034 377	39 119 956
Adjusted for distribution (gains)/losses	(6 235 553)	(5 579 287)

No revenue is receivable by the municipality in terms of the arrangement. The municipality's water purchases are generated through this arrangement.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

51. Service Concession Arrangements (continued)

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).

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	85 043 301	88 693 038
-----------------------	------------	------------

Reconciliation of Carrying Amounts of Service Concession Assets

Opening Balance (Carrying Value)	88 693 038	91 893 970
Additions	-	-
Depreciation	(3 649 737)	(3 200 932)
Total Carrying Amounts of Service Concession Assets	85 043 301	88 693 038

52. 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 2024 (30 June 2023) had an overall funding level of 106.1% (2023: 106.9%) and is in a sound financial position. The next actuarial valuation will be as at 30 June 2025.

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 2024 (30 June 2023) revealed that the fund had a funding level of 117.3 % (120.1%). Certified to be of a sound financial position as at 30 June 2024.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

52. Multi-employer retirement benefit information (continued)

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% at valuating date (2019: 100%).

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 2024. As at 30 June 2024 the results state that the funding level was 100% (2023: 100%).

Employers do not have any liability for any fund's performances or deficits. None of the above mentioned plans are state plans.

53. Restatement of prior year

Presented below are those items contained in the statement of financial performance that have been affected by prior-year adjustments:

Kindly note that the segment report has been restated.

Statement of financial position

2024

	Note	As previously reported	Correction of error	Re-classification	Restated
Other financial assets		300 000 000	-	33 119 014	333 119 014
Non-current receivables from exchange transactions		33 119 014	-	(33 119 014)	-
VAT receivable (now control)		23 036 992	-	(14 030 722)	9 006 270
VAT accrual receivable		-	817 602	23 460 513	24 278 115
Payables from exchange transactions		(88 832 667)	(6 268 279)	-	(95 100 946)
VAT accrual payable		-	-	(9 429 791)	(9 429 791)
Surplus for the year		(2 712 124 967)	5 450 678	-	(2 706 674 289)

Statement of financial performance

2024

	Note	As previously reported	Correction of error	Re-classification	Restated
Operational revenue		17 329 201	-	12 161 393	29 490 594
Government grants and subsidies		283 874 832	-	(12 161 393)	271 713 439
Bulk Purchases		(340 331 780)	(4 222 831)	-	(344 554 611)

Reclassification of revenue

The library service grant was reclassified to operational services rendered following a best practice review of similar transactions at other municipalities.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

53. Restatement of prior year (continued)

(a) Correction of Non-current assets

During the current year unbundling, it was identified that opening balances of work-in-progress for Housing projects will eventually result in infrastructure assets. As such, the opening balance and prior year additions for Housing projects were reclassified to Infrastructure Assets which is the ultimate assets that will be unbundled once the Housing Projects are finalised.

Other movements refer to transfers, fair value adjustments, depreciation and impairment which remained unchanged.

Increase/(Decrease) in Property, Plant and Equipment

Book value of infrastructure opening balance previously disclosed	1 904 614 227
Transfer of work-in-progress opening balance for other assets	6 154 947
Restated book value of infrastructure opening balance	1 910 769 174
Additions of infrastructure previously disclosed	184 980 443
Transfer of work-in-progress additions for other assets	5 984 443
Restated additions of infrastructure	190 964 886
Other movements for Infrastructure asset previously disclosed	(96 745 639)
Total restated book value of infrastructure	2 004 988 421

Book value of other assets opening balance previously disclosed	48 813 419
Transfer of work-in-progress opening balance for other assets	(6 154 947)
Restated book value of other assets opening balance	42 658 472
Additions of other assets previously disclosed	9 908 910
Transfer of work-in-progress additions for other assets	(5 984 443)
Restated additions of other assets	3 924 467
Other movements for Other assets previously disclosed	(9 479 065)
Total restated book value of other assets	37 103 874

(b) Correction of error - payables

Invoices of Eskom at year-end is paid with a billing ending 25 June for each year. The accrual of the additional 5 days was assessed as qualitatively material given the reporting to NERSA which needs to approve the municipal tariff increases each year.

Increase/(Decrease) in payables

Balance as previously reported	88 832 667
Eskom accrual	6 268 279
	95 100 946

(b) Correction of error - VAT Accrual

During the year under review, the municipality considered the classification of VAT in relation to the GRAP 104 Fact sheet for VAT. Accordingly, to ensure that offsetting is not done, the VAT has been split, namely the VAT control account (money due (to)/from SARS) and the VAT accruals (Receivables and Payables). Also refer the Payables section for the Eskom accrual.

VAT accrual receivables

Eskom accrual	817 602
Reclassification from VAT receivable (now control)	23 460 513
	24 278 115

VAT accrual payables

Reclassification from VAT receivable (now control)	(9 429 791)
--	-------------

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

53. Restatement of prior year (continued)

(c) Correction of Suppliers with an interest in State

Suppliers with a family member with an interest in state

Total of sub-section in MFMA note previously disclosed

57 340 880

Additional declarations identified

7 881 775

Restated total for sub-section of MFMA note

65 222 655

(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

Balance as previously reported

2 444 799 629

Eskom accrual

(1 227 847)

Restated opening balance 1 July 2023

2 443 571 782

Profit for the year previously reported

267 325 338

Eskom accrual

(4 222 831)

2 706 674 289

54. Comparative figures

Certain comparative figures have been reclassified as indicated in Notes 53. These reclassifications were made in order to ensure comparability (consistency) to the current and future periods.

55. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee

3 477 096

3 240 371

Amount paid - current year

(3 477 096)

(3 240 371)

Balance unpaid (included in creditors)

-

Audit fees

Current year fee

4 593 044

3 665 578

Amount paid - current year

(4 593 044)

(3 665 578)

-

VAT

Opening balance

9 006 945

9 274 831

Declared during the year

14 123 891

(12 201 039)

Payments made

9 323 156

23 365 523

Receipts

(20 550 592)

(11 433 045)

11 903 400

9 006 270

VAT output payables and VAT input receivables are shown in note 8.

Kindly note that the comparative figures have been restated to reflect the VAT control account only. Refer to note 53.

All VAT returns have been submitted by the due date throughout the year.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

55. Additional disclosure in terms of Municipal Finance Management Act (continued)

PAYE, UIF and SDL

Current year fee	58 202 428	51 151 451
Amount paid - current year	(58 202 428)	(51 151 451)
Balance unpaid (included in creditors)	-	-

Pension and Medical Aid Deductions

Current year fee	86 143 069	78 994 435
Amount paid - current year	(86 143 069)	(78 994 435)
Balance unpaid (included in creditors)	-	-

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 by the Municipal Manager and noted by Council. The incidents were reported to council.

Incident

Deviations above R30 000 due to Emergencies (occurrences: 15 (2024: 23))	1 096 113	2 677 606
Deviations above R30 000 due to Sole Supplier deviations (occurrences: 19 (2024: 6))	1 628 131	677 903
Deviations based on section 2(6) of Supply Chain Policy - Impractical to obtain quotes - special goods/services (occurrences: 164 (2024: 79))	6 676 469	6 098 509
Deviations based on section 2(6) of Supply Chain Policy - Impractical to obtain quotes for repairs and services to specialised equipment or vehicles (occurrences: 715 (2024:470))	7 724 509	5 311 616
Deviations below R30 000 (occurrences: 175 (2024: 398))	1 214 169	3 252 173
	18 339 391	18 017 807

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	196 359 412	182 168 589
Units sold	(190 079 522)	(171 735 306)
Technical electricity losses	6 279 890	10 433 283
	3,20%	5,73%

Following a review of the Eskom account for 30 June 2025, it was determined that an accrual of the cut-off period between statement date and year-end was appropriate. Accordingly, the comparative purchases were restated to accurately reflect the units purchased inclusive of the accrual at year-end. The units and accrual is not material, but in order to compare year-on-year the prior year was restated. The units accrued at year-end is 525 075 (2024: 631 913).

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

55. Additional disclosure in terms of Municipal Finance Management Act (continued)

Water distribution losses and non-revenue water

Kilolitres purchased	6 101 996	5 714 492
Kilolitres sold	(4 700 913)	(4 452 371)
Kilolitres Lost in distribution (kl)	1 401 083	1 262 121
Unbilled / Unmetered Water (kl)	(201 366)	(188 578)
Actual loss in units (kl)	1 199 717	1 073 543
Percentage loss	19,66%	18,78%

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.

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:

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 2025 R	Value of Transaction 2024 R
Neil Lyners and Associates (RF) (OCT Potgieter)	Daughter	A Potgieter	City of Cape Town	Professional Officer	-	4 680 196
WJ Cotter Electrical (J Cotter)	Father in law	T van Essen	Swartland Municipality	Councillor	373 390	538 829
WJ Cotter Electrical (R Crawford)	Father in law	T van Essen	Swartland Municipality	Councillor		
Euraf Agencies CC (P Fourie)	Spouse	R Fourie	Department of Correctional Services	Financial Manager	259 460	171 820
Golden Rewards 1873 cc t/a Futasia Caterers (S De Jager)	Spouse	R De Jager	Department of Education	Teacher	237 045	270 460
Jonathan Wayne Lawrence t/a J Lawrence (J Lawrence)	Son	B Lawrence	Swartland Municipality	General Worker	235 590	228 970
JPCE (J Minnie)	Spouse	J Minnie	City of Cape Town	Manager	1 876 851	3 269 291
Conlog (L Moodley)	Spouse	N Moodley	Department of Health	Director	-	138 000
Zutari (Aurecon South Africa) (KP Nadasen)	Wife	K Nadasen	National Department of Public Works	Director: Key Account Management	7 468 302	3 419 448
Zutari (Aurecon South Africa) (RJ Ahlschlager)	Spouse	HC Ahlschlager	Special Investigating Unit	Legal Representative	-	-
Zutari (Aurecon South Africa) (I Gasant)	Sister	S Seegers	City of Cape Town	Manager: Distributed Computing Operations Manager	-	-
Zutari (Aurecon South Africa) (I Gasant)	Sister	N Allie	SARS	Team member: Debt Collection	-	-
Zutari (Aurecon South Africa) (I Gasant)	Sister	M Gasant	SARS		-	-

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

55. Additional disclosure in terms of Municipal Finance Management Act (continued)

Zutari (Aurecon South Africa) (E Marques)	Spouse	M Marques	Department of Internal Affairs	Director	-	-
Zutari (Aurecon South Africa) (J Ndala)	Spouse	TJ Ndala	Gauteng Department of Education	School Principal	-	-
Zutari (Aurecon South Africa) (S Jugwanth)	Mother	U Jugwanth	Department of Sports, Arts and Culture	Deputy Director: Head of Labour Relations for KZN	-	-
Zutari (Aurecon South Africa) (S Jugwanth)	Sibling	N Jugwanth	Department of Water and Sanitation	Chief Engineer Grade A	-	-
Fonnies Enterprises (BA Adonis)	Sister	T Adonis	Statistics SA	Data Capturer	11 360	61 618
Fonnies Enterprises (BA Adonis)	Brother	A Adonis	Metro EMS	Rescue Technician	-	-
Yolanda Petersen - Petersen Tuindienste (Y Petersen)	Spouse	R Petersen	Department of Correctional Services	Correctional Officer	260 568	226 920
Thembele Petrus Dapula t/a T P Dapula Communications (TP Dapula)	Spouse	N Dapula	Department of Higher Education	Deputy Principal	80 150	66 950
Blackbird 49 - Koos Smit (K Smit)	Spouse	M Smit	Swartland Municipality	Clerk	23 150	26 700
Amandla GCF Construction (W Frazenburg)	Sister	U Frazenburg	National Government: Deeds Office Kimberley	Registrar of Deeds	5 542 581	29 660 419
Amandla GCF Construction (W Frazenburg)	Brother	E Frazenburg	Department of Education Western Cape	Teacher	-	-
Amandla GCF Construction (W Frazenburg)	Sister	J Frazenburg	Department of Education Western Cape	Teacher	-	-
Amandla GCF Construction (W Frazenburg)	Brother	B Frazenburg	City of Cape Town: Traffic	Municipal Prosecutor	-	-
Actom (D Lubbe)	Spouse	T Lubbe	Department of Education		2 636 353	1 352 517
Swartland and West Coast Trading (Pty) Ltd (L Marcus)	Spouse	H Marcus	Department of Labour	Supervisor	88 590	160 686
Swartland and West Coast Trading (Pty) Ltd (L Marcus)	Child	K Dietrich	Department of Health	Finance Clerk	-	-
IX Engineers (M Mashegana)	Spouse	R Mashegana	Department of Health	Nurse	537 260	689 242
IQ Vision (J Meyer)	Daughter	MD Norman	Department of Health	Doctor	4 771 541	6 401 006
Johan Bester Ingenieurswerke (A Jordaan)	Spouse	M Jordaan	SAPS	Clerk	-	967 231

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

55. Additional disclosure in terms of Municipal Finance Management Act (continued)

Adapt IT (N Mbambo)	Spouse	MS Mbambo	SANRAL	Ops Maintenance Manager	145 678	106 205
Innovative Transport Solutions (L Pretorius)	Son	D Pretorius	CSIR	Engineer	250 308	199 645
Innovative Transport Solutions (C Krogscheepers)	Daughter	M van der Merwe	City of Cape Town	Doctor	-	-
Innovative Transport Solutions (O Rebeiro)	Spouse	N Khen	PRASA	Chief Operating Officer	-	-
Bubbles Household Chemicals (C Pieters)	Spouse	JR Pieters	Swartland Municipality	Chief Engineering Technician	489 192	537 116
Mindspring Computing (R Hendricks)	Spouse	B Hendricks	City of Cape Town	Electrician	78 700	-
Indecon (Pty) Ltd (T Barnard)	Spouse	L Barnard	Department of Education	Teacher	59 922	195 326
Ian Dickie & Co (Pty) Ltd (M Samuels)	Spouse	D Samuels	SAPS	Warrant Officer	26 478	135 677
JVZ Construction (M Matthee)	Spouse	R Matthee	Correctional Services	Security Guard	19 994 740	30 492
Siphakame Skills Development (N Vacu)	Spouse	NS Vacu	Drakenstein Municipality	Economic Growth Officer	325 020	404 628
Meloda Project Management (LE Daniels)	Spouse	MN Daniels	Swartland Municipality	Principal Clerk: Sundries and Housing	-	6 169
Motheo Construction (LT Mashau)	Brother	M Ndhlovu	Department of Statistics	Statistician	-	217 723
Motheo Construction (SJ Mantlhasi)	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 officer	-	-
F Bocks Construction (F Bocks)	Spouse	S Bocks	Department of correctional services	Warden	4 914 189	3 164 141
Spill Tech (GZ Goosen)	Spouse	S Goosen	Transnet	Supply Chain Manager	29 998	13 455
Spill Tech (SA Ngema)	Spouse	T Ngema	SARS	Audit Manager	-	-

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

55. Additional disclosure in terms of Municipal Finance Management Act (continued)

Bigen (H Aartsma)	Son	R Aartsma	Department of Water and Sanitation Pretoria	Candidate Engineer	1 409 193	2 622 511
CVW Consulting Engineers (SG Noyakaza)	Spouse	A Noyakaza	George Municipality	Snr OHS Officer	575 000	-
Exeo Khokela Engineering Construction (EZ Treu)	Brother	J Treu	Western Cape Education Department	Educator	126 743 126	5 259 265
JC Architectural Design Studio (LJ Swarts)	Sister	CR Swarts	Cape Winelands District Municipality	Admin Clerk	29 613	-
JC Architectural Design Studio (LJ Swarts)	Sister	DH Prinse	Western Cape Education Department	Teacher	-	-
L and J Ability Construction and Renovations (LM Mankopan)	Spouse	J Mankopan	SAPS	Officer	1 800	-
Landfill Consult (SE Dube)	Spouse	M Dube	DIRCO	Director	479 895	-
TMT Services and Supplies (F Du Toit)	Spouse	M Du Toit	City of Cape Town	Sub Councillor	4 559 845	-
New Horizon Business Solutions (MJA Fourie)	Spouse	GV Fourie	Western Cape Education Department	Deputy Principal	10 000	-
Gans Tours (S Ganas)	Spouse	S Ganas	Department of Education	Teacher	15 400	-
Munsoft (Pty) Ltd (N Nondzaba)	Mother	M Nondzaba	Bojanala Platinum District Municipality	Executive Mayor	299 000	-
Zana Manzi Services (AD Luthuli)	Spouse	G Luthuli	Desmond Tutu Child and Youth Care Centre	Head of Institution	91 223	-
Agro-Smart Enterprises (Pty) Ltd (A van Stade)	Spouse	M van Stade	Stellenbosch Municipality	Councillor	52 302	-
					184 982 813	65 222 656

Bigen & Exeo Khokela Engineering are part of the new suppliers that have been added to the related parties list, these two suppliers led to the amendment of the prior year figure by R7 881 775 (refer Note 53).

56. 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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

57. Irregular expenditure

Opening balance as previously reported	13 347 526	-
Opening balance as restated	13 347 526	-
Add: Irregular Expenditure - current	5 004 946	1 606 612
Add: Irregular Expenditure - prior period	4 843 603	12 263 605
Less: Amount written off - current	(5 004 946)	(522 691)
Less: Amount written off - prior period	(18 191 129)	-
Closing balance	-	13 347 526

Current year irregular expenditure

In the prior year audit the Auditor General identified Telkom services as irregular expenditure due to a lack of a formal procurement process, after a thorough analysis council wrote off R 4 803 759 pertaining to 23/24 R 4 259 578 and R 544 181 in the current year. The reason for the write-off was that officials acted in good faith and the municipality received value for money for the services rendered despite procedural shortcomings. The Auditor General also identified fuel purchases as irregular citing fuel filled outside the duly appointed contracted provider, council wrote off R 1 056 354 pertaining to 23/24 R 711 425 and R 344 929 in the current year.

The municipality also identified potential irregular expenditure via its own controls, this include purchases from SPAR during the Riverlands disaster R 35 221 and fuel purchases in Yzerfontein R 5 346, these purchases were written off by council during June 2025.

Lastly, following guidance from National Treasury, all payments in lieu of grants in aid since the inception of the MFMA towards the SPCA was reconsidered to be in breach of the supply chain management regulations. Following an investigation, Council wrote off the R 3 947 869 in irregular expenditure during June 2025.

Prior year 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 R 506 377 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 (R 30 880)). One of these cases were only written off during August 2024 (R 10 799).

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 R 13 336 728 in irregular expenditure during August 2024.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

58. Unauthorised expenditure

Opening balance as previously reported	-	5 556 386
Opening balance as restated	-	5 556 386
Less: Approved/authorised by council	-	(5 556 386)
Closing balance	-	-

Current year Unauthorised Expenditure

No unauthorised expenditure were incurred during the year.

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.

59. Events after the reporting date

No material events having financial implications requiring disclosure occurred subsequent to 30 June 2025.

60. Going concern

We draw attention to the fact that at 30 June 2025, the municipality had an accumulated surplus of 3 057 392 280 (2024: 2 706 674 289) 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.

61. 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.

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Appendix A: Schedule of External Loans

EXTERNAL LOANS	Redeemable	Balance at 2024/06/30	Received/ Transferred during the period	Interest Capitalised during the period	Redeemed written off during the period	Balance at 2025/06/30
LONG-TERM LOANS						
Development Bank	2029/03/31	17 925 297	0	-9 400	3 349 412	14 566 485
Sanlam	2031/06/30	20 888 657	0	-12 537	2 106 304	18 769 816
Total Long-Term Loans		38 813 954	0	-21 937	5 455 716	33 336 301
TOTAL EXTERNAL LOANS		38 813 954	0	-21 937	5 455 716	33 336 301

Appendix B: Analysis of Investment Property, Intangible Assets and Heritage Assets

	Cost				Accumulated Depreciation and Impairment					
Class, Sub-class	Opening balance	Additions	Disposals	Closing balance	Opening balance	Depreciation	Impairment	Disposals	Closing balance	Book Value
Heritage Assets	4 120 691	-	-	4 120 691	-	-	-	-	-	4 120 691
Intangible assets	4 661 407	450 000	43 465	5 067 942	4 158 266	105 390	-	43 465	4 220 191	847 751
Investment property	49 134 876	-	63 300	49 071 576	25 410 584	258 789	-	-	25 669 373	23 402 203
Property, plant and equipment	4 678 471 012	302 267 563	13 138 203	4 967 600 372	2 356 398 210	102 687 921	444 642	9 691 068	2 449 839 705	2 517 760 667
Community assets	275 637 580	19 560 017	40 172	295 157 424	157 288 355	6 876 849	-	26 519	164 138 684	131 018 740
Computer Equipment	17 911 316	1 193 139	1 039 903	18 064 551	12 252 826	1 741 300	-	1 028 399	12 965 726	5 098 825
Furniture and Office Equipment	11 602 660	1 191 916	713 964	12 080 613	8 078 331	739 805	-	686 118	8 132 018	3 948 594
Infrastructure assets	3 998 049 322	265 731 896	8 232 730	4 255 548 488	1 993 101 715	85 179 874	325 642	5 645 556	2 072 961 675	2 182 586 813
Electrical infrastructure	743 395 857	42 870 364	3 924 979	782 341 242	325 417 368	14 484 939	160	3 063 823	336 838 644	445 502 597
Roads infrastructure	1 085 224 131	75 325 479	1 419 527	1 159 130 082	587 258 894	21 566 418	-	832 973	607 992 338	551 137 744
Sanitation infrastructure	884 379 684	29 646 443	-	914 026 128	398 937 442	25 648 028	-	-	424 585 470	489 440 658
Solid waste infrastructure	66 251 469	27 539 384	-	93 790 853	34 616 300	2 793 097	297 245	-	37 706 642	56 084 211
Storm-water infrastructure	279 282 086	40 140 960	-	319 423 046	122 331 691	3 797 468	27 377	-	126 156 535	193 266 511
Water supply infrastructure	939 516 095	50 209 267	2 888 224	986 837 138	524 540 020	16 889 925	860	1 748 760	539 682 045	447 155 093
Land	95 221 245	31 000	150 372	95 101 873	14 402 501	-	119 000	145 745	14 375 756	80 726 117
Machinery and Equipment	38 749 207	3 593 261	1 279 554	41 062 913	22 077 148	2 565 474	-	1 126 865	23 515 757	17 547 156
Other assets	158 001 698	838 904	-	158 840 602	120 897 824	1 842 175	-	-	122 739 999	36 100 603
Transport Assets	83 297 985	10 127 430	1 681 508	91 743 907	28 299 511	3 742 444	-	1 031 866	31 010 089	60 733 818
Total	4 736 387 987	302 717 563	13 244 968	5 025 860 581	2 385 967 060	103 052 100	444 642	9 734 533	2 479 729 269	2 546 131 312

Swartland Municipality

Annual Financial Statements for the year ended 30 June 2025

Appendix C: Segmental Analysis of Assets

	Cost				Accumulated Depreciation and Impairment					
Department	Opening balance	Additions	Disposals	Closing balance	Opening balance	Depreciation	Impairment	Disposals	Closing balance	Book Value
Administration Civil	1 274 765	52 117	32 010	1 294 873	683 621	89 330	-	27 876	745 075	549 798
Administration Corporate Servi	14 466 789	30 093	542 305	13 954 577	2 384 711	24 800	-	452 331	1 957 180	11 997 397
Administration Development Services	1 084 980	25 196	5 204	1 104 972	608 080	35 804	-	5 198	638 686	466 286
Administration Financial Services	8 632 501	662 896	983 668	8 311 728	5 293 746	610 079	-	970 241	4 933 584	3 378 144
Administration Municipal Manag	101 409	19 060	11 925	108 544	66 692	7 377	-	11 905	62 164	46 380
Administration Protection Services	30 665	33 709	600	63 774	19 830	6 968	-	596	26 202	37 573
Building Control	97 076	-	-	97 076	77 851	4 375	-	-	82 227	14 849
Caravan Park - Yzerfontein	2 766 524	496 138	139 916	3 122 746	552 271	160 031	-	101 520	610 782	2 511 965
Cemetries	6 342 233	6 598	-	6 348 832	4 871 604	147 801	-	-	5 019 405	1 329 427
Community Development	1 261 537	-	8 615	1 252 922	92 809	59 265	-	8 390	143 685	1 109 238
Council	1 155 468	877 647	-	2 033 115	372 682	212 741	-	-	585 423	1 447 691
Electricity Distribution	770 924 610	39 785 887	4 357 205	806 353 292	336 873 639	15 658 203	160	3 481 168	349 050 834	457 302 459
Fire Fighting	14 122 747	1 938 154	29 421	16 031 480	2 496 321	793 495	-	15 333	3 274 483	12 756 997
Housing	13 591 303	(11 340 429)	-	2 250 874	930 830	37 961	-	-	968 791	1 282 082
Human Resources	52 090	-	2 000	50 090	42 098	1 860	-	1 181	42 777	7 312
Internal Audit	29 127	-	-	29 127	22 815	1 189	-	-	24 004	5 123
IT Services	19 498 581	1 971 406	189 715	21 280 272	12 657 366	1 909 607	-	184 360	14 382 613	6 897 659
Libraries	10 222 354	88 529	146 719	10 164 163	4 790 808	307 982	-	140 840	4 957 950	5 206 213
Licencing and Traffic Services	3 231 141	21 994	118 975	3 134 161	2 122 605	211 674	-	118 556	2 215 724	918 437
Multi Purpose Centres	262 138	744 836	-	1 006 974	173 485	4 748	-	-	178 233	828 741
Municipal Property	416 760 033	2 559 293	508 878	418 810 449	253 719 311	4 387 881	119 000	382 246	257 843 947	160 966 502
Occupational Health and Safety	77 373	-	-	77 373	60 845	3 744	-	-	64 589	12 784
Parks and Recreational Areas	15 759 828	1 186 453	462 586	16 483 694	6 970 905	856 068	-	329 684	7 497 289	8 986 405
Planning and Valuation	89 382	10 070	1 200	98 252	79 796	3 825	-	1 197	82 424	15 828
Policing and Law Enforcement	8 510 833	1 051 245	50 736	9 511 342	4 407 647	462 837	-	45 492	4 824 993	4 686 349
Refuse Removal	87 286 593	30 725 217	43 796	117 968 014	40 976 348	3 888 355	297 245	40 370	45 121 578	72 846 436
Sewerage	888 428 058	35 754 956	1 063 810	923 119 204	404 380 221	26 048 216	-	633 899	429 794 538	493 324 666
Sportgrounds	91 631 170	4 259 380	4 960	95 885 590	44 738 069	2 707 295	-	4 450	47 440 914	48 444 676
Streets and Stormwater	1 381 468 421	130 955 702	1 598 281	1 510 825 841	724 997 111	26 509 508	27 377	990 310	750 543 686	760 282 156
Supply Chain Management	60 282	8 673	1 296	67 659	37 738	6 327	-	792	43 273	24 387
Swimming Pools	8 035 918	12 569 394	440	20 604 873	15 380	4 453	-	440	19 393	20 585 479
Tourism	21 134	-	1 557	19 577	12 079	1 933	-	1 542	12 470	7 107
Town and Community Halls	16 128 794	96 380	12 639	16 212 535	2 365 919	659 292	-	7 700	3 017 511	13 195 025
Unspecified	-	-	-	-	-	-	-	-	-	-
Water Services	952 982 129	48 126 968	2 926 513	998 182 584	528 071 825	17 227 074	860	1 776 914	543 522 844	454 659 740
Grand Total	4 736 387 987	302 717 563	13 244 968	5 025 860 581	2 385 967 060	103 052 100	444 642	9 734 533	2 479 729 269	2 546 131 312

Appendix D: Segmental Statement of Financial Performance

Refer to note 49

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

APPENDIX E DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003													
									Transferred to Revenue				
Name of Grant	System code	Balance as at 30 June 2024	Debtors	Receipts Q1	Receipts Q2	Receipts Q3	Receipts Q4	Total Receipts	Operating Expenditure	Capital Expenditure	Paid back to National Revenue Fund	Construction Contracts balance 30 June 2025	Unspent Grants Balance as at 30 June 2025
National Government Grants													
Equitable Share	Equitable Share	0		64 068 000	51 255 000	38 441 000	0	153 764 000	153 764 000		0		-
Expanded Public Works Programme	EPWP	0		399 000	716 000	478 000	0	1 593 000	1 593 000	0	0		-
Finance Management Grant	LG-FMG	0		1 600 000	0	0	0	1 600 000	1 600 000	0	0		-
Integrated National Electrification Grant	INEP	0		7 000 000	10 000 000	5 818 000	-416 358	22 401 642	0	22 401 642	0		-
	INEP-OP	0		0	0	0	416 358	416 358	416 358	0	0		-
Municipal Infrastructure Grant	MIG	0		5 491 000	18 553 000	5 258 000	0	29 302 000	0	29 302 000	0		-
Municipal Disaster Relief Grant - General	MDRG	350 000		0	0	0	0	0	350 000	0	0		-
Municipal Disaster Response Grant: Riverlands	MDRG2	0		0	0	9 241 000	0	9 241 000	0	1 797 390	0		7 443 610
Total National Government Grants		350 000	0	78 558 000	80 524 000	59 236 000	0	218 318 000	157 723 358	53 501 032	0	0	7 443 610
Provincial Government Grants													
Community Development Workers	CDW	1 311		38 000	0	0	0	38 000	33 988	0	-1 311		4 012
Human Settlements	HP-MDH	363 379		17 600 702	31 190 905	27 812 900	0	76 604 508	0	76 604 508	-363 379		-
	HP-MRB	0		10 357 594	34 158 880	12 144 960	0	56 661 434	0	56 661 434	0		-
	HP-DAR	447 179		7 492 430	8 544 706	2 346 969	0	18 384 105	0	18 831 284	0		-
	HP-SILV	5 500 000		2 800 000	4 438 810	0	0	7 238 810	0	249 514	0		12 489 296
	HPK	0		0	2 795 122	0	0	2 795 122	0	2 795 122	0		-
	FDH	0		0	760 922	0	0	760 922	0	0	0		760 922
	HP-DAR-T	0		0	0	0	2 509 895	2 509 895	0	0	0	2 509 895	-
	HP-MRB-T	0		0	0	0	4 832 285	4 832 285	0	0	0	4 832 285	-
Municipal Accreditation and Capacity Building Grant	MACB	89 089		0	249 000	0	0	249 000	165 904	0	-89 089		83 096
Title Deeds Restoration		0		0	0	0	0	0	0	0	0		-
Libraries	LS-OP	0		4 018 000	4 018 000	3 972 522	0	12 008 522	12 008 522	0	0		-
	LS-CAP	0		0	0	43 478	0	43 478	0	43 478	0		-
Proclaimed Roads Subsidy	MMR-OPEX	0		0	0	170 000	0	170 000	170 000	0	0		-
	MMR-C	0		0	0	0	0	0	0	0	0		-
Thusong Grant	TCR	0		0	0	150 000	0	150 000	134 563	0	0		15 437
Establishment of a K9 Unit	K9	-7 443		3 732 000	0	400 000	0	4 132 000	4 124 557	0	0		-
	K9-Cap	7 443		40 000	0	0	0	40 000	0	47 443	0		-
Establishment of a Rural Safety Unit	LE-REU	0		5 712 000	0	0	0	5 712 000	5 712 000	0	0		-
Emergency Fire Kits	EFK	2 120		0	416 591	0	0	416 591	414 554	0	-2 120		2 037
WC Fin Management Capability Grant (Internal Audit)	WC-FMCG	418 031		0	0	0	0	0	0	0	-418 031		-
WC Fin Management Capability Grant (Bursaries)	WC-FMGSG	176 807		0	0	0	0	0	0	0	-176 807		-
Western Cape Education Department	WCED	23 000 000		0	0	0	0	0	0	22 691 646	0		308 354
Sport Development	SD	0		0	0	500 000	0	500 000	0	498 434	0		1 566
		0		0	0	0	0	0	0	0	0		-
Total Provincial Government Grants		29 997 915	0	51 790 726	86 572 937	47 540 829	7 342 180	193 246 672	22 764 088	178 422 864	-1 050 737	7 342 180	13 664 719
Other Grant Providers													
Swartland Business Hive (Entrepreneurial Hub)	CSMBH	40 000		0	40 000	0	0	40 000	0	70 500	0		9 500
Contribution: Grade 1 project	Con SDA	31 000		0	0	0	0	0	31 000	0	0		-
CHIETA	CHIETA	0		454 320	403 200	0	315 900	1 173 420	774 353	0	0		399 067
SETA	SETA	0	-207 775	125 302	81 470	249 399	92 919	549 090	341 315	0	0		-
COVID 19 - Food Parcels and Financial Support	COVID19	75 000		4 000	0	-500	0	3 500	18 500	0	-60 000		-
SANRAL	ConSan	0	-558 393	0	0	0	558 393	558 393	0	0	0		-
Standard Bank	STDB	0		0	0	30 000	30 000	60 000	0	60 000	0		-
Contribution International Youth Camp	ConYouth	0		0	0	69 000	131 000	200 000	12 902	0	0		187 098
Contribution Water Week	ConWat	0		0	0	0	0	0	0	0	0		-
Total Other Grant Providers		146 000	-766 168	583 622	524 670	347 899	1 128 212	2 584 403	1 178 070	130 500	-60 000	0	595 665
Total Grants and Subsidies		30 493 915	-766 168	130 932 348	167 621 607	107 124 728	8 470 392	414 149 075	181 665 516	232 054 395	-1 110 737	7 342 180	21 703 995