WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

2024/25

ANNUAL REPORT

WITZENBERG

MUNICIPALITY

2024/25

Contents

CHAPTER 1: MAYOR'S FORWARD & EXECUTIVE SUMMARY 4

COMPONENT A: EXECUTIVE MAYOR'S FORWARD 5
COMPONENT B: EXECUTIVE SUMMARY 5
MUNICIPAL MANAGER'S OVERVIEW 7
1.1 MUNICIPAL FUNCTIONS, POPULATION & ENVIRONMENTAL OVERVIEW 9
1.2 SERVICE DELIVERY OVERVIEW 15
1.3 FINANCIAL HEALTH OVERVIEW 17
1.4 ORGANISATIONAL DEVELOPMENT OVERVIEW 19
1.5 AUDITOR-GENERAL REPORT 20
1.6 STATUTORY ANNUAL REPORT PROCESS 21

CHAPTER 2: GOVERNANCE 22

COMPONENT A: POLITICAL & ADMINISTRATIVE GOVERNANCE 23
2.1 POLITICAL GOVERNANCE STRUCTURE 23
2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE 27
COMPONENT B: INTERGOVERNMENTAL RELATIONS 28
2.3 INTERGOVERNMENTAL RELATIONS 28
COMPONENT C: PUBLIC ACCOUNTABILITY & PARTICIPATION 30
2.4 PUBLIC MEETINGS 30
2.5 IDP PARTICIPATION & ALIGNMENT 32
COMPONENT D: CORPORATE GOVERNANCE 34
2.6 RISK MANAGEMENT 34
2.7 ANTI-CORRUPTION & FRAUD 34
2.8 PERFORMANCE, RISK & AUDIT COMMITTEE 35
2.9 INTERNAL AUDITING 36
2.10 BY-LAWS 38
2.11 SUPPLY CHAIN MANAGEMENT 39
2.12 WEBSITE 43
2.13 COMMUNICATION & PUBLIC SATISFACTION 44

CHAPTER 3: SERVICE DELIVERY PERFORMANCE 50

3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION 50
COMPONENT A: BASIC SERVICES 74
3.2 WATER SERVICES 74
3.3 WASTEWATER SERVICES (SANITATION) 77
3.4 ELECTRICITY 79
3.5 WASTE MANAGEMENT (COLLECTION, DISPOSAL, RECYCLING & CLEANING) 82
3.6 HOUSING 86
3.7 FREE BASIC SERVICES & INDIGENT SUPPORT 90
COMPONENT B: ROAD TRANSPORT 95
3.8 ROAD SERVICES 95
3.9 WASTEWATER (STORM WATER DRAINAGE) 98

COMPONENT C: PLANNING & DEVELOPMENT 101
3.10 PLANNING 101
3.11 LOCAL ECONOMIC DEVELOPMENT 103
3.12 TOURISM 106
COMPONENT D: COMMUNITY & SOCIAL SERVICES 110
3.13 LIBRARIES & COMMUNITY FACILITIES 110
3.14 CEMETERIES 110
3.15 CHILDCARE, AGED CARE & SOCIAL PROGRAMMES 111
3.16 COMMUNITY SERVICES: OTHER 113
COMPONENT E: ENVIRONMENTAL PROTECTION 114
3.17 POLLUTION CONTROL 114
3.18 PARKS, PUBLIC OPEN SPACES & RIVER MANAGEMENT 114
COMPONENT F: SECURITY & SAFETY 116
3.19 TRAFFIC & VEHICLE LICENSING 116
3.20 FIRE SERVICES 117
3.21 OTHER (DISASTER MANAGEMENT, ANIMAL CONTROL &, CONTROL OF PUBLIC NUISANCES) 119
COMPONENT G: SPORT & RECREATION 123
3.22 SPORT & RECREATION 123
COMPONENT H: CORPORATE POLICY OFFICES & OTHER SERVICES 124
3.23 FINANCIAL SERVICES 124
3.24 HUMAN RESOURCE SERVICES 125
3.25 INFORMATION & COMMUNICATION TECHNOLOGY (ICT) SERVICES 127
3.26 INTERNAL AUDIT & RISK MANAGEMENT 127
3.27 LEGAL SERVICES 128
3.28 STRATEGIC SUPPORT: OTHER 129

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE 130

4.1 INTRODUCTION TO THE MUNICIPAL WORKFORCE 130
4.2 MANAGING THE MUNICIPAL WORKFORCE 134
4.3 CAPACITATING THE MUNICIPAL WORKFORCE 136
4.4 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE 139
4.5 MFMA COMPETENCIES 141

CHAPTER 5 – FINANCIAL PERFORMANCE 143

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE 144
5.1 FINANCIAL SUMMARY 144
5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION 147
5.3 GRANTS 150
5.4 ASSET MANAGEMENT 151
5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS 153
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET 156
5.6 CAPITAL EXPENDITURE 156
5.7 SOURCES OF FINANCE 156
5.8 CAPITAL SPENDING ON FIVE LARGEST PROJECTS 157
5.9 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS OVERVIEW 157
COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENTS 160

5.10 CASH FLOW 160
5.11 GROSS OUTSTANDING DEBTORS PER SERVICE 160
5.12 TOTAL DEBTORS AGE ANALYSIS 161
5.13 BORROWINGS AND INVESTMENT 162
COMPONENT D: OTHER FINANCIAL MATTERS 163
5.14 SUPPLY CHAIN MANAGEMENT 163
5.15 GRAP COMPLIANCE 163

CHAPTER 6 – AUDITOR-GENERAL AUDIT FINDINGS 164

COMPONENT A: AUDITOR-GENERAL OPINION 2024/25 165
6.1 AUDITOR-GENERAL REPORTS 2023/24 165
6.2 AUDITOR-GENERAL REPORTS 2024/25 165
LIST OF ABBREVIATIONS 166
APPENDICES 168

APPENDIX A	COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE
APPENDIX B	COMMITTEES AND COMMITTEE PURPOSES
APPENDIX C	THIRD TIER ADMINISTRATIVE STRUCTURE
APPENDIX D	FUNCTIONS OF MUNICIPALITY / ENTITY
APPENDIX E	WARD REPORTING
APPENDIX F	WARD INFORMATION
APPENDIX G	RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2024/25
APPENDIX H	LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS
APPENDIX I	MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE
APPENDIX J	DISCLOSURES OF FINANCIAL INTERESTS
APPENDIX K	REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE
APPENDIX L	CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG
APPENDIX M	CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES
APPENDIX N	CAPITAL PROGRAMME BY PROJECT 2024/25
APPENDIX O	CAPITAL PROGRAMME BY PROJECT BY WARD 2024/25
APPENDIX P	SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS
APPENDIX Q	SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION
APPENDIX R	DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY
APPENDIX S	DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

VOLUME II: ANNUAL FINANCIAL STATEMENTS
AUDITOR-GENERAL REPORT

CHAPTER 1: MAYOR'S FORWARD & EXECUTIVE SUMMARY

COMPONENT A: EXECUTIVE MAYOR'S FORWARD

"Witzenberg Municipality - A municipality that cares for its community, creating growth and opportunity".



The annual report outlines the activities and performance of the Municipality during the 2024/2025 financial year. It also addresses challenges faced by the Municipality and discusses plans to overcome them. I am pleased to share that we have retained our clean audit status, marking the Witzenberg Municipality's thirteenth consecutive clean audit. This year, the Finance Department transitioned from Excel-driven financial statements to CaseWare Financials (a software program), which initially caused various issues for the Municipality. However, I am confident that these growing pains are now behind us, as we prepare to produce half-yearly financial statements for the first time in the coming year. Maintaining our clean audit status demonstrates the institution's commitment to governance and responsible financial management. I am deeply grateful to Council, my Executive Mayoral Committee, Section 79 oversight committees, Management, and Staff for their steadfast dedication and hard work in achieving this accomplishment.

During the 2024/25 financial year, several significant service delivery projects commenced, each poised to benefit various communities substantially. The completion of the Tierhokskloof Bulk Water Pipeline project, with an investment of approximately R21 million, will provide Wolseley Town with a sustainable water supply. This initiative presented notable technical challenges for the Municipality, including the importation of specialized pipes and the use of helicopters to transport these materials to elevated locations in Mitchell's Pass, where access is restricted.

Additionally, the transfer waste station in Tulbagh was successfully completed, receiving strong community support from its inception and thereby assisting the Municipality in reducing the volume of waste directed to the PA Hamlet landfill site. The initial phase of the Witzenberg (Ceres) sub-station upgrade has also commenced. Upon completion in the upcoming financial year, at a total project cost of R25 million, this upgrade will enable the Municipality to optimize the offtake of our maximum notified demand from Eskom.

Furthermore, strategic improvements were implemented across all departments, focusing on both enhancing our municipal fleet and ensuring the provision of reliable, high-quality service delivery.

Debt collection for municipal rates and taxes is increasingly problematic, especially in towns served by Eskom. Rising outstanding debt and a growing disregard for payment may soon undermine service delivery if not resolved promptly. Next year, I plan to visit all towns to raise awareness about the strict enforcement of our credit control policy. While we are resealing tarred roads to prolong their lifespan, our budget cannot fully support pavement management, leaving a backlog of nearly R80 million. About 30% of these roads are in poor or very poor condition. We are applying for MIG funding to improve road maintenance in underprivileged areas.

The Eskom network's limited capacity continues to hinder local economic growth. The Municipality has completed an EIA for a photovoltaic solar project and awaits the application outcome, aiming

to pursue a PPP agreement to ease energy shortages. High costs associated with the regional landfill site present significant financial challenges for the Municipality. Illegal land occupation and rapid informal area growth remain major risks, requiring support from law enforcement and the Provincial Department of Human Settlements. In addition, the increasing number of undocumented immigrants is contributing to rising community violence.

Despite challenges, the Municipality provides quality services for all citizens equally. Looking ahead, Witzenberg Municipality is optimistic about the future. I thank our leadership team and staff for their commitment to making Witzenberg a centre for tourism, business, and agriculture. I am honoured to serve as Executive Mayor and confident we will face challenges together.



COUNCILLOR TREVOR ABRAHAMS

EXECUTIVE MAYOR WITZENBERG

COMPONENT B: EXECUTIVE SUMMARY

Municipal Manager's Overview

Report of the Accounting Officer (Municipal Manager) in terms of Section 121 of the Local Government: Municipal Finance Management Act No 56 of 2003 (the MFMA).



Mr. David Nasson, Municipal Manager

The Municipal Finance Management Act (herein referred to as the MFMA) requires the Accounting Officer to do an assessment of any arrears on municipal taxes and service charges as well as the municipality's performance against the measurable performance objects referred to in Section 17 (3)b of the said Act. The latter assessment is dealt with in Chapter 5.1 of the Annual Report.

Arrears Assessment

The Auditor General of South Africa has, in its report on the 2024/2025 financial statements of the Municipality, emphasised the material impairment of R 268 million on receivables from exchange transactions as well as R 59 million on receivables from non-exchange transactions. As required by the MFMA my assessment of the arrears on municipal taxes and service charges as of 30 June 2025 is as set out below:

- the gross outstanding service debtors in total increased by 13.9% in relation to the 2023/2024 financial year, this increase resulted from the inability to implement credit control measures in the areas where ESKOM supply electricity.
- The leading contributors to the outstanding debt are water at 25% and sanitation and refuse at 33%.
- most households are working in the Agricultural sector where a large portion of job opportunities are of a seasonal nature.
- the Municipality will continue to exercise all legal avenues to collect its outstanding debt.
- concerted efforts are therefore being made, inter alia, through capacitating our own debt collection to recover debts older than 90 days, which constitutes 74% of total outstanding debt.

Credit control measures are progressively tightened up, e.g. service providers to perform disconnections on defaulters.

Revenue Collection

The municipality's performance for revenue collection decreased from 90% in 2023/2024 to 86% in the 2024/2025 financial year. We are mindful that the Municipality's financial sustainability is dependent on its ability to optimally collect the budgeted revenue. Public participation is being done on installation of water management devices and the disconnection of illegal electricity meters.

Material losses / Impairments

Electricity

The total loss for the financial year was 14% compared to the loss of 10% in the previous financial year. The electricity losses are mainly the result of ageing infrastructure and theft of electricity in certain areas within the Municipality. The upgrade of the electrical infrastructure will continue in the new financial year which will hopefully lead to a further decrease in electricity losses. As part of Councils on-going programme to cut down on energy losses the following corrective measures will be undertaken:

- conducting an audit of all meters in Municipal area
- replacing conventional pre-paid meters with split meters
- updating GIS data to monitor electrical distribution
- regular special operations to clamp down on electricity theft.

- setting of competitive feed in tariffs to encourage bulk consumers to feed electricity into our municipal grid for re-sale

Water
The calculated water loss is 11%. This is unchanged from that was recorded in the 2023/2024 financial year. The technical department is robust and vigorously busy improving the effectiveness of water provision by:

- -installing water meters at unmetered communal taps
- -replacing and repairing bulk meters
- -installing data loggers at strategic sites
- -collecting and calculating monthly data
- -replacing badly leaking/eroded pipes on a program within certain areas.

Incidents of Theft / Fraud / Gross Negligence

No incidents of fraud or gross negligence were reported.



D NASSON

MUNICIPAL MANAGER

1.1 Municipal Functions, Population & Environmental Overview

This report addresses the performance of Witzenberg Municipality, Western Cape, with respect to their core legislative obligations. Local Government has an obligation to create a participatory framework that defines and enhances the relationships between elected leaders and communities. This requires that the Council of the municipality provides regular and predictable reporting concerning performance programmes and the general state of affairs in their locality.

The 2024/25 Annual Report reflects the performance of Witzenberg Municipality for the period 1 July 2024 to 30 June 2025. The Annual report is prepared in terms of Section 121 (1) of the Municipal Finance Management Act (MFMA), in terms of which the municipality must prepare an Annual report for each financial year.

1.1.1 Vision & Mission

Our Vision

A municipality that cares for its community, creating growth and opportunities.

Our Mission:

Witzenberg Municipality is committed to improve the quality of life for the community by:

- Providing and maintaining affordable services.
- Promoting social and economic development
- The effective and efficient use of available resources
- Effective stakeholder and community participation

Value System:

- Driven by the aspirations of our community, we will respect and uphold the Constitution of the Republic of South Africa.
- We commit ourselves to the Code of Conduct for Councillors and Officials in terms of the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

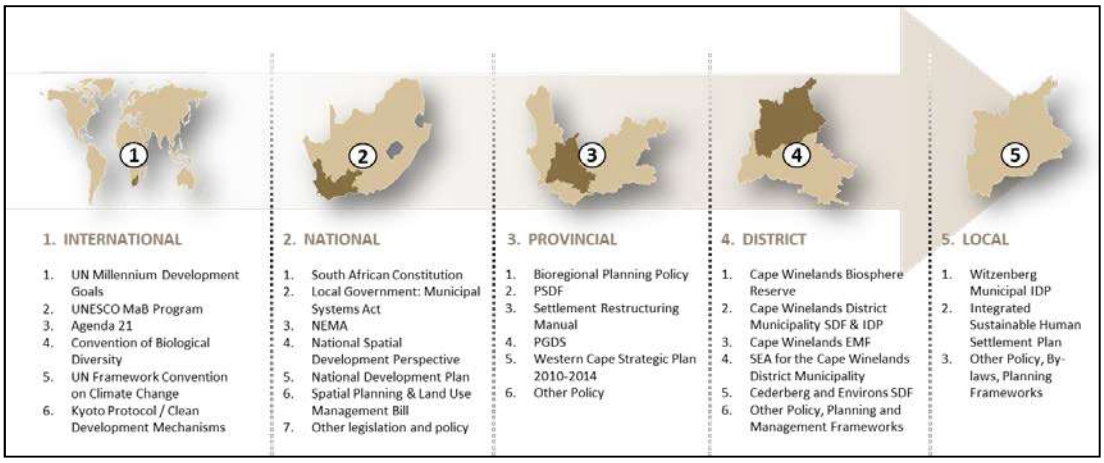
1.1.2 Demographic Information

Witzenberg Local Municipality (LM) was founded in 2000 and is classified as a Category B municipality and is responsible for basic service provision in the demarcated municipal area that includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley, and Op-die-Berg. The rural areas within the municipal boundary are Ceres Valley, Koue Bokkeveld, Agter-Witzenberg, Ceres/Tankwa Karoo and the northern portion of Breede River Valley (Land van Waveren).

<u>Municipal geographical information:</u>

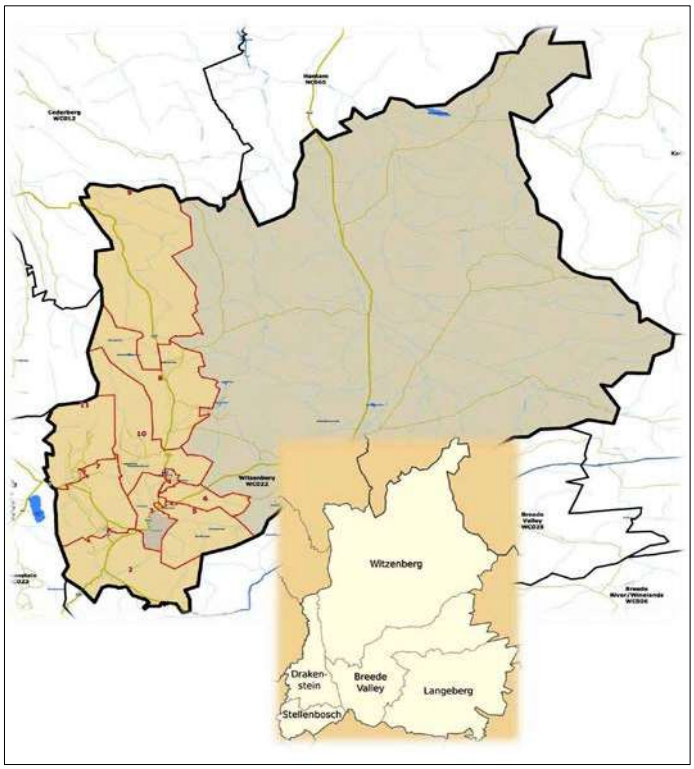
The climate in Witzenberg is known for hot and dry weather during summer. Winds are seasonal and generally North-westerly or South-easterly. The average annual rainfall in Ceres is about 1 088 mm and the average temperature ranges from 2.4°C to 29.9°C.

Located in the picturesque and fertile Breede Valley, Witzenberg is renowned for export quality fruit and wine products. The region is also well-known for producing other agronomical products such as olives and grain, and meat products such as beef and pork. Horse and cattle stud farms are also found within the municipal area.



Witzenberg Municipality in geographical context.

Witzenberg LM comprises an area of 10 753 km^2 and is situated about 150 kilometres North-East of Cape Town. The region is surrounded by three mountain ranges: the Obiqua Mountains to the west, the Winterhoek Mountains to the north and the Witzenberg range to the east. These mountain ranges often receive significant winter snowfall. Witzenberg' s natural surroundings are characterized by endemic fauna and flora, forest wilderness and include the catchment areas of three river systems.



Location of Witzenberg Municipality in the Cape Winelands District.

From a spatial perspective, some of the challenges facing the various areas of the municipality are:

- Op-die-Berg and the Koue Bokkeveld: Limited space for human settlement expansion due to bio-physical conditions and the competition for land for various economic and agricultural needs.

- Prince Alfred Hamlet: A low overall density of development, with definite bio-physical constraints to expansion such as the need to protect biodiversity resources.
- Ceres: Main administrative centre with largest industrial developments. Low density development with limited opportunities for diversification.
- N'Duli: The scarcity of land to address social needs, and conflict with surrounding agricultural uses.
- Wolseley: Situated alongside major road- and rail transport corridors with the focus on industrial development. Located on a watershed complicates the provision of services, and the wetland area is unsuitable for development.
- Tulbagh: Historical town with focus on tourism development and heritage conservation.
- Bella Vista: High density development with under-provision of formal business opportunities.
- Vredebes: Further development hampered due to the insufficient electricity capacity from Eskom's.

1.1.3 Socio-Economy Summary

GDPR Performance

The GDPR per capita serves as a key metric in gauging economic output per individual, calculated by dividing the municipal area's total GDP by its population. An upturn in GDPR per capita occurs only when economic growth surpasses population growth.

The Witzenberg economy plays a significant role within the District, contributing 13.5 % to the overall GDPR, amounting to R9.237 billion in 2023.

The economy is diverse, with significant contributions from both the tertiary and secondary sectors, underpinned by a strong agricultural base. The tertiary sector is the largest contributor, with finance, insurance, real estate, and business services accounting for 24 per cent of GDP, followed by wholesale and retail trade, catering, and accommodation at 14.0 %, community, social and personal services at 11.0 %, and transport, storage, and communication services at 7.0 %.

The secondary sector, contributing 21.1 % to GDP, is driven by manufacturing (13.0 %), followed by construction (6.0 %) and electricity, gas, and water (3.0 %). The primary sector, dominated by agriculture, forestry, and fishing, contributes 16.0 %.

Witzenberg' s GDPR per capita, standing at R131 705 in 2023 (current prices), positions the municipal areas GDPR per capita above the Cape Winelands District of R115 091.

GDPR Forecast

In 2024, the economic growth for Witzenberg is projected at 3.0 %, driven by gains in specific industries. The agriculture sector is expected to grow by 5.5 %, rebounding from a decline in 2023. The mining and quarrying sector is expected to see a substantial increase of 6.1 %, while the electricity, gas, and water sectors are projected to grow by 8.1 %, indicating strong performance in these areas. However, the transport, storage, and communication sectors are expected to face a significant decline of 9.2 %, which could impact overall economic stability. In 2025, the overall economic growth is expected to moderate slightly to 2.7 per cent.



	2023	2024	2025	2026
Cape Winelands	1.9%	1.3%	1.4%	1.4%
Witzenberg	3.0%	3.0%	2.7%	2.6%

The projected momentum, particularly in the finance and trade sectors, has the potential to positively impact on the well-being of local communities, if job creation aligns with this economic upswing. It is crucial to acknowledge the socio-economic implications, emphasizing the necessity for sustained public sector infrastructure and efficient service delivery. The continuation of such support is vital to foster an enabling environment for businesses, ensuring their growth and, subsequently, contributing to the overall prosperity of the Witzenberg community.

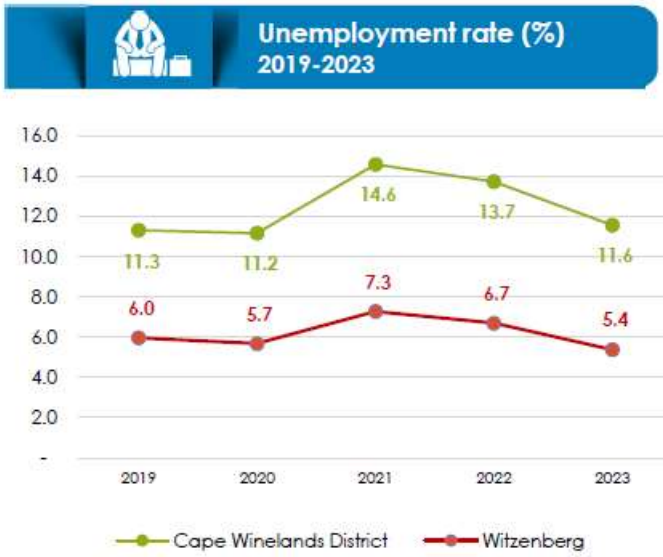
International Trade

In 2023, Witzenberg recorded a strong trade surplus of R2.4 billion, after registering total exports of R2.8 billion and imports of R372.5 million. Witzenberg is a key player in the provincial agricultural economy, producing a substantial portion of the province's deciduous fruit. The United States emerged as the leading export market for Witzenberg and Netherlands, the United Kingdom was another significant export destination. In 2023, the top three imports were forklift trucks, harvesting or threshing machinery and carboxylic acids. These imports highlight the municipal area's focus on enhancing its agricultural and industrial capabilities.



Formal and Informal Employment

Between 2023 and 2022, the total number of employed individuals increased by 3 888, with agriculture contributing more than 40.2 % (1 556 jobs). This growth marked further progress in the journey to pre-COVID levels of economic performance. The positive trends in labour force participation (up by 3.8 %) and labour absorption (4.8 %) point to a decrease in both the economically inactive population and the unemployment rate (which fell by 1.3 % points in 2023).



While sectors such as finance, insurance, real estate, and business services contribute significantly to GDP, they provide relatively few jobs, with most of the employment concentrated in the agriculture sector.

Agriculture, including the growing of pome fruits, stone fruits, and mixed farming, remains the key driver of employment. However, this sector faces ongoing challenges, such as climate risks and vulnerability to market fluctuations.

The presence of manufacturing and processing sectors also highlights the importance of secondary industries, although their contribution to job creation is more limited compared to agriculture. Public administration, particularly at the local and national government levels, plays a crucial role in employment.

To achieve balanced and sustainable growth, Witzenberg must focus on increasing the productivity and resilience of its agricultural sector while also fostering growth in higher-value sectors like finance and manufacturing. By addressing these challenges and leveraging the strengths of both primary and secondary industries, Witzenberg can create a more diversified and robust economy that supports long-term job creation and inclusive growth.

In 2023, the Witzenberg municipal area demonstrated resilience, recording the highest labor force participation rate at 91.2 %. Moreover, the labor force absorption rate experienced a notable increase from 87.4 % to 91.2 % in 2023.

In Witzenberg, FTE jobs are concentrated in the agriculture sector. There are over 14 000 jobs in the growing of pome fruits and stone fruits, 9 632 jobs in mixed farming, and 3 875 FTE jobs in the processing and preserving of fruits and vegetables.

(Socio-Economic information as published in the 2024 Witzenberg Socio-Economic Profile by Western Cape Provincial Treasury)

Wards:

The municipality is currently structured into the following 12 wards:

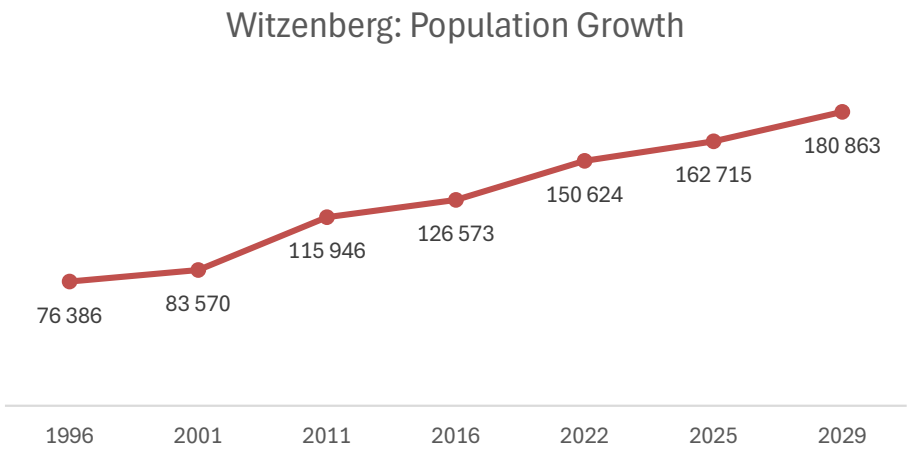
Ward	Areas	Registered Voters 2016	Registered Voters 2019	Registered Voters 2021	Registered Voters 2024
1	N'Duli - Polo Cross & Primary School	3529	3688	3614	3715
2	Wolseley - WF Loots, Petra, Bothashalt, La Plaisante	4318	3637	4381	4860
3	Ceres - Primary School, Stadsaal, Fairfield School	3564	3671	3679	3836
4	Prince Alfred's Hamlet - Town Hall, Bella Vista High School, Ceres Aartappels	3994	3976	3882	4118
5	Ceres Vallei Church Hall, Achtertuin Primary school	3347	3282	3981	4121
6	Bella Vista - URC Hall & Community Hall	3484	4177	4225	4640
7	Tulbagh - Community Hall. Wolseley - Primary & Secondary School	4098	5700	4133	4448
8	Op-die-Berg, Koue Bokkeveld - Môrester, Bronaar, Rocklands.	3925	3943	3939	3980
9	Tandfontein, Wydekloof, Voorsorg, Kromfontein	3488	3812	3692	3676
10	Phase 4 Hamlet, Agter Witzenberg, Koelfontein.	3818	4053	4000	4447
11	Tulbagh - Town Hall & werkestoor, De Agen, Twee Jonge Gezellen.	4222	4346	4371	4843
12	N'Duli - Polo Cross & Primary School	3270	3237	3201	3730
TOTAL Registered Voters		45 057	47 522	47 098	50 414

1.1.4 Population

In 2022, the Witzenberg municipal area accommodated 16 % of the Cape Winelands' populace, with a population of 101 765 individuals. However, the Municipality raised concerns regarding undercounting of the Witzenberg population in the Census. The undercounting was evident when comparing the Mid-year Population Estimates (MYPE) and Census 2022 figures. The undercounting of a population bears implications for the provisioning of municipal services and the requisite infrastructure.

As a result in 2024, the Witzenberg population has been revised and is estimated at 162 121 as per the Medium-Term Population estimates. The Municipal population is forecast to grow by 1.8 % between 2024 - 2029 above the expected district growth.

This demographic trend holds significant socio-economic implications for the region, influencing resource allocation, infrastructure development, and overall economic planning in the Cape Winelands. The mean household size is anticipated to persist at 2.9 individuals per household in 2023. This constancy in average household size is influenced by various contributing factors, encompassing lower fertility rates, an aging demographic, divorce rates, cultural norms pertaining to intergenerational co-residence, and socioeconomic variables influencing patterns in employment, education, and the housing market.



1.1.5 Municipal Challenges

The following general challenges are experienced by the municipality:

Challenges	Actions to address
Bulk electricity supply from Eskom. The recent growth in the local agro-economy has resulted in the expansion of agro-processing industries in the rural and built environment. Our notified maximum demand limits by Eskom are under pressure and cannot be increased due to the under-capacity of the bulk supply infrastructure managed by them. This has restricted further economic expansion which can only be addressed with the bulk supply infrastructure.	Various deliberations have taken place between the municipality, Eskom, local business, and the agricultural sector to address the issue. Intergovernmental engagements needed to compel Eskom to comply with NERSA distribution license. Municipality also investigating options of alternative energy. The Municipality allows new developments, under certain conditions, if it complies to our SSEG policy, to stimulate development, although no additional bulk supply is available from Eskom.
Maintenance and upgrading of municipal roads. The condition of bituminous pavements (roads) has drastically decreased over the past couple of years in certain areas, due to historically poor construction practices and insufficient funding for road maintenance. The existing backlog amounts to R 80 million, with 36% of	Continued funding through municipal budget. MIG funding applications are to be submitted for the maintenance of roads in the poor communities.

Challenges	Actions to address
these roads located in Tulbagh in a poor to very poor structural condition. Many of these roads have deteriorated to the point that they need to be rebuilt	
Debt collection on municipal rates and taxes. The outstanding debt has increased rapidly over the past few years in certain towns due to the inability to implement the debt collection policy. This is especially evident in towns where Eskom supply electricity and the policy cannot be implemented. In certain areas, public hostility has reached fever-pitch and officials are at risk when investigating illegal connections and meter tampering. This is causing a culture of non-payment and apathy towards financial obligations.	The municipality has undertaken a Revenue Enhancement initiative in collaboration with the Development Bank of South Africa which are to be concluded in the latter part of 2025. The municipality is also considering the implementation of water management devices that will limit water flow to supplement the Debt Collection Policy. Water use for humanitarian purposes will still be available, but excessive water usage and non-payment will be addressed. Public participation is being done on installation of water management devices and the disconnection of illegal electricity meters.
Maintenance and upgrading of electrical network. The condition of electrical network has drastically decreased over the past couple of years in certain areas, mainly in the older towns. The existing backlog amounts to R 221 million. The old network has the effect that unplanned interruptions occur, which leaves customers without electrical supply for some unannounced periods.	Continued funding through municipal budget is essential. INEP funding applications will be submitted to assist with this backlog.
Arrears Assessment. The Auditor General of South Africa has, in its report on the 2023/2024 financial statements of the Municipal Council, emphasised the material impairment of R 212 million on receivables from exchange transactions as well as R 53 million on receivables from non-exchange transactions. The gross outstanding service debtors in total decreased by 8.9% in relation to the 2023/2024 financial year, this decrease resulted from the writing off of debt to the value of R 159 million in respect of prescribed debt and debt of indigent households.	The effective implementation of the Credit Control Policy in areas where Eskom is a supplier of electricity is playing a major role in the escalation of the service debtors. Most households are working in the Agricultural sector where a large portion of job opportunities is of a seasonal nature. The Municipality will continue to exercise all legal avenues to collect its outstanding debt. Concerted efforts are therefore being made, inter alia through capacitating our own debt collection to recover debts older than 90 days which constitutes 63% of total outstanding debt. Credit control measures are progressively tightened up, e.g. service provider to perform disconnection on defaulters.

1.2 Service Delivery Overview

The investment in municipal infrastructure has been historically influenced by existing backlogs, and this is a consideration for the sustainable service delivery for new developments as well as general upgrading and maintenance. The developmental potential of urban areas plays a major role in guiding infrastructure investment to ensure sustainable service delivery to human settlements. Basic services that include water, sanitation, electricity, refuse, roads, and storm water and should be a major focus area for infrastructure budgeting and investment.
Our previous and current investment into services has been well-supported with funding from the Department of Energy (INEP), COGTA (MIG), the Department of Human Settlements (funding for bulk services), Department of Rural development (with regards to infrastructure investment to the Agri Park), funding from Essen in Belgium (with regards to solid waste service delivery) and inherent municipal funding.

In terms of bulk services, the following challenges are prominent.

Bulk electrical supply: Eskom cannot currently supply any additional bulk electricity to Ceres via their proposed Romansriver overhead line upgrade which is yet to begin at an unknown date. Tulbagh and Wolseley were recently

allocated a slight NMD increase, with Ceres already exceeding the Notified Maximum Demand and Eskom can only upgrade their bulk network by 2030. Eskom is planning to supply an additional 5 MVA to Ceres by end 2024. (This upgrade will only take care of current growth in terms of electrical supply). All new developments in Witzenberg are now jeopardised, as Eskom cannot supply additional bulk electrical supply. This is having a major impact on the growth of the economy and intervention at National level is required.

Upgrade of bulk roads and storm water, electricity, sewage, and water mains for the new Vredebes development has been completed. These services will ensure sustainable capacity for development.

1.2.1 Basic Services Delivery Highlights

Highlight	Description
Initiated a Revenue Enhancement program that directly addresses the issue of illegal connections and theft of electricity	Consistency of supply and increased revenue
Upgrading & replacement of infrastructure	Updating of Water and Sewer Master Plans
Construction of Drop –off Facility at Tulbagh	Service residents of Tulbagh in terms of waste recovery.
Upgrade Van Breda Bridge, Ceres	Rehabilitation and widening of existing bridge

1.2.2 Basic Services Delivery Challenges

Service Area	Challenge	Actions to address
Streets & Storm water	Funding backlogs on bituminous pavements Storm water Master planning implementation	Pavement Management System 2019, all bituminous pavements, 10% is in a poor to very poor condition. Budget constraints
Water	Vandalism	Vandalism at various water reservoirs, various sewer pump stations and WWTW's and infrastructure is a great concern. (especially during load shedding)
Electricity	Vandalism and Copper theft Load shedding Exceeded Notified Maximum Demand, Aging Electrical Network	This scourge has shown a nationwide surge and is resulting in additional costs, loss of revenue and non-consistency of supply Besides the negative effect on the economy of Witzenberg, this is enabling even more theft and vandalism which prolong outages and amplified service requests • Ceres- 5 MVA increase applied for in 2019 and additional 1MVA applied for in 2022. To this date, only 1 MVA capacity has not been granted by Eskom. Development in Ceres remains on halt due to Eskom's Romans River 132kV upgrade, which moved from 24/25 to 27/28. • Wolseley- The town is currently running at its NMD. 2,5MVA increase application was submitted to Eskom to no success. According to Eskom, their 5-year budget plan currently does not accommodate Wolseley's transformer upgrade, which then translates to no additional capacity available for the town. Tulbagh- The town is also running at its NMD. An additional 2MVA has since been applied for in 2023 for and currently being processed by Eskom. Much of the existing electrical network exceeds its useful life and is even considered hazardous to operate in some

Service Area	Challenge	Actions to address
		instances. The new Master plan has identified the hazardous equipment which has since been prioritized for replacement.
	Recapitalization of the Electrical Network	Available funding to replace aging equipment is always a challenge within the Municipal environment, but with heightened awareness, this will be addressed.
	Availability of vehicles	An aging fleet results in some vehicles spending extended periods in the workshop. Spares availability and reliability is an added extenuating challenge. This tends to affect daily operations and turnaround times.
	Filling of vacant posts	Some posts remain vacant for extended periods before filling, but this is currently being addressed
Solid Waste	Old fleet of Compactors and Tipper trucks. Regional Landfill Site in Worcester (Waste license issued) and busy with Closure Permit for Tulbagh Landfill site.	Collection time extended working hours during breakages. Investigation into the costs for required infrastructure and tipping fee at gate and move to Cell 2.
Town Planning & Building Control	Economic slowdown	Number of land use applications on the decrease due to the economic slowdown

1.2.3 Proportion of urban households with access to basic services

The table below indicates the number of urban households with access to a minimum level of basic services:

Wards	Town	Nr. of Accounts					Informal Households
		Water	Sanitation	Electricity Pre-Paid	Electricity Conventional	Refuse	
1,12	*Nduli*	1 492	1 503	2 522	10	1 491	1 133
3,5	*Ceres*	2 549	2 719	3 305	1 470	3 166	
4,6	*Bella Vista*	2 579	2 599	2 328	188	2 590	
4,1	*Hamlet*	1 326	1 373	Eskom	Eskom	1 365	1200
9	*Op-Die-Berg*	533	479	Eskom	Eskom	522	
7,11	*Tulbagh*	1 819	1 864	2 061	194	1 894	2 926
2,7	*Wolseley*	2 542	2 612	2 520	250	2 631	3 403
TOTALS		**12 840**	**13 149**	**12 736**	**2 112**	**13 659**	**8 662**

The informal settlements receive basic services through individually placed water points, toilet units and chemical toilets serviced twice per week. Refuse bags are distributed in informal settlements and collected on a weekly basis. Waste skips are also placed for household refuse and serviced as required.

1.3 Financial Health Overview

1.3.1 Financial viability highlights

Highlight	Description
Debt coverage ratio 599:1	The number of times debt payments can be accommodated within operating revenue. This represents the ease with which debt payments can be accommodated by the municipality. The ratio indicate that the municipality can afford to incur new long-term debt.

Highlight	Description
Cost coverage ratio 2.6 months	It explains how many months' expenditure can be covered by cash and other cash equivalents available to the municipality. It needs to be mentioned that the improvement of the ratio is supported by unspent government grants.

1.3.2 Financial viability challenges

Challenge	Action to address
Service debtors to revenue 0.51: 1	A Revenue Enhancement Strategy will be implemented during the new financial year. The budget provides for the installation of water management devices which aims to reduce outstanding debt and to limit water wastage. The lockdown restrictions had a negative effect on debt collection as no cutting of services were affected.

1.3.3 National Key Performance Indicators – Financial Viability (ratio's)

The following table indicates the municipality's performance in terms of the National Key Performance Indicators, required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area, Municipal Financial Viability and Management.

Indicator	2022/23	2023/24	2024/25	Comments
Debt coverage (Total operating revenue - operating grants received: debt service payments due within the year)	328.6:1	1473.4:1	599:1	This indicator is to determine if the municipality generates sufficient cash to cover outstanding debtors, the higher the ratio, the better
Service debtors to revenue – (Total outstanding service debtors: revenue received for services)	0.96:1	0.68:1	0.51:1	This is the percentage that outstanding debtors are of annual revenue, the lower, the better
Cost coverage (Available cash+ investments: Monthly fixed operating expenditure)	4.68 months	3.32 months	2.6 months	The number of months that cash on hands will be able to cover expenditure, the higher, the better

1.3.4 Financial Overview

Details	Original budget	Adjustment Budget	Actual	Variance from final budget
	R	R	R	%
Income	**1,000,443,035**	**1,009,560,380**	**944,103,438**	-6.5%
Grants	231,769,217	219,223,824	200,326,076	-8.6%
Taxes, Levies, and tariffs	681,878,418	681,878,416	618,216,701	-9.3%
Gains	0	6,120,736	10,494,065	71.5%
Other	86,795,400	102,337,404	115,066,596	12.4%
***Less* Expenditure**	996,730,171	985,716,729	944,986,159	-4.1%
Net surplus/(deficit)	**3,712,864**	**23,843,651**	**(882,721)**	**-103.7%**

1.3.5 Operating ratios as a percentage of operating expenditure

Detail	Expected norm	23/24 Actual	24/25 Actual	Variance 24/25 from norm
	%	%	%	%
Employee Cost	**30**	27.30	29	1
Repairs & Maintenance	**20**	2.31	1.81	18.19
Finance Charges & Depreciation	**10**	5.59	5.67	4.33

Note: The above excludes all internal costs in respect of repairs and maintenance.

1.3.6 Total Capital Expenditure

Detail	2021/22	2022/23	2023/24	2024/25
	R '000			
Original Budget	89 244	88 153	73 264	85 365
Adjustment Budget	81 667	100 974	89 547	87 380
Actual	73 744	87 190	81 784	77 145
Percentage Expenditure	**77%**	**86%**	**91%**	**88%**

1.4 Organisational Development Overview

1.4.1 Municipal transformation and organisational development highlights

Highlight	Description
Embarking on TASK process. Review of all job descriptions.	Various positions and departments have been evaluated and audited. All departments job descriptions have been reviewed and evaluated to align with essential functions of each department as per the constitutional mandate of local government.
Realisation of public participation with all relevant wards	Five (5) channels of communication between the municipality and communities. The municipality communicates to all segments in all 5 towns using relevant means and tools i.e. print and circulation, electronic/ social media, radio and physical engagements.
Creation of awareness on Corruption and Fraud Policy	Communication of whistle blower process on a quarterly basis to the community and to personnel. Newsletters articles are used as the speaker cards to inform the communities of municipality policy for reporting corruption and fraud.
Skilling, capacitating and building of essential personnel	Minimum competency realisation for all key staff and continuous capacity building for strategic personnel. All essential and designated personnel undergo the required capacity building to realise the set compliance if needed for any individual.

1.4.2 Municipal transformation and organisational development challenges

Challenge	Actions to address
Gap in filling employment equity targeted groups in managerial positions	Specify the recruitments to the targeted in terms of the Employment Equity Plan segment. This area is still work in progress as suitable targeted groups are gradually recruited to the occupational levels with deficit.
Low salary (remuneration) equals to lack of attraction of specialized skills	Embarking on salary scale reviews (TASK). Engagements for a few years with Cogta directed remuneration disparities have not born solutions for the huge risk of salary creep experienced on the section 56/7 Employees.
Limited capital budget	Requiring financial support for auxiliary functions from supporting organs of state. Engagements with district municipality for financial support for a comprehensive digital Human Capital Management system.

1.5 Auditor-General Report

1.5.1 Audited outcomes

The table below detail the audit outcomes for the past twelve financial years:

Year	Status	Year	Status	Year	Status
2012/13	Unqualified with no findings	2017/18	Unqualified with no findings	2022/23	Unqualified with no findings
2013/14		2018/19		2023/24	
2014/15		2019/20		2024/25	
2015/16		2020/21			
2016/17		2021/22			

1.6 Statutory Annual Report Process

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

CHAPTER 2: GOVERNANCE

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



Council as June 2025

COMPONENT A: POLITICAL & ADMINISTRATIVE GOVERNANCE

2.1 Political Governance Structure

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policy makers, councilors are also actively involved with community work and various social programmes in the municipal area.

Executive Mayor:
Cllr T Abrahams



Speaker:
Cllr E Sidego



COUNCIL

EXECUTIVE MAYORAL COMMITTEE

COMMITTEE: HOUSING MATTERS

Chairperson:
Ald K Adams



COMMITTEE: CORPORATE & FINANCIAL

Chairperson:
Cllr J Fredericks



COMMITTEE: TECHNICAL SERVICES

Chairperson:
Ald H Smit



COMMITTEE: COMMUNITY DEVELOPMENT

Chairperson:
Deputy Executive Mayor
Cllr J Nel



COMMITTEE: LOCAL ECONOMIC DEVELOPMENT, TOURISM & MARKETING

Chairperson:
Ald R Visagie



2.1.1 Council

The Witzenberg municipal council consists of 23 Councilors of which 12 are Ward Councilors and 11 Proportional Councilors.
Below is a table that categorizes councilors within their specific political parties and wards for the period 1 July 2024 to 30 June 2025:

Name of Councillor / Alderman	Capacity	Political Party	Ward representing or proportional
Abrahams TE	Councillor / Executive Mayor	DA	Proportional
Adams K	Alderman / Chairperson for Housing Matters	DA	Ward 6
Alexander W	Councillor	PA	Proportional
Daniels P	Councillor / Portfolio Chairperson LED	DA	Ward 2
De Bruin S	Councillor	DA	Ward 10
Franse G	Councillor	DA	Ward 8
Fredericks JP	Councillor / Portfolio Chairperson Corporate and Financial Services	FFP	Proportional
Gili AL	Councillor	ANC	Ward 1
Hardnek LA	Councillor / Chairperson MPAC	WP	Proportional
Laban GG	Councillor	WA	Proportional
Mouton J	Councillor	ANC	Proportional
Ndaba M	Councillor	ANC	Ward 9
Nel JF	Councillor / Executive Deputy Mayor / Portfolio Chairperson Committee for Community Development	ICOSA	Proportional
Nogcinisa N	Councillor	ANC	Proportional
Phatsoane N	Councillor	ANC	Proportional
Robyn K	Councillor	GOOD	Proportional
Rooi J	Councillor / Chairperson MPAC	WP	Proportional
Sidego EM	Alder lady / Speaker	DA	Ward 11
Smit H	Alderman / Portfolio Chairperson Technical Services	DA	Ward 5
Swart D	Alderman	DA	Ward 3
Swartz IL	Councillor	EFF	Proportional
Visagie JJ	Alderman	DA	Ward 4
Yisa K	Councillor	ANC	Ward 12
Zalie J	Councillor	ANC	Ward 7

Below is a table which indicates the number of items submitted to Council and meeting attendance for the period 1 July 2024 to 30 June 2025:

Council Meeting dates	Number of items submitted	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
26 July 2024	15	91%	9%
30 August 2024	1	100%	0%
30 September 2024	13	100%	0%
14 October 2024	1	96%	9%
21 October 2024	1	87%	13%
30 October 2024	7	96%	9%
12 November 2024	17	96%	9%
12 December 2024	24	87%	13%
19 December 2024	2	91%	0%
27 January 2025	13	100%	9%
26 February 2025	21	91%	9%
25 March 2025	1	96%	9%
31 March 2025	12	87%	9%
30 May 2025	21	100%	0%

Appendix A: List of Councilors, Committee allocations & attendance of Council Meetings

2.1.2 Executive Mayoral Committee

The Executive Mayor of the Municipality, assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the center of the system of governance since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the legislative powers assigned to these parties. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in collaboration with the Mayoral Committee.

Period 1 July 2024 to 30 June 2025:

Name of member	Position	Period	Capacity
Abrahams, T	Councillor	01/072024 - 30/06/2025	Executive Mayor
Adams, K	Alderman	01/07/2024 - 30/06/2025	Mayco member
Daniels, P	Councillor	01/07/2024 - 30/06/2025	Mayco member
Fredericks, JP	Councillor	01/07/2024 - 30/06/2025	Mayco member
Nel, J	Councillor	01/07/2024 - 30/06/2025	Executive Deputy Mayor
Smit, H	Alderman	01/07/2024 - 30/06/2025	Mayco member

2.1.3 Portfolio Committees

In terms of section 80 of the Municipal Structures Act 1998, if a Council has an executive committee, it may appoint, in terms of Section 79, committees of councilors to assist the executive committee or Executive Mayor. Section 80 committees are permanent committees that specialize in a specific functional area of the

municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council.

The table below indicates the dates of the Committee meetings, and the number of reports submitted to Council for the 2024 / 2025 financial year:

Committee	Chairperson	Number of minutes submitted to Council	Meeting Date
Committee for Housing Matters	Alderman K Adams	3	01-Aug-24
			29-Aug-24
			27-Sept-24
			31-Oct-24
			01-Nov-24
			29-Nov-24
			28-Jan-25
			18-Mar-25
			25-Apr-25
			20-May-25
			29-May-25
			19-Jun-25
Committee for Community Development	Councillor JF Nel	1	10-Oct-24
			27-Nov-25
			13-Mar-25
			24-Jun-25
Committee for Corporate and Financial Services	Councillor JP Fredericks	3	06-Aug-24
			08-Oct-24
			27-Nov-24
			27-Mar-25
			15-Apr-25
Committee for Technical Services	Alderman H Smit	2	06-Aug-24
			08-Oct-24
			27-Nov-24
			13-Mar-25
			15-Apr-25
			10-Jun-25
Committee for Local Economic Development and Tourism	Councillor P Daniels	0	10-Oct-24
			21-Nov-24
			12-Jun-25

Appendix B: Committees & Committee purposes

2.1.4 Municipal Public Accounts Committee (MPAC)

An Audit Committee has been established that includes Risk- & Performance functionality and is referred to as the Performance-, Risk & Audit Committee (PRAC). A Municipal Public Accounts Committee as an oversight committee has been established compromising by non-executive councilors with the specific purpose of providing the Council with comments and recommendations on the Annual Report.

Council appointed the Chairperson and members of the MPAC at a Council meeting held on the 21st of June 2024.

The members of the MPAC are as follows:

Position	Councillor	Political Party
	Period 1 July 2024 to 30 June 2025	
Chairperson	Cllr LA Hardnek (01 July 2024 - 30 September 2024)	Witzenberg Party
	Cllr J Rooi (14 October 2024 - 30 June 2025)	Witzenberg Party
Member	Cllr N Nogcinisa	ANC
	Alderman JJ Visagie	DA
	Cllr KA Robyn	GOOD
	Cllr W Alexander	PA

2.2 Administrative Governance Structure

The Municipal Manager is the Accounting Officer of the municipality. He is the head of the administration and primarily must serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his directorship, which constitutes the management team below (Appendix C for 3rd Tier):



COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 Intergovernmental Relations

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

2.3.1 Intergovernmental Structures

To adhere to the principles of the Constitution as mentioned above the municipality participates in the following intergovernmental structures:

Name of Structure	Members	Outcomes of Engagements/Topics Discussed
Municipals Managers Forum	SALGA, neighbouring municipality's MMs	District based initiatives
SALGA Working Groups	SALGA, Neighbouring municipality's Technical Directors and experts	Municipal wide information sharing
IDP Managers Forum	Department of Local Government (DPLG), All municipalities in the Western Cape (WC), IDP Managers	Provincial wide information sharing
District IDP Managers Forum	Cape Winelands District Municipality, all Municipalities in the Cape Winelands District	District wide information sharing
LED Managers Forum	Cape Winelands Regional LED Forum	Sharing information and best practises on Economic Development, providing report back of projects implemented, lobbying of support for programmes and projects
WMO Forum	DEADP, All municipalities in the Western Cape (waste management officers), and experts	Municipal wide information sharing with all 3 spheres of government.
CWDM WMO Forum	DEADP, CWDM municipalities (WMO) .	Municipal information sharing with all 3 spheres of government in CWDM
Strategic Integrated Municipal Engagement (SIME)	All provincial sector departments, all municipalities in the Western Cape	Provincial, District & local based planning.
Technical Integrated Municipal Engagement (TIME)	All provincial sector departments, all municipalities in the Western Cape	Provincial, District & local based planning.
Ministerial Technical Committee	Provincial Government and Municipal Managers	
Ministerial Mayoral Committee	Provincial Government and Mayors	Provincial programmes and initiatives aligned with municipal performance
District Public Participation Forum (DPP)	All municipalities in the Cape Winelands District Municipality, DPLG, IDP Manager, local stakeholders for National Government Departments	District wide information sharing
Provincial Public Participation Forum (PPP)	DPLG, GCIS, all municipalities in the WC, IDP Manager	Provincial wide information sharing

Name of Structure	Members	Outcomes of Engagements/Topics Discussed
Provincial CommTech	DPLG, GCIS, all communication officials from municipalities in the WC, National Government Departments	Discussion, trend monitoring, training and workshops concerning government communication and technology
SALGA National Communicators Forum	DPLG, GCIS, all communication officials from municipalities in the WC, National Government Departments	Nationwide information sharing and calibration with the strategic focus of the NDP
Internal Audit Forum	All municipal Chief Audit Executive of the province	National, District and Municipal wide information sharing
Risk Management Forum	All municipal Chief Risk Officers of the province	National, District and Municipal wide information sharing
District Coordinating Forum	District Mayors	District programs and initiatives aligned with municipal performance
District Coordinating Forum (Technical)	District Municipal Managers	District programs and initiatives aligned with municipal performance
Joint District Approach	Local municipalities in District, District Municipality, Provincial Sector departments	District wide strategic planning
Municipal ICT Managers Forum	Provincial ICT Managers, SALGA, SITA, DPLG	Provincial-wide information sharing

2.3.2 Joint projects and functions with sector departments

All the functions of government are divided between the different spheres namely National, Provincial and Local. The municipality therefore shares their area and community with other spheres of government as well as their various sector departments. This means that the municipality must work closely with national and provincial departments to ensure the effective implementation of various projects and functions. The table below provides details of such projects and functions:

Name of Project/ Function	Expected Outcome/s of the Project	Sector Department/s involved	Contribution of Sector Department
Cape Winelands LED District forum	Strengthening LED networking	Cape Winelands District Municipality, B-Municipalities, Department of Economic Development and Tourism	Report back on programmes and initiatives
Social Cluster: Area Based approach	Report back and identifying gaps in service delivery	Department Social Development, SAPS, Department Education, Cape Winelands District Municipality, Department of Health, CDW	Report back and providing information on programmes
EPWP District Forum	Report back	Cape Winelands District Municipality, B-Municipalities, Department Public Works	Report back & discussions on performance

COMPONENT C: PUBLIC ACCOUNTABILITY & PARTICIPATION

MSA section 51(b) requires a municipality to establish and organize its administration to facilitate a culture of accountability amongst its staff. Section 16(1) states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18(1) requires a municipality to supply its community with information concerning municipal governance, management, and development.

A Municipal Public Accounts Committee has been established. The internal audit function is capitated with three qualified auditors, employed on a permanent basis, one trainee and one intern. The audit function reports functionally to the Performance Risk and Audit Committee and administratively to the Municipal Manager. The capacity of the Performance, Risk and Audit Committee has increased with the appointment of qualified and specialized members. A representative from the business sector is also invited to participate in Mayoral Committee meetings.

Such participation is required in terms of:

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

2.4 Public Meetings

Apart from bi-annual community meetings & jamborees held in each town, the municipality also communicates through monthly newsletters, loud-hailing, and distribution of pamphlets, text messages and public service announcements via community radio.

Date of events	Nr of participating Municipal Councillors	Nr of participating Municipal Administrators	Nr of community members attended
IDP & Budget Public Meetings (1st Round for inputs)			
Ward 4 & 6 Bella Vista – 09/10/2024	5	18	32
Ward 3 & 5 Ceres – 07/10/2024	6	20	16
Ward 8 &9 Op-Die-Berg – 14/10/2024	1	14	6
Ward 2 & 7 Wolseley – 08/10/2024	3	26	36
Ward 4 & 10 P A Hamlet – 14/10/2024	5	19	51
Ward 7 & 11 Tulbagh – 15/10/2024	2	13	20
Ward 1 & 12 N'Duli – 16/10/2024	3	17	113
Ward Committees - 23/10/2024	4	15	17
Draft IDP & Budget Public meetings (2nd Round presenting draft IDP & Budget)			
Ward 4 & 6 Bella Vista – 23/04/2025	3	22	23
Ward 7 & 11 Tulbagh – 10/04/2025	3	27	58
Ward 3 & 5 Ceres – 22//04/2025	3	20	15
Ward 1 & 12 N'Duli – 15 /04/2025	3	13	49
Ward 4 & 10 P A Hamlet – 14/04/2025	3	16	3
Ward 2 & 7 Wolseley – 08 /04/2025	2	26	3
Ward 8 & 9 Op Die Berg – 24/04/2025	1	14	5
Ward Committees - 29/04/2024	4	10	54

Date of events	Nr of participating Municipal Councillors	Nr of participating Municipal Administrators	Nr of community members attended
Service Delivery Jamborees (1st Round)			
Ward 4 & 6 Bella Vista – 18/09/2024	2	33	168
Ward 3 & 5 Ceres – 16 /09/2024	5	29	63
Ward 8 &9 Op-Die-Berg – 19/09/2024	1	28	33
Ward 2 & 7 Wolseley – 12/09/2024	1	32	222
Ward 4 & 10 P A Hamlet – 10/1092024	2	17	147
Ward 7 & 11 Tulbagh – 11 092024	1	25	137
Ward 1 & 12 N'Duli – 1709/2024	5	31	86
Service Delivery Jamborees (2nd Round)			
Ward 4 & 6 Bella Vista – 26/02//2025	0	24	26
Ward 7 & 11 Tulbagh – 27/02/2025	1	25	42
Ward 3 & 5 Ceres – 03/03/2025	0	15	11
Ward 1 & 12 N'Duli – 05/03/2025	0	19	22
Ward 4 & 10 P A Hamlet – 04/03/2025	1	20	21
Ward 2 & 7 Wolseley – 25/02//2025	0	25	30
Ward 8 & 9 Op Die Berg – 06/03/2025	0	16	46

2.4.1 Labour Forum

The table below specifies the members of the Labour Forum for the 2024/25 financial year:

Name of representative	Capacity	Meeting dates
H Smit	Chairperson	17 July 2024, 7 August 2024, 27 September 2024, 31 October 2024, 30 January 2025, 27 March 2025, 24 April 2025, 29 May 2025, 31 July 2025.
T Abrahams	Executive Mayor	
J Fredericks	Mayco Member	
K Adams	Mayco Member	
D Nasson	Municipal Manager	
H Kritzinger	Director Finance	
J Kolkota	Deputy Director Finance	
S Swartz	Director Community Services	
M Mpeluza	Director Corporate Services	
Vacant	Director Technical Services	
I Barnard	Senior Manager Human Resources	
G Pharo	Senior HR Officer: Benefits	
W Davids	Senior HR Officer: Training & Development	
Z Zantsi	Senior HR Officer: Health & Safety	
Vacant	Committee Officer	
M Scholtz	IMATU Secretary	
L Ntshanga	IMATU Chairperson	

Name of representative	Capacity	Meeting dates
Lesley Koopman	IMATU	
M Pieterse	IMATU	
E Gxagxisa	IMATU	
L Petersen	IMATU	
C Appolis	SAMWU Chairperson	
B Jolingana	SAMWU Secretary	
L Silver	SAMWU Full-timer shopsteward	
M Koopman	SAMWU	
W Sawula	SAMWU	

2.4.2 Ward Committees

The purpose of a ward committee is:

- to encourage better participation from the community and to inform council decisions.
- to make sure that there is effective communication between the Council and the community.
- to assist the ward councilor with consultation and feedback to the community.

Ward committees need to be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented in the membership contingent. The ward councilor serves on the ward committee and acts as the chairperson. Although ward committees have no formal powers, they act as an advisory body to the ward councilor, which enables them to make specific submissions directly to the Council. These committees play a pivotal role in the development and annual revision of the IDP of the area.

The ward committees support the ward councilor who receives reports on development, participates in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees' function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

Appendix E: Ward Committee Governance & Functionality
Appendix F: Ward Committee Performance per Ward

2.5 IDP Participation & Alignment

Refer to item 2.4 for IDP participation meetings.

Refer to items 3.1.4, 3.1.5 & 3.1.6 for IDP alignment.

Municipal Key Performance Area	Strategic Objective	
Essential Services	1.1	Sustainable provision and maintenance of basic infrastructure
	1.2	Provide for the needs of informal settlements through improved services
Governance	2.1	Support institutional transformation and development
	2.2	Ensure financial viability

Municipal Key Performance Area	Strategic Objective	
	2.3	To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.
Communal Services	3.1	Provide and maintain facilities that make citizens feel at home
Socio-Economic Support Services	4.1	Support the poor and vulnerable through programmes & policy
	4.2	Create an enabling environment to attract investment and support to the local economy.

Strategic Alignment between IDP & Service Delivery & Budget Implementation Plan

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also encompasses the relationships amongst the various stakeholders involved and the strategic goals governing the institution.

2.6 Risk Management

Section 62(1)(c)(i) of the MFMA states that: "... The accounting officer of the municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control."

Witzenberg Municipality is committed to the optimal management of risk to protect our core public service values, achieve our vision, objectives and deliver on our core business functions.
While conducting our daily business operations, we are exposed to a variety of risks. These risks include operational and other material risks which require comprehensive controls and on-going oversight to be properly managed.
To ensure business success the Municipality has adopted an enterprise-wide integrated approach to the management of risks. By embedding the risk management process into key business processes such as planning, operations and new projects, the municipality will be better equipped to identify events affecting our objectives and to manage risks in ways that are consistent with the approved risk appetite.

The top inherent strategic risks of Witzenberg Municipality are:

Risk Title	Inherent Risk	Residual Risk
Eskom's inability to provide increased electricity supply to the municipal area	25	25
Deteriorating service delivery infrastructure	25	19
Inability to deal with community protest, unrest and uprising	25	12
Inability to provide landfill facility in Witzenberg municipal area	25	8
Illegal invasion and occupation of land	20	20
Growth in informal settlements	20	16
Un-recoverability of outstanding receivables	20	16
Deteriorating road infrastructure	20	16
Lack of funding to rehabilitate landfill site in Witzenberg	20	16
Poor growth in revenue base	20	13
Failure of law enforcement agencies to assist municipality	20	13

2.7 Anti-Corruption & Fraud

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

The municipality's Audit Committee (Performance, Risk & Audit Committee) recommendations for 2024/25 are set out in Appendix G.

2.7.1 Developed strategies

Name of strategy	Developed Yes/No	Date Adopted/Reviewed
Anti-Fraud and Corruption Strategy	Yes	29 November 2022 (Adopted)
Fraud and Corruption prevention policy and response plan	Yes	29 November 2022 (Adopted)
Witzenberg Whistle Blowing Policy	Yes	25 January 2023 (Adopted)

2.7.2 Implementation of strategies

Strategies to implement	Key Risk Areas	Key measures to curb corruption and fraud
Fraud Prevention Policy	Supply Chain Management	Roll-out of Anti-Fraud and Corruption Policy to internal stakeholders through presentations and internal newsletters
Ethics Awareness Programme	Possible loss of income at traffic due to inactive follow-up on traffic violations	Roll-out of Anti-Fraud and Corruption Policy to external stake holders through outreach programmes
Outreach programme on fighting fraud and corruption	Lack of awareness of fraud amongst staff	Investigation of fraud and corruption cases
Whistle blowing through the National Fraud Hotline	Possible misuse of policy to disclose sensitive information	Monitoring recommendations with regards to disciplinary, criminal and recovery actions. Effective delegation systems
To ensure that all employees and councillors in service of the Witzenberg Municipality has declared all interest/ownership/directorship.	Avoid doing business with employees in service of the municipality who does not declare that they are in service of the municipality	Use Trans Union to identify all employees that have interest/ownership/ directorship in companies
Regular update of the fraud risk register	Detection and prevention of fraud in the municipality	Monitoring key controls to alleviate fraud and corruption

2.8 Performance, Risk & Audit Committee

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must –
(a) advise the municipal council, the political office-bearers, the accounting officer, and the management staff of the municipality, on matters relating to –

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

Section 14(2)(c) of the Local Government Municipal Planning and Performance Management Regulations (R796 dated 24 August 2001) states that a municipality may utilize any Audit Committee established in terms of other applicable legislation as the Performance Audit Committee of the said municipality.
The Public Sector Risk Management framework states that the committee should review and recommend for approval the:

- risk management policy.

- risk management strategy.
- risk management implementation plan; and
- risk appetite

2.8.1 Functions of the Performance, Risk & Audit Committee

The council noted its Performance, Risk and Audit Committee charter on 31 October 2018.
To fulfil its role, the Committee advised the Municipal Council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to:

- Internal financial control and internal audits.
- Risk management.
- Accounting policies.
- The adequacy, reliability and accuracy of financial reporting and information.
- Performance management.
- Effective governance.
- Compliance with the MFMA, Division of Revenue Act (DoRA) and any other applicable legislation.
- Performance evaluation; and
- Any other issues referred to by the municipality.

2.8.2 Members of the Performance, Risk & Audit Committee

Name of representative	Capacity	Meeting dates				
		19/07/2024	16/08/2024	20/09/2024	17/01/2025	31/01/2025
Mr. J. George (Second 3-year term ended 31 October 2022 extended with Council approval until 31 January 2025)	Chairperson	✓	✓	✓	✓	✓
Ms. J. Lapoorta (First 3-year term February 2023 until 31 January 2026)	Member	✓	✓	✓	✓	✓
Ms. C. Fagan (Second 3-year term until 31 July 2024)	Member	✓				
Mr. J.J. Swarts (First term from 1 February 2023 until 31 January 2026)	Member	✓	✓	✓	✓	✓
Mr. N Hendricks (From 1 April 2025)	Member					

2.8.3 Performance, Risk & Audit Committee (PRAC) recommendations

Appendix G: Audit Committee Recommendations

2.9 Internal Auditing

An annual risk assessment update was performed during April/June 2022, and all relevant risks were populated into the Witzenberg risk register. Updates were performed on a continuous basis.

This risk assessment forms the basis for reviewing the 3-year audit plan as indicated below:

No	Internal Audit Engagements	Year 1 (24/25)	Year 2 (25/26)	Year 3 (26/27)	Type of Deliverable
Mandatory					
Pre-determined Objective (PDO) Audits					
1	Performance Information Audit for all Quarters	✓	✓	✓	Assurance
2	Performance Management System	✓	✓	✓	Assurance
Division of Revenue Act					
3	Grant Funding- Compliance with the Division of Revenue Act, Roll-over funding	✓	✓	✓	Assurance
Loss control					
4	Loss Control	✓	✓	✓	Advisory/Assurance
Risk Management					
5	Risk Assessment	✓	✓	✓	Advisory/Assurance
Risk Based					
6	Recruitment and terminations		✓		Assurance
7	Asset Management	✓	✓	✓	Assurance
8	Housing		✓		Assurance
9	Municipal Staff Regulations- Performance Management		✓		Assurance
10	Revenue Enhancement- Valuation Roll			✓	Assurance
11	Fleet Management	✓			Assurance
12	Cashiers- Remote Offices	✓			Assurance
13	Supply Chain Management- Quotations below R2000	✓			Assurance
14	Contract Management		✓		Assurance
15	EPWP		✓		Assurance
16	Dennebos-Utilization of Assets	✓			Assurance
17	Health and Safety	✓			Assurance
18	Leave Management	✓			Assurance
19	Follow up Audits	✓	✓	✓	Assurance
20	Labour Relations		✓		Assurance
21	Town Planning			✓	Assurance
22	Overtime		✓		Advisory/Assurance
23	Workplace Skills Plan		✓	✓	
24	AGSA Follow- Up MAAP	✓	✓	✓	Advisory/Assurance
25	Year-end Inventory Count	✓	✓	✓	Advisory/Assurance
26	Annual Financial Statements (AFS) Review and High-Level Review of Financial Information	✓	✓	✓	Advisory/Assurance
27	Review of Annual Performance Report	✓	✓	✓	Advisory/Assurance
Governance and Compliance					
28	Municipal Governance/ Fraud and Corruption	✓	✓	✓	Advisory/Assurance
Auxiliary					
29	Internal audit Quality Assurance	✓	✓	✓	

30	Ad-Hoc	✓	✓	✓	

Annual Audit Plan

The Audit Plan for 2024/25 was implemented and the table below provides details on audits completed:

Audit Activity	Estimated hours	Quarter	Status
Statutory Audits			
DORA compliance	250	4	Completed
Performance Management System	850	All	Completed
Follow up audit work			
Follow up Internal Audit Findings	300	All	Completed
Management Audit Action Plan	250	All	Completed
Risk based audits			
Asset Management- Moveable Assets	250	3	Completed
Fleet management	250	2	Completed
Dennebos- Utilization of Assets	400	2	Completed
Leave Management	250	3	Completed
Municipal Policies	160	2	Completed
Supply Chain management- Quotations below R2000	300	3	Completed
AD-Hoc audits			
Other			
Combined Assurance Reporting Project	150	All	Work in progress
IA Quality Assurance	100	All	Work in Progress
Year-end Stock on behalf of AGSA	80	4	Completed

2.10 By-Laws

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

Policies developed/ revised	Date adopted	Public Participation conducted prior to adoption of policy (Yes/No)	Date of Publication
Customer Care Policy	In process		
Ward Committee Policy	30-May-25	Internal, Council workshop	
Housing Administration Policy	30-Jul-25	Internal, Council workshop	
Risk Management Policy (review)		Tabled at PRAC	

2.11 Supply Chain Management

2.11.1 Competitive bids more than R 300 000

Bid Committee meetings.

The following table details the number of Bid Committee meetings held for the 2024/25 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
40	38	21

Attendance of members of the Bid Specification Committee, are as follows:

Member	Percentage attendance (%)
Deputy Director Finance / Manager Financial Administration (Chairperson)	100
Manager Supply Chain	100
Relevant technical expert responsible for a function	100

Attendance of members of the Bid Evaluation Committee, are as follows:

Member	Percentage attendance (%)
Deputy Director Finance / Manager Financial Administration (Chairperson)	100
Supply Chain Practitioner	100
Relevant technical expert responsible for a function	100

Attendance of members of the Bid Adjudication Committee, are as follows:

Member	Percentage attendance (%)
Director Financial Services (Chairperson)	100
Director Technical Services	100
Director Community Services	100
Director Corporate Services	100
Manager Supply Chain/Deputy Director: Finance	100

Note: The percentages as indicated above include the attendance of those officials acting in the position of a Bid Committee Member.

Awards made by the Bid Adjudication Committee

The Bid Adjudication Committee made 35 awards with of an estimated value of R 100 467 942.

The five highest bids awarded by the Bid Adjudication Committee, are as follows:

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded.
08/2/21/89	Supply and Delivery of Crushed Stone Aggregate and Sand	Technical Services	AWV Project management (PTY) Ltd	R 10 000 000
08/2/21/16	Supply and Delivery of Electrical Equipment Cluster 3	Technical Services	Jo Castro (PTY) Ltd	R 10 000 000
08/2/21/24	Appointment of contractors for Maintenance, repair and replacement of general Electrical infrastructure and wiring of premises for Witzenberg Municipality LV Works	Technical Services	Adenco Construction (PTY) Ltd	R 10 000 000

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded.
08/2/21/73	Supply and Servicing of Portable Chemical Toilets and emptying of Septic Tanks in the Witzenberg Area	Technical Services	Bidvest Services (PTY) Ltd	R 9 900 000
08/2/21/16	Supply and Delivery of Electrical Equipment Cluster 14	Technical Services	Jo Castro (PTY) Ltd	R 6 000 000

Awards made by the Accounting Officer

In terms of paragraph 5(2)(a) of Council's Supply Chain Management Policy, only the Accounting Officer may award a bid which is more than R10 million. The power to make such an award may not be sub-delegated by the Accounting Officer. The Accounting Officer made 11 awards with an estimated value of R 244 697 273.

The following bids was awarded by the Accounting Officer during the 2024/25 financial year:

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded.
08/2/21/75	Provision of Security Services, Tactical and Crowd Control Management at Municipal Buildings and Sites in the Witzenberg Municipal Area (Re-Advertisement)	Corporate Services	Fepang Protection Group (PTY) Ltd	R 80 000 000
08/2/22/62	Streets And Stormwater Maintenance in Witzenberg Municipal Area	Technical Services	Actophambili Roads (Pty) Ltd	R 30 000 000
08/2/21/16	Supply and Delivery of Electrical Equipment Cluster 12	Technical Services	Jo Castro (PTY) Ltd	R 24 000 000
08/2/22/29	Upgrade of Ceres 11KV switching substation	Technical Services	VE Reticulation (PTY) Ltd	R 22 720 985
08/2/21/82	Electrical and Mechanical Maintenance of Water and Sewer Pump Stations. Treatment Works and Related Infrastructure in Witzenberg Area	Technical Services	SNR Electrical CC	R 20 000 000

Awards made by the Bid Adjudication Committee

No bid was awarded by the Bid Adjudication Committee in terms of paragraph 44 (2) of the Supply Chain Management Policy and paragraph 37 (2) of the Supply Chain Regulations.

Appeals lodged by aggrieved bidders.

The following appeals were lodged by aggrieved bidders on awards made in terms of section 62(1) of the Municipal Systems Act (Act 32 of 2000):

Bid number	Bid title	Date of appeal	Appellant	Reason for appeal	Dismissal	Dealt by
None						

Awards made to enterprises within the Witzenberg municipal area.

The following table details the value of competitive bids awarded to enterprises within the Witzenberg Municipal Area during the 2024/25 financial year:

Number of contracts awarded to enterprises within the Witzenberg municipal area	Percentage of contracts awarded to enterprises within the Witzenberg municipal area (%)	Value of contracts awarded to enterprises within the Witzenberg municipal area. R	Percentage of contract value awarded to enterprises within the Witzenberg municipal area (%)
6	13.04	38 454 044	11.14

2.11.2 Formal written price quotations between R 30 000 and R 300 000

Awards made to enterprises within the Witzenberg municipal area.

A total of 54 formal written price quotations amounting to R 8 298 123 were awarded.

The following table details the value of formal written price quotations awarded to enterprises within the Witzenberg municipal area during the 2024/25 financial year:

Number of contracts awarded to enterprises within the Witzenberg municipal area	Percentage of contracts awarded to enterprises within the Witzenberg municipal area (%)	Value of contracts awarded to enterprises within the Witzenberg municipal area. R	Percentage of contract value awarded to enterprises within the Witzenberg municipal area (%)
11	20.37	1 449 545	17.46

2.11.3 Deviation from normal procurement processes

Paragraph 44 of Council's Supply Chain Management Policy allows the Accounting Officer to dispense with the official procurement process. Deviations amounting to R 6 542 343 were approved by the Accounting Officer. The following table provides a summary of deviations approved on an annual and monthly basis respectively:

Type of deviation	Number of deviations	Value of deviations R	Percentage of total deviations value (%)
Single supplier	60	3 087 855	47.33
Impossible	0	0	0.00
Impractical	28	2 765 276	42.38
Emergency	14	671 212	10.29

This amount shows a decrease of R 3 286 770 compared to the previous year's figure of R 9 811 113. It should be noted that although various processes were implemented to reduce the number and value of deviations it fluctuates during each period and will not necessarily reflect the same patterns.

2.11.4 Logistics management

The system of logistics management must ensure the following:

- the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number.
- the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock.
- the placing of manual or electronic orders for all acquisitions other than those from petty cash.

- before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract.
- appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased.
- regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

- Each stock item at the municipal stores, Drommedaris Street, is coded and listed on the financial system. Monthly monitoring of patterns of issues and receipts is performed by the Storekeeper. Inventory levels are set at the start of each financial year. These levels are set for normal operations. In the event that special projects are being launched by departments, such information is not communicated timely to the Stores section in order to gear them to order stock more than the normal levels. Internal controls are in place to ensure that goods and services that are received are certified by the person responsible, which is in line with the general conditions of contract. Regular checks are performed to determine the condition. Quarterly stock counts are performed so that surpluses, deficits, damaged and redundant stock items are identified and reported to the Council. As of 30 June 2025, the value of the stock at the municipal stores is calculated at R 16 337 600, with a satisfactory stock turnover rate of 0.87. For the 2024/25 financial year, a total of R 185 341.32 was accounted for as damaged inventory and R 301 940.15 was accounted for as redundant.

2.11.5 Disposal management

The system of disposal management must ensure the following:

- immovable property is sold only at market related prices, except when the public interest or the plight of the poor demands otherwise.
- movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices; whichever is the most advantageous.
- Firearms are not sold or donated to any person or institution within or outside the Republic, unless approved by the National Conventional Arms Control Committee.
- Immovable property is let at market related rates, except when the public interest or the plight of the poor demands otherwise.
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are reviewed annually.
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- In the case of the free disposal of computer equipment, the Provincial Department of Education is first approached to indicate within 30 days whether any of the local schools require this equipment.

We are complying with section 14 of the MFMA which deals with the disposal of capital assets.

A Consolidated report of all assets identified for disposal were approved by Council and the Accounting Officer respectively. An auction was held on 26 March 2025 for all assets approved for disposal. The total proceeds from the auction amounted to R 3 080 415.65 (Incl. VAT).

2.11.6 Performance management

The SCM policy requires that an internal monitoring system be established and implemented to determine, based on retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM policy were achieved.

Monitoring of internal processes is an on-going process. Procedure manuals for various SCM processes have been updated and are awaiting approval for implementation. Monthly reporting concerning appeals received by aggrieved bidders is also done to measure the performance of the bid specification and bid evaluation committees.

The Accounting Officer has appointed the Internal Auditor as the independent observer to attend bid committee meetings. This further enhances transparency regarding our bid committee system and compliance with all relevant legislation.

The following company and its directors were listed as restricted suppliers during the 2024/25 financial year:

None

2.12 Website

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

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

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

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

Description of information and/or document	Yes/No
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	
Draft Budget 2023/24	Yes
Adjusted Budget 2023/24	Yes
Asset Management Policy	Yes
Customer Care, Credit control and Debt collection Policy	Yes
Indigent Policy	Yes
Funds and Reserves Policy	Yes
Investment and Cash Management Policy	Yes
Rates Policy	Yes
Supply Chain Management Policy	Yes
Tariff Policy	Yes
Veriment Policy	Yes
Petty Cash Policy	Yes
Long Term Financial Policy	Yes
Borrowing Policy	Yes
SDBIP 2023/24	Yes

Description of information and/or document	Yes/No
Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
Reviewed IDP for 2023/24	Yes
IDP Process Plan for 2023/24	Yes
Supply Chain Management (Sections 14(2), 33, 37 and75(1)(e) and(f) and 120(6)(b) of the MFMA and Section 18(a) of the National SCM Regulation)	
List of capital assets that have been disposed	Yes
Long-Term borrowing contracts	Yes
Reports (Sections 52(d), 71, 72 and75(1)(c) and 129(3) of the MFMA)	
Annual Report of 2022/23	Yes
Oversight reports	Yes
Mid-year budget and performance assessment	Yes
Quarterly Reports	Yes
Monthly Budget Statement	Yes
Performance Management (Section 75(1)(d) of the MFMA)	
Performance Agreements for employees appointed as per S57 of Municipal Systems Act	Yes
Assurance Functions (Sections 62(1), 165 and 166 of the MFMA)	
Audit Committee charter	Yes
Risk Management Policy	Yes

2.13 Communication & Public Satisfaction

Local government holds both a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996, along with other statutory enactments, places a clear obligation on local government communicators and demands high levels of transparency, accountability, openness, participatory democracy, and direct engagement with communities to improve the lives of all citizens. Good customer care is fundamental to government organizations due to their constant interaction with members of the public.

All local government entities strive to uphold the following Constitutional ideals in developing appropriate policy and legislative frameworks concerning service delivery in the public sector:

- Promoting and maintaining high standards of professional ethics.
- Providing services impartially, fairly, equitably, and without bias.
- Utilizing resources efficiently and effectively.
- Responding to people's needs; encouraging citizens to participate in policymaking.
- Rendering an accountable, transparent, and development-oriented public administration.

These ideals are realized through adherence to the eight principles of Batho Pele:

- **Consultation**
  Consultation, conducted through various tools, is a powerful means of enriching and shaping government policies such as the Integrated Development Plans (IDPs) and their implementation within the Local Government sphere.
- **Setting service standards**
  This principle reinforces the need for benchmarks to consistently measure the extent to which citizens are satisfied with the services or products they receive from departments. It also plays a

critical role in developing service delivery improvement plans to ensure a better life for all South Africans. Citizens should be actively involved in setting service standards.

- **Increasing access**
  One of Batho Pele's primary aims is to provide a framework for decision-making about delivering public services to the many South Africans who currently lack access. It also seeks to address inequalities in the distribution of existing services.
- **Ensuring courtesy**
  Courtesy goes beyond polite words such as 'please' and 'thank you'.
  It requires service providers to empathize with citizens and treat them with the same consideration and respect they would expect for themselves.
- **Providing information**
  Information about services should be readily available at the point of delivery. However, for residents located far from service points, alternative arrangements must be made to ensure accessibility.
- **Openness and transparency**
  A key aspect of openness and transparency is that the public should be well informed about how national, provincial, and local government institutions operate, how effectively they use resources, and who is responsible.
- **Redress**
  This principle stresses the importance of identifying promptly and accurately when services fall below promised standards and having procedures in place to remedy the situation. Public servants are encouraged to welcome complaints as opportunities to improve services and to resolve them quickly for the benefit of citizens.
- **Value for money**
  Many improvements desired by the public often require no additional resources and may even reduce costs. For example, failing to provide a simple, satisfactory explanation during an enquiry might lead to incorrectly completed application forms, causing delays and additional costs.

2.13.1 Communication strategy

The Witzenberg Municipality Communication Strategy reflects residents' views regarding communication and perceptions of the municipality. Many expressed views indicate dissatisfaction with municipal communication but should keep in mind that communication is decentralized, and sections/managers are contacted directly sometimes. Should response or service not be satisfactory, matters should be escalated to the communications department or municipal manager's office.

Issues beyond the direct control of local government, such as access to housing, employment opportunities, education, and healthcare are mostly raised. However, local government acts as a conduit to expedite these issues to the appropriate government entities, as well as to support and invest in various programmes aimed at skills development, youth empowerment, social development, and short-term employment opportunities. Levels of literacy, language proficiency, public apathy, education, knowledge of government processes, and access to communication tools also affect how the public perceives local government and may hinder effective communication, particularly in rural areas. A successful communication strategy therefore links local demographics with the municipality's action plan and influences budget allocation according to public needs. The current Communication Strategy was adopted and approved by Council in May and is up for review soon.

Below is a communication checklist of compliance with the communication requirements:

Communication activities	Yes/No
Communication unit	Yes
Communication strategy	Yes
Communication Policy	Part of the Strategy
Media communication	Yes
Public participation and ward committees	Yes
Online communication	Yes

Communication activities	Yes/No
Customer satisfaction surveys	Yes
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes

2.13.2 Communication and query/complaint management

Witzenberg Municipality operates a 24-hour emergency control centre, available seven days a week, 365 days a year, to assist the public. The control centre performs a dual role: escalating service delivery queries to relevant departments such as water and sewerage, electricity, streets, and stormwater; and escalating emergency service incidents to police, ambulance, fire, and law enforcement and traffic services. It also informs senior management and Council of high-priority incidents such as shack fires, housing issues, motor vehicle accidents, obstructions, and health hazards. This ensures decisions regarding expenditure and overtime can be made and monitored.
Complaints are received mostly via telephone and new WhatsApp line, as well as email, website, social media, and letters occasionally and are all routed to the appropriate sections and personnel for resolution. Swift turnaround times and consistent feedback help manage public expectations regarding service delivery timing, methods, and resolution processes. This approach also educates the public on municipal operations, how to engage with the municipality, and fosters public support. Failure to validate complaints and communicate reasons for service interruptions can lead to discord and protest.
The Municipality, with support from the Western Cape Government, is in the process of developing and finalising a Case Management system to improve these processes and enhance service delivery.

2.13.3 Communication and municipal marketing

The cornerstone of municipal marketing is the quality of service, which includes the speed of initial response, quality of workmanship, duration until resolution, feedback to complainants, and professional closure of issues. Branding is associated with all types of municipal marketing (logos, uniforms, public engagement, events, etc.).
As illustrated in the current Communication Strategy, the public holds neither a negative nor a distinctly positive perception of municipal services. Marketing efforts focus on logo placement, tourism marketing, internal and external newsletters, social media engagement, media statements, and branding at municipal and other community events. The overarching communication theme is to provide the public with easy access to services, information, personnel, and complaint resolution.

2.13.4 Communication and international relations

Witzenberg Municipality is open to establishing mutually beneficial partnerships with international organisations and municipalities aimed at skills development, knowledge sharing, local economic empowerment, and job creation. The municipality regularly holds meetings with visiting international delegations to discuss operations and best practices. Some of these engagements have resulted in twinning agreements that offer developmental support to vulnerable communities.

2.13.5 Communication and investor relations

Witzenberg Municipality consistently promotes its service delivery levels and infrastructure to attract investors, highlighting facilities, management, political stability, water and air quality, the natural environment, and the availability of unskilled and semi-skilled labour. Local Economic Development is the champion in this regard.

2.13.6 Emergency and disaster communication

When an emergency or disaster is declared by the District, Witzenberg Municipality provides communication support in conjunction with the District, including relaying communications to relevant line functions, sourcing landscape and geographical mapping of the affected area,

gathering inputs from operational services, compiling communication reports to monitor the situation, acting as spokesperson, managing media relations, drafting articles and statements, and providing photographic evidence if required. The Fire Chief is the head of Disaster Management at Witzenberg. A newly established Disaster Management Advisory Forum is held every quarter.

2.13.7 Financial communication

Witzenberg Municipality regularly engages with the public on matters such as project expenditure, financial legislation, anti-fraud and corruption measures, and bid and tender processes via social media and printed materials. The aim of financial communication is to promote transparency regarding expenditure and asset management. The municipality strives to comply with, and where possible exceed, audit standards for local government, maintaining a clean audit status. Due to the regulatory nature of financial management, the municipality ensures this information is freely accessible to the public and presented in clear, easily understood language. This information is available across all municipal communication platforms.

2.13.8 Electronic communication

Social media is a cost-effective tool for conveying information and is effective because many residents own mobile phones. However, it is labour intensive and has limited reach in rural areas due to poor connectivity and restricted access to mobile data/wi-fi.
The municipality employs all available communication channels to inform residents of urgent updates concerning power outages, water interruptions, road closures, hazardous weather, municipal events, and more as and when received from the various sections. Additionally, general and updated information is accessible on the municipal corporate website. Assistance from the Provincial Government has been requested to upgrade the complaints system. Witzenberg is a recipient for broadband services at the Thusong Centre, which had been finalised in the past year.

2.13.9 Interpersonal communication

Witzenberg Municipality facilitates internal communication with employees via the Municipal Manager's office and promoting organisational policies and procedures through internal newsletters. These newsletters include information on long service awards, retirements, salary and benefits, births, marriages, deaths, sporting achievements, training, health and safety, anti-fraud measures, whistleblowing, and more. Each edition carries a theme focusing on employee wellness to promote better health and personal welfare. It also provides a platform for senior management to engage with staff and share important information.

2.13.10 Media communication

The Municipality creates, promotes, and liaises with local and regional media regarding project launches, milestones, municipal issues, and local events. It also responds to media enquiries and statement requests. All external communications are approved by the Municipal Manager according to his delegation, who may appoint spokespersons within the organisation at his discretion.

2.13.11 Communication and legislation

Witzenberg Municipality consults the public on Council and Portfolio Committee decisions impacting local regulations and by-laws. It often seeks initial commentary and feedback to assist decision-making on public issues. Official communications are sent to residents and businesses regarding by-law contraventions. The municipality strives for openness, consistency, and transparency in legal matters, engaging with involved parties to ensure clarity, mutual understanding, and respect for heritage, cultural, and religious beliefs—provided these do not infringe upon others' rights.

2.13.12 Visual communication

Visual communication is pivotal to the strategy, especially as many in the municipality's demographic have limited literacy and rely on visual aids to understand messages, nor data or airtime. Visual communication methods include correspondence, branding, photographs, marketing and communication collateral, videos, and events. Municipal vehicles are branded with decals to identify them as official and to instil trust that services and information provided are reliable. Consequently, 'loud hailing' remains an effective method to relay urgent public notifications in the Witzenberg municipal area, dependent on time, capacity, and resources availability.

2.13.13 Communication challenges

Despite regular communication with its public, Witzenberg Municipality faces various (and mostly financial) challenges that hamper the following:

- Branding of assets, employees, and infrastructure.
- Limited availability of branded collateral and the lifespan thereof.
- Inability to outsource media monitoring.
- Upgrading of the intranet, website, and complaints system.
- Capacity constraints.
- Poor network coverage due to topography.
- Limited to no free Wi-Fi access.
- Limited access to advanced technology for communication systems, branding, feedback, and reporting.
- Lack of communication or perception-specific research on language use and message penetration.
- Difficulty reaching or engaging small, remote rural communities.
- Internal cooperation and support in terms of communication.

Local government is often criticised for inadequate communication and engagement, but despite these challenges, Witzenberg Municipality continues to demonstrate good governance by prioritising the needs of all residents - commercial, residential, rural, and informal. Our communities are vocal and hold the municipality accountable for performance and improvement. The municipality's reputation for approachability and accessibility stems from frequent public interaction, addressing issues raised, acknowledging faults and limitations where appropriate, and building trust through reliable, quality service delivery and timeous communication.

2.13.14 Communication milestones

Witzenberg Municipality strives to continuously communicate municipal information and news to its communities to promote the municipal brand, positively influence perceptions of service delivery, enhance satisfaction ratings, gather suggestions for improvement, and use the most effective communication channels. The Communication Strategy guides these efforts. There is regular interaction with the public through various channels and face-to-face at offices, meetings, events, social media, phone calls, and emails. Concerns and complaints are considered, and systems are improved to enhance communication effectiveness and inclusivity.

A general customer satisfaction survey, including feedback on communication methods and frequency, is available at all municipal offices and is ongoing to ensure sustainable and high quality of service delivery to all. The loud hailing system has been upgraded to broadcast pre-recorded voice messages and is mostly assisting in rural and outlying towns and areas.

Furthermore, a series of weekly live radio interviews was introduced, featuring directorates and sectional heads to inform and educate the public on municipal functions and activities. Fire, Traffic, IDP, Budgeting, and Supply Chain Management departments, among others, have dedicated radio slots and this will continue going forward and with available budget. Witzenberg Tourism also maximises coverage and brand exposure through its marketing strategy, activities, events, and consistent Witzenberg municipal logo usage on all promotional materials as per agreement.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

3.1 Overview of Performance within the Organisation

3.1.1 Introduction

Performance management is prescribed by Chapter 6 of the Municipal Systems Act and the Municipal Planning and Performance Management Regulations, 2001. Regulation 7(1) of the regulations states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players." This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The municipality adopted a Performance Management Policy Framework that was approved by Council on 12 April 2024 from the revision approved by Council on 25 July 2018.

The Top Layer SDBIP for 2024/25 was approved by the mayor on the 21st of May 2024. Revisions to the SDBIP Top Layer targets were approved by Council on the 26th of February 2025 and the Adjusted Top Layer SDBIP approved by the mayor on the 28th of February 2025.

Below are the considerations in the development of the Top Layer SDBIP:

- Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- Alignment with the budget
- Oversight Committee Report on the Annual Report
- The risks identified during the municipal risk analysis.
- Areas to be addressed and root causes of the Auditor-General management letter, as well as the risks identified during the audit.

Other additional information with regards to performance:

Functions of the municipality	**Appendix D**
Performance of entities & service providers	**Appendix I**
Service delivery performance at ward level	**Appendix F**

3.1.2 Organisational Performance

The organisational performance is monitored and evaluated via the SDBIP. An operating procedure for the management and implementation of the SDBIP has been developed. The operating procedure was work-shopped with the relevant KPI owners and senior management.

The procedures can be summarized as follows:

- The Performance Administrator informs the relevant KPI owners, senior management and departmental secretaries of the closure date to submit actuals achieved for the preceding month. By the 10th of each month KPI owners complete the template with their actual achieved, performance information and evidence. If a specific target was not reached, reasons with corrective measures must be provided.
- The Performance Administrator generates a report from excel and distributes via email to Senior Management for discussion at Senior Management- and Directorate Meetings. The latter was replaced during the year with an active dashboard display on Microsoft Sharepoint with access shared to all Directors & Managers.
- Results on the Top Layer SDBIP Key Performance Indicators are submitted to the CFO for inclusion in the quarterly Section 52D report that is tabled at Council.
- The quarterly performance report as included in the Quarterly Budget Statement (Section 52D Report), was tabled at Council as follows:
    - 1st Quarterly Budget Statement 10 December 2024

- 2nd Quarter Budget Statement 27 January 2025
- Section 72 Midyear report 27 January 2025
- 3rd Quarterly Budget Statement 30 May 2025
- 4th Quarterly Budget Statement 30 July 2025

3.1.3 Individual Performance

Senior Management

The Municipal Systems Act, 2000 (Act 32 of 2000) prescribes that the municipality must enter into performance-based agreements with the Section 57-employees and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the 2024/25 financial year were signed on 27 June 2024.

The appraisal of the actual performance in terms of the 2023/24 signed agreements, took place twice per annum as regulated. The final evaluation of the 2023/24 took place on 5 February 2025. The evaluation for 2024/25 will take place after the auditing of the 2024/25 Annual Performance Report and Annual Financial Statements. The appraisals were done by an evaluation panel as indicated in the signed performance agreements and in terms of Regulation 805. The panel included the following people:

- Executive Mayor – Cllr T Abrahams
- Portfolio Chairperson Technical Services – Ald H Smit and Portfolio Chairperson for Corporate and Financial Services - Cllr J Fredericks
- Chairperson of the Performance, Risk and Audit Committee – Mr J George
- Municipal Manager – Mr D Nasson
- Manager: Human Resources – Ms I Barnard
- Chief: Internal Auditor
- Mr. D McThomas, Municipal Manager of Breede Valley Municipality, review of the Municipal Manager
- Ward Committee included with review of Municipal Manager. - Ms Marinda Mankopan

Individual contracts were entered into with all permanent employees, excluding Section 57 employees, as determined by the Municipal Staff Regulations, Regulation 890 of September 2021. Formal assessments are to be performed by December 2025.

3.1.4 The Integrated Development Plan and the Budget

The Reviewed 2024/25 IDP was adopted on 16 May 2024, whilst the budget for 2024/25 was approved by Council on the same day. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management, in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

The table below provides an analysis of the budget allocation and expenditure per Municipal Key Performance Area (Operational expenditure excludes internal transfers):

Municipal Key Performance Area	Adjusted Capital Budget	Actual Capital Expenditure	Adjusted Operational Budget	Actual Operating Expenditure
	R'000	R'000	R'000	R'000
Essential Services	R61 295	R58 563	R684 839	R654 801
Governance	R10 996	R8 221	R114 774	R111 884
Communal Services	R6 394	R4 713	R140 223	R136 298
Socio-Economic Services	R8 695	R5 570	R39 761	R20 964
TOTAL	**R87 380**	**R77 067**	**R979 596**	**R923 946**

3.1.5 Strategic Alignment

Municipal Key Performance Area	Strategic Objective	
Essential Services *Direct service delivery such as the provision of water, sanitation, electricity & solid waste removal. Also include roads & storm water management and subsidised serviced sites.*	1.1	Sustainable provision and maintenance of basic infrastructure
	1.2	Provide for the needs of informal settlements through improved services
Governance *Includes human resources, finance management, strategic- and town planning, law enforcement, public participation, fire- and disaster services, policy and Council.*	2.1	Support institutional transformation and development
	2.2	Ensure financial viability
	2.3	To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.
Communal Services *Indirect public services such as community halls, sports fields, open spaces, parks, resorts, swimming pools, environment.*	3.1	Provide and maintain facilities that make citizens feel at home
Socio-Economic Support Services *Non-core/municipal functions that includes subsidised housing (top structures), Local Economic Development- and Social Development support.*	4.1	Support the poor and vulnerable through programmes & policy
	4.2	Create an enabling environment to attract investment and support to the local economy.

3.1.6 Key Performance Indicators in approved 2024/25 Top Layer SDBIP

Municipal Key Performance Area: ESSENTIAL SERVICES

Strategic Objective: 1.1 Sustainable provision and maintenance of basic infrastructure

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
TecDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Technical Department	99%	98%	15%	40%	75%	98%	98%	99%	99%	99%
Definition: Percentage reflecting year to date spend /preventative- & corrective planned maintenance budget votes of technical department. Maintenance as defined according to mSCOA and excludes emergency corrective maintenance.											
TecDir3	% Expenditure on Capital Budget by Technical Directorate	88%	95%	10%	40%	60%	95%	95%	96%	96%	97%
Definition: Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.											
WS1.11a	Number of new formal sewer connections meeting minimum standards	New	10	2	4	6	10	10	12	12	14
Definition: The total number of new formal residential sewer connections (defined as connections to a flush toilet connected to the sewerage system or a septic tank on a registered erf). Excludes connections at informal settlements. Proxy measure for National Key Performance Indicator.											

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
WS2.11a	Number of new formal water connections meeting minimum standards	New	10	2	4	6	10	10	12	12	14
Definition: Total number of new formal residential water connections meeting minimum standards. Exclude connections at informal settlements. Proxy measure for National Key Performance Indicator.											
WS4.1	Percentage of drinking water samples complying to SANS241.	100%	98%	98%	98%	98%	98%	98%	98%	98%	98%
Definition: The percentage of water samples measured that comply with the SANS 241 requirements over a 12-month period for the defined parameters. See the SANS 241 requirements for a detailed breakdown of the various tests involved and the associated standard limits for application.											
EE1.11a	Number of formal residential dwellings provided with a new connection to mains electricity supply by the municipality	New	8	2	4	6	8	10	10	10	10
Definition: Number of new formal residential supply points commissioned and energised by the municipality. (Excludes informal areas) Proxy measure for National Key Performance Indicator.											
FinInc28	Number of formal residential properties for which refuse is removed once per week, and which are billed for refuse removal as at period end.	13 485	11 873	11 873	11 873	11 873	11 873	11 900	11 910	11 920	11 930
Definition: Report on the number of residential properties that have access to the service according to the number of properties billed for the service on the SAMRAS financial system Proxy measure for National Key Performance Indicator.											
WS5.1	Percentage of non-revenue water (sum of un-billed authorised consumption such as informal settlements, recreational areas and apparent & real losses)	New	40%	40%	40%	40%	40%	39%	38%	38%	37%
Definition: Non-revenue water is defined as the sum of unbilled authorized consumption, apparent losses (unbilled unauthorised consumption and meter inaccuracies) and real losses (from transmission mains, storage facilities, distribution mains or service connections).											
EE4.4	Percentage total electricity losses	10,7%	10,0%	11,0%	10,8%	10,5%	10,0%	10%	10%	10%	10%
Definition: Electricity losses have two components: technical and non-technical. Technical losses occur naturally and consist mainly of power dissipation in electricity system components such as transmission and distribution lines, transformers, and measurement systems. Non-technical losses are caused by actions external to the power system and consist primarily of electricity theft, faulty or inaccurate meters, and errors in accounting and record-keeping. Losses is a measure of unaccounted for energy. Thus, non-payment is not included as losses.											
TR6.12	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	New	1%	0,0%	0,0%	0,5%	1,0%	1,0%	1,0%	1,5%	1,5%

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
Definition: The distance of surfaced municipal road lanes (class 3-5) in kilometres which has been resurfaced and resealed in relation to the total road lane length. A lane is part of a carriageway that is designated to be used by a single line of vehicles to control and guide drivers and reduce traffic conflicts. Lane widths may vary in width from 3.1m at their narrowest, to 5.5m lanes in higher-order mixed-usage streets. Total municipal road length is measured on a per lane basis, so a road that is four-lanes wide for 1 km has a total network length of 4kms for the purpose of this indicator.											

Municipal Key Performance Area: ESSENTIAL SERVICES

Strategic Objective: 1.2 Provide for the needs of informal settlements through improved services

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
TecDir2	Number of subsidised serviced sites developed.	0	No target set as development of serviced sites is not planned and budgeted for in 2024/25. Programme to resume in following year.					130		50	50
Definition: A housing opportunity is incremental access to and or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure. A serviced site is being defined as a demarcated site with access to water & sanitation services located adjacent to a road.											
WS1.11b (Cir88)	Number of new informal sewer connections meeting minimum standards	New	2	0	0	2	2	2	2	2	2
Definition: The total number of new informal sewer connections (defined as connections to a flush toilet connected to the sewerage system or a septic tank or a VIP toilet) made by the municipality at informal settlements. This is inclusive of new sewer connections to communal facilities and chemical toilets that meet basic sanitation standards. Only residential. Proxy measure for National Key Performance Indicator.											
WS2.11b	Number of new informal water connections meeting minimum standards	New	2	0	0	2	2	2	2	2	2
Definition: Total number of new informal water connections meeting minimum standards (supply of water is Piped (tap) water inside dwelling, Piped (tap) water inside yard, and/or community stand: by the municipality. This is inclusive of new water connections to communal facilities that meet minimum standards. Only informal settlements. Proxy measure for National Key Performance Indicator.											
EE1.11b	Number of informal residential dwellings provided with a new connection to mains electricity supply by the municipality	New	The target was removed during the mid-year adjustment as approved by the Council. This decision was due to delays in the procurement process for the Revenue Enhancement Bid, which have made it unlikely that new applications within informal settlements will be processed during this period.					7	10	12	15
Definition: Number of new informal residential supply points commissioned and energised by the municipality. Only informal areas. Proxy measure for National Key Performance Indicator.											
TecRef31	Percentage of households in demarcated informal areas with access to a periodic solid waste removal or a skip for household waste.	100%	95%	95%	95%	95%	95%	97%	97%	97%	97%
Definition: This indicator reflects the percentage of households in demarcated informal areas with access to a to a periodic solid waste removal or a skip for household waste. Access are being defined as households within 200m of a periodic waste pick-up route or skip for household waste. Certain skips may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.											

Municipal Key Performance Area: GOVERNANCE

Strategic Objective: 2.1 Support institutional transformation and development

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	82%	96%	10%	35%	60%	96%	96%	96%	96%	96%
A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP. Proxy for National KPI.										
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	4	4	1	2	3	4	4	4	4	4
Quarterly reports on the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. Quarterly report submitted to Municipal Manager. Proxy for National Performance Indicator.											
GG1.21	Staff vacancy rate	New	5%	5%	5%	5%	5%	4%	4%	4%	4%
The number of unfilled posts in the municipal organisational structure as a percentage of the total number of employee posts in the municipality's organisational structure. The unfilled posts are inclusive of temporary and contract positions that appear on the municipality's approved organisational structure. They are exclusive of unfunded vacant positions on the municipality's approved organisational structure. The number of employee posts that make up the organisational structure approved by the council of the municipality. This is inclusive of temporary and contract workers on the approved organisational structure. It is exclusive of unfunded vacant posts. It is exclusive of Expanded Public Works Programme and short-term appointments that do not reflect on the municipality's approved organisational structure.										

Municipal Key Performance Area: GOVERNANCE

Strategic Objective: 2.2 Ensure Financial Viability

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	1163	200	200	200	200	200	200	200	200	200
Definition: This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue excluding grants number of times. Proxy for National KPI.											
FinFAdm11	Financial viability expressed outstanding service debtors	84%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Definition: These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at year end. Proxy for National KPI.											
FM2.1	Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue)	New	6%				6%	6%	6%	6%	6%
Definition: The purpose of the indicator is to provide assurance that sufficient revenue will be generated to repay Liabilities. Alternatively, it assesses the municipality's affordability of the total borrowings. Formula: (1) Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / ((2) Total Operating Revenue - (3) Operating Conditional Grant) Section 71											
FM7.12	Collection rate ratio	93%	93%	75%	88%	91%	93%	94%	95%	95%	96%

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
Definition: The ratio measures the revenue collection level of a municipality. It considers the level of increase or decrease of gross debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration Formula: ((1) Gross Debtors Opening Balance + (2) Billed Revenue – (3) Gross Debtors Closing Balance - (4) Bad Debts Written Off) / (2) Billed Revenue Circular 71											
FM7.2	Percentage of Revenue Growth excluding capital grants	New	6%				6%	6%	6%	6%	6%
Definition: This Ratio measures the overall Revenue Growth excluding Capital Grants. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by the increased Revenue Base or by some other means. Formula ((1) Total Revenue Excluding Capital Grants (current year) - (2) Total Revenue Excluding Capital Grants (previous year)/ (2) Total Revenue Excluding Capital Grants (previous year) Circular 71											
FM1.14	Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget	New	98%	31%	45%	75%	98%	98%	98%	98%	98%
Definition: The ratio measures the extent of actual Service Charges and Property Rates Revenue generated in relation to budgeted Service Charges and Property Rates Revenue during the financial year. Service Charges includes revenue generated from sale of water, electricity, refuse and sanitation. Property rates include revenue generated from rates and taxes charged on properties. Formula: ((1) Actual Service Charges Revenue + (2) Actual Property Rates Revenue) / (3) Budgeted Service Charges and Property Rates Revenue Section 71											
FM3.11	Cash/Cost coverage ratio	New	3	3	3	3	3	3	3	3	3
Definition: The ratio indicates the municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month. Formula: (((1)Cash and Cash Equivalents - (2) Unspent Conditional Grants - (3) Overdraft) + (4) Short Term Investment) / (5) Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets) Proxy for National KPI. Section 71											
FM4.11	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	New	0%				0%	0%	0%	0%	0%
Definition: The indicator measures the extent to which the municipality has incurred irregular, fruitless and wasteful and unauthorised expenditure. Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Irregular expenditure is incurred by the municipality in contravention of a requirement of the law. Unauthorized expenditure includes overspending of the total amount appropriated in the approved budget. Formula: ((1) Irregular + (2) Fruitless and Wasteful + (3) Unauthorised Expenditure) / (4) Total Operating Expenditure Circular 71											
FM4.2	Percentage of total operating expenditure on remuneration	New	30%				30%	30%	30%	30%	30%
Definition: The indicator measures the extent of remuneration costs to total operating expenditure. To control this indicator, an organisational review needs to be performed to address duplications and inefficiencies. The municipality needs to implement a proper remuneration policy and performance management system. Remuneration includes employee related costs (permanent and short-term contracts) and remuneration for councillors. Formula: Remuneration ((1) Employee Related Costs + (2) Councillors' Remuneration) / (3) Total Operating Expenditure Circular 71											
FM4.31	Creditors payment period	New	40	30	30	30	40	40	40	40	40
Definition: This indicator reflects the average number of days taken for trade creditors to be paid. It is a useful indicator to measure the cash flow or liquidity position of a municipality. Total outstanding creditors is total amount owed (capital and operating expenditure) by the municipality. Section 65 of the MFMA clearly prescribe municipalities to pay all monies owed within 30 days of receiving an invoice. Formula: ((1) Trade Creditors Outstanding / (2) Credit purchases (operating and capital) X (3) Number of days in the reporting year to date ((1) Trade Creditors Outstanding / (2) Credit purchases (operating and capital) X (3) Number of days in the reporting year to date MFMA Section 65, Circular 71											

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
FM5.21	Percentage of total capital expenditure on renewal/upgrading of existing assets	New	68%				68%	68%	70%	72%	74%
Definition: This indicator measures the extent to which the municipality prioritise or protect its existing infrastructure assets. Renewal/Upgrading of Existing Assets refers to costs incurred in relation to refurbishment, rehabilitation or reconstruction of assets to return its desired service levels. It is also referred to as restoration of the service potential of the asset. Formula: (1) Total costs of Renewal and Upgrading of Existing Assets / (2) Total Capital Expenditure MBRR											
FM5.2	Percentage change of renewal/upgrading of existing Assets	New	35%				35%	-16%	-17%	0%	0%
Definition: This indicator measures the year-on-year percentage change of assets renewal / upgrading. It also assesses whether the municipality has improved its investment towards asset renewal as required. Renewal/Upgrading of Existing Assets refers to costs incurred in relation to refurbishment, rehabilitation or reconstruction of assets to return its desired service levels. It is also referred to as restoration of the service potential of the asset. Formula: ((1) Total costs of Renewal and Upgrading of Existing Assets (current year) - (2) Total costs of Renewal and Upgrading of Existing Assets (previous year))/ ((2) Total costs of Renewal and Upgrading of Existing Assets (previous year))											
LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	New	150	150	150	150	150	145	145	140	140
Definition: The average number of days from the point of advertising to the letter of award per 80/20 procurement process. An 80/20 procurement process refers to public procurement as per the terms of the Preferential Procurement Regulations in terms of the Preferential Procurement Policy Framework Act for bids where an 80/20 Broad-Based Black Economic Empowerment (B-BBEE) thresholds of between R30 000 and R50 million applies. This would apply to tenders awarded within the financial year, and where disputes to the outcome of the tender process were not raised. This does not apply to requests for quotations. Formula: (1) Sum of the number of days from the point of advertising a tender in terms of the 80/20 procurement process to the issuing of the letter of award/ (2) Total number of 80/20 tenders awarded as per the procurement process											
MM1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the whole of the municipality.	99%	98%	15%	40%	75%	98%	99%	99%	99%	99%
Definition: Percentage reflecting year to date spend /preventative- & corrective planned maintenance budget votes for the whole of the municipality. Maintenance as defined according to mSCOA and excludes emergency corrective maintenance.											
FM1.11	Total Capital Expenditure as a percentage of Total Capital Budget	87%	95%	10%	40%	60%	95%	95%	96%	97%	97%
Definition: This indicator measures the extent to which budgeted capital expenditure has been spent during the financial year. Capital expenditure is all costs incurred by the municipality to acquire, upgrade, and renew physical assets such as property, plants, buildings, technology, or equipment. Formula (1) Actual Capital Expenditure / (2) Budgeted Capital Expenditure Section 71											

Municipal Key Performance Area: GOVERNANCE

Strategic Objective: 2.3 To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
MMIDP9	Number of IDP community engagements held.	14	14		7		14	14	14	14	14
Definition: Bi-annual community engagements as per IDP Process Plan held in each of the 7 towns.											

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	New	100%	100%	100%	100%	100%	100%	100%	100%	100%
Definition: The percentage of ward committees that are deemed to be 'functional' out of all wards in the municipality. Functional is defined as- they have an agreed annual ward committee action plan by end of Q1 of the year under review and had at least four quorate meetings in that year. Formula: ((1) Functional ward committees) / (2) Total number of wards)											
GG2.11	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	New	100%	100%	100%	100%	100%	100%	100%	100%	100%
Definition: The percentage of ward committees that had 6 or more members, excluding the ward councillor, as a proportion of the total number of wards at the last day of the reporting period. Formula: ((1) The number of ward committees with 6 or more members) / (2) Total number of wards)											
ComSoc49	Number of meetings with inter-governmental partners.	12	12	3	6	9	12	12	12	12	12
Definition: Number of Inter-Governmental meetings attended.											

Municipal Key Performance Area: COMMUNAL SERVICES

Strategic Objective: 3.1 Provide and maintain facilities that make citizens feel at home.

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
ComAm34	Analysis report on customer satisfaction questionnaires on community facilities.	1	1 Report				1 Report	1 Report	1 Report	1 Report	1 Report
Definition: This indicator measures the submission of an analysis report on a community survey on community perception and satisfaction in respect of the access to and maintenance of certain community facilities. The survey includes at least the provision of questionnaires at certain facilities for customers to complete.											
FD1.11	Percentage compliance with the required attendance time for structural firefighting incidents	New	90%	90%	90%	90%	90%	90%	92%	92%	93%
Definition: Structural fire incidents are defined as incidents of fire outbreaks in habitable formal structures (buildings that have approved building plans) and habitable informal structures (informal residential dwellings where no approved building plans exist). The indicator measures the percentage of times that these incidents receive a response within the 14-minute standard. This measure of the attendance time is the difference between the time of call (the time an official call or notice is received at the official call or reporting centre) and the arrival time (refers to the time captured for the first arriving firefighting response unit regardless from where dispatched or regardless of order of dispatch). The indicator therefore measures the number of all incidents where the attendance time was 14 minutes or less as a percentage of all incidents											
HS3.5	Percentage utilisation rate	New	The target was removed during the mid-year adjustment as approved by the Council. This Circular 88 indicator was implemented at					4%	4%	4%	4%

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
	of community halls		the departmental level in the 2023/24 period. The time of usage component of the indicator was determined manually, with the expectation that an electronic system would be implemented for 2024/25. However, such a system has not yet been finalized, and therefore, auditable evidence for the time of usage of each facility cannot be provided. It was therefore decided that the indicator be removed until an electronic system has been implemented.								
Definition: The percentage of available hours across all community halls that are booked in a year. Where booking data is not kept, the available hours should still be captured in the denominator in order to incentivise booking systems to be put in place. In the absence of standards, a hall is considered available for 12 hours per day for the calendar year. Where a community hall has multiple rooms available, the main hall or largest hall can be used as the basis for calculation. Formula: ((1) Sum of hours booked across all community halls in the period of assessment / (2) Sum of available hours for all community halls in the period of assessment).											
HS3.6	Average number of library visits per library	New	12000	3000	6000	9000	12000	12500	12500	13000	13000
Definition: The average number of library visits per library per year. This measures only municipality managed libraries. Formula: (1) Total number of library visits / (2) Count of municipal libraries											
HS3.7	Percentage of municipal cemetery plots available	New	27%	27%	27%	27%	27%	25%	24%	22%	22%
Definition: The number of burial plots currently available within active, municipal-owned cemeteries as a percentage of the total amount of burial plots in all municipal-owned cemeteries. Municipalities may have different policies and approaches providing for available plots, including where 'stacking' or other provisions for burial are made. Based on the municipality's current policy provisions and used plots, the indicator measures what percentage of the total available cemetery capacity in active cemeteries is currently utilised.											
ComDir2	Percentage expenditure on Capital Budget by Community Directorate	83%	95%	10%	40%	60%	95%	95%	96%	96%	97%
Definition: Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.											

Municipal Key Performance Area: SOCIO-ECONOMIC SUPPORT SERVICES

Strategic Objective: 4.1 Support the poor and vulnerable through programmes & policy

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	3205	4500	4500	4500	4500	4500	4400	4300	4300	4300
Definition: Refers to the number of account holders subsidised through the municipality's Indigent Policy as at the end of reporting period. If result is less than target it is viewed as positive indicating less reliance on subsidies.											
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services	New	3,0%	4,0%	4,0%	3,0%	3,0%	5,0%	5,0%	4,5%	4,5%
Definition: The amount municipal operating budget expended on free basic services to indigent households (R-value) as a percentage of the total operating budget of the municipality for the period. Free Basic Services are understood in terms of water, sanitation, electricity and waste removal services only.											

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP and other related employment programmes)	New	400	100	200	300	400	405	410	410	410
Definition: Simple count of the number of short-term work opportunities provided through the municipality by Public Employment Programmes such as Expanded Public Works Programme and other related infrastructure initiatives. EPWP is a nationwide programme covering all spheres of government and SOEs. EPWP projects employ workers on a temporary or ongoing basis with government, contractors, or other non-governmental organisations under the Ministerial Conditions of Employment for the EPWP or learnership employment conditions. The indicator tracks the number of unique work opportunities generated within the quarter, regardless of the duration. Note: Target decreased from previous year due to reduction in EPWP Grant & other infrastructure funds.											
ComSoc42	Number of engagements with target groups with the implementation of social development programmes.	29	20	5	10	15	20	22	23	23	24
Definition: The indicator refers to the number of engagements with target groups for the implementation social developmental programmes and /or initiatives.											
ComHS14	Number of housing opportunities provided per year.	No target	No Target					80	80	80	80
Definition: A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m^2 house.											
ComHS15	Number of Rental Stock transferred	22	20	0	5	10	20	40	50	50	50
Definition: Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.											

Municipal Key Performance Area: SOCIO-ECONOMIC SUPPORT SERVICES

Strategic Objective: 4.2 Create an enabling environment to attract investment and support to the local economy.

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
ComLed19	Bi-annual report on investment incentives implemented.	New	2 Reports		1		2	2	2	2	2
Definition: Bi-annual report on investment incentives implemented.											
ComLed20	Quarterly report on the Small Business Entrepreneurs Development Programme.	4	4 Reports	1	2	3	4	4	4	4	4
Definition: Quarterly report on the Small Business Entrepreneurs Development Programme.											

Ref	Key Performance Indicator	Baseline 22/23	Target 24/25	Q1	Q2	Q3	Q4	Target 25/26	Target 26/27	Target 27/28	Target 28/29
ComLed4	Review of the Witzenberg Local Economic Development Strategy.	4	1 Reviewed Strategy				1	Action plans	Action plans	Action plans	Action plans
Definition: Review of LED strategy, public participation and submission of draft to Council for approval. Measure implementation of action plans in following years.											
LED3.11	Average time taken to finalise business license applications	New	5 days	2	3	4	5	5	5	5	5
Definition: The indicator measures the average number of working days a business owner can expected to wait from the date of submission of a complete business licence application to the date of outcome of licensing decision from the municipality. Business license applications refer to those businesses registering to operate and do business within the municipal area. A 'complete application' refers to the point at which all of the required administrative information has been supplied, allowing the municipality to proceed with the processing. A 'finalised' application refers to an application where the municipality has taken a decision to approve or deny the application. An application is consider finalised at the point of the decision, regardless of the time between the decision and the communication of the application outcome.											
LED3.12	Average time taken to finalise informal trading permits	New	7	4	5	6	7	7	7	7	7
Definition: The indicator measures the average amount of time (taken in days) to finalise informal trading permits within a municipality from the point of complete application to the point of adjudication. An informal trading permit is a permission provided by the municipality to small scale businesses with limited trading intentions to operate under certain conditions, usually in terms of a by-law, policy or plan governing informal trading in the municipality. Formula: (1) Sum of the number of days from the time of complete application for each informal trading permit to the time of adjudication/ (2) Number of completed informal trading permit applications finalised											
LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	New	5%	5%	5%	5%	5%	6%	6%	7%	7%
Definition: This indicator measures the value of municipal operating expenditure that has been spent on payments to contracted organisations with a physical address within the municipal area as a percentage of the total operating expenditure on payments to all contracted organisations. Contracted services are inclusive of consultancy services and refer to services rendered by any entity outside of the municipality secured through a public procurement process. The indicator only pertains to services for which there is a contractual agreement (or equivalent) for services the municipality has procured through a supply chain process. If the municipality has procured the services of its own entities, that would fall within the first data element of the indicator. Formula: (1) R-value of operating expenditure on contracted services within the municipal area / (2) Total municipal operating expenditure on contracted services.											

3.1.7 National Key Performance Indicators

The Municipal Planning and Performance Management Regulation of 2001 prescribes general key performance indicators in terms of section 43 of the Municipal Systems Act, 2000. Section 43 (2) of the Act determines that key performance indicators set by a municipality must include the general key performance indicators as prescribed.

The general key performance indicators prescribed under section 10 of the regulations are as follows:

- The percentage of households with access to basic levels of water, sanitation, electricity and solid waste removal
- The percentage of households earning less than R 1 100 per month with access to free basic services
- The 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
- The number of jobs created through municipality's local economic development initiatives including capital projects
- 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 a municipality's budget actually spent on implementing its workplace skills plan
- Financial viability as expressed by the following ratios:
    - Debt coverage
    - Outstanding service debtors
    - Cost coverage

The abovementioned indicators are included in the municipal Service Delivery and Budget Implementation Plan with additional indicators identified to measure performance under each of the strategic objectives.

The absence of definitions and conceptual clarity on these indicators and the fact that the indicators were not revised over the past 24 years required innovation from the municipality to practically measure these indicators in reliance with current methodologies and the availability of information. MFMA Circular 88, Municipal Circular on Rationalisation Planning and Reporting Requirements, from National Treasury, aims to support the alignment of planning and reporting instruments for a prescribed set of municipal performance indicators. The circular further states: *"The Municipal Systems Act (MSA) and the MFMA require alignment between planning and reporting instruments such as the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP) and the Annual Report. However, there has been some confusion as to the results level that indicators in the SDBIP occupy, particularly in component 3. Quarterly projections of service delivery targets and performance indicators for each vote. This is particularly in relation to the goals and objectives set out over the medium term in the IDP, and how they are measured."*

Addendum 6 to the MFMA Circular No. 88 further elaborates as follows on the transitional period:

- That municipalities are encouraged to include Circular 88 indicators as Top Layer Strategic indicators when data quality is of such nature to be subjected to formal assurance processes.
- *"By the end of the third year (2023/24 financial year) of piloting in non-metro municipalities, progress varied considerably across municipalities and provinces. In 2024/25, the DCoG has continued to undertake additional engagements and technical support sessions at provincial level. However, management facilitation will still be required to fully institutionalize the indicators across the 249 non-metro municipalities."*
- *"The previous Addendum 5 update of December 2023 indicated that the regulations, to be developed in terms of Section 43 of the Municipal Systems Act (MSA), and the next MFMA Circular No. 88 update, may provide for a staggered extension of the reform in non-metro municipalities. This could include rolling out the reform to Intermediate City Municipalities (ICMs) in the 2025/26 financial year and extending it to District Municipalities (DMs) and select local municipalities in the 2026/27 financial year."*
- *"DCoG will develop interim guidelines to inform the development of the municipal performance reports in terms of sections 47 and 48 of the MSA in 2025/26 financial year. The interim guidelines will include selected priority indicators from MFMA Circular No. 88 to assess the performance of municipalities building on the pilot experience in 2023. This guideline will support the development of the provincial Section 47 and national Section 48 reports until the regulations come into effect."*
- *"DCoG will draft a circular or issue a notice under Section 107 of the Municipal Systems Act (MSA) to provide guidance to municipalities on the concerns raised about the* ***withdrawal of the 2001 indicators*** *that duplicate the MFMA Circular No. 88 indicators. It is anticipated that the Section 107 notice will be submitted to the Minister for review and approval before being published in the Government Gazette.* ***This notice will inform municipalities that the Municipal Planning and Performance Management Regulations of 2001 will be replaced by the draft regulations currently being developed and consulted under Section 43 of the MSA.*** *This approach aims to provide clearer*

guidance and direction on compliance requirements during the transition period before the new regulations come into effect."

To ensure the practical measurement of some of the 2001 indicators, new indicators were developed, and Circular 88 indicators were included that would support and report on the purpose of some of the indicators.

In the paragraphs below an explanation is provided on how and why indicators were developed to support the 2001 national indicators and how they are included in the municipal SDBIP.

Inclusion of general key performance indicators in SDBIP

The percentage of households with access to basic levels of water, sanitation, electricity and solid waste removal

The indicator is impractical to measure as stated because of the following reasons:
The percentage of households residing in Witzenberg as at period end, is unknown as the municipality does not do population counts. The detailed municipal level results of the 2022 Census have not been released yet with the previous Census completed in 2011. It is also widely accepted that the 2022 Census results are unreliable.
The municipality provides services only to urban areas and the level of services in the rural areas is unknown. The Census of 2011 indicates 46% of the population residing on farms.
In certain urban areas such as Prince Alfred's Hamlet and Op-Die-Berg, Eskom provides electricity and therefore the level of electricity provision in these areas is unknown.

The municipality implemented 8 different indicators to measure "access to basic services" in the formal as well as informal areas. The differentiation between formal and informal is necessary as formal areas are usually serviced through established networks between erven after a request for a connection is received. In formal areas, access to water, sanitation and electricity is measured by using the Circular 88 indicators WS1.11a (nr of sewer connections), WS2.11a (nr of Water connections) and EE1.11a (nr of electricity connections) for the period reported on. Solid waste removal cannot be measured through connections as residential waste is removed on a weekly basis according to a published programme. Each of the 7 towns in Witzenberg is allocated to a specific day when waste is removed. Waste removal is therefore measured through the number of residential properties for which waste is removed and billed for (FinInc28).
The measurement of services in informal areas differs from the above as no official connection processes can be followed as services are not provided through networks to each household. The definition of Circular 88 indicators, WS1.11(sewer connections) and WS2.11 (water connections), includes new connections related to communal facilities for water and sanitation. These indicators were therefore differentiated between formal (individual connections) and informal (communal facilities). The same with electricity connections which are reported separately for formal and informal connections. Informal areas are defined as a demarcated area where households reside on unmarked plots without service networks and roads. In these areas, services are provided through communal facilities such as communal toilets, chemical toilets, stand-alone taps and waste skips. In Witzenberg there are three demarcated informal settlements: Nduli (Ceres), Pine Valley (Wolseley) and Chris Hani (Tulbagh). Solid waste removal as is done in the formal areas is also absent as there are no accessible roads for solid waste vehicles. The access to waste removal in these demarcated areas is measured by determining whether the informal structures are all situated within a radius of 200 meters from communal skips or a route used by refuse removal trucks. In other words, households in the demarcated areas do not have to walk more than 200m to have access to waste disposal facilities. A google image or GIS image is utilized to count the number of structures within a demarcated area. A structure is being counted as a household. Emphasis is being placed on the demarcation of areas as illegal land grab and squatting has rapidly increased over the past couple of years outside the demarcated areas. Areas not identified as demarcated areas are therefore not included in the measurement. Skips are placed at strategic points and area cleaning operations are undertaken periodically in these three demarcated areas. WS1.11b for communal toilet facilities, WS2.11b for communal water facilities, TecRef31 for access to waste removal and EE1.11b for electrical connections in informal areas.

The percentage of households earning less than R 1 100 per month with access to free basic services

The number and therefore the percentage of households cannot be determined as explained previously. The amount of R 1 100 is also not applicable anymore and the municipality provides free basic services through its indigent policy to households earning less than R 3 000 per month. The number of account holders that

are subsidised through the municipality's Indigent Policy is, however, measured. If a target is exceeded, it is viewed as a negative as it indicates a deteriorating economic situation as well as insufficient budget for indigent support.
The following indicators are applicable:
Number of account holders subsidised through the municipality's Indigent Policy – ComSoc41
Percentage of the municipality's operating budget spent on indigent relief for free basic services (Circular 88) – LED2.12.

The percentage of a municipality's capital budget spent on capital projects is identified for a particular financial year in terms of the municipality's integrated development plan.
The following indicators are applicable:
Percentage spent on capital budget for the whole of the municipality – MM2

The number of jobs created through municipality's local economic development initiatives including capital projects
The following indicators are applicable:
Number of work opportunities created through Public Employment Programmes (Incl. EPWP and other related employment programmes). – LED1.21 (Circular 88 indicator)

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.
This indicator is also impractical to setting a target and to measure. The number of positions that would become vacant during a year cannot be determined beforehand and the appointment of individuals from equity target groups cannot be planned as the applicants are unknown. A report on existing appointments as per the municipality's approved equity plan is compiled on a quarterly basis.
The following indicators are applicable:
Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality – CorpHR12

The percentage of a municipality's budget actually spent on implementing its workplace skills plan
The indicator measures the expenditure of the municipality's budget for implementation of the workplace skills plan
The following indicators are applicable:
Percentage budget spent on implementation of Workplace Skills Plan – CorpHR13

Financial viability as expressed by the following ratios:
Debt coverage
Outstanding service debtors
Cost coverage
The following indicators are applicable:
Financial viability expressed as Debt-Coverage ratio – FinFAdm10
Financial viability expressed as Cash/Cost-Coverage ratio – FM3.11
Financial viability expressed outstanding service debtors – FinFAdm11

3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25

Strategic performance of the municipality is measured in terms of the municipality's performance on its key performance indicators (KPI) set in the Top Layer SDBIP. Results rounded for reporting and evaluation purposes.

Actual strategic performance (Top Layer) and corrective measures that will be implemented.

Municipal Key Performance Area: ESSENTIAL SERVICES
Strategic Objective: 1.1 Sustainable provision and maintenance of basic infrastructure

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
TecDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Technical Department	Percentage of budget spent.	All	98%/96%	**98%**	**98%**
TecDir3	Percentage expenditure on Capital Budget by Technical Directorate	Percentage of budget spent.	All	95%/93%	**95%**	**89%**
Reason for under-performance: The Directorate was allocated R82.8 million for capital projects with a 95% expenditure target. Roads/Storm Water and Water Departments spent 98% and 95% respectively of their budgets. The Electrical Department underspent by R3.1 million (out of R13.8 million) due to delays at the Ceres Power Station, mainly related to building plan finalisation. The Sanitation Department underspent by R1,1m (out of R16,1m), primarily because network extensions at Skoonvlei depend on plot transfers to new owners before connections can proceed.						
Corrective measures: The Ceres Power Station project is scheduled for completion in the latter part of 2025/26. Any unspent funds will be carried over to 2025/26. The Skoonvlei sewer network project will commence after property transfers are complete and connection fees have been paid.						
WS4.1 (Cir88)	Percentage of drinking water samples complying to SANS241.	% of results comply	All	98%/100%	**98%**	**100%**
WS1.11a (Cir88)	Number of new formal sewer connections meeting minimum standards	Nr of new connections	All	New	**10**	**11**
WS2.11a (Cir88)	Number of new formal water connections meeting minimum standards	Nr of new connections	All	New	**10**	**16**
EE1.11a (Cir88)	Number of formal dwellings provided with connections to mains electricity supply by the municipality	Nr of new supply points	All	New	**8**	**7**
Reason for under-performance: The result is dependent on the number of applications received for connections.						
Corrective measures: Planning of target to be based on historical data and trends. Consider adjustment during mid-year evaluation.						

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
FinInc28	Number of formal residential properties for which refuse is removed once per week, and which are billed for refuse removal as at period end.	Number of properties	All	11873/11941	**11873**	**12056**
WS5.1 (Cir88)	Percentage of non-revenue water (sum of un-billed authorised consumption such as informal settlements, recreational areas and apparent & real losses)	% of water used		New	**40%**	**40%**
EE4.4 (Cir88)	Percentage of electricity losses.	Percentage electricity losses.	All	10%/10%	**10%**	**14.6%**
Reason for under-performance: Illegal connections have increased with the absence of the Revenue Enhancement project. Old and dilapidated infrastructure including network and substations contribute to technical losses.						
Corrective measures: The bid for Revenue Enhancement was advertised but responsive bids received was found to be unaffordable for the municipality. The strategy to address will be reconsidered. The upgrading of the Ceres Substation was budgeted for and implemented in 2024/25 at a total expected cost of R 25m. The project is expected to be completed by end of 2025/26.						
TR6.12 (Cir88)	Percentage of surfaced municipal road lanes which has been resurfaced and resealed.	% of road lanes	All	New	**1%**	**3%**

Municipal Key Performance Area: ESSENTIAL SERVICES
Strategic Objective: 1.2 Provide for the needs of informal settlements through improved services

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
TecDir2	Number of subsidised serviced sites developed.	Number of serviced plots.	All	N/A	**No target set**	
Note: The construction of subsidised serviced sites was not planned- and budgeted for in 2024/25. The indicator is however included as a 5-year IDP indicator.						
WS1.11b (Cir88)	Number of new informal sewer connections meeting minimum standards	Nr of Connections	All	New	**2**	**2**
WS2.11b	Number of new informal water connections meeting minimum standards	Nr of Connections	All	New	**2**	**2**

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
EE1.11b	Number of informal residential dwellings provided with a new connection to mains electricity supply by the municipality	Nr of Connections	All	New	**0**	**0**
Target adjustment approved by Council during mid-year evaluation. The awarding of the Revenue Enhancement Bid is essential to proceed with connections at informal settlements. As by the end of January 2025 the bid has not been advertised yet.						
TecRef31	Percentage of households in demarcated informal areas with access to a periodic solid waste removal or a skip for household waste.	Percentage of households	All	95%/100%	**95%**	**100%**

NOTE:
The indicators listed above with reference numbers WS1.11b, WS1.12b, EE1.11b and TecRef31 refer specific to the relevant services which are accessible in the three demarcated informal areas of Nduli, Tulbagh (Chris Hani) and Wolseley (Pine Valley). It is reported that all informal households in these three demarcated areas have access to water and sanitation services.
Also refer to the following paragraphs for more detail on specific service delivery levels:
Water Services – Chapter 3 Paragraph 3.2.4
Sanitation – Chapter 3 Paragraph 3.3.4
Electricity – Chapter 3 Paragraph 3.4.4
Waste removal – Chapter 3 Paragraph 3.5.4

Municipal Key Performance Area: GOVERNANCE
Strategic Objective: 2.1 Support institutional transformation and development

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Percentage of budget spent.	All	96%/97%	**96%**	**98%**
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Quarterly report	All	4/4	**4 Reports**	**4 Reports**
GG1.21	Staff vacancy rate	% of vacant budgeted positions	All	New	**5%**	**17%**
Reason for under-performance: Not finding suitable candidates for positions due to qualifications determined as per job description.						

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
Corrective measures: Instigate headhunting for qualifying candidates. Training of suitable internal candidates will be intensified with bursaries where required.						

Municipal Key Performance Area: GOVERNANCE
Strategic Objective: 2.2 Ensure Financial Viability

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Ratio	All	450/NA	**200**	**599**
Note: The municipality do not have any borrowings apart from a financial lease viability. Target was adjusted during mid-year review.						
FinFAdm11	Financial viability expressed outstanding service debtors	Ratio	All	60%/90%	**60%**	**51%**
FM7.12 (Cir88)	Collection rate ratio	Percentage revenue collected.	All	93%/90%	**93%**	**86%**
Reason for under-performance: The cutting off of electricity supply and/or blocking of prepaid electricity is only credit control measures currently implemented. There is no credit control measures in areas where Eskom distribute electricity.						
Corrective measures: Report to be resubmitted to council for workshop and council resolution on credit control measures.						
FM1.14 (Cir88)	Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget	Percentage	All	New	**98%**	**96%**
Reason for under-performance: Decrease in electricity consumption due to the increased use of alternative energy.						
Corrective measures: Implementation of the Cost of Supply Study recommendations.						
FM3.11 (Cir88)	Cash/Cost coverage ratio	Ratio	All	New	**3**	**2,6**
Reason for under-performance: Collection rate lower than expected. Industrial Effluent payment outstanding from customer.						
Corrective measures: Improve Credit Control Mechanisms. Conclude an agreement with Industrial Effluent Customer for down payment. Revisit Indigent Policy to expand definition of income to include income from all working individuals on a property. Scrap suspension of credit control mechanisms during December.						

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
Indicator adjustment approved by Council during mid-year evaluation. Indicator FinFAdm9 was removed as it is a duplication of FM3.11 which is a circular 88 indicator.						
FM4.31 (Cir88)	Creditors payment period	Days	All	New	**40**	**36**
Target adjustment approved by Council during mid-year evaluation. Payments are usually delayed at year end with finalisation of projects and retentions and to provide for financial statements. Quarterly targets to remain at 30 days with final quarter and annual set at 40 days.						
LED3.31 (Cir88)	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	Days	All	New	**150**	**129**
MM1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the whole of the municipality.	Percentage of budget spent.	All	98%/96%	**98%**	**97%**
Reason for under-performance: The municipality has underspent R 411 714 to have reached the total planned maintenance budget of R 11.9m. The largest portion of underspending was with the Roads Department because of the delay in awarding the road maintenance tender. The initial advertisement for the tender did not result in any responsive bids. Consequently, the tender had to be re-advertised, and the award from the second procurement process was only made late in the financial year. This delay impacted the ability to spend the allocated funds as planned.						
Corrective measures: The awarded tender covers a three-year period, and it is anticipated that all budgeted planned maintenance projects will be completed as scheduled during the 2025/26 financial year.						
FM1.11 (Cir88)	Total Capital Expenditure as a percentage of Total Capital Budget	Percentage of budget spent.	All	95%/93%	**95%**	**88%**
Reason for under-performance: The municipality has underspent R 10.3m of the total capital budget of R 87.38m. For the reasons of under expenditure please refer to indicators TecDir3 and ComDir2.						
Corrective measures: Refer to TecDir3 and ComDir2 for detail.						
FM5.21 (Cir88)	Percentage of total capital expenditure on renewal/upgrading of existing assets	Percentage of budget spent.	All	New	**68%**	**51%**
Reason for under-performance: Slow expenditure on renewal of budgeted projects.						
Corrective measures: Projects commenced.						
Target adjustment approved by Council during mid-year evaluation. To be increased after mid-year assessment.						
FM5.2 (Cir88)	Percentage change of renewal/upgrading of existing Assets	Percentage change	All	New	**35%**	**-8%**

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
Reason for under-performance: Slow expenditure on renewal of budgeted projects.						
Corrective measures: Projects commenced.						
Target adjustment approved by Council during mid-year evaluation. To be increased after mid-year assessment.						
FM7.2 (Cir88)	Percentage of Revenue Growth excluding capital grants	Percentage of growth	All	New	**6%**	**0,2%**
Reason for under-performance: Decrease in electricity consumption due to the increased use of alternative energy.						
Corrective measures: Implementation of the Cost of Supply Study recommendations.						
FM2.1 (Cir88)	Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue)	Percentage of budget.	All	New	**6%**	**0%**
Target adjustment approved by Council during mid-year evaluation. A loan has been taken up which would influence the indicator's result.						
FM4.11 (Cir88)	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	Percentage of expenditure	All	New	**0%**	**0%**
FM4.2 (Cir88)	Percentage of total operating expenditure on remuneration	Percentage of expenditure	All	New	**30%**	**29%**

Municipal Key Performance Area: GOVERNANCE
Strategic Objective: 2.3 To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
MMIDP9	Number of IDP community engagements held.	Number of engagements held.	All	14/14	**14**	**14**
GG2.1 (Cir88)	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	Percentage	All	New	**100%**	**100%**

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
GG2.11 (Cir88)	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	Percentage	All	New	**100%**	**100%**
ComSoc49	Number of meetings with inter-governmental partners.	Number of meetings attended.	All	12/12	**12**	**15**

Municipal Key Performance Area: COMMUNAL SERVICES
Strategic Objective: 3.1 Provide and maintain facilities that make citizens feel at home.

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
ComAm34	Analysis report on customer satisfaction questionnaires on community facilities.	1 Report	All	1/1	**1 Report**	**1 Report**
FD1.11 (Cir88)	Percentage compliance with the required attendance time for structural firefighting incidents	Percentage of time	All	New	**90%**	**95%**
HS3.6 (Cir88)	Average number of library visits per library	Nr of visits	All	New	**12000**	**14136**
Note: HS3.5 Mid-year adjustment on target/indicator. Refer to 3.1.6.						
HS3.7 (Cir88)	Percentage of municipal cemetery plots available	Percentage of plots	All	New	**27%**	**39%**
ComDir2	Percentage expenditure on Capital Budget by Community Directorate	Percentage of budget spent.	All	95%/96%	**95%**	**58%**
Reason for under-performance: The Directorate was allocated R2.65 million for capital projects, with a targeted expenditure rate of 95%. There was an under-expenditure of R1.1m. Of the total allocation, R1 million was earmarked for professional fees related to the Nduli library project, which is scheduled for construction in the 2025/26 financial year. The unspent portion of R320,113 was due to delays in the awarding of the construction contract. Within the Resorts section, R300 819 remained unutilised; these funds were initially intended for vehicle procurement, but the decision was revised after reviewing the available cost information. In the Sport section, an amount of R283,710 was not spent on the upgrade at the Kluitjieskraal sport facility although the fencing portion was completed. Notably, this provision was only included in the budget during the adjustment process in February resulting in limited time to complete the project.						
Corrective measures: It is expected that an award to appoint a contractor for the Nduli Library will be finalised in July 2025 with no delays foreseen in the construction timeline. The roll-over of unspent funds to proceed with the other mentioned projects will be reviewed with the adjustment budget in August.						

Municipal Key Performance Area: SOCIO-ECONOMIC SUPPORT SERVICES
Strategic Objective: 4.1 Support the poor and vulnerable through programmes & policy

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Number of account holders.	All	4500/3185	**4500**	**3580**
LED2.12 (Cir88)	Percentage of the municipality's operating budget spent on indigent relief for free basic services	Percentage spend.	All	5%/3%	**3%**	**2.9%**
Target adjustment approved by Council during mid-year evaluation. To be decreased after mid-year assessment. (Quarterly 4%, 4%, 3%, 3%),						
LED1.21 (Cir88)	Number of work opportunities created through Public Employment Programmes (incl. EPWP and other related employment programmes)	Number of jobs created.	All	400/403	**400**	**428**
ComSoc42	Number of engagements with target groups with the implementation of social development programmes.	Number of programmes.	All	20/32	**20**	**23**
ComHS14	Number of housing opportunities provided per year.	Number of top structures.	All	No Target	**No Target**	
Note: The construction of subsidised houses was not planned- and budgeted for in 2024/25. The indicator is however included as a 5-year IDP indicator.						
ComHS15	Number of Rental Stock transferred	Number of properties transferred.	All	10/5	**20**	**22**
Target adjustment approved by Council during mid-year evaluation. No new subsidy applications were received from December 2024 to February 2025. The registration process can take up to 6 months, so any new applications received in late 2024/25 are unlikely to be registered by the end of June 2025.						

Municipal Key Performance Area: SOCIO-ECONOMIC SUPPORT SERVICES
Strategic Objective: 4.2 Create an enabling environment to attract investment and support to the local economy.

2024/25 ANNUAL RESULTS (Including corrective measures where required)						
Ref	**Key Performance Indicator**	**Unit of Measurement**	**Wards**	**Target/Actual for 2023/24 (Baseline)**	**Target 2024/25**	**Result 2024/25**
ComLed19	Bi-annual report on investment incentives implemented.	Bi-annual Reports	All	2/2	**2 Reports**	**2 Reports**
ComLed20	Quarterly report on the Small Business Entrepreneurs Development Programme.	Quarterly Reports	All	4/4	**4 Reports**	**4 Reports**
ComLed4	Review of the Witzenberg Local Economic Development Strategy.	Draft review tabled	All	New	**1**	**1**
LED3.11 (Cir88)	Average time taken to finalise business license applications	Nr of days	All	5/2	**5 days**	**0,8 days**
LED3.12 (Cir88)	Average time taken to finalise informal trading permits	Nr of days	All	New	**7 days**	**0,9 days**
LED1.11 (Cir88)	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	Percentage of budget	All	New	**5%**	**15%**

3.2 Water Services

3.2.1 Introduction

All the towns in the Witzenberg municipal area are equipped with independent water services with their own resources, distribution systems and treatment work.

The main water source for **Ceres** is the Koekedouw Dam. Six boreholes serve as a backup source of supply. Water quality from the Koekedouw is good and it is only chlorinated before distribution. Two reservoirs (3 and 5 Ml) serve as storage reservoirs to the 138.8km distribution network, with 4 supply zones (Bella Vista, Nduli, Ceres main supply zone and Ceres central PRV zone). The network includes 2 X 2 Ml service reservoirs, a booster pump station to the pressure tower (500kl) at Bella Vista, as well as a 750 kl service reservoir, 4.5Ml reservoir and booster pump station at Nduli. The Koekedouw borehole serves as back-up provision and is equipped.

Currently, Klein Berg, Moordenaarskloof and Tierkloof serve as the main sources of water supply to **Tulbagh**. Construction of the Kleinberg pipeline has been completed to provide an additional supply of 1.2 x 10^6m3/annum from the Klein Berg River. The Kleinberg scheme has now been completed with RBIG funding. This includes the construction of a new storage dam with a capacity of approximately 1 200 000m^3, the construction of a rising main and booster pump station. Water is stored in the two storage dams namely "Dorp dam 570000 m^3 and the Waverenskroon dam 1 200 000m^3. The Waverenskroon dam reached 100% capacity in 2024. Two reservoirs (800 kl and 1 Ml) serve as a clear water storage reservoir to the 41.7km distribution network, with 2 pressure zones. The network includes a booster pump station to the pressure tower (500 kl). A new reservoir for extra storage capacity is planned for 25/26 and 26/27 financial years.

Wolseley receives its water supply from the Tierhokskloof weir. No storage facility exists and the dependency on the Tierhokskloof River as a sustainable supply without storage has been identified as a critical risk in water provision for growth in Wolseley. The pipeline will be upgraded in 2024/25 financial year at a cost of R 23 073 146. Purification consists of pressure filters and chlorination. The Ceres Road Reservoir (680 kl) and the 6 Ml Wolseley Reservoir serve as a storage reservoir to the 63.7 km distribution network, with two pressure zones. The network includes a 4.5 Ml services reservoir (Stamper Street Reservoir), which has been resealed to prevent losses, and a booster pump station. An additional pump station with a capacity of 58 l/s was completed during 2010/11 to enable the transfer of "lei" water during periods of low flow, from the Artois Canal to this reservoir. The project also allows for treatment at the reservoir. The Tierhokskloof Bulk Pipeline project is 95% complete, with the pipeline section complete and in operation. The weir section will be completed in August 2025.

Prince Alfred's Hamlet has four water sources. They consist of the Wabooms River Weir, a fountain, 1 borehole and a supply line from the Koekedouw Dam. Due to the quality of the raw water, only chlorination is required. Four 500 kl reservoirs serve as storage reservoirs to the 43.3 km distribution network, with only 1 pressure zone.

Op-die-Berg has three water sources, a fountain and 2 boreholes. Due to the quality of the water, only chlorination is required. A 60kl and 2 x 500kl reservoirs serve as storage reservoirs to the 7.6km distribution network, with only 1 pressure zone. The new storage reservoir with capacity of 500kl for Op-die-Berg has been completed to ensure adequate storage capacity, as well as meeting the peak demands of the town.

3.2.2 Highlights

Highlights	Description
Upgrading & replacement of infrastructure	Completion of pipeline section of Tierhokskloof Bulk Pipeline project. Installation of high-pressure filters – Tulbagh Tulbagh water network analysis.

3.2.3 Challenges

Challenges	Description
Personnel shortage	Number of vacant positions
Budget	Limited budget for infrastructure refurbishment, upgrade and replacement of vehicles and out-dated equipment.
Vandalism	Vandalism at various water reservoirs and pump-stations and infrastructure is a great concern.

3.2.4 Water Service Delivery Levels

Total use of water by sector (cubic meters)

Year	All	Unaccountable water losses	Percentage losses
	Cubic meters		
2014/15	7 079 144	1 463 304	20.7%
2015/16	6 088 276	962 345	16%
2016/17	6 508 218	1 259 772	19.36%
2017/18	5 835 602	1 090 102	17.9%
2018/19	6 408 893	1 136 219	17,7%
2019/20	6 708 325	1 008 621	15%
2020/21	7 187 597	870 884	12%
2021/22	6 937 365	965 175	13.9%
2022/23	6 533 253	767 574	11.75%
2023/24	6 850 763	813 218	11.87%
2024/25	7 336 783	855 985	11.67%

Water losses decreased slightly from 11.87% in 2023/24 to 11.67% in 2024/25 financial year and this volume remains within the target set for the financial year. Management processes are, however, on-going to reduce the rate of water losses even further.

The table below specifies the different water service delivery levels per household for the financial years 2022/23, 2023/24 and 2024/25: Note that the "piped water inside dwelling" figure constitutes the number of accounts and is not a true reflection of the number of households. Other figures represent households. These figures exclude rural areas.

Description	2022/23	2023/24	2024/25
	Actual	Actual	Actual
Household			
***Water:* (above minimum level)**			
Piped water inside dwelling (accounts)	12 987	12 979	12 840
Piped water inside yard (but not in dwelling) (accounts)			
Using public tap (within 200m from dwelling) (households)	6 640	8 141	8 662
Other water supply (within 200m)	0	0	0
Minimum Service Level and Above Sub-total	**19 627**	**21 120**	**21 502**
Minimum Service Level and Above Percentage	**100%**	**100%**	**100%**
***Water:* (below minimum level)**			
Using public tap (more than 200m from dwelling)	0**	0**	0**
Other water supply (more than 200m from dwelling	0	0	0
No water supply	0	0	0
Below Minimum Service Level Sub-total	**0**	**0**	**0**
Below Minimum Service Level Percentage	**O%**	**0%**	**0%**
Total number of households (formal and informal)	**0**	**0**	**0**
**Formal households calculated based on accounts issued (excluding informal households which is actual households). Where figures are less than previous year it is mainly due to the closure of accounts on unregistered erven.*			
*** Households outside demarcated areas are not officially provided with a service. The construction of serviced sites in the area was planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres. In some cases, private connections occur for distribution.*			

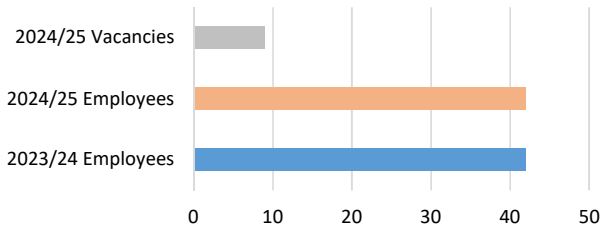
3.2.5 Service Delivery Indicators: Water Services

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- WS4.1 - Percentage compliance with drinking water quality standards
- WS2.11 - Number of new water connections meeting minimum standards
- WS5.1 - Percentage of non-revenue water

3.2.6 Employees: Water & Sanitation Services

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	11	15	0
4 - 6	19	14	3
7 - 9	4	4	5
10 - 12	5	6	1
13 - 15	2	2	0
16 - 19	1	1	0
TOTALS	**42**	**42**	**9**



3.2.7 Capital Expenditure: Water Services

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
Tierhokskloof Bulk pipeline	21 265 378	23 979 136	23 610 149	**98%**	25 000 000
Network Skoonvlei		300 000	0	**0%**	300 000
Network- Water	750 000	2 618 220	2 617 122	**100%**	2 617 122
Nduli water pipeline R46	2 840 138	365 213	365 213	**100%**	4 200 000

3.3 Wastewater Services (Sanitation)

3.3.1 Introduction

Sewerage and industrial effluent are collected from consumers via a sewerage system which is treated at the **Ceres** Wastewater Treatment Plant. The Plant services the areas of Ceres, Nduli, Bella Vista and Prince Alfred's Hamlet. The sewerage system includes 9 booster pump stations. A portion of the treated effluent is used for irrigation on communal land, sport fields and the golf course.

Sewerage is collected from consumers via a sewerage system and treated at the **Tulbagh** Wastewater Treatment Plant. The sewerage system includes 3 booster pump stations. Treated effluent is partially discharged to a river, under an existing license and the rest is used for irrigation in Church Street and local sport fields.

Sewerage is collected from consumers via a sewerage system and treated at the **Wolseley** Wastewater Treatment Plant. The sewerage system includes 6 booster pump stations. Mechanical and civil upgrades to the plant are planned to ensure that the plant performs at an optimum level and to ensure compliance with national standards. Phase 2A of the planned upgrade which consists of the inlet works (civil) has been completed.

A significant volume of sewage generated at **Prince Alfred's Hamlet** is pumped for treatment to the Wastewater Treatment Works (WWTW) in Ceres. Three pump stations are used for this purpose. Several erven still use private septic tank systems to deal with sewage. These septic tanks are emptied by the municipality on request.

At the town of **Op-Die-Berg**, 75% of the consumers are connected to a sewerage network and treated at the WWTW. The rest are managed through private septic tanks. Septic tanks are emptied by the municipality on request. Upgrades to the WWTW have been completed to ensure adequate capacity, as well as efficient and effective treatment of the wastewater.

All the towns within Witzenberg have attained Green Drop status with the latest assessment and have also scored nationally within the top ten rankings.

3.3.2 Highlights

Highlights	Description
New Infrastructure & upgrades	Investigation and preliminary design completed for Wolseley WWTW Upgrades: - Phase1 completed. - Phase 2A inlet works completed

3.3.3 Challenges

Challenges	Description
Personnel shortage	Number of vacant positions
Budget	Limited budget for infrastructure refurbishment, upgrade and replacement of vehicles and out-dated equipment.
Vandalism	Vandalism challenges at various sewer pump stations and WWTW's

3.3.4 Wastewater (Sanitation) Service Delivery Levels

The table below specifies the different sanitation service delivery levels per household for the financial years 2022/23, 2023/24 and 2024/25.

Note that the "flushed toilet" figure constitutes the number of accounts and is not a true reflection of the number of households. Other figures represent households. These figures exclude rural areas.

Description	2022/23	2023/24	2024/25
	Actual	Actual	Actual
Household			
***Sanitation:* (above minimum level)**			
Flush toilet (connected to sewerage) (accounts)	*13 038	*13 007	*13 149
Flush toilet (with septic tank) (nr. of erven)	717	717	717
Chemical toilet (only indicate nr of toilets, not included in calculation)	77	114	114
Pit toilet (ventilated)	0	0	0
Other toilet provisions (above minimum service level) (households – informal areas)	6 640	8 141	8 662
Minimum Service Level and Above Sub-total	**20 472**	**21 865**	**2**2 642
Minimum Service Level and Above Percentage	**100%**	**100%**	**1**00%
***Sanitation:* (below minimum level)**			
Bucket toilet	0	0	0
Other toilet provisions (below minimum service level)	0	0	0
No toilet provisions	**0	**0	**0
Below Minimum Service Level Sub-total	**0**	**0**	**0**
Below Minimum Service Level Percentage	**0%**	**0%**	**0%**
Total number of households (formal and informal)	**0**	**0**	**0**

**Formal households calculated based on accounts issued (including serviced sites but excluding informal households which is actual households). Where figures are less than previous year it is mainly due to the closure of accounts on unregistered erven.*

*** Households outside demarcated areas are not officially provided with a service. The construction of serviced sites in the area was planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres. In some cases, private connections occur for distribution.*

3.3.5 Service Delivery Indicators: Wastewater (Sanitation)

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- WS1.11 - Number of new sewer connections meeting minimum standard.

3.3.6 Capital Expenditure: Wastewater (Sanitation)

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
Network Skoonvlei		700 000	0	**0%**	700 000
Aerator replacement programme	500 000	426 259	0	**0%**	426 259
Upgrade of Wastewater Treatment Works	13 043 478	13 043 478	13 042 435	**100%**	13 042 435
Refurbishment WWTW	750 000	1 574 179	1 574 178	**100%**	1 574 178
Toilets for Informal Settlements		161 703	161 702	**100%**	R161 703
Sewer Pumps-replacement	R250 000	250 000	250 000	**100%**	R250 000

3.4 Electricity

3.4.1 Introduction

The National Energy Regulator of South Africa (NERSA) serves as the custodian and enforcer of the National Electricity Regulatory Framework. NERSA regulates licensing, generation, transmission, distribution, and trading of electricity across South Africa.

The upgrading and provision of bulk electricity infrastructure within the Witzenberg Municipality are driven largely by the development of low-cost housing, private residential developments, and industrial growth.
The municipality holds a NERSA-issued electricity distribution license and is responsible for supplying electricity to the towns of Ceres, Tulbagh, and Wolseley. ESKOM supplies electricity to Op-die-Berg, Prince Alfred Hamlet, and surrounding rural areas, including nearby low-cost housing. All erven within the boundaries of the municipality have access to electricity. In line with national policy, all qualifying indigent households receive free basic water and electricity services. However, servicing informal settlements with electricity remains a continuous challenge.

The Electricity Master Plan for Ceres, Wolseley, and Tulbagh updated during the 2022/23 financial year funded through the Western Cape Government's Municipal Energy Resilience (MER) initiative, recommended multiple network upgrades and equipment replacements. The recommendations are based on a detailed condition assessment of the electrical infrastructure, which is essential for future budgeting and infrastructure planning. A budget for these upgrades was made available in the 2024/25 financial year and some of the work has been completed. The upgrading and replacement of equipment will continue in the 2025/26 financial year.

Municipalities play a vital role in electricity provision. Section 153 of the Constitution mandates municipalities to ensure the sustainable delivery of services that support economic and social development.

3.4.2 Highlights

Highlights	Description
Community Safety Improvements	Additional flood lights and street lighting installed in high-risk areas as identified by the public, improving safety and security.
Energy-Efficient Streetlight Project (Phase 1)	Phase 1 of the project to replace outdated mercury vapor and high-pressure sodium lights with energy-efficient LED technology was completed. As of 30 June 2025, 890 streetlights had been upgraded. Phase 2 will begin in the 2025/26 financial year.
Ceres Power Station Substation Upgrade	A contractor was appointed to construct a new Ceres substation. Work is ongoing and scheduled for completion in 2025/26.
Solar PV Plant Environmental Application	An Environmental Impact Assessment (EIA) application for a proposed 19.5MW solar PV plant in Ceres has been submitted to the Western Cape

Highlights	Description
	Government. If approved, procurement of an Independent Power Producer (IPP) will follow.
Fleet Upgrade for Service Delivery	Procurement of four (4) new single cab 4x2 bakkies and one (1) 4-ton truck with an aerial platform (cherry picker) to enhance operational efficiency.
Increased Notified Maximum Demand (Tulbagh)	Eskom approved an increase of 2MVA for Tulbagh's 11kV intake substation, raising the town's Notified Maximum Demand from 4.5MVA to 6.5MVA.

3.4.3 Challenges

Challenges	Description
Vandalism and Copper Theft	This nationwide issue continues to cause significant financial losses, infrastructure damage, and supply interruptions.
Exceeded Notified Maximum Demand (NMD)	***Ceres:*** A 5MVA NMD increase request (submitted in 2019) and an additional 1MVA request (submitted in 2022) have not yet been approved by Eskom. Development in Ceres is currently stalled due to delays in Eskom's Romans River 132kV upgrade, now postponed from 2024/25 to 2027/28. ***Wolseley:*** The town has reached its full NMD. A 2.5MVA increase request was submitted to Eskom but not approved. Eskom has indicated that its current 5-year budget does not include a transformer upgrade for Wolseley, leaving the town without additional capacity.
Vacant Posts	Certain critical positions remain vacant for extended periods, although efforts are underway to address these staffing gaps.
Aging Electrical Network	Much of the network infrastructure is beyond its useful lifespan, with some components posing operational safety risks. The updated Master Plan has flagged these items for urgent replacement.
Illegal Connections	Electricity theft, including illegal connections and meter bypassing, remains a serious concern and contributes significantly to energy losses. A procurement process has begun to support meter audits and the removal of illegal connections.

Major Towns	Notified Maximum Demand (NMD)	Maximum Demand Growth (NMD) from previous year	Maximum Demand Peak (NMD)
Ceres	36,5MVA (Additional 5 MVA applied for in 2019 and additional 1MVA in 2022)	+0.91 MVA	38.73 MVA
Wolseley	5.2 MVA	+ 0.4 MVA	5.2 MVA
Tulbagh	6.5 MVA	- 0.67 MVA	3.95 MVA

The energy losses were measured at 14.6% for 2024/25 which is an increase from 10.4% in the previous year. The increase can be attributed to theft, illegal connections and not implementing the Revenue Enhancement program due to failed procurement process.

3.4.4 Electricity Service Delivery Levels

Description	2022/23	2023/24	2024/25
	Actual	Actual	Actual
Household			
***Energy:* (above minimum level)**			
Electricity (at least minimum service level - accounts)	1 610	2 109	2 112
Electricity - prepaid (minimum service level)	11 581	12 569	12 736
Minimum Service Level and Above Sub-total	**13 191**	**14 678**	**14 848**
Minimum Service Level and Above Percentage	**100%**	**100%**	**100%**
***Energy:* (below minimum level)**			
Electricity (< minimum service level)	0	0	0
Electricity - prepaid (< min. service level)	0	0	0
Other energy sources	0	0	0
Below Minimum Service Level Sub-total	**0**	**0**	**0**
Below Minimum Service Level Percentage	**0%**	**0%**	**0%**
Total number of households (formal and informal)	**0**	**0**	**0**

**The below minimum service level cannot be determined as the number of pre-paid meters installed in informal areas is unknown. Therefor it cannot be determined the number of households in informal areas without electricity. Dept. of Energy does not fund these connections if households are not on a formalised plot. Where figures are less than previous year it is mainly due to the closure of accounts on unregistered erven.*

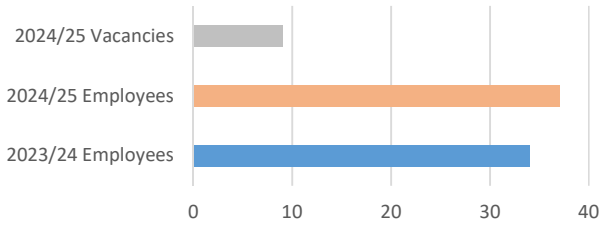
3.4.5 Electricity Service Delivery Indicators

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- EE1.11 - Number of dwellings provided with connections to mains electricity supply by the municipality.
- EE4.4 - Percentage of electricity losses

3.4.6 Electricity Service: Employees

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	12	16	4
4 - 6	11	13	2
7 - 9	3	3	0
10 - 12	7	4	2
13 - 15	0	1	0
16 - 19	1	0	1
TOTALS	**34**	**37**	**9**



3.4.6 Electricity Service: Capital Expenditure

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
Upgrade Power Station	25 000 000	7 245 440	5 942 754	**82%**	25 000 000
Upgrade of Streetlights		483 163	211 603	**44%**	483 163
Electrical Network Refurbishment	500 000	500 000	356 558	**71%**	500 000
Upgrade of Streetlights	3 043 478	3 043 478	2 950 009	**97%**	2 950 009
Upgrade of MV Cables	500 000	500 000	449 963	**90%**	449 963
Upgrade of Streetlights	50 000	56 509	45 244	**80%**	45 244
Upgrade of LV Network Cables	500 000	253 000	252 920	**100%**	252 900
MV Substation Equipment	500 000	805 301	805 300	**100%**	805 300
MV Network Equipment	500 000	188 545	188 545	**100%**	188 545

3.5 Waste Management (Collection, Disposal, Recycling & Cleaning)

3.5.1 Introduction

The Witzenberg Integrated Waste Management (IWM) Plan is a statutory requirement of the New National Environmental Management: Waste Act 2008 (Act No. 59 of 2008) which came into effect on 1 July 2009. This Act aims to transform waste management, collection and disposal into a sustainable practice focusing on waste avoidance and environmental sustainability. The primary objective of IWM planning is to integrate and optimize waste management, in order to maximize efficiency and to minimize the associated environmental impact, financial cost and to improve the quality of life of all residents within Witzenberg Municipality.

A Witzenberg Integrated Waste Management Plan was developed for 2022 to 2027 and was endorsed by MEC Local Government. Witzenberg conducts a weekly refuse removal service through curb-side collection on a weekly basis for all households, formal and informal. A standard collection plan, in the form of a Refuse Collection Schedule, is being implemented where collection in each town takes place on separate specified days.

Waste Management Services rendered In Witzenberg include:

- Two bag waste collection system, i.e. black bag and green bag
- Quarterly issuing of black- and green bags to all formal households
- Curb-side collection of waste from formal households, businesses and in informal settlements
- Public awareness and education – done by Waste Ambassadors and Permanent staff
- Waste disposal done at Prince Alfred Hamlet Landfill Site as the only fully operational site, out of the 5 licensed landfill sites in WM
- Cleaning of streets and regular emptying of skips (garden refuse)
- Provision and cleaning of public toilets in Central Business Districts
- After hours teams from 16h00 to 20h00 to clean main routes in CBD area of all towns
- Material Recovery Facility (MRF) located in Ceres, processes recyclables
- Drop Off Facilities located in Wolseley and Tulbagh, accepts recyclables, builders' rubble, and garden waste, dropped off by residents.

Waste management activities are monitored in terms of license requirements, where relevant, and this includes External Audits being conducted by outsourced, independent specialists in the field.
Departmental Audits conducted by Department of Environmental Affairs and Development Planning (DEADP). Internal Audits conducted by in-house staff on a quarterly basis, as per license requirements of the respective sites.

The National Waste Management Strategy (NWMS) is a legislative requirement of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008), the "Waste Act". The purpose of the NWMS is to achieve the objectives of the Waste Act. Organs of state and affected people are obliged to give effect to the NWMS.

In compliance with its stipulations regarding waste minimization:

- Curb-side recycling collection service rolled out in Ceres and Prince Alfred Hamlet, and now also Tulbagh. This service will eventually be rolled out in all towns.
- Materials Recovery Facility is fully operational
- Separation at source encouraged by issuing clear bags to households that would like to separate their waste at source
- Each filled bag collected is replaced with a new clear bag to fill up for the next round of collection
- Incentive to municipal account holders (approved tariff as a discount) is offered for each bag of recyclables dropped off at the Drop Off/ MRF

All the above aims to create an enabling environment for the community of Witzenberg to minimize the volume of waste entering our landfill.

3.5.2 Highlights

Highlights	Description
Materials Recovery Facility is fully operational	Processing all recyclable material, thus minimizing waste to landfill
Appointment of a Superintendent: Landfills & Recycling, as per the approved Organogram	Implementation of planned filling of this vacancy. This filled position enables better service delivery as it pertains to Landfill, MRF and Drop Offs.
Drop –off Facility at Wolseley	Serves residents of Wolseley in accepting recyclables, garden waste and builders' rubble
Tulbagh Drop Off was completed in September 2024	Will serve residents of Tulbagh in accepting recyclables, garden waste and builders' rubble
Installation of 2 groundwater monitoring boreholes at Prince Alfred Hamlet Landfill Site	Funding received from DEADP, enabled the installation of the boreholes in compliance with the license conditions that require such. Monitoring water quality can be done effectively.
Essen Partnership	Waste Management Programme entails the awareness raising of Recycling in Kluitjieskraal, Wolseley with the aim of rolling out a recycling collection service in this area.

3.5.3 Challenges

Challenges	Description
Aged Fleet	Collection time extended working hours during breakages.
High cost of hiring of trucks	During breakages, hiring is at times the only alternative, and it is expensive
Regional Landfill Site in Worcester	Additional costs involved
Non-compliance of landfill sites	High cost to become compliant, and rehabilitation costs of landfills
High operational cost of PAH Landfill	Machinery is hired in to effectively manage waste as per the license conditions.
Illegal dumping	Regular clearing of areas where waste is illegally dumped creates the impression that it is okay to dump as it will be collected by the Municipality. This is a misconception.
Organogram	Needs to be in line with operational requirements developed with time.
Vacancies	Unfunded vacancies

3.5.4 Waste Management - Service Delivery Levels

The table below indicates the different waste management (refuse collections, waste disposal, street cleaning and recycling) service delivery standards of the municipality:

Description	2022/23	2023/24	2024/25
	Actual	Actual	Actual
Household			
***Refuse removal:* (above minimum level)**			
Removed at least once a week (accounts)	13 486	13 548	13 659
Removed at least once a week or through periodic cleaning programmes (households in informal settlements)	6 640	8 141	8 662
Minimum Service Level and Above Sub-total	**20 126**	**21 689**	**22 321**
Minimum Service Level and Above Percentage	**100%**	**100%**	**100%**
***Refuse removal:* (below minimum level)**			
Removed less frequently than once a week	0	0	0
Using communal refuse dump	0	0	0
Using own refuse dump	0	0	0
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0
Below Minimum Service Level Sub-total	**0**	**0**	**0**
Below Minimum Service Level Percentage	**0%**	**0%**	**0%**
Total number of households (formal and informal)	**0**	**0**	**0**

Note: Rubbish bags is distributed in informal areas and collected weekly, according to a publicized programme with a periodic cleaning service.

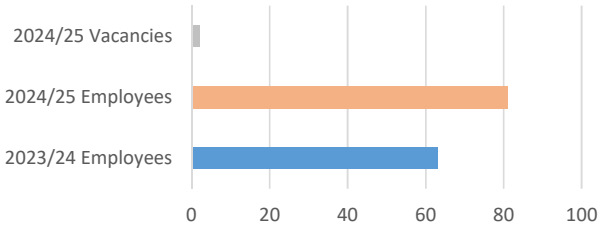
3.5.5 Waste Management - Service Delivery Indicators

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- FinInc28 - Number of formal residential properties for which refuse is removed once per week, and which are billed for refuse removal as at period end.
- TecRef31 - Percentage of households in demarcated informal areas with access to periodic solid waste removal or a skip for household waste.

3.5.6 Waste Management - Employees

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	39	57	0
4 - 6	7	6	0
7 - 9	15	15	2
10 - 12	1	2	0
13 - 15	0	0	0
16 - 19	1	1	0
TOTALS	**63**	**81**	**2**



3.5.6 Waste Management – Capital Expenditure

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
Bulk Waste Container Bins	100 000	174 589	0	**0%**	174 589
Drop-off/Transfer Stations	100 000	278 411	277 172	**100%**	277 172
Bulk Waste Container Bins		133 000	132 000	**99%**	132 000
Borehole landfill site		223 478	223 478	**100%**	223 478
Fencing Landfill Site		201 100	201 100	**100%**	201 100

3.5.7 Integrated Waste Management Plan Implementation

Reporting on the Implementation of the Municipality's Integrated Waste Management Plan (IWMP): Year 0								
IWMP Goal	Description of Activity for Implementation	Activity implementation score (yes = 1, n=0, partial =0,5)	Actions undertaken	If not implemented – indicate reasons	Planned budget (R)	Actual expenditure (R)	Person/s Responsible for Monitoring	Frequency of Monitoring (Annually, Biannually, Quarterly, Monthly, Weekly, Daily)
Effective solid waste service delivery.	Update the collection schedule	1	Schedule updated		N/A			
	Prevent illegal dumping	1	Provision of skips/bins and regular emptying		R100 000	R100 000		
	Evaluate waste management fleet	1	Fleet evaluated, application for MIG funding submitted		N/A			
Promote waste minimisation and recycling.	Implement separation at source in all towns	1	Household recycling collection done, bags provided		R250 000	R250 000		
	Improve recyclables diversion rate	1	MRF in operation		N/A			
	Darft an Organic Waste Diversion Plan	1	Organic Waste Diversion Plan finalized		N/A			
	Implement organic waste diversion diversion initiatives	0,5	Household garden waste collection done, bags provided		R1 350 286	R1 350 286		
	Implement Swop Shops	0	To be explored	New concept for WLM, planning required	N/A			
	Establish Drop Off Facilities in all towns	0,5	Drop Off in Wolseley and Tulbagh		R1 477 172	R1 477 172		
Ensure safe and integrated management of hazardous waste.	Provide household hazardous waste solutions	0	To be explored	New service for WLM, planning required	TBC			
	Ensure major hazardous waste generators are registered on IPWIS	0	To be done	New service for WLM, planning required	TBC			
Improve waste education and public awareness.	Appoint public awareness task force	0,5	Superintendent appointed, leads awareness team		N/A			
	Implement waste awareness programmes	1	Regular waste awareness programmes conducted		N/A			
	Waste Management Training courses	0	To be expolred	No accredited courses available	TBC			
	Improve hazardous waste knowledge	0	To be expolred	No accredited courses available	TBC			
Ensure sound budgeting for integrated waste management.	Review Organogram	1	Organogram reviewed and implemented		N/A			
	Ensure availability of sufficient budget for landfill rehabilitation and closure	1	Grap 19 report on record		N/A			
	Ensure availability of sufficient budget for new waste management facilities	1	Not applicable.Worcester Regional Landfill Site being constructed		N/A			
	Conduct cost analysis study	0	To be expolred	Consultant to be appointed	TBC			
Improve regulatory compliance.	Conduct External Landfill Audits as per landfill licence requirements	1	Done as per licenece requirements		R197 182	R197 182		
	Ensure compliance of the landfill containment barriers with Reg 636	0	Not done	Only PAH Landfill operational	N/A			
Improve waste information management.	Improve recyclables record keeping	1	MRF in full operation and licenced weighbridge in use.		N/A			
	Improve organic waste record keeping	0,5	Garden waste volumes is recorded on IPWIS		N/A			
	Develop industry waste database	0,5	Registration record being maintained		N/A			
	Total number of actual activities implemented	14,5			Actual budget expended on Implementing the IWMP	R3 374 640		
	Total number of activities required to be implemented as per the IWMP	24						
	Implementation score	60%						

3.5.8 Measures taken to secure the efficient delivery of waste management services

Measures Taken to Secure the Efficient Delivery of Waste Management Services				
Description	**Indicate (Yes/No)**	**Elaborate on Measures Undertaken/ Provide Reasons if not Undertaken**	**Indicate (Yes/No)**	**Elaborate on Measures Undertaken/ Provide Reasons if not Undertaken**
	Year -1		**Year 0**	
Establishment of additional waste management infrastructure	YES	Additional Drop Off built in Tulbagh	NO	No Funding
Upgrade of existing waste management infrastructure	YES	Installation of Groundwater monitoring boreholes	YES	Fencing of PAH Landfill Site
Addressing compliance issues at waste management facilities	YES	Internal and External Audits conducted	YES	Internal and External Audits conducted
Clean-up of illegal dumping	YES	FEL and Hooklift truck with bins used to clear	YES	Hiring in of Digger Loader and Tipper Truck
Additional equipment procured	YES	Bulk Bins for Hooklift Truck	YES	Front End Loader and Hooklift Truck
Additional vehicles procured	NO	Funding	YES	Budget made available
Additional waste management or collection staff employed	YES	Funded vacancies filled	YES	Funded vacancies filled as per new organogram
Staff training undertaken	NO	Specific accredted training not available	NO	Specific accredted training not available
Improved waste collection route planning	YES	Schedule reviewed and implemented, now also recycling collection	YES	Schedule reviewed and implemented
Use of technology	NO	Options to be explored	NO	Not a priority
Other measures undertaken e.g. funding applications, shared services, secondments etc.	YES	MIG funding application submitted, inclusion in Regional Landfill Site	NO	N/A

3.5.9 Compliance with Waste Management Standards

Compliance with Waste Management Standards						
Applicable Standard *(e.g. National Domestic Waste Collection Standards , 2013)*	**Year -1**			**Year 0**		
	Compliance with Standard (Yes/No)	**Provide Detail on Compliance/Non-Compliance**	**Measures Undertaken to Secure Compliance with Standard**	**Compliance with Standard (Yes/No)**	**Provide Detail on Compliance/Non-Compliance**	**Measures Undertaken to Secure Compliance with Standard**
National Waste Management Strategy	Yes	Waste Minimization - Recycling	Collection service , and bags issued			
National Norms and Standards for Storage of Waste	Yes	Drop Offs complies	Operates within the stipulated threshold			
NEM:WA(59 of 2008) - National Norms and Standards for disposal of waste to Landfill	Yes	Audits being conducted to guide towards compliance	Service Provider appointed			
		Non Compliances mainly due to budget constraints	Budget to be availed			
National Environmental Management: Waste Act (59/2008): National Domestic Waste Collection Standards	Yes	All households receives scheduled waste collection service bags provided, in addidtion to drop offs as	Collection service in place.			
NEM:WA(59 of 2008) - National Norms and Standards for disposal of waste to Landfill(R.363 August 2013)	No	Basal liner/Barrier designs not adhered to at PAH Landfill	Budget constraints			
NEM:WA (59of 2008) - National Waste Information Regulations (January 2013)	Yes	Monthly IPWIS reporting being done	Staff appointed			
National Norms and Standards for the Sorting, Shredding, Grinding,Crushing, Screening, Chipping or Baling of General Waste, 2017	Yes	MRF operated, but still under threshold that require registration	Monitoring done			

3.6 Housing

3.6.1 Introduction

Phase F1, Vredebes, which consists of 635 serviced plots, was completed at a total value of R 35m. The 1st Phase to construct houses in Vredebes started in 2019.
The first houses were handed over by the MEC for Housing in December 2019 and in total 229 houses were completed by end of June 2020. All houses handed over and occupied by 14 December 2020. The 1st phase of houses consists of 600 top structures were planned to be built at 200 per year but due to constraints in providing electricity the building of houses was stopped.

In 2023/24 financial year additional funding was received for the building of 150 ABT houses in conjunction with electricity availability. The building of these houses started at the end of October 2023 with completion end June 2024.

3.6.2 Highlights

Highlights	Description
150 ABT houses were out of the outstand 371 houses completed as part of the original 600 houses	150 ABT Houses completed end June 2024
Approval of the UISP Project for 188 sites in Nduli	Planning money made available to the amount of R 1m by DoHS. Layout for the project has been completed but could not continue because of Phase H in Vredebes that was stopped because of the electricity supply which ESCOM cannot provide. The process of decanting cannot start because of no alternative land available; we however start with allocation and moving of 11 families to Vredebes who stayed in Mooiblom where the 188 sites need to be developed.
Money received for building of 150 ABT houses as part of already approved project in Vredebes.	150 ABT Houses completed but not all handed over, ABT concept includes making use of special bricks and for the first these houses were also equipped with solar geysers.

3.6.3 Challenges

Challenges	Description
Selling and renting of RDP houses	Beneficiaries are in desperate need for money, and this is a way to generate an extra income. Sales are made illegally without houses being transferred which hampers the transfer processes because in some case the beneficiaries who received the subsidy are gone or deceased. No definite guidelines from the DoHS which must enforce the pre-emptive right
Transfer of rental stock	Outstanding debts of tenants to get rates clearance. Unforeseen documents needed by attorneys to expedite the registration process e.g. registration of mother erven and lost original title deeds. Huge backlog at Deeds Office.
Emergency housing for evictees (private and farm workers)	Emergency camps are planned as part of the Vredebes Housing Development, but no immediate solution available because of project funding for bulk infrastructure which will take ± 3 years to be completed depending on additional fund allocations. Planned Incremental Housing Concept needs to be approved by National Housing Department.
Immigration control in informal settlements. Increased illegal invasion of land in Wolseley and unfortunately, we have no control because these structures are erected overnight and over weekends when the no personnel is on duty and eviction through the court process costly and lengthy.	A response team need to be budgeted for and advertised via the tender process. Existing Community Committees needs to be co-operative. A “breakdown & monitoring team” consisting out of 5 temporary workers has been appointed to assist the housing officials and law enforcement with controlling illegalities in the informal settlements.
GAP housing opportunities need to be increased because of household incomes rising on a yearly basis	The income band between R3 501 – R22 000 who is potential beneficiaries for GAP market do not qualify so easily for a bank loan although linked to the FLIPS subsidy because of their credit worthiness. The policy changed in 2018 to allow beneficiaries to make use of the pension funds as a warrantee to qualify for a bond or bank loan.
Vandalism of communal toilets in informal settlements	Constant or daily vandalism of communal toilets during the night and over weekends. Although community committees exist, we still have no control over the vandalism, and this is causing huge expenses to the maintenance budget of the Housing Section.
Influx of illegal residents and foreigners to the informal settlements	Constant growth of informal settlements, structures going up over weekends and during the nights when law enforcement staff are not on duty. People coming in to work as seasonal workers on farms and simply stays when season is over. Rapid increase of illegal structures and unfortunately no control and assistance or support from local community.
Nduli Community expectations	Uproars in terms of claims made that Vredebes Development belongs to Nduli Residents only.

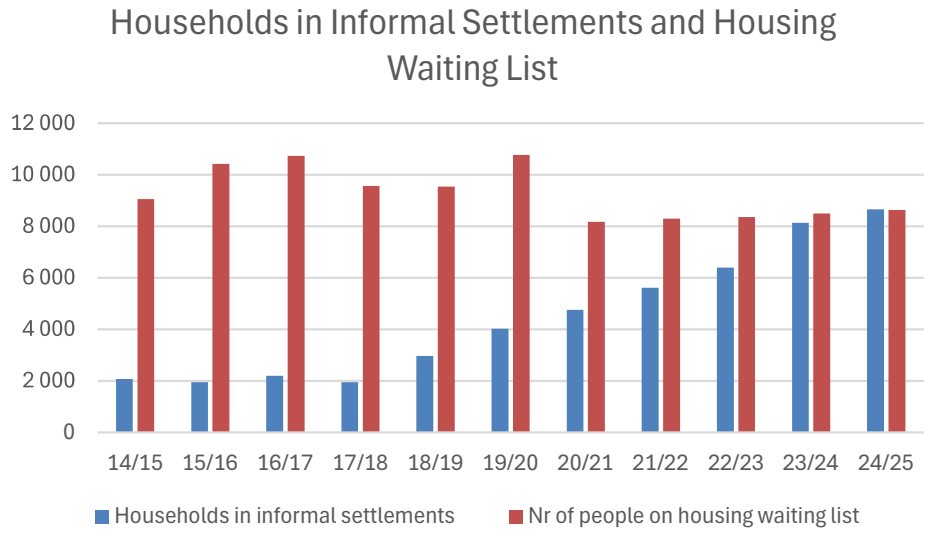
Challenges	Description
Current Vredebes Project stalled and the further development of Nduli	Inability of ESCOM to provide electricity and no timelines provided

3.6.4 Housing Service Delivery Levels

Financial Year	*Nr of households in formal dwellings	*% of households in formal dwellings	Households in informal settlements	Nr of people on housing waiting list	% Housing waiting list increase (decrease)
2014/15		86.7%	2 077	9 065	(3.75) %
2015/16			1 945	10 421	14.96%
2016/17	29 969	83.3%	2 200	10 736	3%
2017/18	27 295	86.8%	1 942	9 568	(10%)
2018/19	29 969	83.3%	2 967	9 546	0%
2019/20	30 000e	87%	4 027	10 774	13%
2020/21	30 000e	87%	4 756	8 181	(25%)
2021/22	27 866	85%	5 610	8 300	1.4%
2022/23	28 665	87%	6 398	8 360	0.7%
2023/24	22 998**	88%	8 141	8 505	1,7%
2024/25	56 205*	88%	8 662	8 682	0.2%

** Witzenberg Socio-Economic Profile (Western Cape Government) Including rural areas*

***The decrease is due to the inclusion of the 2022 Census figures. It is the view of the municipality that a major undercount was the reason for the decrease in population.*



A summary of houses constructed, and sites serviced under the subsidisation programme includes:

Financial year	Allocation (Budget)	Amount spent	% spent	Number of houses built	Number of sites serviced
	R'000	R'000			
2014/15 (Capital)	34 885	34 885	100%		470
2014/15 (Operational)	15 017	15 017	100%	42	
2015/16 (Capital)	28 930	27 449	94%		763
2015/16 (Operational)	0	0	0%	0	
2016/17 (Capital)	7 711	7 522	98%		0
2016/17 (Operational)	24 963	24 264	97%	200	
2017/18 (Capital)	7 155 472	7 155 472	100%		In process
2017/18 (Operational)	15 573 699	12 643 351	81%	107	
2018/19 (Capital)	26 163 613	26 163 613	100%		635
2018/19 (Operational)	12 098 000	12 098 000		30	
2019/20 (Capital)	0	0			0
2019/20 (Operational)	29 000 000	23 982 171	83%	199	
2020/21 (Capital)	26 507 700	26 507 700	100%		In process
2020/21 (Operational)	11 606 000	4 469 000	39%	0	
2021/22 (Capital)	4 125 138	4 125 138	100%		529
2021/22 (Operational)	19 268 708	430 900	2%	0	
2022/23 (Capital)	0	0	N/A		
2022/23 (Operational)	0	0	N/A		
2023/24 (Capital)					
2023/24 (Operational)	30 000 000	29 850 000		150	
2024/25 (Capital)	0	0		0	0
2024/25 (Operational)	0	0		0	0

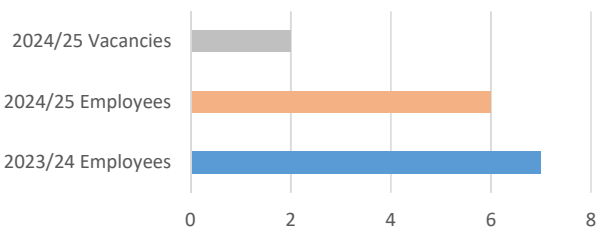
3.6.5 Service Delivery Indicators: Housing

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- TecDir2 - Number of subsidized serviced sites developed. (No target set for 2024/25)
- ComHS14 - Number of housing opportunities provided per year (No target set for 2024/25)
- ComHS15 - Number of Rental Stock transferred

3.6.6 Employees: Housing

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	1	1	1
7 - 9	3	3	1
10 - 12	2	1	0
13 - 15	1	0	0
16 - 19	0	1	0
TOTALS	**7**	**6**	**2**



3.7 Free Basic Services & Indigent Support

Witzenberg acknowledges that priority must be given to the basic needs of the community and that the social and economic development of the community is supported to provide access to the basic level of service in terms of the Constitution of South Africa, Section 151(1)(b) and 153(b).

Free basic services are provided to households with a combined monthly income of less than R 5 000.

A household may apply with the relevant forms and once their application has been approved, they are entitled to free basic services for one year. If they still qualify after the year has lapsed, they need to complete the application process again.

The **aim of the Indigent Policy** is to ensure a sound and sustainable way to provide affordable basic services to the poor through financial assistance within the legal framework of the powers and functions of the municipality. This is done to improve the standard of living and create a prosperous municipality that is free from the scourge of poverty.

THE OBJECTIVE OF THIS POLICY IS TO:

- Ensure a transparent, accountable and sustainable manner to assist the poor with access to basic services as defined in the policy.
- Ensure a sustainable manner to assist the poor with the burial costs, transfer duties and to change the municipal accounts in the cases of death, legal separation, divorce, etc. when necessary; and to
- Ensure that a fair portion of the equitable share, as provided by National Government, is spent as a contribution towards poverty alleviation.

THE QUALIFICATION CRITERIA FOR URBAN HOUSEHOLDS IN ORDER TO RECEIVE ASSISTANCE ARE AS FOLLOWS:

- The head of the household must be a South African citizen.
- The household, except in the case of rural households, must receive an account from Witzenberg Municipality.
- An application on the prescribed form must be duly completed and submitted, with the required information and signature.
- No member of the household may own a fixed property, other than the site on which the household resides; and
- The household's joint gross income may not exceed R 5 000 per month.

THE QUALIFICATION CRITERIA FOR OLD AGE HOMES IN ORDER TO RECEIVE ASSISTANCE ARE AS FOLLOWS:

- More than 50% of the residents within the old age home must receive less than R 5 000.00 per month.
- The qualification criteria for electricity consumers within Witzenberg Municipality, but those who reside in areas where the municipality is not the supplier of electricity, is that their connection may not exceed 20 Amps.

BENEFITS (Income up to R 5 000):

Property rates

In terms of the Property Rates Act, Act 6 of 2004, Section 17(h) are exempt from the first R15 000 of the market value on a property. As an additional subsidy, the municipality will increase this level subsidized to R150 000.

Electricity

- A subsidy equal to the amount charged for the first 50 kWh consumed per month.

Water

- A subsidy equal to the amount charged for the first 6 kiloliters consumption per month as well as 100% subsidy on the basic charge for water, where the municipality is the service provider.

Sanitation

- A subsidy equal to 100% of the amount charged for the service per month where the municipality is the service provider.

Refuse removal

- A subsidy equal to 100% of the amount charged for the service per month where the municipality is the service provider.

House rental

- A subsidy equal to 100% of the amount charged in the case of municipal sub economical rental stock as house rental per month.

Burial costs

- A subsidy equal to 100% of the amount charged for burial cost. The subsidy can be provided in terms of every deceased member of the household.

Transfer costs

- A subsidy equal to 100% of the amount charged for transferring the municipal service accounts, because of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or increasing the existing deposit. A subsidy equals 100% of the costs of an attorney to transfer the property into the spouse's name. This subsidy is provided because of death of the head of the household, whilst approved as an indigent household and the current registration is not registered at the Deed's Office in the name of both parties. The appointment of the attorney is entirely the prerogative of the municipality.

BENEFITS (income R 5 000 & R 6 000):

Property rates

- In terms of the Property Rates Act, Act 6 of 2004, Section 17(h) are exempt from the first R15 000 of the market value on a property. As an additional subsidy, the municipality will increase this level subsidized to R150 000.

Electricity

- A subsidy equal to the amount charged for the first 25 kWh consumed per month.

Water

- A subsidy equal to the amount charged for the first 3 kiloliters consumption per month as well as 50% subsidy on the basic charge for water, where the municipality is the service provider.

Sanitation

- A subsidy equal to 50% of the amount charged for the service per month where the municipality is the service provider.

Refuse removal

- A subsidy equal to 50% of the amount charged for the service per month where the municipality is the service provider.

House rental

- A subsidy equal to 50% of the amount charged in the case of municipal sub economical rental stock as house rental per month.

Burial costs

- A subsidy equal to 50% of the amount charged for burial cost. The subsidy can be provided in terms of every deceased member of the household.

Transfer costs

- A subsidy equal to 50% of the amount charged for transferring the municipal service accounts, because of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or increasing the existing deposit. A subsidy equal to 50% of the costs of an attorney to transfer the property into the spouse's name. This subsidy is provided because of death of the head of the household, whilst approved as an indigent household and the current registration is not registered at the Deed's Office in the name of both parties. The appointment of the attorney is entirely the prerogative of the municipality.

3.7.1 Access to Free Basic Services

Free Basic Services to Low Income Households									
Year	Number of households								
	Total no. of HH	Households earning less than R 5 000 per month							
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse Removal	
		Access	%	Access	%	Access	%	Access	%
2021/22	17 418	7 755	45	7 755	45	7 755	45	7 755	45
2022/23	18 456	9 012	48	7 899	48	7 899	48	7 899	48
2023/24	19 367	9 817	51	9 738	50	9 738	50	9 738	50
2024/25	19 472	10 212	52	10 212	52	10 212	52	10 212	52

Free Basic Services to Low Income Households									
Year	Number of households								
	Total no. of HH	Households earning less than R 6 000 per month (50% benefits)							
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse Removal	
		Access	%	Access	%	Access	%	Access	%
2021/22	17 418	133	0.007	133	0.007	133	0.007	133	0.007
2022/23	18 456	125	0.006	125	0.006	125	0.006	125	0.006
2023/24	19 367	79	0.004	79	0.004	79	0.004	79	0.004
2024/25	19 472	40	0.002	40	0.002	40	0.002	40	0.002

Rates						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Exempt Valuation	Value R'000	No of HH	Exempt Valuation	Value R'000
2021/22	3 111	120 000	3 669	13 680	120 000	16 136
2022/23	3 205	120 000	4 053	13 586	120 000	16 303
2023/24	3 185	150 000	2 886	13 680	150 000	12 312
2024/25	3 580	150 000	3 479	13 680	150 000	12 312

Electricity									
Financial year	Indigent Households (100%)			Indigent households (50%)			Non-indigent households		
	No of HH	Unit per HH (kwh)	Value R'000	No of HH	Unit per HH (kwh)	Value R'000	No of HH	Unit per HH (kwh)	Value R'000
2021/22	2 967	50	2 884	133	25	6 463	10 507	50	10 212
2022/23	3 044	50	2 677	125	25	5 498	11 843	50	10 418
2023/24	3 106	50	3 237	79	25	4 117	11 872	50	12 375
2024/25	3 580	50	4 016	40	25	2 243	11 872	50	13 319

Water						
Financial year	Indigent Households (100%)			Indigent households (50%)		
	No of HH	Unit per HH (kl)	Value R'000	No of HH	Unit per HH (kl)	Value R'000
2021/22	7 755	6	13 912	133	3	1 193
2022/23	7 899	6	15 166	125	3	1 200
2023/24	9 735	6	19 859	79	3	805
2024/25	10 212	6	21 741	40	3	428

Sanitation						
Financial year	Indigent Households (100%)			Indigent households (50%)		
	No of HH	R value per HH	Value R'000	No of HH	Unit per HH per month	Value R'000
2021/22	7 755	223.21	20 771	133	111.60	17 811
2022/23	7 899	239.39	22 691	125	119.69	17 953
2023/24	9 738	253.76	27 972	79	126.88	12 028
2024/25	10 212	266.44	32 650	40	133.22	6 394

Refuse Removal						
Financial year	Indigent Households (100%)			Indigent households (50%)		
	No of HH	Service per HH per week	Value R'000	No of HH	Unit per HH per month	Value R'000
2021/22	7 755	1	17 764	133	1	1 523
2022/23	7 889	1	19 381	125	1	1 535

Refuse Removal						
Financial year	Indigent Households (100%)			Indigent households (50%)		
	No of HH	Service per HH per week	Value R'000	No of HH	Unit per HH per month	Value R'000
2023/24	9 738	1	25 258	79	1	1 381
2024/25	10 212	1	27 922	40	1	546

COMPONENT B: ROAD TRANSPORT

This component includes roads and storm water management.

3.8 Road Services

3.8.1 Introduction

Integrated Transport Planning

This transport field is responsible for transport planning, road planning, traffic engineering and implementation of the Integrated Transport Plan (ITP) with the streets and storm water infrastructure that include the upgrade, rehabilitation and maintenance of road infrastructure, storm water drainage and the adequacy of traffic signage and road markings and public transport infrastructure.
The Witzenberg Local Integrated Transport Plan 2010-2015 was adopted on 14 December 2010, with the Witzenberg Local Integrated Transport Plan (LITP) 2022-2027 being reviewed prepared as part of the Cape Winelands District Integrated Transport Plan (DITP) 2022- 2027 is currently serving before Council for adoption.

Transport Status Quo

The primary economic activities which take place in the agricultural sector are subject to seasonal changes. Witzenberg Municipality has a few public transport services operating within municipal area. The most used mode of transportation is the minibus taxi. Other modes used in Witzenberg are rail, non-motorised transport and private vehicles. Witzenberg Municipality also experiences high volumes of freight transport travelling through the municipality. At present, the municipality has both formal and informal public transport facilities of which some formal facilities are currently not utilised by public transport operators. Witzenberg Municipality has three minibus taxi associations operating within the area: the Ceres Taxi Association, the Nduli Taxi Association and the Tulbagh Taxi Association.
The transport needs of Witzenberg are similar to those of its neighboring municipalities. The primary issue in Witzenberg is that there is a limited public transport service during off-peak periods, forcing people to wait for long periods of time before being able to travel. The safety of passengers and pedestrians as well as the affordability of taxi services are also issues impeding transportation. The municipal transport budget for Witzenberg indicates that there is approximately R8 million allocated toward transport-related improvements. The budget mainly focuses on roads improvements in residential areas within the municipality.

Road network and traffic

The road network in Witzenberg Municipality consists of provincial roads, owned and managed by the provincial road authority, which is the PGWC. Apart from the provincial roads, which are also known as the rural road network, the upgrade and maintenance of the local street network is the responsibility of the local authority. Condition of the road surface indicated that 66% of the surface is in good or very good condition. The corresponding value for road structure is 79%. If road surface conditions deteriorate too much, the road structure will be adversely affected. Therefore, upkeep of protection of the structure through regular maintenance is very important. Fruit and vegetables are brought from various farms around Wolseley, from Op-die Berg and Tulbagh to the factory in Ceres to be packed. This creates an inflow of heavy vehicles to Ceres. From Wolseley and Tulbagh, heavy vehicles travel to Ceres via the Michell ‘s Pass.
The Pass has a high-quality surface, able to withstand high volumes of traffic. In contrast, the proclaimed road through Ceres is of a different standard and must accommodate the same high volume of heavy vehicles. In the urban streets of Ceres, special NMT signage restricts heavy vehicles from entering the urban areas. A Pavement Management System (PMS) is used for maintaining the roads in the area through an assessment of the network based on methodical visual ratings of each pavement section. The priorities are divided into routine maintenance (e.g. patching), to normal maintenance (resurfacing) through heavy rehabilitation (e.g. thick overlays and reconstruction). This is supported by visual inspections which are

performed according to a schedule and data is recorded and prioritized for implementation. Limited and funding backlogs are the greatest challenge faced in maintaining the road network.

Roads Master Planning

A Roads Masterplan approved by Council in February 2021. The Witzenberg area has been experiencing urban development growth in recent years. It is essential that all development planning be guided by a predetermined Roads Master Plan. The Vision for Witzenberg LM Roads Master Plan was formulated to be "To provide a safe, reliable, effective and efficient road and transport system to serve the public of Witzenberg Municipality". The municipal road network is in good condition, 59% of road network being in a very good to good condition, 30% being in fair condition with 11% being poor and very poor. Out of the 204.8km road, 91% are black top roads, 2% are block paved and 7% are gravel roads. The proposed maintenance cost over 2-3years is R42.4 mil.

Five bridges and 3 major culverts were assessed as part of the RRAMS project. The maintenance cost of these structures without professional fees was estimated to be R1.59 mil. Traffic counts were done at 108 intersections. The AM & PM peak hours were extracted, and operational analysis was done for the current scenario and geometry. Only six intersections operated with an approach lower than LOS D. Potentially dangerous intersections on Vos Street (R303) and Voortrekker Street (R46) were identified by others and further investigated.

Minibus taxis is the main source of public transport within Witzenberg LM, in the absence of a public bus service. There is a need to consolidate the various taxi ranks in Ceres. A host of new pedestrian walkways were identified as well as the required maintenance on existing facilities. In the town of Ceres, kerbs at pedestrian crossings must be dropped to improve universal access.

Precinct planning was previously done in Ceres and Tulbagh. A variety of projects were proposed to connect nodes with general beautifying of the area, improve vehicular, pedestrian and cycle movements. The proposed cost for Ceres was R56 mil and R7.2 mil for Tulbagh. New spatial plans from the 2020 SDF were used to assess new roads to be developed. Various new bridge connections were also identified in Ceres and Tulbagh. The six intersections which previously exceeded LOS D were further analyzed at a 3.7% traffic growth over the next 5 years. Some proposal is made in terms of the upgrading of these intersections. An additional two intersections in Nduli which did not exceed the LOS D were also analyzed with a growth of 3.7% over the next 5 years, as these intersections are expected to see a rapid growth in traffic volumes upon completion of the Vredebes development. The site for the new taxi rank has been identified and should be pursued within the short to medium term. Negotiations with the property owner must precede any formal planning.

Pedestrian and cycle facilities should be a requirement up to Class 4 roads which are generally bus or taxi routes. Class 5 roads may however be fitted with walkways or cycling lanes, if it serves public land-uses like schools, hospitals or community buildings. Freight routes and bypass routes were identified by previous studies. The initial survey, planning and environmental approvals should be sought in the short to medium term. Mention is made of a Petro port truck stop facility outside Ceres. This would give the trucks a place to overnight and eliminate the current illegal parking within the Witzenberg LM towns.

Master Planning is key to providing long term steering of projects, with the SDF and IDP planning for a shorter term. Municipal Grants like MIG are key to the sustainability of municipal projects. Developer contributions should be used to augment the bulk infrastructure where required.

The strategy for prioritizing projects would be:

- All maintenance and repair actions should happen over the short and medium term.
- All small to medium-sized capital projects should happen over the short and medium term.
- All projects likely to fall outside of this scope should happen over the long term.
- The initial work for the long-term projects (survey, planning and environmental), should be done over the short to medium term.

3.8.2 Highlights

Highlights	Description
Network streets	Resealing existing tarred roads

3.8.3 Challenges

Challenges	Description
Funding backlogs on bituminous pavements	Pavement Management System 2019, all bituminous pavements, 10% is in a poor to very poor condition
Deteriorated Tulbagh roads	4.35km Deteriorated roads need to be upgraded
Upgrading needs on provincial roads, TR22/2 because of new developments	Department of Transport and Public Works to implement upgrades.
Upgrading needs for public transport infrastructure	No funding for proposals from Transport Master Plans

3.8.4 Service delivery levels: New roads & maintenance of existing roads

The following tables give an overview of the total kilometers of roads maintained and new roads tarred:

Tarred/paved roads:

Financial year	Total km tarred roads	Km of new tar & paved roads	Km existing tar roads re-tarred	Km of existing tar roads re-sheeted	Km tar roads maintained
2021/22	232.23	0	0.6	0	232.23
2022/23	233.00	0.765	3.582	0	232.23
2023/24	233.00	0	5.6	4.2	233.00
2024/25	233.00	0	7.5	0	233.00

Gravel roads:

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar / block paving	Km gravel roads graded/maintained
2021/22	8.9	0	0	8.0
2022/23	8.9	0	0	8.9
2023/24	8.9	0	0	8.9
2024/25	14	0	0	6.3

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Financial year	New & Replacements	Resealed	Maintained
	R'000	R'000	R'000
2021/22	15 271	0	9 398
2022/23	11 862	2 000	11 862
2023/24	28 722	9 237	10 779
2024/25	0	12 300	5 400

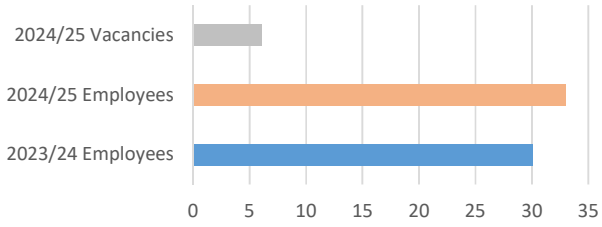
3.8.5 Service Delivery Indicators: Road Services

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- TR6.12 Percentage of surfaced municipal road lanes which have been resurfaced and resealed.

3.8.6 Employees: Roads & Storm water

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	8	12	1
4 - 6	12	10	3
7 - 9	3	4	0
10 - 12	5	3	2
13 - 15	1	3	0
16 - 19	1	1	0
TOTALS	**30**	**33**	**6**



3.8.7 Capital Expenditure: Roads & Storm water

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
Replacement of Roads & Storm water Infrastructure		2 778 260	2 772 461	**100%**	2 772 461
Network Street	5 000 000	11 125 912	10 927 812	**98%**	10 927 812
NMT sidewalks Ceres, Voortrekker str	434 783	434 783	433 321	**100%**	433 321

3.9 Wastewater (Storm Water Drainage)

3.9.1 Introduction

Storm water masterplans have been developed for all towns in Witzenberg.

The Witzenberg area has been experiencing urban development growth in recent years. It is essential that all development planning be guided by a predetermined Storm water Plan. The Vision for Witzenberg LM Storm water Plan was formulated to be "To provide a database for the Witzenberg Municipality where all storm water data can be viewed, queried, stored, added, maintained and expanded. The Storm water Master Plans must identify upgrades to the existing storm water system and propose new infrastructure in order to meet current and future infrastructure needs to accommodate growth. It must include a funding model and a programme for the implementation of all the projects identified and prioritized. It must evaluate the long-term viability of existing infrastructure to cope with expansion and augmentation."

The Witzenberg LED Strategy (2004) stated that flooding of storm water pipes is common in winter as these pipes are not inspected for blockages in the summer as required. Minor stormwater infrastructure is cleaned throughout the year with the employment of EPWP workers and major infrastructure is cleaned per annual program. The Draft Reviewed IDP 2019-2020 indicated that some areas within the Witzenberg Municipality have inadequate storm water systems. The existing storm water infrastructure within Witzenberg is made up of 68.6 km of reticulation and 35.6 km of open channel. The condition of the storm water infrastructure was assessed based on blockage and structural integrity. 92% were found to be less than 25% blocked, 3% were found to be partially blocked, and 5% were full of material (litter or debris). 46% of the structures were in good condition, 39% were found to be in fair condition, and 15% were found to be in poor (damaged or broken) condition. For the study area 28% of the Witzenberg PCSWMM model (existing minor system) require new storm water infrastructure (upgrades, replacements, and additional storm water systems). Pipe replacement

and new minor systems for resolving the problem areas are proposed in this report, together with preliminary cost estimates. Costs have been calculated for each conduit that requires upgrading or new infrastructure to increase the capacity of the existing storm water network.

The total cost estimate for the installation and upgrading of the local minor storm water network to either the 1:2 year and 1:5-year return period standard amounts to R180.8 million, excluding long-term upgrade proposals, and R190.2 million including long-term upgrade proposals. The hydrological analyses have indicated that future developments require the inclusion of detention facilities in the modelling to reduce the estimated post-development flood peaks to the predevelopment flood peaks. Where practically possible, developments should be required to accommodate the difference between the pre- and post- development run-offs up to the 1:50 year flood, on the development. This will reduce major and minor storm water run-off and improve water quality.

The detention ponds modelled and proposed to be implemented to reduce the future peak floods within Witzenberg Municipal area. The high-level cost estimate to construct these detention ponds amounts to R159.9 million. The bulk storm water infrastructure required to connect the future developments to existing watercourses or the existing storm water network amounts to R19.7 million. The main concern is that developments within Ceres and Wolseley are within the 1:50 Koekedouw Flood lines.

3.9.2 Highlights

Highlights	Description
None	

3.9.3 Challenges

Challenges	Description
Wolseley Montana Channel upgrade	No funding for portal culverts that has an enormous financial implication
Vandalism storm water drainage	Covers being stolen and sold at scrap metal yards.
Trees damage storm water pipes/sidewalks and roads	Trees with aggressive root systems
Storm water blockages	Manholes/catch pits being used as dirt dumping places
Storm water Master planning implementation	Budget constraints

3.9.4 Service Delivery Levels: Infrastructure & cost of construction/maintenance

Storm water infrastructure:
The table below shows the total kilometers of storm water maintained and upgraded as well as the kilometers of new storm water pipes installed:

Financial year	Total km storm water measures	Km new storm water measures	Km storm water measures upgraded	Km storm water measures maintained
2021/22	146.00	0	0	146.00
2022/23	146.7	0.7	0	146.00
2023/24	146.7	0	0	146.7

Financial year	Total km storm water measures	Km new storm water measures	Km storm water measures upgraded	Km storm water measures maintained
2024/25	146.7	0	0	146.7

Cost of construction maintenance:
The table below indicates the amount of money spent on storm water projects:

Financial year	Storm water measures	
	Capital	Maintained
	R'000	R'000
2021/22	889	3 364
2022/23	0	1 893
2023/24	0	2 472
2024/25	0	59

COMPONENT C: PLANNING & DEVELOPMENT

Witzenberg Municipality does not have a single department that includes all strategic services. The LED section is managed by the Economic Development section and with the IDP, Internal Audit and Organisational Performance sections report to the Municipal Manager. Tourism and marketing are situated in the directorate of Corporate Services. Building control, town planning, spatial planning and GIS fall under the section Town Planning & Building Control situated in the directorate for Technical Services.

3.10 Planning

3.10.1 Introduction

The Witzenberg Spatial Development Framework (WSDF) was adopted by Council on 27 May 2020 as a core component of the 2017 to 2022 Integrated Development Plan. The review process is currently underway and expected to be completed by end of 2025/26. The WSDF will guide the spatial form and structure of Witzenberg (the way in which we use the space available for urban growth) in the future. This 5-year plan will enable Witzenberg to manage new growth and change in its area, to ensure sustainability and equitability. In its direction, the WSDF has five specific foci.

- Maintain and protect the integrity, authenticity and accessibility of Witzenberg' s natural environment and associated resources. Humanity depends on nature for physical and spiritual sustenance, livelihoods, and survival. Ecosystems provide numerous benefits or ecosystem services that underpin economic development and support human well-being. They include provisioning services such as food, freshwater, and fuel as well as an array of regulating services such as water purification, pollination, and climate regulation. Healthy ecosystems are a prerequisite to sustaining economic development and mitigating and adapting to climate change. The plan provides for activities enabling access to nature in a manner which does not detract from the functionality and integrity of nature and farming areas and landscapes.
- Maintain and expand the Municipality's key regional and intra-regional infrastructure. Appropriate infrastructure – whether in the form of transport routes or municipal services – is critical to support economic development, agriculture, and livelihoods.
- Maintain and grow the agricultural assets within the Municipality. Agriculture remains the mainstay of the regional economy and require on-going support. In a spatial sense, this specifically requires protecting high-value agricultural land from urban development. The opportunity also exists to diversify farm income in a manner which does not detract from the functionality and integrity of farming areas and landscapes, and to expand access to farming to smaller entrepreneurs and emerging farmers.
- Maintain and expand access to Witzenberg' s unique sense of people and place. Important is the recognition and maintenance of unique landscapes, and diverse expressions over time of peoples' interaction with the landscape. Also critical is the SPLUMA principle of "spatial justice"; implying that past spatial and other development imbalances must be redressed through improved access to and use of land, as well as the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, and areas characterised by widespread poverty and deprivation.
- Maintain and expand opportunity associated with Witzenberg' s key settlements. Settlements need to be managed and provide for expansion in a manner which enables efficiency in infrastructure provision, integration and compaction to enable better thresholds and more sustainable movement, and protection of surrounding assets of nature and agriculture.

3.10.2 Highlights & Challenges

Highlights	Description
Timeous decisions	Applications turnaround time well within statutory timeframes

Highlights	Description
SDF (Spatial Development Framework)	Work commenced on the review of the SDF

Challenges	Description
Eskom capacity	Eskom is unable to supply increased capacity which is hampering new development
Economic slowdown	Stagnant growth shown by number of land use applications and plans received
Shortage of Vacant Plots	Ceres and Op-die-Berg has a shortage of serviced vacant stands for residential and industrial uses.
Uncontrolled Informal residential expansion	Proliferation of illegal occupation and unauthorised residential expansion places pressure on existing facilities and services.

3.10.3 Synthesis of Key Spatial Challenges & Opportunities

A synthesis of key challenges and opportunities related to spatial planning and management are summarised below.

Challenges

- Economic sectors which underly the local economy and accommodate unskilled workers (specially manufacturing and agriculture) show slow growth.
- There is significant demand for housing while further urbanisation and current delivery rates for serviced land top structures will probably not be able to meet demand.
- Historic approaches to settlement development – favoring lower density single unit on a plot development – will threaten valuable agricultural land and strain infrastructure provision and maintenance.
- There are inadequate opportunities available for job creation and economic growth in settlements.
- Inadequate public and NMT transport options limit access to available work and other opportunities.
- Water and electricity supply and associated infrastructure may not be able to meet future demand adequately.

Opportunities

- Meaningful inter-governmental initiatives and public-private partnerships already exists which could be extended to assist in urban development and settlement management (e.g. RSEP, the Ceres Business Initiative, and the Twinning Agreement with Essen Municipality in Belgium).
- RSEP Involvement in development of integrated communities – leverage funding and project implementation.
- Provincial spatial planning and land use management policy provides opportunities for the diversification of the agricultural/ rural economy (especially through sensitive tourism initiatives).

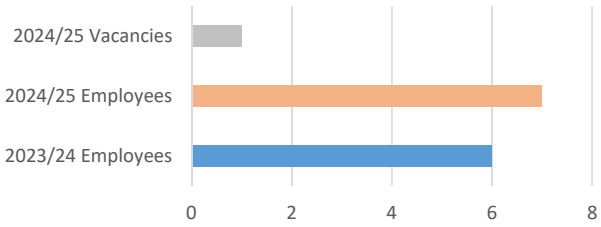
3.10.4 Service Delivery Statistics

Type of service	19/20	20/21	21/22	22/23	23/24	24/25
Town Planning and Building Control						
Building plan applications processed	368	354	480	438	466	345

Type of service	19/20	20/21	21/22	22/23	23/24	24/25
Total surface (m^2)	44 327m^2	60 113m^2	83 693 m^2	81 836 m^2	64 192 m^2	64 436 m^2
Approximate value	R 212.78m	R 328.05m	R 412.04m	R 514.85m	R 519.49m	R 483.05m
New residential dwellings	124	45	82	71	192	67
Residential extensions	90	123	177	251	94	114
New Business buildings	1	1	3	6	1	2
Business extensions	3	7	18	25	17	13
Rural applications	39	50	96	69	52	45
Land use applications processed	34	44	26	21	30	32

3.10.5 Employees: Town Planning & Building Control

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	0	0	0
7 - 9	0	0	0
10 - 12	4	4	1
13 - 15	1	2	0
16 - 19	1	1	0
TOTALS	**6**	**7**	**1**



3.11 Local Economic Development

The table below gives a brief description of all the achievements within Local Economic Development (LED) during the 2024/25 financial year:

Achievement/Highlight	Description
Successfully assisted informal traders with permits and business licenses	Issued 78 hawker permits Issued 47 business licenses Provided information regarding application process for permits Hawkers were allowed to have an assistant to stand in for them if they are not available to work at the stand.
Registration of small businesses on SMME database	28 businesses were registered
Conducted business dialogue sessions	Business dialogue sessions at 3 areas; this is a platform for sharing information on entrepreneurship opportunities, sharing challenges and networking.
Utilize email network to distribute business related information	Created a platform for SMME's to access business opportunities
SEDA consultations	Linked 3 SMME's with SEDA services
Quarterly Meetings with informal traders	2 Meetings held with informal traders determine the needs and challenges of the hawkers
Supply chain workshops held	Held 2 workshops with 96 entrepreneurs in total to link SMME's with local business opportunities.

Achievement/Highlight	Description
Basic business training sessions to informal traders	Training sessions with 2 informal traders at Ceres and Hamlet to empower informal traders with business skills and knowledge to help them grow their business
Municipal Imbizos attended	Attended 5 Imbizos at Wolseley, Tulbagh, Ceres, Bella Vista, Op die Berg to take LED services to local communities
Implemented Mentorship program	Started with Mentorship programme with 8 entrepreneurs, which focus on holistic business development and guidance
Meeting with business forums	Engaged with 3 business forums to enable SMME's to link with business support services
Successful Witzenberg Supplier registration day	Organised government stakeholders to be present on the day and give hands-on support with supplier database registrations; 94 entrepreneurs attended.
Engagements with CBI Fund regarding the entrepreneurial program	Engaged on 4 occasions to discuss & deliberate regarding entrepreneurial development
Regular liaison with Independent Power Producers (IPP's)	Regular liaison with 4 IPPS' took place to form partnerships and to discuss socio-economic development challenges and opportunities

The table below gives a brief description of all the challenges within Local Economic Development (LED) during the 2024/25 financial year:

Description	Actions to address
Insufficient office space and resources	Provision of sufficient office space and resources
Lack of sufficient funding for LED projects	To make provision for sufficient funding to ensure sustainability of projects. Lobby with Government Departments and partner with IPP's
Internal departments working in silos	Address the issue of effective communication and promote transversal LED in order that municipal Departments do not work in silos, but that planning for future projects and developments are done together, as to maximise impact and strategic efficiency
High rate of illegal hawkers in the area	Informal trader bylaw was reviewed.
Insufficient stands for hawker trailers	Space identified in the form of food trailers, as well as identifying trading spaces in other areas

The LED Strategy is built upon commitment to develop a climate in which economic development and economic growth can prosper. The LED Strategy has been reviewed and edited and was implemented from 2022/2023 onwards.

The LED Strategy identifies various issues and strategic areas for intervention such as (4 top service delivery priorities):

Strategic areas	Description
Facilitating the growth of SMME's	Growing SMME capacity through entrepreneurship development, support businesses through linking them with opportunities and to provide SMME opportunities in new developments
Creating an enabling environment to attract new businesses and for businesses to prosper	To make suitable land available for development, maintain and improve governance to ensure effective responsible investment support, attract new business through investor

Strategic areas	Description
	friendly policies and marketing, municipal procurement interventions, stakeholder management and skills development
Support the informal economy	To provide sufficient, well-located serviced stands& stalls, to implement & regulate informal traders through policies & bylaws, pursue innovative opportunities for informal traders
Support and retail existing businesses	Retain existing business through competitive tariffs and sustainable service delivery

3.11.1 Economic Activity

Refer to Chapter 1.2.3

3.11.2 LED Initiatives

During 2024/25, 446 work opportunities were created via the Community Works Programme (CWP).

There are 4 different sectors that comprise the CWP projects in Witzenberg:

- social
- education
- local government
- environment

The projects within these sectors include:

- Early childhood development crèche assistance
- NGO support (which include women group assistance, nutritional support, HIV support, disabled support)
- school support (which includes food scheme, site cleaning)
- The CWP provide beneficiaries with nutrition and facilitate the training and the experience necessary for market entry, which includes:
- health and safety.
- waste management.
- food garden; and financial training

3.11.3 LED Statistics

Additional statistics on LED:

Type of service	19/20	20/21	21/22	22/23	23/24	24/25
Small businesses assisted	95	200	185	127	243	441
SMME's trained	20	20	86	80	110	97
*Community members trained for tourism	93	65	141	148	132	102
Local artisans and crafters assisted	7	5	9	4	5	25

*Undertaken by the various local Tourism offices and include trading on events, first-aid, customer care, tour guides, etc.

Job creation through the Extended Public Works Programme (EPWP) projects		
Details	**EPWP Projects**	**Jobs created through EPWP projects**
2015/16	40	427
2016/17	32	398
2017/18	37	403
2018/19	34	397
2019/20	25	409
2020/21	27	401
2021/22	23	404
2022/23	34	403
2023/24	27	403
2024/25	35	428

3.11.4 Service Delivery Indicators: LED

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- ComLed19 - Bi-annual report on investment incentives implemented.
- ComLed20 - Quarterly report on the Small Business Entrepreneurs Development Programme.
- ComLed4 - Review of the Witzenberg Local Economic Development Strategy.
- LED3.11 - Average time taken to finalize business license applications
- LED3.12 - Average time taken to finalize informal trading permits
- LED1.11 - Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area

3.12 Tourism

3.12.1 Aim & Function of the Tourism Sector

Witzenberg Municipality had a service level agreement for the financial year 2024-2025 with one local tourism entity, Witzenberg Tourism, operating in all five towns, which conduct marketing of the municipal area and local established businesses, activities and attractions to draw investment and trade to the area. However, the agreement had to be cancelled in terms of a National Treasury regulation that came out earlier this year, before the end period and a three-month bid was later awarded to Witzenberg Tourism to continue tourism services and functions. A bid for a longer term is in currently process.

Local businesses join as members of the local tourism authorities to participate in the marketing initiatives. Membership of this organization holds businesses accountable to ethical norms and standards for industry as well as to a code of conduct.
Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with District, Provincial and National stakeholders to develop the brand through tourist attraction, awareness campaigns, roadshows, expos, events and festivals. Tourism also aims to train and skill local entrepreneurs to meet tourism-related demands and provide necessary services and products to promote local trade and economic development. Specific development projects were identified to be rolled out over the next three years.

3.12.2 Training & Development

Tourism runs educational packages with schools, front of house staff and local stores, amongst others, to promote customer service. Tourism also sources training courses in areas such as first aid, communication, administration and hospitality to help local businesses improve output and skill levels in collaboration with

various stakeholders. These are also rolled out in the form of educational, for example a group of local petrol attendants could be invited on a tour of the region to gain first-hand knowledge and experience of all the region has to offer. The tourism educational tours for school learners also create an awareness of what the area has to offer and encourages everyone to be a tourist in their town or area - by exploring your town and area, you will not only support local businesses but boost the local economy.

Tulbagh Tourism in conjunction with De Oude Kerk Volksmuseum now has the use of the Old Post Office building for skills training and youth development. The building was renovated by the Municipality last year and will now serve the community and aid local tourism training and development.

The Ceres'ly Positive movement is still going strong, and the Facebook group is growing. This ongoing initiative aims to promote a positive and friendly attitude and make Ceres the friendliest town in the country. We hope to roll out this initiative or something similar in the other towns soon. As far as possible local SMMEs are utilised for catering and other services. The various Witzenberg Tourism offices are also involved in community upliftment and other development projects where possible, including feeding communities, establishing community gardens, assisting SMMEs with marketing and free advertorial space where possible, clean-up initiatives, and especially given exposure and space during events and festivals, and other opportunities where possible.
Student Internship Programme - Ceres Tourism regularly takes in students and welcomed two students for an 18-month internship programme (Apr 2024 – Sep 2025), offering them valuable hands-on experience in the tourism industry. Through their involvement in daily operations, marketing activities, and community events, they gained practical skills and exposure to various aspects of destination management and tourism development. This initiative supports youth development and strengthens local capacity within the sector.
Wolseley Tourism recently launched a clean-up campaign aimed at uplifting the town and promoting community pride. As part of the next phase of this initiative, we have created a Facebook page called "Help Keep Wolseley Clean" to encourage greater involvement from residents. This platform will serve as a space for updates, volunteer opportunities, and sharing progress as we work together to keep our beautiful town clean and welcoming.

3.12.3 Destination Marketing

Tourism will continue producing tear-off maps that are distributed to points of sale with high traffic thoroughfare, providing location and contact details of local tourist attractions. They have also produced and will continue updating a joint brochure called the Witzenberg Meander, covering activities across the municipal area. Tourism bureaus for Wolseley, Ceres and Tulbagh also continue to create their own brochures with niche marketing of their towns and, with ongoing social media promotion through social media tools and websites. Various marketing material including area and tourism maps, information booklets and brochures have been printed and reprinted for distribution. Distribution at strategic points, social media and online marketing is soaring and continues as per usual and is still a reliable source of communication for many visitors to the area. For more details visit www.visitwitzenberg.co.za.

Wolseley Tourism has in the last year upgraded their brochures from tear-off maps to modern postcards featuring QR codes for easy access to information. In addition to the new brochures, they also designed and installed signs displaying the QR code linked to the website at various key locations, including wineries, farm stalls, and Kaap Agri. These upgrades make it more convenient for tourists to access information about Wolseley and its attractions quickly and efficiently.

Tourism has thus far been successful in marketing the destination as an affordable and picturesque location for weddings, snow tourism, heritage tourism, Agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism to visitors within South Africa. Tourism also conducts on an ad hoc basis, educational visits to the areas to tourism authorities outside of our borders as well as journalists, media groups and social media influencers review and publicize our activities and services. Tourism educational is held once a quarter, whereby role-players in the media are invited to come and explore and experience what Witzenberg has to offer. They are treated to various activities and experiences in the various towns over one or two days and an overnight experience, in exchange for media coverage on various platforms.

Local tourism is actively marketed and represented at various platforms, internationally and locally. From promotional videos, to features in various publications in print and online, as well as conferences, consultants and radio and various reality TV programs that were filmed locally or with locals. Various members and specifically wine estates continue to excel in wine competitions, resulting in great exposure for the region and industry. Snow tourism remains a vital part of Witzenberg and generates great visitor numbers for the region through marketing initiatives on all media platforms. Ceres Tourism has a mascot, CT, which is being used for various campaigns in the area and at other local events and outreach activities.

3.12.4 Tourism Awareness/events

Witzenberg Tourism is continuously promoting and creating Tourism awareness through both own initiatives and supporting other events. Attending local, provincial initiatives and utilising opportunities to promote Tourism in the greater Witzenberg region on international platforms and stages, is reaping benefits and is evident in visitor numbers to the municipal area and especially our towns.

Local Annual events taking place in the Witzenberg municipal are included, but are not limited to:

Annual Event	Date
Olive Rock Food Experience	August
Wolseley Waddle	September
Ceres Chase – Amazing Race	September
Tulbagh Skou	September
Kuns op ‘n Rondte	September
Eselfontein Outdoor Festival	October
Michells pass Half Marathon	October
Gydo Christmas Light Festival	November
Loxtonia Cherry Trail Run	November
Klondyke Cherry Picking	November - December
Hoogwater Fruit picking	November - February
Bosjes Jelena Picking	November
Adene’s Farm Flowers	December - April
Tankwa Camino Hikers Welcomed to Ceres	September, April & May
Tankwa Trek MTB stage race at Kaleo Guest Farm	February
Tankwa Trail at Kaleo Guest Farm, outside Ceres	April
Tulbagh Vintage & Vine Faire	May
Wolseley Watershed Festival	May
Christmas in Winter	June
Seven Oaks Pop Restaurant	Quarterly
Drostdy Market	Monthly
Witzenville Faire	December

3.12.5 Challenges to Tourism

Witzenberg Municipality and Tourism do not have the autonomy, budget or infrastructure to roll out Wi-Fi across the entire municipal area. Whilst some visitors seek out areas of limited coverage, most visitors have

the expectation that Wi-Fi is easily accessible and is available free of charge. The situation is changing as wi-fi is becoming more freely available at some places.
A huge challenge still is the fact that not all local businesses are registered with Tourism and thus are not accountable to their code of conduct or service standards. Most establishments and services are not user-friendly to travelers with special needs, i.e. sight impaired, mobility limited, speech impairment, communication specialists (sign language, isiXhosa, German, etc.). Many establishments and services do not cater for multi-generational needs of visitors i.e. infants (cribs, feeding chairs, baby monitor, walking rings etc.), teenagers (DSTV access, cell phone chargers, cellular airtime vouchers, video games and consoles), the aged (wheelchairs, Zimmer frames, magnifying glasses, large print menus/bibles etc.). We do not yet have a formal tourism corridor through the township sectors of the municipal area.
The financial support provided to Tourism contributes largely to the salaries of staffing and is thus not fully focused on the areas of tourism development, promotion and destination marketing. However, the individual tourism offices also source additional funding from other sources.

3.12.6 Opportunities for Tourism

A key action towards tourism growth, development and integration will be the focus on and roll out of various projects as was set out in the SLA, which is aimed at job creation, social inclusion and strategic partnerships with tourism industry partners.
This will promote tourism corridors for travelers to experience a holistic tour of the region, ensuring a balance of revenue spend, exposure to rural and urban settings, demographic engagement and diversification of tourism involvement.
This will further aid the municipality in realizing its aims towards social cohesion, poverty eradication and economic empowerment and will include various themes. Various new initiatives to promote Tourism locally is also in the pipeline. We also hope to finalize the long-term bid process soon.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.13 Libraries & Community Facilities

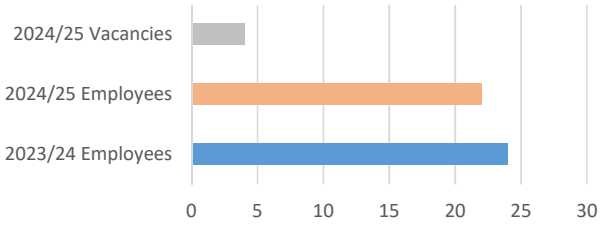
Libraries are managed by the section, Library Services, located in the directorate of Community Services. All towns have a library, with mini libraries at Op-die-Berg, Laastedrif and Agter Witzenberg.

3.13.1 Service Statistics - Libraries

Type of service	2020/21	2021/22	2022/23	2023/24	2024/25
Libraries					
Number of Libraries	9 and 3 mini libraries	9 and 3 mini libraries	12	12	12
Library members	30 203	30 631	31 725	30 979	29 707
Books circulated	73 984	116 987	150 414	197 799	168 665
Exhibitions held	161	212	246	232	218
Internet access points	36	33	29	29	31
New library service points or Wheelie Wagons	0	0	0	0	0
Children programmes	57	128	194	334	392
Visits by school groups	169	230	343	358	354
Community Facilities					
Number of Community Facilities – Community- and Town Halls	12	12	12	12	12

3.13.2 Employees – Libraries & Community Facilities

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	3	5	1
7 - 9	12	10	1
10 - 12	8	6	2
13 - 15	1	1	0
16 - 19	0	0	0
TOTALS	**24**	**22**	**4**



3.14 Cemeteries

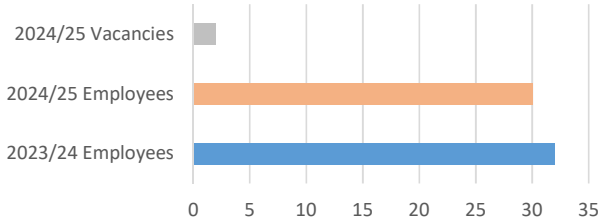
Cemeteries in all towns are managed by the municipality, except Op-die-Berg which is managed by a church. Ceres Cemetery and Nduli Cemetery have reached full capacity. The cemetery at Bella Vista will cater for these two towns in future. Wolseley Cemetery has been extended. No crematoriums are managed.

3.14.1 Service Statistics - Cemeteries

Type of service	2020/21	2021/22	2022/23	2023/24	2024/25
Number of Cemeteries	4	4	4	4	4
Number of private burials	1017	427	584	482	440
Number of poor burials	156	173	141	136	59
Number of indigent burials	158	148	159	164	237
#Stats are for all towns					

3.14.2 Employees – Cemeteries

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	26	25	0
4 - 6	3	3	0
7 - 9	2	2	0
10 - 12	0	0	1
13 - 15	0	0	1
16 - 19	1	0	0
TOTALS	**32**	**30**	**2**



3.15 Childcare, Aged Care & Social Programmes

The Socio-Economic Unit is responsible for:

- the initiation and strengthening of early childhood development (ECD) programmes and support of the ECD Forum.
- capacity building of crèches.
- strengthening awareness programs regarding aged abuse and access to indigent services.
- strengthening and support of youth development with the focus on job creation and skills development.
- strengthening and support of people with disabilities through skills development; and
- support HIV/AIDS awareness

3.15.1 Service Statistics: Childcare, Aged Care & Social Programmes

2023/24	2024/25
Soup kitchens established or supported	
Workshop for soup kitchens x 2	Workshop for soup kitchen x3 Supporting 50 soup kitchens with ingredients
Initiatives to increase awareness on child abuse	
Awareness program on stranger danger for preschool children at ECD centers x 5 Distribution of pamphlets, posters and information on child safety at ECD centers x 1 Awareness programs for children on substance abuse/child abuse/ child trafficking and abduction/ child sexual abuse: x 6 Face paint and life skills programs: x3	Awareness program on stranger danger for preschool children at ECD centers x 9 Child Protection initiatives: focus on body safety, children's rights, child abduction and child sexual abuse. X8 Parental support programmes to parents and caregivers of disabled children. X2 Opening of child protection week. Focus on child protection week with children and caregivers of Vrolike Vinkies ECD Centre x1
Youngsters educated and empowered	
Accredited plumbing training for 2 youth (ongoing) Women Sanitary project: distribution x3	Life Skills: Social ills Life skills: Women Empowerment x5

Awareness of teenage Pregnancy x2 Life skills: Women Empowerment x3 Life skills: Motivation x4 Life skills: Safety x3 Life Skills: Choices Top Achievers Ceremony Workshop: Youth Forum Youth Dialogue x2 Career exhibition Life skills: Leadership x2 Life skills: Awareness of Social Media Youth identity Workshop Youth day program x2 Indigenous games	Job Preparation Workshop x3 Talent Show x2 Informal dialogue Plumbing training (follow up) Life Skills: Social media x2 Life skills: Safety x2 Life Skills: Substance Abuse Life Skills: Identity Top Achievers Ceremony Life skills: Leadership Life Skills: Choices Workshop: Youth Identity Arts and Craft Career exhibition Youth Church Service Youth Day Program Business Plan Workshop
Initiatives to increase awareness on disability	
Arts and Crafts/ Life skills for people with disabilities (Awareness programs combined with arts and crafts activities): x 2 Meeting with Witzenberg Association for people with disabilities: x 2 Witzenberg Mental Health Forum meeting-stakeholder meetings: x 3	Arts and Crafts/ Life skills for people with disabilities (Awareness programs combined with arts and crafts activities): x 3 Meeting with Witzenberg Association for people with disabilities: x 2 Witzenberg Mental Health Forum meeting-stakeholder meetings: x 2 International Day for People with disabilities- P.A. Hamlet: Access to services for people with disabilities in Witzenberg. All government departments and NGO's delivering services to people with disabilities took part in this programme. People with disabilities from Tulbagh, Wolseley, Nduli, Bella Vista as well as Op die Berg were transported to the programme.
Initiatives to increase awareness on women	
Fatherhood programs: x2 Parent Education information sessions: x 2 Door to door programs creating awareness regarding domestic violence, intimate partner violence and sexual harassment: x 5 Gender Based Violence Stakeholder Forum meetings 3	Gender Based Violence Training sessions for 45 GBV Ambassadors from all towns in Witzenberg X 3 International Woman's Day for Municipal workers x1 Breast Cancer Awareness Programme x1 Awareness and Prevention: Gender Based Violence, intimate partner violence x 3 16 Days of Activism Programme- Bella Vista x1
Initiatives to increase awareness on HIV/AIDS	
2 x Awareness programs on HIV	2 x Awareness programs on HIV
Initiatives to increase awareness on Early Childhood Development	
ECD quarterly meetings in Koue Bokkeveld x 2 ECD quarterly meetings in Witzenberg x4 Art workshop for ECD practitioners x 1 Fire Safety workshop for ECD practitioners x 2 First aid training for ECD practitioners x 1	ECD quarterly meetings Koue Bokkeveld x2 ECD quarterly meetings Witzenberg x 4 First Aid training for ECD practitioners x 1 Fire Safety workshop for ECD practitioners x2 Workshop for cooks at ECD centers on safe hygiene preparation of food x1 Workshop on healthy discipline for ECD practitioners x1 Workshop on good governance for ECD principals and practitioners x1
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	
Awareness program on substance abuse at primary schools in Witzenberg x4 Awareness program on foetal alcohol syndrome x 1	Awareness program on substance abuse at primary schools in Witzenberg x 6 Awareness program on fetal alcohol syndrome x1

Orientation workshop on establishing Local Action Drug Committee	Orientation workshop on LDAC x2
Special events hosted	
Youth day hosted in Tulbagh	Municipal Woman's Day in Ceres on 23 August 2025 Opening of child protection week -programme with ECD Centre- Vrolike Vinkies- creating awareness regarding child abuse/neglect x1 International day for People with Disabilities x1

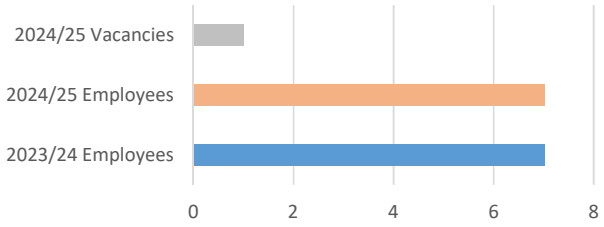
3.15.2 Service Delivery Indicators: Childcare, Aged Care & Social Programmes

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- ComSoc41 - Number of account holders subsidised through the municipality's Indigent Policy
- LED2.12 - Percentage of the municipality's operating budget spent on indigent relief for free basic services.
- LED1.21 - Number of work opportunities created through Public Employment Programmes (incl. of EPWP and other related employment programmes)
- ComSoc42 - Number of engagements with target groups with the implementation of social development programmes.

3.15.3 Employees: Socio-Economic

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	4	4	0
7 - 9	1	1	0
10 - 12	2	2	0
13 - 15	0	0	1
16 - 19	0	0	0
TOTALS	**7**	**7**	**1**



3.16 Community Services: Other

3.16.1 Capital Expenditure – Community Facilities and Libraries

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
Library Nduli	1 000 000	1 000 000	679 888	**68%**	13 000 000

COMPONENT E: ENVIRONMENTAL PROTECTION

The section Facilities and Environment manage environmental protection which includes environmental education, aesthetics and wild animal management such as baboons, as well as the protection of fauna and flora. The department is in the process of developing an Environmental Management Plan.

3.17 Pollution Control

Environmental officers within the department are responsible for environmental and pollution control. The focus is mainly upon pollution, illegal dumping and the protection of fauna and flora. The municipality is part of the Regional Air Quality Forum and has an official appointed as an Air Quality Officer. The municipality places emphasis on education and training of the youth and school learners. The section strives to ensure environmental conservation as well as compliance with legislation.

3.17.1 Service Statistics – Pollution Control

Type of service	2020/21	2021/22	2022/23	2022/23	2024/25
Pollution Control					
Number of environmental education initiatives held	6	8	8	7	8

3.18 Parks, Public Open Spaces & River Management

Parks management is responsible for the management and maintenance of parks in the municipal area. New parks are designed and developed by this section. The function also includes river maintenance and conservation of municipal nature areas. The municipality has more than 50 hectares of official parks and many more open spaces and areas that require maintenance. Parks scheduled for cutting every 3 weeks. Rivers are maintained to prevent pollution and regular clearings of alien vegetation take place.

The **Ceres Rivers Restoration Program** (CRRP), a collaborative initiative between the Witzenberg Municipality, World Wildlife Fund (WWF), and funded by the Nedbank Green Trust, is a 3-year program aimed at addressing the ecological degradation of the Dwars, Modder, and Titus Rivers in the urban areas of Ceres. The primary objectives of the CRRP include the restoration and rehabilitation of ecological infrastructure, improving water quality and quantity, and enhancing both socio-economic and ecological resilience of the targeted river systems. The program is implemented under the approved Ceres River Maintenance Management Plan (MMP), developed in alignment with guidelines from the Department of Environmental Affairs and Development Planning. A comprehensive freshwater impact assessment was conducted to establish baseline ecological conditions and inform the MMP. This included assessments of the Dwars, Breede, and Titus Rivers and associated tributaries.

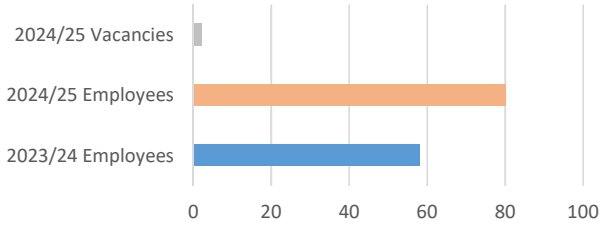
Key activities and achievements for the reporting period include:

- Removal of over 75% invasive alien vegetation along the urban stretch of the Dwars River.
- Planting of more than 7,000 indigenous species and 300+ Breede Yellowwood trees at Akkerbos to stabilize riverbanks.
- Weekly removal of waste and litter from the river systems.

Initial and follow-up alien vegetation clearing were carried out in line with the Invasive Alien Species Control, Eradication & Monitoring Plans for the Ceres Mountain Fynbos Nature Reserve (CMFNR), Prince Alfred Hamlet, and Wolseley Commonage. A memorandum of agreement has been signed between the parties of which CBI funds alien vegetation control and eradication projects of low density or follow-up clearing within the Ceres Mountain Fynbos nature reserve. Cape Winelands District municipality also appointed private contractors to conduct follow-up alien vegetation clearing at the CMFNR, the Malkops River located in Tulbagh, and at the Wolseley Critical Biodiversity Area. A contractual agreement with Perdekraal East Wind Farm has secured additional funding to support biodiversity conservation activities within the CMFNR.

3.18.1 Employees: Parks, Public open spaces & river management

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	41	43	0
4 - 6	10	22	1
7 - 9	5	11	0
10 - 12	1	3	1
13 - 15	0	0	0
16 - 19	1	1	0
TOTALS	**58**	**80**	**2**



COMPONENT F: SECURITY & SAFETY

This component includes Traffic; Fire; Disaster Management, Licensing and control of animals, and Control of public nuisances, etc.

3.19 Traffic & Vehicle Licensing

Our top service delivery priorities are reducing the number of road deaths caused by accidents through traffic law enforcement, speed enforcement and road traffic safety education at schools and other institutions. Another priority is to improve service delivery at the Traffic Centre. This will be achieved through service excellence and through identification of shortcomings and addressing these through training initiatives.

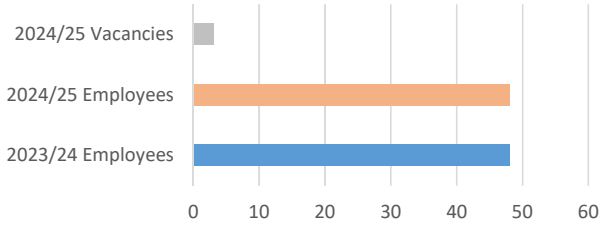
3.19.1 Service Statistics – Traffic Services

Type of service	2021/22	2022/23	2023/24	2024/25
Number of road traffic accidents during the year	632	687	306*	547
Number of by-law infringements attended	313	301	190	4428
Number of Traffic officers in the field on an average day	5	10	13	12
Number of Traffic officers on duty on an average day	18	16	13	18
Animals impounded	0	0	0	0
Motor vehicle licenses processed	29 545	28 897	27 774	27 730
Learner driver licenses processed	2 612	1 254	1 269	857
Driver licenses processed	2 346	4 521	4 458	4 285
Driver licenses issued	564	512	595	541
Section 56 notices issued for traffic/bylaw offenses.	32 769	6 637	13 734	10 275
R-value of fines collected	1 299 900	1 102 800	1 253 100	1 273 150
Operational callouts/Complaints	404	279	242	720
Roadblocks held	130	115	66	191
Special Functions – Escorts	9	36	42	58
Awareness initiatives on public safety	7	47	26	41

**Number of road traffic accidents are reported by SAPS, and no reason was provided for the drastic decrease in accidents from previous years.*
*** Increase in number of by-law infringements attended to can be attributed to increase of personnel and appointment of Head Law Enforcement.*

3.19.2 Employees – Traffic- & Law Enforcement Services

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	5	6	1
7 - 9	18	18	1
10 - 12	23	21	1
13 - 15	1	2	0
16 - 19	1	1	0
TOTALS	**48**	**48**	**3**



3.20 Fire Services

In recent years, the role of the fire service in many communities has expanded far beyond fire suppression. As a progressive organization we aim to ensure that fire prevention and public education appropriately receive increased emphasis as proactive elements to safeguard our community.

Citizens are dependent on the fire department to ensure their protection against dangers of fire, entrapment, explosion, dangerous goods incidents, and any emergency event that may occur in the community (Paulsgrove, 2003). The Constitution of the Republic of South Africa (Act 108 OF 1996) establishes fire-fighting services as a Local Government matter. The Fire Brigade Services Act (99 OF 1987) provides for the Witzenberg Municipality as a local authority to establish and maintain a fire brigade service for the following different purposes:

- Preventing the outbreak or spread of a fire.
- Fighting or extinguishing a fire.
- The protection of life or property against a fire or other threatening danger.
- The rescue of life or property from a fire or other danger.
- 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
- The performance of any other function connected with any of the matters referred to in paragraphs (a) to (e).

The Witzenberg Municipality therefore has a duty to perform the following firefighting functions:

- Prevention, -mitigation, -preparedness, -response, -recovery and –rehabilitation of emergency incidents.
- Extinguishment of structural, veld and bush fires and any other fire.
- Rescue and humanitarian services.
- Fire Safety Prevention (the application of the National Building Regulations, Fire codes and municipal bylaws regarding fire safety).
- Fire pre-planning and preparing related preparedness plans.
- Testing and basic maintenance work on emergency vehicles and equipment; and
- Training of staff members.

The top service delivery priority of the Fire Service is the rendering of an effective and efficient Fire and Rescue Service. The South African National Standard for Community Protection Against Fire, SANS 10090:2018, is a measurement tool that indicates whether a fire service is meeting the minimum mandatory community fire protection standard, which in turn is indicative of whether a fire authority is indeed contributing to the objects of local government. The Witzenberg Municipality Fire and Rescue Service is currently classified as a category 5(b) which means that we meet the performance criteria for staff availability and appliance availability by only 35% to 45%.

The assessment in terms of the standard requires the following:

Town	Ceres	Wolseley	Tulbagh	Op die Berg
Risk Category	B	B	B	C
Minimum pumping units	2	2	2	1
Minimum staffing levels	8	8	8	4
Minimum pumping capacity	3850 (L/min)	3850 (L/min)	3850 (L/min)	2250 (L/min)
Maximum attendance time ()	10 min	10 min	10 min	13 min
Dedicated Emergency Call taking and dispatch	3 Emergency lines	N/A	N/A	N/A
Control Centre operators and staff required	2 Operators and one supervisor	Not required	Not required	Not required

Key Achievements

- Emergency Response: Our firefighters responded to over 700 emergency calls, including structural fires, wildfires, vehicle accidents, and hazardous material incidents.

- Community Engagement: Through Fire Safety Awareness Campaigns, we reached thousands of residents, providing vital information on fire prevention, emergency preparedness, and first aid. Our partnerships with local schools and businesses have fostered a culture of safety and preparedness.
- Risk Assessments: Comprehensive risk assessments and fire safety inspections were conducted across various sectors, ensuring adherence to safety regulations and mitigating potential hazards.

Challenges

- Climate Change Impact: The increasing frequency and intensity of wildfires and severe floods posed significant threats to our community. Our firefighters displayed extraordinary resilience, often working around the clock to protect lives and property.
- Staffing and Resources: The service is currently staffed at 12% of the required capacity, with only 14 full-time employees supported by 15 contract workers and a WoF Ground team. This staffing shortfall impacts our ability to meet the growing demands of the community.
- Funding Constraints: Limited financial resources have impacted our ability to upgrade equipment, appoint additional staff, and expand our community outreach programs.

Operational Details

- Service Delivery: We are classified as a category 5(b) service, meeting performance criteria for staff and appliance availability by only 35% to 45%. Despite being a young service established in 2013, we have significantly improved response times with the establishment of fire stations in Wolseley and Op die Berg.
- Vehicles and Equipment: Our fleet includes vehicles ranging in age from 4 to 27 years, with a replacement age typically between 10-15 years. Regular maintenance is required to ensure operational readiness.
- Station Locations: The strategic placement of our fire stations in Ceres, Op die Berg, Tulbagh, and Wolseley is critical to reducing response times and enhancing our ability to manage emergency incidents effectively.

Financial Overview

- Budget: Our current investment is around 1.5% of the total municipal expenditure budget, equating to R62.00 per capita. This is below the average spend for similar municipalities, and economic constraints suggest limited increases soon.

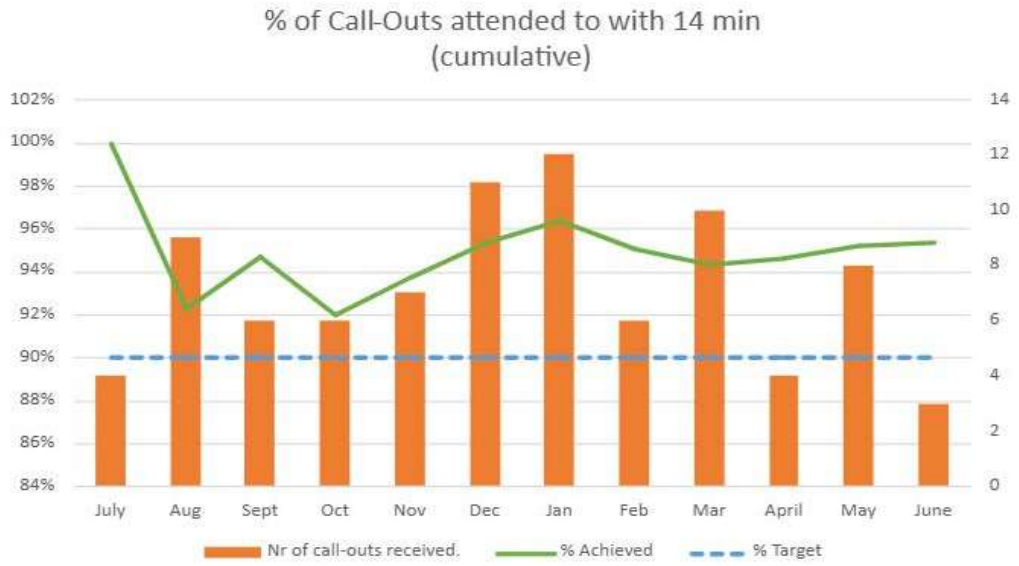
Future Outlook

- Enhancing Capabilities: We aim to enhance our capabilities through continuous training, adopting innovative technologies, and strengthening community partnerships. Mental health and wellness programs for our firefighters will also be prioritized, recognizing the demanding nature of their work.
- Infrastructure and Staffing: Addressing infrastructure needs and increasing staffing levels are critical to improving our service delivery. We require an operational staff complement of 96 firefighters, a dedicated fire safety team, permanent control center operators, and disaster management officers.

The Witzenberg Fire and Rescue Services remain dedicated to safeguarding our community through proactive measures, operational excellence, and community engagement. We extend our heartfelt gratitude to our firefighters, support staff, volunteers, and the community for their unwavering support and cooperation. Together, we will continue to build a safer, more resilient Witzenberg.

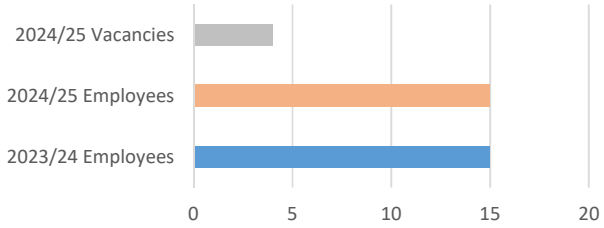
3.20.1 Service Statistics – Fire Services

The table below provides an overview of the service statistics.



3.20.2 Employees – Fire and Disaster Services

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	6	5	0
7 - 9	5	7	2
10 - 12	3	1	2
13 - 15	0	1	0
16 - 19	1	1	0
TOTALS	**15**	**15**	**4**



3.21 Other (Disaster Management, Animal Control &, Control of Public Nuisances)

The **Disaster Management Act** (57 OF 2005), Sections 52 and 53 require each municipality and municipal entity to prepare a Disaster Management Plan (DMP). The Witzenberg municipality has a legislated duty to:

- Establish a functional Disaster Management Centre.
- Appointing a Head of Centre and suitably qualified people.
- Responsible for the implementation and maintenance of an all-hazard, full-spectrum comprehensive disaster management program, ensuring:
  - Prevention
  - Mitigation
  - Preparedness
  - Response.
  - Rehabilitation and reconstruction
- Monitor progress with post-disaster recovery & rehabilitation.
- Serve as repository of and conduit for disaster information.
- Be the advisory and consultative body on disaster issues.
- Make recommendations regarding DM funding.
- Make recommendations on legislation affecting DM.
- Promote the recruitment, training and participation of volunteers in DM.
- Promote disaster management capacity building, training and education throughout the republic, including in schools.
- Promote research into all aspects of disaster management.
- Liaise and coordinate its activities with other relevant DM Centers.

Witzenberg Municipality is primarily responsible for the implementation of the Disaster Management Act (No. 57 of 2002) within its area of jurisdiction, with a specific focus on ensuring effective and focused disaster risk reduction planning. With the new approach to Disaster Risk Management in South Africa and world-wide, the emphasis changed from response to disasters to pre-disaster risk reduction. The process of disaster risk reduction should therefore commence with a process of risk identification and assessment. The outcomes of a disaster risk assessment can ensure that all developmental initiatives as well as contingency planning and practice of the municipality are informed by accurate knowledge of potential disaster risk, enabling various stakeholders to contribute to the reduction of such risk.

The disaster management plan of Witzenberg Municipality was reviewed over the past financial year. The stipulated plan acts as the backbone of disaster risk management in Witzenberg and includes the following:

- forms an integral part of its Integrated Development Plan (IDP).
- anticipate the types of disasters that are likely to occur in the municipal area and their possible effect.
- places emphasize measures that reduce the vulnerability of disaster-prone areas, communities, and households.
- identifies the areas, communities, or households at risk.
- considers indigenous knowledge relating to disaster management.
- promotes disaster management research.
- identifies and address weaknesses in capacity to deal with disasters.
- provides for appropriate prevention and mitigation strategies.
- facilitates maximum emergency preparedness; and
- contains contingency plans and emergency procedures in the event of a disaster.

Education, Training and Public Awareness

- Disaster Management Plan Sessions

  Over this past year, the Witzenberg DMC developed and facilitated sessions focused on the municipality's Disaster Management Plan. These sessions covered the contents and practical application of the plan and were conducted with key disaster management stakeholders within the municipal area.
- Witzenberg Event Process Session

  Workshops were conducted on the Event Application Process, providing a step-by-step walkthrough of the procedures required for hosting events within the municipal area. The sessions were attended by individuals involved in event planning and coordination. These sessions concluded with question-and-answer segments.
- Hazards in my Community

  Over the past year, the Witzenberg DMC conducted awareness campaigns tailored to address the specific hazards faced by communities within the municipal area. These campaigns, themed Hazards in My Community, focused on educating residents about local risks and promoting practical ways to reduce vulnerability. Through these efforts, the Witzenberg DMC demonstrated its ongoing commitment to building community resilience and fostering a culture of preparedness.
- Flood and Structural Fire Awareness

  As part of winter readiness efforts, the Witzenberg DMC developed pamphlets containing preventative tips for structural fire safety, which were shared via the Witzenberg Facebook page. Additionally, flooding awareness pamphlets were distributed within the community. These initiatives aim to raise public awareness and reduce the risk associated with structural fires and flooding.

Key Achievements

- Emergency Response: The Witzenberg DMC served as a focal point for the coordination and liaison of activities between role-players in response to and recovery from adverse events such like the July 2024 floods.
- Community Engagement: The awareness campaigns act as a conduit for the transfer of disaster-related and fire-safety knowledge. Importantly, the awareness campaigns cultivated a culture of risk reduction through these capacity building initiatives.
- Maintained multi-disciplinary cooperation and rapport.

- Risk Assessments: Successfully contributed to the review and update of the provincial risk profile by ensuring the inclusion of local risks and community-specific insights.
- Development of the Witzenberg Disaster Risk Reduction Plan: Spearheading the substantial reduction of multi-hazards.

Challenges

- Climate Change Impact: The increasing impacts of climate change present a growing challenge. It places additional pressure on already limited resources and response capacity, while also requiring more proactive, long-term risk reduction strategies
- Lack of authoritative power: Disaster Management primarily serves as a coordinating function without direct authority over line departments, which often leads to its role being overlooked. This challenge is further compounded by the fact that Disaster Management is an unfunded municipal mandate, limiting its ability to enforce or implement programmes independently
- Interdepartmental coordination: Bridging the gap in interdepartmental coordination is necessary to prevent the duplication of efforts and to further optimise the use of limited resources. However, there remains a need to strengthen departmental buy-in and enhance lobbying efforts to ensure greater collaboration and alignment across sectors

Future Outlook

Enhancing multi-disciplinary coordination through strengthening our institutional arrangements.

Roaming livestock

Several incidents have been reported in the past year where animals were involved in accidents with vehicles and damage caused. In April 2023, a horse and a car collided on the R303 at Prince Alfred Hamlet. Significant damage was caused to the motor vehicle, and the horse had to be euthanized due to its injuries. During June 2023, a cow was knocked down by a vehicle on the R303, near the PA Hamlet landfill site. Two goats were knocked down by a car on 3rd of July 2023 on the R46 near Nduli suburb. Fortunately, no humans were injured in these incidents. Roaming pigs caused a lot of damage to gardens in Pluto's Park residential area and Stofberg park adjacent to Lyell Street. The Have a Heart Equine Sanctuary enterprise have been registered on the Municipal database to render a transportation and impoundment service to the municipality. During June 2023, 19 Cows and 5 pigs were impounded in Ceres, Stofberg Park area. The animals were taken to Have a Heart Equine Sanctuary's Bokdam farm in the Bonnievale district, where it was impounded.

Currently impound authorization is issued to private landowners who have the necessary facilities to house impounded livestock who trespass on their property. Assistance is required from Law Enforcement and Worcester Stock Theft unit in this regard.
In May 2024 a cow and a vehicle collided on a public road in Tulbagh causing significant damage to the vehicle. In the month of June 2024, a total of two vehicle accidents were reported involving cattle roaming on public roads in the Tulbagh area.

Animal Monitoring
A total of 21 animal monitors has been assigned to all locations affected by roaming livestock. Ceres Rooikamp, Nduli, PA Hamlet, Wolseley, and Tulbagh are some of these locations. Three Baboon monitors were assigned to the Ceres entry from Mitchell's Pass, as well as the nearby businesses, sports fields, schools, and the Pine Forest tourist resort. Wolseley currently has one vacancy. Monitors are based on the EPWP scheme. The monitors' purpose is to guarantee that the animals do not cause a problem for residents or pose a risk to road traffic. The most difficult task is dealing with roving cows, goats, sheep, and horses. The municipality is still looking at possible service level agreements with other institutions, as indicated in Section 76(b) of the Local Government: Municipal Systems Act of 2000.
Another problem is monitoring animals at weekends and after hours throughout the week. Animal complaints vary regularly and include complaints about dog ownership. Most animals in municipal areas are unmarked, making identification impossible in the event of an incident. The Worcester Stock Theft Unit and Witzenberg Law Enforcement assists the municipality with livestock issues. Animal owners are not cooperative, and the issue remains a significant concern for the municipality. The municipality is constantly considering alternative approaches to solving these difficulties.

Road Signs.
The municipality are currently looking at the erection of noticeboards that will alert the public of roaming animals. These signs will be put up at strategic places, town entrances and alongside roads where animal occurrence is a possibility. Notices to owners of livestock are also being compiled to inform them of the consequences of roaming and unsupervised animals on roads and residential areas.

Public nuisances are addressed by the Traffic Department. Complaints on nuisances received are documented and reported in the Traffic Monthly Report.

3.22.1 Capital Expenditure – Safety & Security

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
Building Upgrade Traffic Department	200 000	200 000	0	**0%**	850 000

COMPONENT G: SPORT & RECREATION

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

The municipality manages one resort, the **Pine Forest Resort**. This resort offers the following facilities for visitors and the local community:

- 96 accommodation units that can house 557 people with day braais.
- 21 normal camping sites and 280 sites for long-term rentals
- 1 recreation hall
- conference halls with seating of 30 and 80
- 1 Olympic size and 2 smaller for kids, swimming pools
- The recreation area includes a play park for kids, putt-putt, trampolines, table tennis, badminton, and squash courts.

The number of visitors for 2024/25 applicable to accommodation units and normal camping sites amounted to R4 080 653.87 (32 026 bed nights).

Besides the swimming pools in Pine Forest Resort, six more swimming pools are available to the local community in:

- Ceres (one)
- Tulbagh (one)
- Wolseley (one)
- Bella Vista (one)
- PA Hamlet (one)
- Nduli (one – out of order due to vandalism)

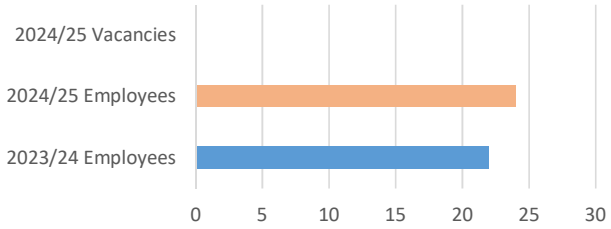
The pools were open from November 2024 to 30 April 2025. The pools were visited by 2 416 adults and 55 927 children with a total revenue of R82 503.00

All pools are maintained daily to ensure clean and safe pools for visitors.

3.22 Sport & Recreation

3.22.1 Employees: Sport & Recreation

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	13	15	0
4 - 6	6	5	0
7 - 9	2	2	0
10 - 12	0	1	0
13 - 15	0	0	0
16 - 19	1	1	0
TOTALS	**22**	**24**	**0**



3.22.2 Capital Expenditure: Sport Facilities

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
Furniture & Equipment for Chalets	450 000	450 000	150 895	**34%**	150 895
Upgrade of sport facilities		500 000	216 290	**43%**	500 000

COMPONENT H: CORPORATE POLICY OFFICES & OTHER SERVICES

3.23 Financial Services

An important factor considered by investors in relocating to an area is the ability of the authorities to demonstrate adequate provision of services, financial discipline, affordable tariffs, adherence to statutory requirements, timely preparation and production of financial statements, adherence to generally accepted accounting practices and unqualified audit reports.

Operational financing
Council's policy is to fund operating expenses from normal revenue streams with short-term borrowing being used as a last resort for capital expenditure. It is expected that strong financial management, including accurate cash forecasting, will obviate the need to resort to short-term borrowings.

Working Capital
It is Council's intention to create sufficient cash reserves by way of good financial management including the setting aside of adequate provisions for working capital.

Revenue raising strategy
The guidance on how to improve the payment ratio of the area can be found in the Credit Control and Debt Collection Policy. This Policy highlights the procedures to be followed in the collection of all money owed to the Municipality.

Expenditure Management
To reduce expenditure on non-core functions, by considering Public Private Partnerships.

3.23.1 Service statistics – Financial Services

Debt Recovery						
Details of the types of account raised and recovered	**2023/24**			**2024/25**		
	Billed in Year	**Actual for accounts billed in year**	**Proportion of accounts value billed that were collected %**	**Billed in Year**	**Actual for accounts billed in year**	**Proportion of accounts value billed that were collected %**
R'000						
Property Rates	101 272	95 050	94%	109 189	100 930	92%
Electricity	359 777	344 936	96%	384 587	380 163	99%
Water	58 417	39 577	68%	59 972	41 839	70%
Sanitation	61 983	50 427	81%	68 902	55 593	81%
Refuse	40 805	28 139	69%	42 601	28 319	66%
Other	2 369	1 462	62%	1 877	1 336	71%
Total	**624 623**	**559 591**	**90%**	**667 129**	**608 181**	**91%**
The proportion of account value billed is calculated by taking the total value of the year's revenues collected against the bills raised in the year by the year's billed revenues						

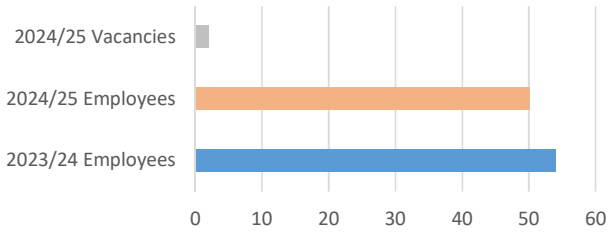
3.23.2 Service Delivery Indicators – Financial Services

Refer to 3.1.8 Strategic Performance (Top Layer SDBIP) for 2024/25:

- FinFAdm10 - Financial viability expressed as Debt-Coverage ratio.
- FinFAdm11 - Financial viability expressed outstanding service debtors.
- FM7.12 - Collection rate ratio
- FM1.14 - Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget
- FM3.11 - Cash/Cost coverage ratio
- FM4.31 - Creditors' payment period
- LED3.31 - Average number of days from the point of advertising to the letter of award per 80/20 procurement process
- MM1 - Percentage expenditure on the preventative- & corrective planned maintenance budget of the whole of the municipality.
- FM1.11 - Total Capital Expenditure as a percentage of Total Capital Budget
- FM5.21 - Percentage of total capital expenditure on renewal/upgrading of existing assets
- FM5.2 - Percentage change of renewal/upgrading of existing Assets
- FM7.2 - Percentage of Revenue Growth excluding capital grants
- FM2.1 - Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue)
- FM4.11 - Irregular, Fruitless and Wasteful, Unauthorized Expenditure as a percentage of Total Operating Expenditure
- FM4.2 - Percentage of total operating expenditure on remuneration

3.23.2 Employees – Financial Services

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	28	31	0
7 - 9	13	6	0
10 - 12	7	7	1
13 - 15	2	2	0
16 - 19	4	4	1
TOTALS	**54**	**50**	**2**



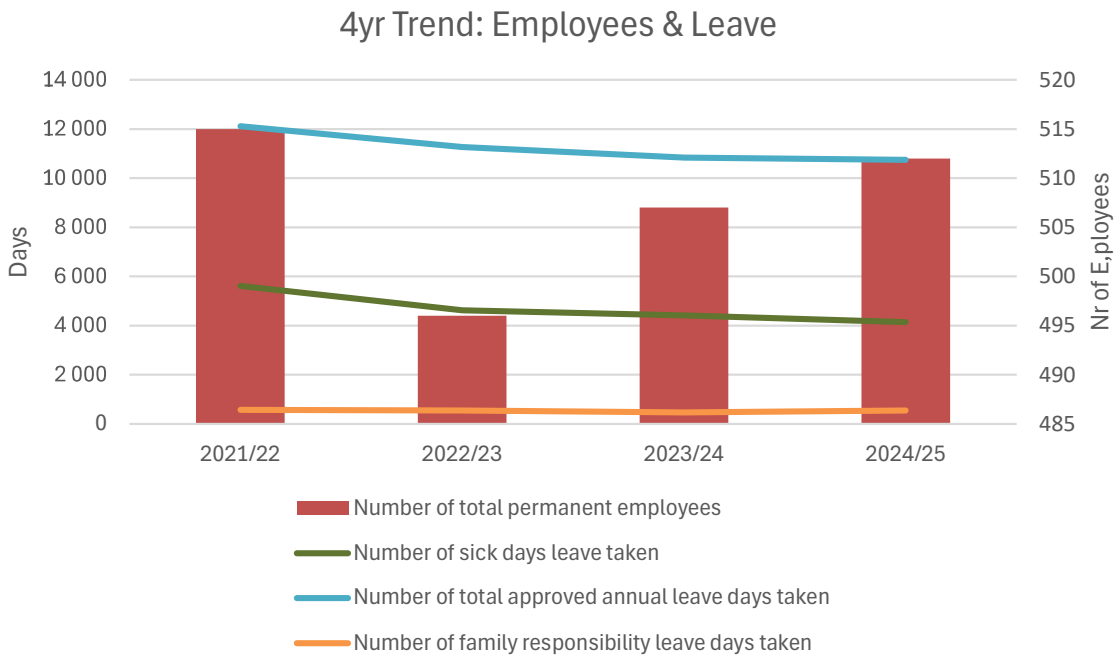
3.24 Human Resource Services

The section for Human Resources within Witzenberg Municipality incorporates the following disciplines:

- Recruitment and selection
- Leave administration.
- Benefit administration
- Labor relations
- Training and development
- Health and safety performance management
- Work study administration

3.24.1 Service Statistics – Human Resources

Details	2021/22	2022/23	2023/24	2024/25
Number of HR policies reviewed	1	0	0	7
Number of total permanent employees	515	496	507	512
Number of total temporary employees	45	49	45	41
Number of total injuries (injury on duty cases)	48	48	54	48
Number of total approved annual leave days taken	12110	11270	10832	10741
Number of family responsibility leave days taken	571	552	463	553
Number of total Health and Safety Representatives	16	24	24	37
Number of total First Aiders	59	59	99	37
Number of sick days leave taken	5610	4627	4419	4137
Number of terminations	17	27	35	37
Number of new employees appointed - permanent	51	20	47	50
Number of new employees appointed - Interns	2	2	2	4
Number of new employees appointed - Temporary	38	11	45	90
Number of total employees trained	212	241	310	207

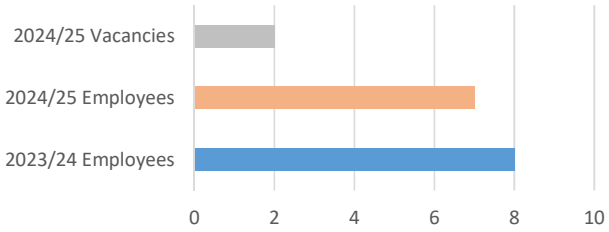


3.24.2 Service Delivery Indicators – Human Resources

- CorpHR13 - Percentage budget spent on implementation of Workplace Skills Plan.
- CorpHR12 - Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.
- GG1.21 – Staff vacancy rate

3.24.3 Employees – Human Resources

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	0	0	0
7 - 9	2	2	1
10 - 12	3	2	0
13 - 15	2	3	0
16 - 19	1	0	1
TOTALS	**8**	**7**	**2**



3.25 Information & Communication Technology (ICT) Services

The department's functions include:

- Management and maintenance of the IT infrastructure that includes hardware and software.
- Update and maintenance of municipal website
- Upkeep and maintenance of LAN and WAN
- Administration of the electronic documents system (TRIM)
- Manage service providers for outsourced functions.

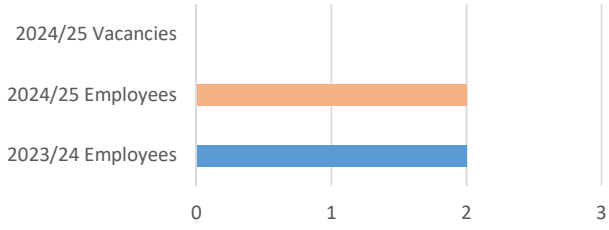
3.25.1 Service Statistics – ICT Services

Details	2021/22	2022/23	2023/24	2024/25
Desktop support	588	451	410	478
Network support	861	792	856	946
Network downtime experienced	9 hours	8 hours	10 hours	8 hours
Server downtime experienced (total for 15 servers)	12 hours	4 hours	2 hours	4 hours
File restores requested	102	78	52	35

Note: The decrease in files restore requests can be attributed to the upgrade of the Microsoft Enterprise Agreement with the result that more employees utilise OneDrive which is automatically backed up by Microsoft.

3.25.2 Employees – ICT Services

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	0	0	0
7 - 9	0	0	0
10 - 12	1	1	0
13 - 15	1	1	0
16 - 19	0	0	0
TOTALS	**2**	**2**	**0**



3.26 Internal Audit & Risk Management

Witzenberg Municipality does not have a Risk Management sub-directorate. The responsibility for Risk Management and the duties of a Chief Risk Officer has been delegated to the Manager: Performance and Projects. Internal Audit is assisting the Chief Risk Officer with the development of the risk management policy, strategy, and implementation plan, facilitating identification and assessment of risks, and disseminating risk reports. Portfolio directors and risk owners are responsible for maintaining controls, the implementation of action plans to mitigate risk and opportunities to improve controls.

The risk register of the municipality is reviewed and updated on a continuous basis and reassessed annually to form the basis for the compilation of the 3-year audit strategy and the annual Risk Based Audit Plan.
Internal Audit is an independent in-house function that performs internal audits based on the approved Risk Based Audit Plan and other statutory audits as required by the Municipal Finance Management Act and the Municipal System Act.

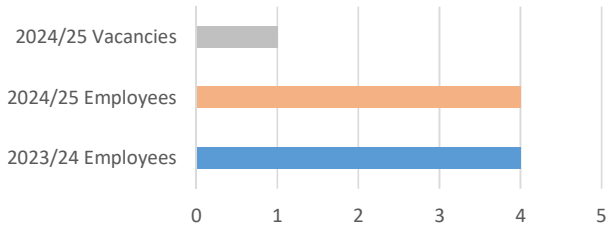
The Internal Audit function reports functionally to the Performance, Risk and Audit Committee and administratively to the Municipal Manager.

3.26.1 Service Statistics – Internal Audit

Details	2021/22	2022/23	2023/24	2024/25
Compilation of the Risk Based Audit and 3-year strategic plans	1	1	1	1
Internal Audits	14	15	18	15

3.26.2 Employees – Internal Audit

Job Level	2023/24 Employees	2024/25 Employees	2024/25 Vacancies
0 - 3	0	0	0
4 - 6	0	0	0
7 - 9	0	0	0
10 - 12	2	2	1
13 - 15	1	1	0
16 - 19	1	1	0
TOTALS	**4**	**4**	**1**



3.27 Legal Services

Legal Services render an advisory and support function within the Municipality to the respective Directorates. This section is tasked to render proper and efficient legal advice to strengthen the capacity of WM to fulfil its' legislative mandate.

The functions rendered by Legal Services amongst others are:

- Municipal Property Administration
  - Drafting of items for Council/Delegated Authority
  - Administration of applications for:
- Leases
- Disposals
- Encroachments
- Servitudes

2. General Legal Matters

- Administer litigious matters.
- Provision of legal opinions and advice
- Liquor license applications administration
- Drafting and reviewing of contracts, policies, and by-laws
- Consideration of public liability claims
- Supply Chain Management opinions

The highlights for the year under review were as follows:

- No big civil matters / claims against the municipality

The challenges for the year under review were as follows:

- There is an increase in eviction matters and we cannot provide alternative housing.
- The inability of Eskom to increase electricity supply severely hampers development.
- Legal services are expensive and lengthy.

3.28 Strategic Support: Other

3.28.1 Capital Expenditure – Strategic Support and Other

Capital Projects	Original Budget	Adjusted Budget	Actual	% Exp	Total Project Value (Est)
IT Equipment	350 000	660 900	649 854	**98%**	649 854

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 INTRODUCTION TO THE MUNICIPAL WORKFORCE

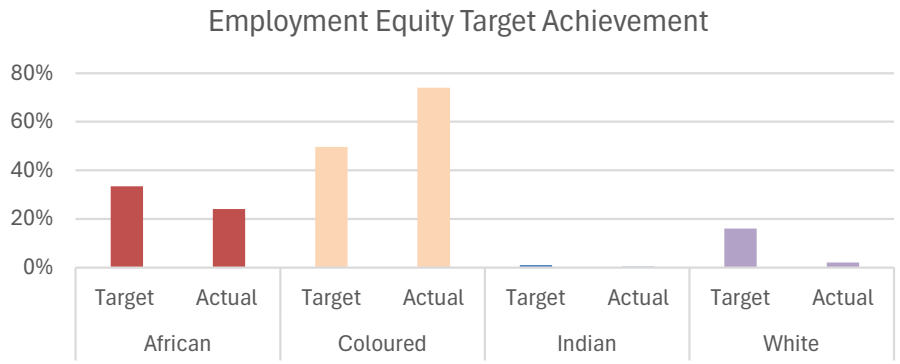
Witzenberg Municipality currently employs **557** officials (permanent + temporary employees), excluding councilors, who individually and collectively contribute to the achievement of the municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and administrative function.

4.1.1 Employment Equity

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan".

Employment Equity targets/actual

African			Coloured			Indian			White		
Target	Actual	Target reached	Target	Actual	Target reached	Target	Actual	Target reached	Target	Actual	Target reached
33%	24%	72%	50%	74%	149%	1%	0%	38%	16%	2%	13%



2024/25 EE targets/Actual by racial classification

Male			Female			Disability		
Target	Actual	Target reached	Target	Actual	Target reached	Target	Actual	Target reached
50%	66%	133%	46%	40%	87%	3%	0%	0%

2024/25 EE targets/actual by gender classification

Employment Equity vs. Population

Description	African	Coloured	Indian	White	Total
Population numbers (WC Province)	1 912 547	2 840 404	60 761	915 053	5 728 765
% Population	**33%**	**50%**	**1%**	**16%**	**100%**
Number of positions filled	143	348	1	20	512
% of Positions filled	**28%**	**68%**	**0.4%**	**4.6%**	**100%**
Note: The total population numbers are based on projection done by Global Insight					

EE population 2024/25

Occupational Categories – Race

Below is a table that indicates the number of employees by race within the specific occupational categories (including the Councillors):

Posts filled									
Occupational	**Male**				**Female**				**Total**
Categories	**A**	**C**	**I**	**W**	**A**	**C**	**I**	**W**	
Legislators, senior officials and managers	4	21	0	6	4	10	0	3	**48**
Professionals	0	10	0	0	4	8	0	1	**23**
Technicians and associate professionals	2	21	0	1	1	6	0	0	**31**
Clerks	6	19	1	0	11	43	0	8	**88**
Service and sales workers	18	23	0	2	11	24	0	0	**78**
Craft and related trades workers	6	19	1	2	0	0	0	0	**28**
Plant and machine operators and assemblers	11	29	0	0	0	0	0	0	**40**
Elementary occupations	49	98	0	1	25	26	0	0	**199**
Total permanent	**96**	**240**	**2**	**12**	**56**	**117**	**0**	**12**	**535**
Non-permanent employees	5	17	0	2	5	14	0	2	45
Grand total	**101**	**257**	**2**	**14**	**61**	**131**	**0**	**14**	**580**

Occupational Levels - Race

The table below categorize the number of employees by race within the occupational levels (excluding 23 councillors).

Occupational	Male				Female				Total
Levels	**A**	**C**	**I**	**W**	**A**	**C**	**I**	**W**	
Top Management	0	1	0	0	0	0	0	0	**1**
Senior management	1	1	0	1	0	0	0	0	**3**
Professionally qualified and experienced specialists and mid- management	3	8	0	3	0	6	0	3	**23**
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	9	53	0	4	12	33	0	4	**115**
Semi-skilled and discretionary decision making	43	105	1	1	21	54	0	4	**229**

Occupational	Male				Female				Total
Levels	A	C	I	W	A	C	I	W	
Unskilled and defined decision making	40	55	0	0	23	23	0	0	**141**
Total permanent	**96**	**223**	**1**	**9**	**56**	**116**	**0**	**11**	**512**
Non- permanent employees	2	25	0	0	5	11	0	2	45
Grand total	**98**	**248**	**1**	**9**	**61**	**127**	**0**	**13**	**557**

Departments - Race

The following table categorize the number of permanent employees by race within the different departments (excluding 23 councillors):

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	0	4	0	2	2	4	0	1	**13**
Corporate Services	13	32	0	2	9	24	0	1	**81**
Financial Services	2	11	1	1	7	26	0	5	**53**
Community Services	25	64	0	3	26	43	0	4	**165**
Technical Services	47	113	0	3	12	25	0	0	**200**
Total permanent	**87**	**224**	**1**	**11**	**56**	**122**	**0**	**11**	**512**

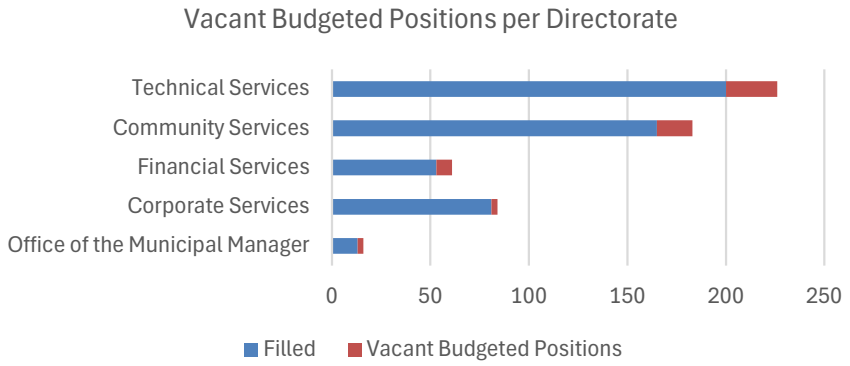
4.1.2 Vacancy Rate

The approved organogram for the municipality has 956 posts for the 2024/25 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. Budgeted vacant posts were 58 vacant at the end of 2024/25, resulting in a vacancy rate of 6%.

Below is a table that indicates the vacancies within the municipality:

PER POST LEVEL		
Post level	**Filled**	**Vacant Budgeted Positions**
MM & MSA section 57 & 56	4	1
Middle management	26	3
Professionals	5	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	115	9
Semi-skilled and discretionary decision making	207	18
Unskilled and defined decision making	155	28
Total	**512**	**44**

PER FUNCTIONAL LEVEL		
Functional area	**Filled**	**Vacant Budgeted Positions**
Office of the Municipal Manager	13	3
Corporate Services	81	3
Financial Services	53	8
Community Services	165	18
Technical Services	200	26
Total	**512**	**58**



The table below indicates the vacancies per Section 57 and 56 posts:

Salary Level	Number of Section 57 and 56 vacancies	Vacancy % (as a proportion of the total Section 57 and 56 posts)
Municipal Manager	0	
Chief Financial Officer	0	
Director: Corporate Services	0	
Director: Community Services	0	
Director: Technical Services	1	
Total	1	**20%**

4.1.3 Employee Turnover Rate

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate has remained at 7% over the past two years.

The table below indicates the employee turnover rate over the last three years:

Financial year	Total no appointments at the end of each Financial Year	New appointments (Permanent Appointments)	No Terminations during the year	Turnover Rate
2021/22	515	45	17	**3%**
2022/23	496	20	27	**5%**
2023/24	507	47	35	**7%**
2024/25	512	50	37	**7%**

4.2 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

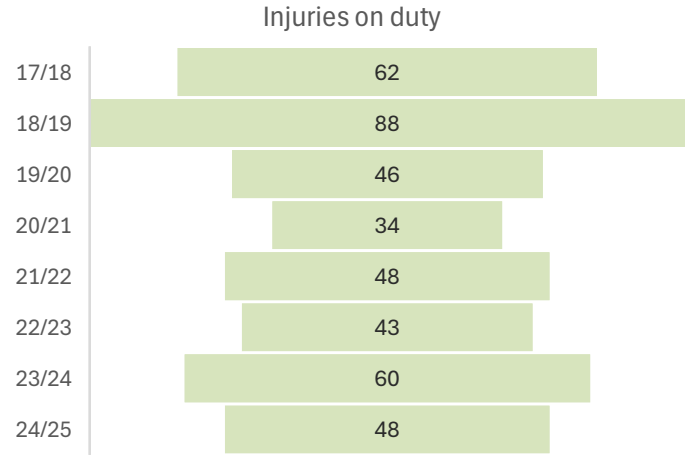
4.2.1 Injuries on duty

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows a decrease for the 2024/25 financial year of 48 employees compared to 60 employees in the 2023/24 financial year. Incidents are investigated to determine whether there was any negligence involved to ensure that it is an actual injury on duty.

The table below indicates the total number of injuries within the different directorates:

Directorates	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25
Office of the Municipal Manager	0	1	1	1	2	0	0	0
Corporate Services	5	6	3	2	3	4	4	5
Financial Services	3	7	3	2	4	4	4	2
Community Services	23	30	9	5	9	9	16	12
Technical Services	31	44	30	24	30	26	36	29
Total	**62**	**88**	**46**	**34**	**48**	**43**	**60**	**48**



4.2.2 Sick Leave

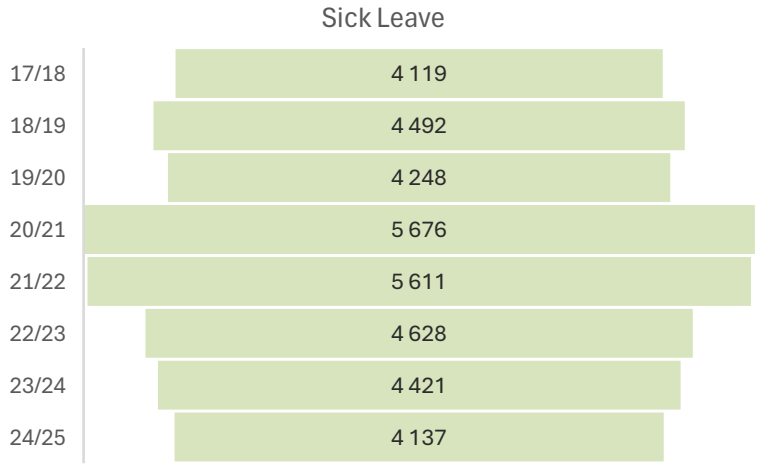
The number of days of sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of sick leave days that have been taken during the 2024/25 financial year shows a decrease when compared with the 2023/24 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

Department	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25
Office of the Municipal Manager	44	92	42	98	108	118	71	66

Corporate Services	561	619	709	935	686	676	938	805,5
Financial Services	305	331	375	670	789	607	471	463
Community Services	1 545	1648	1392	1751	2084	1568	1525	1346,75
Technical Services	1 664	1802	1730	2222	1944	1659	1416	1455,5
Total	**4 119**	**4 492**	**4 248**	**5 676**	**5 611**	**4 628**	**4 421**	**4 137**



4.2.3 HR Policies and Plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the management of staff.

The table below shows the HR policies and plans that are approved and that still need to be developed:

Approved policies	
Name of policy	**Date approved**
Attendance and Punctuality	4 August 2010
Employment Practice	4 August 2010
Employment Equity	4 August 2010
Employees under the Influence of Intoxicating Substances	4 August 2010
Legal Aid Policy	4 August 2010
Relocation Policy	4 August 2010
HIV/Aids Policy	4 August 2010
Internal Bursary	4 August 2010
Occupational Health and Safety	4 August 2010
Incapacity due to Poor Work Performance	4 August 2010
Sexual Harassment Policy	4 August 2010
Incapacity: Due to Ill Health/Injury Policy	4 August 2010
Private Work and Declaration of Interests	4 August 2010
Overtime Policy	31 May 2012
Proposed Scares Skills Policy	31 May 2012

Approved policies	
Name of policy	**Date approved**
Employee Assistance Policy	31 May 2012
Employment Policy	29 February 2012
Remuneration Policy	To be developed
Training and Development Policy	29 November 2022
Personnel Protective Equipment Policy	To be approved
Time and Attendance Policy	5 December 2017
Fraud & Corruption Prevention & Response Policy	26 July 2017
Fraud & Corruption Prevention Strategy	26 July 2017
Leave Policy	30 September 2020
Retirement Policy	30 September 2020
Mayoral Bursary Policy	25 August 2021
Witzenberg Whistle Blowing Policy	27 January 2021
Witzenberg Fraud and Corruption Policy and Response Plan	27 January 2021
Witzenberg Fraud and Corruption Prevention Strategy	27 January 2021

4.3 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient, and accountable way. For this purpose, the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

4.3.1 Skills Matrix

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
MM and S57	Female	0	0
	Male	0	0
Legislators, senior officials, and managers	Female	2	3
	Male	2	7
Professionals	Female	4	8
	Male	3	6
Associate professionals and Technicians	Female	3	5
	Male	15	7
Clerks	Female	10	19
	Male	4	8
Service and sales workers	Female	11	9
	Male	49	58

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
Craft and related trade workers	Female	0	0
	Male	12	8
Plant and machine operators and assemblers	Female	0	1
	Male	16	16
Elementary occupations	Female	3	2
	Male	47	50
Sub total	**Female**	**33**	**47**
	Male	**148**	**160**
Total		**181**	**207**

4.3.2 Skills Development – Training Provided

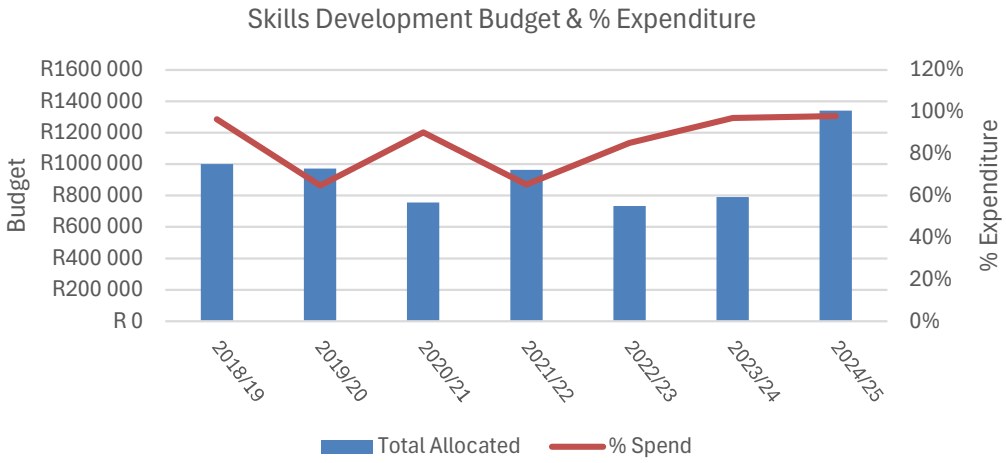
The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

Occupational categories	Gender	Nr employees at the beginning of the financial yr	Training provided within the reporting period						
			Learner ships		Skills programmes & other short courses		Total		
			Actual	Target	Actual	Target	Actual	Target	% achieved
MM and S57	Female	0	0	0	0	0	0	0	
	Male	4	0	0	0	0	0	0	
Legislators, senior officials and managers	Female	15	2	2	1	1	3	2	150%
	Male	31	6	4	6	2	7	2	350%
Professionals	Female	14	4	4	4	0	8	4	200%
	Male	10	5	4	5	3	6	3	200%
Technicians and associate professionals	Female	7	3	3	2	0	5	3	167%
	Male	9	0	0	7	15	7	15	47%
Clerks	Female	75	10	8	9	2	19	10	190%
	Male	17	0	0	8	4	8	4	200%
Service and sales workers	Female	31	0	0	9	11	9	11	82%
	Male	53	0	0	58	47	58	49	118%
Craft and related trade workers	Female	0	0	0	0	0	0	0	
	Male	12	0	0	8	12	8	12	67%
Plant and machine operators and assemblers	Female	1	0	0	1	0	1	0	
	Male	44	0	0	16	16	16	16	100%
Elementary occupations	Female	62	0	0	2	3	2	3	67%
	Male	195	0	0	50	47	50	47	106%
Sub total	**Female**	**205**	**19**	**17**	**28**	**17**	**47**	**33**	**142%**
	Male	**375**	**11**	**8**	**158**	**146**	**160**	**148**	**108%**
Total		**580**	**30**	**25**	**186**	**163**	**207**	**181**	**114%**

4.3.3 Skills Development – Budget Allocation

The table below indicates that a total amount of R 1 340 524 was allocated to the workplace skills plan and that 98% of the total amount was spent in the 2024/25 financial year:

Year	Total workplace skills plan budget	Total Allocated	Total Spend	% Spend
2018/19	R1 000 000	R1 000 000	R964 411	96%
2019/20	R972 629	R972 629	R629 570	65%
2020/21	R755 802	R755 802	R681 175	90%
2021/22	R964 129	R964 129	R629 194	65%
2022/23	R733 698	R733 698	R624 773	85%
2023/24	R790 371	R790 371	R766 285	97%
2024/25	R1 340 524	R1 340 524	R1 313 143	98%



4.3.4 Employee Performance Rewards

In accordance with regulation 32, a performance bonus, based on affordability, may be paid to an employee, after:

- The annual report for the financial year under review has been tabled and adopted by the municipal council.
- an evaluation of performance in accordance with the provisions of regulation 23; and
- approval of such evaluation by the municipal council as a reward for outstanding performance.

The evaluation of the performance of Section 57 managers forms the basis for rewarding outstanding performance.

The table below shows the total number of Section 57 employees that received performance rewards during the 2024/25 financial year.

Race	Gender	Number of beneficiaries	Total number of employees received performance rewards	% Employees received performance rewards
African	Female			
	Male	1	1	**100%**
Asian	Female			
	Male			

Coloured	Female			
	Male	2	2	**100%**
White	Female			
	Male	1	1	**100%**
Disability	Female			
	Male			
Total		**4**	**4**	**100%**

4.3.4 Individual Performance Management

According to the Municipal Staff Regulation all Municipal employees must have a Performance agreement:
"A staff member of a municipality is a public servant in a developmental local government system, and therefore must-

- *be committed to serve the public and to a collective sense of responsibility for performance in terms of standards and targets; and*
- *participate in the overall performance management system of the municipality, as well as the staff members' individual performance evaluation and reward system to maximize the ability of the municipality to achieve its objectives."*

Total nr of Permanent Employees as at Year end	Total contracts signed as at year end
512	511

4.4 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

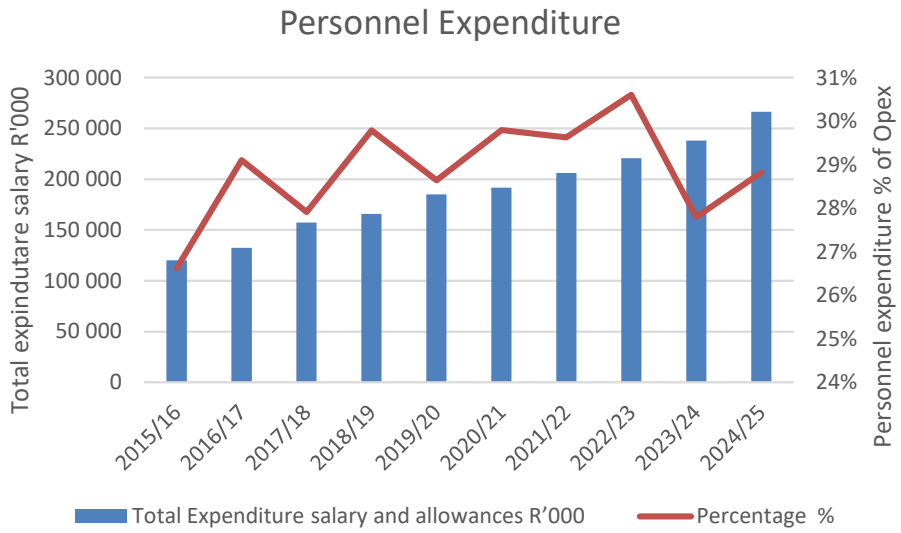
Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.4.1 Personnel Expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past four financial years and that the municipality is well below the national norm of between 35 to 40%:

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	%
2015/16	120 121	451 210	27%
2016/17	132 456	455 063	29%
2017/18	157 404	563 945	28%
2018/19	165 908	556 947	30%
2019/20	185 058	646 051	29%
2020/21	191 682	643 353	30%
2021/22	206 347	696 492	30%

2022/23	220 603	720 826	31%
2023/24	238 053	856 498	28%
2024/25	266 295	923 946	29%



Below is a summary of Councillor and staff benefits for the year under review:

Financial year	2022/23	2023/24	2024/25		
Description	Actual	Actual	Original Budget	Adjusted Budget	Actual
	R'000	R'000	R'000	R'000	R'000
Councillors (Political Office Bearers plus Other)					
Allowance	8 319	9 007	9 658	9 658	9 415
Pension Contributions	1 384	1 339	1 422	1 422	1 367
Medical Aid Contributions	87	54	86	86	0
Motor vehicle allowance	227	184	0	0	541
Cell phone allowance	975	1 048	1 146	1 146	993
Housing allowance	0	0	0	0	0
Other benefits or allowances	74	45	0	0	0
In-kind benefits	0	0	0	0	0
Sub Total - Councillors	**11 067**	**11 677**	**12 311**	**12 311**	**12 315**
% increase/ (decrease)		**6%**			**6%**
Senior Managers of the Municipality					
Salary	4 125	4 082	4 395	4 395	8 392
Pension Contributions	334	349	396	396	455
Medical Aid Contributions	60	32	9	9	0
Motor vehicle allowance	991	1 316	1 115	1 115	1 075
Cell phone allowance	365	365	332	367	327
Housing allowance	281	33	57	57	0
Performance Bonus	789	803	890	890	1 066
Other benefits or allowances	63	54	70	70	9
In-kind benefits	0	0	0	0	0

Financial year	2022/23	2023/24	2024/25		
Description	Actual	Actual	Original Budget	Adjusted Budget	Actual
	R'000	R'000	R'000	R'000	R'000
Sub Total - Senior Managers of Municipality	**7 008**	**7 034**	**7 265**	**7 299**	**11 324**
% increase/ (decrease)	**19%**	**0%**			**61%**
Other Municipal Staff					
Basic Salaries and Wages	129 336	143 682	159 998	161 546	156 150
Bonusses	9 750	10 737	12 510	12 510	12 784
Pension Contributions	20 399	22 036	25 275	25 275	23 526
Medical Aid Contributions	8 879	9 802	11 093	11 093	10 511
Motor vehicle allowance	6 366	6 758	7 593	7 593	7 716
Cell phone allowance	608	689	1 018	1 018	795
Housing allowance	1 172	1 166	1 427	1 392	1 718
Overtime	16 956	17 413	21 165	21 169	19 165
Standby Allowance	7 046	5 870	0	0	0
Other benefits or allowances	13 082	12 864	15 209	15 287	16 335
Sub Total - Other Municipal Staff	**213 594**	**231 017**	**255 288**	**256 884**	**248 700**
% increase/ (decrease)	**3%**	**8%**			**10%**
Total Municipality	**231 669**	**249 728**	**274 864**	**276 494**	**272 340**
% increase/ (decrease)	**3%**	**8%**			**11%**

4.5 MFMA COMPETENCIES

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.
To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcome based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

The table below provides details of the financial competency development progress as required by the regulation:

Financial Competency Development: Progress Report				
Description	**Total number of officials employed by municipality (Regulation 14(4)(a) and (c))**	**Competency assessments completed (Regulation 14(4)(b) and (d))**	**Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))**	**Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))**

Financial Officials				
Accounting Officer	1	1	1	1
Chief Financial Officer	1	1	1	1
Senior Managers	2	2	2	2
Any other financial officials	3	3	3	3
Supply Chain Management Officials				
Heads of supply chain management units	N/A	N/A	N/A	N/A
Manager Supply Chain Unit	1	1	1	1
Total	**8**	**8**	**8**	**8**

CHAPTER 5 – FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of financial performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

5.1 FINANCIAL SUMMARY

The table below indicates the summary of the financial performance for the 2024/25 financial year:

Financial Summary						R' 000
Description	23/24	24/25			Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	101 317	113 495	113 495	107 320	(5,44)	(5,44)
Service charges	531 782	568 383	568 383	510 896	(10,11)	(10,11)
Investment revenue	22 019	22 455	22 455	18 758	(16,47)	(16,47)
Transfers recognised - operational	155 005	195 604	181 027	158 034	(19,21)	(12,70)
Other own revenue	120 993	64 340	86 003	106 803	66,00	24,19
Total Revenue (excluding capital transfers and contributions)	**931 115**	**964 278**	**971 363**	**901 811**	**(6,48)**	**(7,16)**
Employee costs	246 162	278 762	280 414	272 500	(2,25)	(2,82)
Remuneration of councillors	11 631	12 414	12 424	12 377	(0,30)	(0,38)
Depreciation & asset impairment	34 133	54 219	54 219	38 263	(29,43)	(29,43)
Finance charges	6 542	10 233	10 233	7 847	(23,32)	(23,32)
Bulk purchases	324 086	375 258	377 458	391 687	4,38	3,77
Transfers and grants	2 928	4 328	24 811	4 633	7,06	(81,33)
Contracted Services	89 214	108 022	75 313	60 135	(44,33)	(20,15)
Impairment & Bad debt	(72 355)	62 758	62 758	66 389	5,79	5,79
Other expenditure	229 502	90 736	88 087	91 155	0,46	3,48
Total Expenditure	**871 843**	**996 730**	**985 717**	**944 986**	**(5,19)**	**(4,13)**
Surplus/(Deficit)	**59 272**	**(32 452)**	**(14 354)**	**(43 175)**	**33,04**	**200,80**
Transfers recognised - capital	36 315	36 165	38 197	42 292	16,94	10,72
Contributions recognised - capital & contributed assets	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**95 587**	**3 713**	**23 844**	**(883)**	**(123,77)**	**(103,70)**
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	36 578	39 880	43 981	48 554	21,75	10,40
Public contributions & donations					–	–
Borrowing	–	25 000	10 000	–	(100,00)	(100,00)
Internally generated funds	45 205	20 485	33 400	28 591	39,57	(14,40)
Total sources of capital funds	81 784	85 365	87 380	77 145	(9,63)	(11,71)
Financial position						
Total current assets	364 091	362 903	412 005	361 592	(0,36)	(12,24)
Total non current assets	1 163 657	1 138 148	1 177 272	1 203 597	5,75	2,24
Total current liabilities	131 678	186 734	129 799	150 203	(19,56)	15,72
Total non current liabilities	125 300	259 358	245 539	145 198	(44,02)	(40,87)
Community wealth/Equity	1 270 770	1 054 958	1 213 938	1 269 789	20,36	4,60
Cash flows						
Net cash from (used) operating	32 156	74 112	87 341	84 326	13,78	(3,45)
Net cash from (used) investing	(72 006)	(85 365)	(84 909)	(73 678)	(13,69)	(13,23)
Net cash from (used) financing	481	20 988	20 988	744	(96,45)	(96,45)
Cash/cash equivalents at the year end	187 245	227 330	210 665	198 636	(12,62)	(5,71)
Cash backing/surplus reconciliation						
Cash and investments available	187 245	227 330	210 665	198 636	(12,62)	(5,71)
Application of cash and investments	151 972	67 174	(34 836)	183 700	173,47	(627,33)
Balance - surplus (shortfall)	35 273	160 156	245 501	14 936	(90,67)	(93,92)

Financial Summary						R' 000
Description	23/24	24/25			Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Asset management						
Asset register summary (WDV)	1 163 657	1 138 148	1 174 893	1 203 597	5,75	2,44
Depreciation & asset impairment	34 133	54 219	54 219	38 263	(29,43)	(29,43)
Repairs and Maintenance	16 787	31 384	22 993	17 099	(45,52)	(25,64)
Free services						
Cost of Free Basic Services provided	33 538	41 895	41 895	13 160	(68,59)	(68,59)
Revenue cost of free services provided	36 854	46 549	46 549	14 462	(68,93)	(68,93)
Households below minimum service level						
Water:	Nil	Nil	Nil	Nil	Nil	Nil
Sanitation/sewerage:	Nil	Nil	Nil	Nil	Nil	Nil
Energy:	Nil	Nil	Nil	Nil	Nil	Nil
Refuse:	Nil	Nil	Nil	Nil	Nil	Nil
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1						T5.1.1

Statements of Revenue Collection Performance by vote and by source **Appendix K**

The table below shows a summary of performance against budgets:

Financial	Revenue excluding capital transfers			
Year	Budget	Actual	Diff.	Diff.
	(R'000)	(R'000)	(R'000)	%
23/24	907 478	931 115	23 638	2,60
24/25	971 363	901 811	(69 552)	(7,16)

Financial	Operating expenditure			
Year	Budget	Actual	Diff.	Diff.
	(R'000)	(R'000)	(R'000)	%
23/24	943 216	871 843	71 373	7,57
24/25	985 717	944 986	40 731	4,13

The table below indicates the Operational services performance for the 2024/25 financial year:

Financial Performance of Operational Services						
						R '000
Description	23/24	24/25			Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	AA	AH	AG	AF		
Operating Cost						
Water	67 940	56 326	55 555	68 919	(22,36)	(24,06)
Waste Water (Sanitation)	55 049	37 339	39 622	44 922	(20,31)	(13,38)
Electricity	364 167	423 621	420 110	419 794	0,90	0,08
Waste Management	64 520	77 867	77 358	60 162	22,74	22,23
Housing	39 249	40 899	36 917	17 734	56,64	51,96
Component A: sub-total	590 925	636 052	629 563	611 530	3,86	2,86
Waste Water (Storm water Drainage)	19	–	–	19	–	–
Roads	31 675	38 480	33 249	31 666	100,00	100,00
Transport	–	–	–	–	–	–
Component B: sub-total	31 694	38 480	33 249	31 686	100,00	100,00
Planning	13 508	16 614	16 735	16 191	100,00	100,00
Local Economic Development	1 826	2 043	2 098	2 505	100,00	100,00
Component C: sub-total	15 333	18 657	18 833	18 696	100,00	100,00
Community & Social Services	31 339	35 919	35 982	30 813	100,00	100,00
Enviromental Proctection	3 312	6 382	6 917	4 656	100,00	100,00
Health	–	–	–	–	–	–
Security and Safety	36 920	50 360	48 977	47 972	100,00	100,00
Sport and Recreation	37 311	41 401	41 166	39 745	100,00	100,00
Corporate Policy Offices	29 200	32 172	34 084	39 376	100,00	100,00
Finance and administration	85 585	122 292	121 488	106 240	100,00	100,00
Other	10 224	15 015	15 461	14 271	100,00	100,00
Component D: sub-total	233 892	303 541	304 072	283 074	100,00	100,00
Total Expenditure for the year	**871 843**	**996 730**	**985 717**	**944 986**	**5,19**	**4,13**

The bulk of the municipality's expenditure is spent on basic service delivery functions such as electricity, water, wastewater management and waste management.

5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

The tables below show the financial performance according to municipal functions:

Vote Description	23/24	24/25			Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)				(%)	
Executive and Council						
Total Operational Revenue	28	31	31	30	0	0
Expenditure:						
Employees	(11 256)	(13 051)	(13 358)	(19 156)	(46,78)	(43,40)
Repairs and Maintenance	(3)	(8)	(6)	(6)	25,43	7,03
Other	(17 941)	(19 114)	(20 719)	(20 215)	(5,76)	2,44
Total Operational Expenditure	(29 200)	(32 172)	(34 084)	(39 376)	(22,39)	(15,53)
Gains / (losses)	–	–	–	(599)	–	–
Net Operational (Service) Expenditure	(29 173)	(32 141)	(34 053)	(39 945)	(24,28)	(17,30)
Budget and Treasury Office						
Total Operational Revenue	139 339	149 934	150 249	141 357	5,72	5,92
Expenditure:						
Employees	(22 530)	(25 752)	(25 752)	(24 514)	4,81	4,81
Repairs and Maintenance	(24)	(77)	(137)	(24)	69,11	82,61
Other	(6 280)	(33 259)	(32 035)	(20 165)	39,37	37,05
Total Operational Expenditure	(28 834)	(59 089)	(57 924)	(44 703)	24,35	22,82
Gains / (losses)	(273)	–	6 121	(486)	–	107,94
Net Operational (Service) Expenditure	110 231	90 845	98 446	96 168	(5,86)	2,31
Corporate Services						
Total Operational Revenue	1 167	1 390	1 390	1 349	2,92	2,92
Expenditure:						
Employees	(27 833)	(30 580)	(30 602)	(30 009)	1,87	1,94
Repairs and Maintenance	(427)	(493)	(497)	(465)	5,65	6,42
Other	(28 491)	(32 130)	(32 464)	(31 062)	3,33	4,32
Total Operational Expenditure	(56 751)	(63 203)	(63 563)	(61 537)	2,64	3,19
Gains / (losses)	2 804	(3 497)	(3 497)	8 802	351,72	351,72
Net Operational (Service) Expenditure	(52 780)	(65 310)	(65 670)	(51 386)	21,32	21,75
Community and Social Services						
Total Operational Revenue	182 372	158 654	158 654	168 376	(6,13)	(6,13)
Expenditure:						
Employees	(26 972)	(28 546)	(28 319)	(25 919)	9,20	8,47
Repairs and Maintenance	(311)	(685)	(821)	(619)	9,63	24,63
Other	(4 056)	(6 689)	(6 842)	(4 275)	36,09	37,51
Total Operational Expenditure	(31 339)	(35 919)	(35 982)	(30 813)	14,22	14,36
Gains / (losses)	–	–	–	(6)	–	–
Net Operational (Service) Expenditure	151 033	122 735	122 672	137 557	(12,08)	(12,13)
Sport and Recreation						
Total Operational Revenue	10 225	8 130	8 130	8 623	(6,06)	(6,06)
Expenditure:						
Employees	(24 569)	(27 513)	(27 513)	(27 227)	1,04	1,04
Repairs and Maintenance	(471)	(773)	(514)	(431)	44,22	16,10
Other	(12 272)	(13 115)	(13 139)	(12 087)	7,84	8,00
Total Operational Expenditure	(37 311)	(41 401)	(41 166)	(39 745)	4,00	3,45
Gains / (losses)	–	–	–	(8)	–	–
Net Operational (Service) Expenditure	(27 086)	(33 271)	(33 035)	(31 130)	6,43	5,77

Vote Description	23/24	24/25			Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)				(%)	
Public Safety						
Total Operational Revenue	19 610	11 969	12 005	20 685	(72,82)	(72,30)
Expenditure:						
Employees	(28 435)	(32 180)	(32 180)	(32 764)	(1,82)	(1,82)
Repairs and Maintenance	(839)	(972)	(1 011)	(418)	57,04	58,69
Other	(7 647)	(17 207)	(15 786)	(14 790)	14,05	6,31
Total Operational Expenditure	(36 920)	(50 360)	(48 977)	(47 972)	4,74	2,05
Gains / (losses)	–	–	–	–	–	–
Net Operational (Service) Expenditure	(17 310)	(38 390)	(36 971)	(27 287)	28,92	26,19
Housing						
Total Operational Revenue	5 403	35 029	35 453	2 137	93,90	93,97
Expenditure:						
Employees	(4 308)	(4 505)	(4 505)	(4 822)	(7,02)	(7,02)
Repairs and Maintenance	(403)	(365)	(425)	(340)	6,84	19,98
Other	(34 538)	(36 029)	(31 987)	(12 572)	65,10	60,70
Total Operational Expenditure	(39 249)	(40 899)	(36 917)	(17 734)	56,64	51,96
Gains / (losses)	–	–	–	–	–	–
Net Operational (Service) Expenditure	(33 846)	(5 870)	(1 464)	(15 598)	(165,70)	(965,07)
Health						
Total Operational Revenue	–	–	–	–	–	–
Expenditure:						
Employees	–	–	–	–	–	–
Repairs and Maintenance	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total Operational Expenditure	–	–	–	–	–	–
Gains / (losses)	–	–	–	–	–	–
Net Operational (Service) Expenditure	–	–	–	–	–	–
Planning and Development						
Total Operational Revenue	4 662	2 904	2 904	4 456	(53,44)	(53,44)
Expenditure:						
Employees	(11 686)	(13 627)	(13 644)	(14 082)	(3,34)	(3,21)
Repairs and Maintenance	(77)	(84)	(138)	(132)	(57,88)	3,99
Other	(1 745)	(2 903)	(2 953)	(1 977)	31,92	33,07
Total Operational Expenditure	(13 508)	(16 614)	(16 735)	(16 191)	2,55	3,25
Gains / (losses)	–	–	–	–	–	–
Net Operational (Service) Expenditure	(8 846)	(13 710)	(13 831)	(11 735)	14,41	15,15
Road Transport						
Total Operational Revenue	20 919	5 996	4 800	5 608	6,46	(16,84)
Expenditure:						
Employees	(19 674)	(21 076)	(22 699)	(20 450)	2,97	9,90
Repairs and Maintenance	(5 331)	(14 174)	(6 435)	(4 855)	65,75	24,55
Other	(12 485)	(9 888)	(10 727)	(12 818)	(29,64)	(19,50)
Total Operational Expenditure	(37 491)	(45 138)	(39 860)	(38 124)	15,54	4,36
Gains / (losses)	(28)	–	–	19	–	–
Net Operational (Service) Expenditure	(16 600)	(39 142)	(35 060)	(32 496)	16,98	7,31
Environmental Protection						
Total Operational Revenue	1 688	11	11	1 484	(13 557,80)	(13 556,54)
Expenditure:						
Employees	(1 451)	(1 960)	(1 870)	(1 773)	9,56	5,21
Repairs and Maintenance	(0)	(33)	(33)	(29)	10,89	10,89
Other	(1 860)	(4 389)	(5 014)	(2 855)	34,96	43,06
Total Operational Expenditure	(3 312)	(6 382)	(6 917)	(4 656)	27,04	32,68
Gains / (losses)	–	–	–	–	–	–
Net Operational (Service) Expenditure	(1 624)	(6 371)	(6 906)	(3 173)	50,20	54,05

Vote Description	23/24	24/25			Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)				(%)	
Electricity						
Total Operational Revenue	373 655	433 104	433 104	401 573	7,28	7,28
Expenditure:						
Employees	(14 553)	(17 403)	(17 403)	(14 790)	15,01	15,01
Repairs and Maintenance	(1 926)	(3 603)	(3 569)	(1 521)	57,79	57,40
Other	(347 688)	(402 616)	(399 139)	(403 483)	(0,22)	(1,09)
Total Operational Expenditure	(364 167)	(423 621)	(420 110)	(419 794)	0,90	0,08
Gains / (losses)	(5)	–	–	(586)	–	–
Net Operational (Service) Expenditure	9 483	9 483	12 994	(18 806)	298,32	244,74
Water						
Total Operational Revenue	68 654	95 225	95 490	97 021	(1,89)	(1,60)
Expenditure:						
Employees	(9 835)	(12 196)	(12 196)	(10 103)	17,16	17,16
Repairs and Maintenance	(811)	(2 932)	(3 051)	(3 679)	(25,45)	(20,58)
Other	(57 294)	(41 198)	(40 309)	(55 137)	(33,83)	(36,79)
Total Operational Expenditure	(67 940)	(56 326)	(55 555)	(68 919)	(22,36)	(24,06)
Gains / (losses)	(616)	–	–	2	–	–
Net Operational (Service) Expenditure	98	38 899	39 935	28 104	27,75	29,63
Waste Water Management						
Total Operational Revenue	83 934	56 985	59 880	38 242	32,89	36,14
Expenditure:						
Employees	(11 232)	(13 337)	(13 337)	(12 058)	9,59	9,59
Repairs and Maintenance	(2 513)	(5 602)	(5 737)	(3 179)	43,26	44,59
Other	(42 519)	(20 224)	(23 010)	(33 284)	(64,58)	(44,65)
Total Operational Expenditure	(56 264)	(39 163)	(42 084)	(48 521)	(23,90)	(15,30)
Gains / (losses)	(112)	–	–	0	–	–
Net Operational (Service) Expenditure	27 558	17 822	17 796	(10 279)	157,68	157,76
Waste Management						
Total Operational Revenue	50 984	41 081	41 338	42 668	(3,86)	(3,22)
Expenditure:						
Employees	(20 827)	(23 037)	(23 037)	(24 018)	(4,26)	(4,26)
Repairs and Maintenance	(1 248)	(1 536)	(1 612)	(1 401)	8,80	13,09
Other	(42 444)	(53 294)	(52 709)	(34 743)	34,81	34,09
Total Operational Expenditure	(64 520)	(77 867)	(77 358)	(60 162)	22,74	22,23
Gains / (losses)	1 987	(1)	(1)	179	16 635,31	16 620,04
Net Operational (Service) Expenditure	(11 549)	(36 787)	(36 021)	(17 315)	52,93	51,93
Other						
Total Operational Revenue	–	–	–	–	–	–
Expenditure:						
Employees	(3 717)	(4 576)	(4 576)	(3 331)	27,22	27,22
Repairs and Maintenance	–	–	–	–	–	–
Other	(285)	(502)	(412)	(232)	53,80	43,70
Total Operational Expenditure	(4 002)	(5 078)	(4 988)	(3 562)	29,85	28,58
Gains / (losses)	–	–	–	–	–	–
Net Operational (Service) Expenditure	(4 002)	(5 078)	(4 988)	(3 562)	29,85	28,58

5.3 GRANTS

5.3.1 Grant Performance

The table below indicates the projects implemented under MIG funding for the past 3 years:

Project Name	Budget (VAT Excl)			Comments
	2022/23	2023/24	2024/25	
Ceres Nduli Bulk water pipe			419 995	Phased Project
Vredebes Access Collector	13 194 263			Completed
Vredebes bulk water pipeline		1 596 590		Completed
Ceres Lyellstr sport project	6 340 995	2 424 826		Completed
Op-Die-Berg Reservoir	173 913	4 536 345		Completed
Tierhokskloof pipeline	820 000	649 671	24 110 093	Phased Project
Tulbagh Reservoir	449 565	224 498		Phased Project
Resealing Wolseley Roads		3 689 266		Phased Project
Waste Management Vehicles		7 179 885		Completed

The table below indicates the grant performance for the 2024/25 financial year:

Grant Performance

R' 000

Description	2022/23	2023/24	2024/25			2024/25 Variance	
	Actual	Actual	Original Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants							
National Government:	**174 914**	**164 936**	**189 495**	**195 936**	**195 827**	-3,40%	0,06%
Equitable share	121 668	135 729	145 706	145 706	145 706	0,00%	0,00%
Finance Management Grant	1 550	1 550	1 600	1 600	1 600	0,00%	0,00%
Municipal infrastructure Grant	23 980	24 293	25 630	25 630	25 591	0,00%	0,15%
Regional Bulk Infrastructure Grant (DWAF	15 479	–	–	–	–	0,00%	0,00%
Integrated National Electricity Program	778	–	–	–	–	0,00%	0,00%
Department of Rural Development	–	–	–	–	–	0,00%	0,00%
Expanded Public Works Programme	2 318	3 364	1 559	1 559	1 361	0,00%	12,71%
Neighbourhood Development Plan	–	–	–	–	–	0,00%	0,00%
Water Service Infrastructure Grant	9 143	–	15 000	15 000	14 999	0,00%	0,01%
Municipal Disaster Relief Gran	–	–	–	3 141	3 265	0,00%	-3,94%
Energy Resilience Grant	–	–	–	3 300	3 305	0,00%	-0,16%
Provincial Government:	**27 686**	**53 070**	**36 013**	**13 327**	**13 790**	62,99%	-3,48%
CDW	273	71	262	262	64	0,17%	75,39%
Human Settlement Development	–	37 954	34 820	5 000	4 988	85,64%	0,24%
Exilator Housing Delivery	–	–	–	7 035	8 091	0,00%	-15,00%
Capacity Building (Internship)	235	295	72	72	100	0,00%	-38,14%
Municipal Infrastructure	–	–	–	–	–	0,00%	0,00%
Financial Management Support	–	–	–	–	–	0,00%	0,00%
Financial Management	–	–	–	–	–	0,00%	0,00%
Maintenance and Construction of Transp	24 201	12 879	–	–	–	0,00%	0,00%
Municipal Accreditation and Capacity Bu	186	196	858	–	–	100,00%	0,00%
Sport and Recreation	1 029	700	–	–	–	0,00%	0,00%
Municipal Energy Resilience Grant	1 761	–	–	700	290	0,00%	58,60%
Waste Management Compliance:Borehol	–	–	–	257	257	0,00%	0,00%
Fire Service Capacity Building Grant	–	975	–	–	–	0,00%	0,00%
District Municipality:	**877**	**1 851**	**–**	**531**	**468**	0,00%	11,85%
Parks and recreation	–	–	–	500	433	0,00%	13,34%
Sanitation Infrastructure	–	–	–	31	–	0,00%	100,00%
Capacity Building	–	–	–	–	35	0,00%	0,00%
Infrastructure	812	1 700	–	–	–	0,00%	0,00%
Covid 19	–	–	–	–	–	0,00%	0,00%
Safety Project	65	151	–	–	–	0,00%	0,00%
Other grant providers:	**3 920**	**2 868**	**661**	**2 162**	**26**	-227,02%	98,82%
Belgium	3 412	1 793	661	256	–	61,28%	100,00%
China	7	–	–	–	–	0,00%	0,00%
Perdekraal	174	373	–	673	26	0,00%	96,21%
Nedbank	326	703	–	1 233	–	0,00%	100,00%
Total Operating Transfers and Grants	**207 397**	**222 725**	**226 169**	**211 956**	**210 111**	6,28%	0,87%

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. T5.3.1

Conditional Grants received: Appendix L

The table below indicates the projects implemented under Human Settlements funding for the past 3 years:

Project Name	Budget (VAT Excl)			Comments
	2022/23	2023/24	2024/25	
Vredebes Top Structures		29 850 000		Completed (150)

5.3.2 Level of Reliance on Grants & Subsidies

Financial year	Total grants and subsidies recognised	Total Operating Revenue	Percentage
	(R'000)		(%)
22/23	206 762	875 808	23,61%
23/24	221 249	967 430	22,87%
24/25	210 111	944 103	22,26%

Witzenberg Municipality is reliant on grants. Without the grants the Municipality would not have been able to upgrade infrastructure.

5.4 ASSET MANAGEMENT

The responsibility for asset management lies with both finance and the different functional/departmental managers. The Finance section is responsible for the record keeping and reporting on the assets, whereas the functional managers are responsible for the physical safeguarding of assets, the maintenance, acquisition and disposal of assets.

It is of utmost importance that these two functional areas communicate on a regular basis regarding all movement of assets. Especially in respect of the annual assets count, where information regarding the existence, condition and useful lives regarding assets is reviewed and reported on.

The implementation of GRAP (accounting standard for municipalities) remains a challenge to the Municipality due to the cost and time factors.

5.4.1 Treatment of the Three Largest Assets

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2024/25		
Asset 1		
Name	A - Capex Upgrade Power Station	
Description	Upgrade of the Ceres Power station	
Asset Type	Infrastructure	
Key Staff Involved	Relevant Line manager, Project Management, Budget Office & Supply Chain Management	
Staff Responsibilities	Line Manager identify the need for the project and sets out the specifications required for SCM. Project Manager manage the implementation of the project, sets the Cash flow for the project and reports on a monthly basis on the stage of completion/performance of the project. Budget Office identifies the available Capital Funds and see to it that the project is approved and placed on the Capital Budget. Supply Chain,with the support of the Line Manager & Project Manager, draft the required Tender Docurement and see to it that the procuremt procedures and regulations are complied with in obtaining the necessary goods and services.	
Asset Value	2023/24	2024/25
	R 0	R 5 421 203
Capital Implications	**R 22 183 179**	
Future Purpose of Asset	Sustainable supply of electricity	
Describe Key Issues	Delay in the submission and finalization of building plans	
Policies in Place to Manage Asset	Delegations & Asset Management Policy	

Asset 2		
Name	B - Capex Tierhokskloof Bulk pipeline	
Description	Upgrade of Tierhokskloof Bulk pipeline to improve the provision of water services	
Asset Type	Infrastructure	
Key Staff Involved	Relevant Line manager, Project Management, Budget Office & Supply Chain Management	
Staff Responsibilities	Line Manager identify the need for the project and sets out the specifications required for SCM. Project Manager manage the implementation of the project, sets the Cash flow for the project and reports on a monthly basis on the stage of completion/performance of the project. Budget Office identifies the available Capital Funds and see to it that the project is approved and placed on the Capital Budget. Supply Chain,with the support of the Line Manager & Project Manager, draft the required Tender Docurement and see to it that the procuremt procedures and regulations are complied with in obtaining the necessary goods and services.	
Asset Value	2023/24	2024/25
	649 671,00	20 965 299
Capital Implications	**R 25 570 469**	
Future Purpose of Asset	Sustainable supply of water	
Describe Key Issues	Wolseley area experiencing interruption in the supply of water	
Policies in Place to Manage Asset	Delegations & Asset Management Policy	

Asset 3		
Name	C - Capex Upgrade of Waste Water Treatment Works	
Description	Upgrade of Waste Water Treatment Works at Wolseley	
Asset Type	Infrastructure	
Key Staff Involved	Relevant Line manager, Project Management, Budget Office & Supply Chain Management	
Staff Responsibilities	Line Manager identify the need for the project and sets out the specifications required for SCM. Project Manager manage the implementation of the project, sets the Cash flow for the project and reports on a monthly basis on the stage of completion/performance of the project. Budget Office identifies the available Capital Funds and see to it that the project is approved and placed on the Capital Budget. Supply Chain,with the support of the Line Manager & Project Manager, draft the required Tender Docurement and see to it that the procuremt procedures and regulations are complied with in obtaining the necessary goods and services.	
Asset Value	2023/24	2024/25
	3 758 711	13 042 435
Capital Implications	**R 16 801 146**	
Future Purpose of Asset	Improved Waste Water Management services	
Describe Key Issues	None	
Policies in Place to Manage Asset	Delegations & Asset Management Policy	

5.4.2 Repairs and Maintenance

Repair and Maintenance Expenditure: 2024/25				
	R' 000			%
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	30 500	23 199	17 099	23,94
				T5.3.4

The future expenditure on repairs and maintenance needs to be increased to ensure that assets are maintained in a condition that is conducive for service delivery.

5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.5.1 Liquidity Ratio

Description	Basis of calculation	2022/23	2023/24	2024/25
		Audited outcome	Audited outcome	Pre-audit outcome
Current Ratio	Current Assets/Current Liabilities	2,12	2,77	2,41
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2,12	2,77	2,41
Liquidity Ratio	Monetary Assets/Current Liabilities	1,40	1,42	1,32

Current Ratio:

Financial year	Current assets	Current liabilities	Ratio
	(R)		
2022/23	344 292	162 389	2,12
2023/24	364 091	131 678	2,77
2024/25	361 592	150 203	2,41

Current Ratio adjusted for aged debtors:

Financial year	Current assets	Current liabilities	Ratio
	(R)		
2022/23	344 292	162 389	2,12
2023/24	364 091	131 678	2,77
2024/25	361 592	150 203	2,41

Liquidity Ratio:

Financial year	Monetary Assets	Net current liabilities	Ratio
	(R)		
2022/23	226 802	162 389	1,40
2023/24	187 245	131 678	1,42
2024/25	198 636	150 203	1,32

The current ratio and the current ratio adjusted for aged debt are the same as the debtors per the statement of financial performance and have already been impaired (reduced with the doubtful debt).

5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2022/23	2023/24	2024/25
		Audited outcome	Audited outcome	Pre-audit outcome
Cost coverage	(Available cash + Investments)/monthly fixed	4,2	3,0	2,6
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt	426,1	0,0	599,0
O/S Service Debtors to Revenue	Total outstanding service debtors/annual	91%	67%	51%

5.5.3 Creditors Management

Description	Basis of calculation	2022/23	2023/24	2024/25
		Audited outcome	Audited outcome	Pre-audit outcome
Creditors System Efficiency	Average creditor days	37	31	42

The creditors' management table indicates the average days that the municipality takes to pay its creditors. The figure at year end is normally higher due to the higher-than-normal Eskom account resulting from seasonal tariffs charged by Eskom. This ratio is calculated by outstanding trade creditors divided by credit purchases.

5.5.4 Borrowing Management

Description	Basis of calculation	2022/23	2023/24	2024/25
		Audited outcome	Audited outcome	Pre-audit outcome
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0,2%	0,0%	0,0%

5.5.5 Employee costs

Description	Basis of calculation	2022/23	2023/24	2024/25
		Audited outcome	Audited outcome	Pre-audit outcome
Employee costs	Employee costs/(Total Revenue - capital revenue)	27,22%	25,65%	29%

The graph indicates that 29% of revenue excluding grant revenue are utilised to fund employee related cost. The ratio is well within the norm of 25 to 40 %.

5.5.6 Repairs & Maintenance

Description	Basis of calculation	2022/23	2023/24	2024/25
		Audited outcome	Audited outcome	Pre-audit outcome
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4,03%	1,92%	2,33%

The municipality need to accelerate the spending on maintenance of its assets.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 CAPITAL EXPENDITURE

R'000	Original Budget	Adjustment Budget	Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	**85 365**	**87 380**	**77 145**	9,6%	11,7%
Operating Expenditure	**996 730**	**985 717**	**941 810**	5,5%	4,5%
Total expenditure	**1 082 095**	**1 073 097**	**1 018 955**	5,8%	5,0%

5.7 SOURCES OF FINANCE

The table below indicates the capital expenditure by funding source for the 2024/25 financial year:

Capital Expenditure - Funding Sources							
							R' 000
Details		Actual 2023/24	2024/25				
			Original Budget (OB)	Adjustment Budget (AB)	Actual	OB to AB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	–	25 000	10 000	–	0,60	1,00
	Public contributions and donations					–	–
	Grants and subsidies	36 578	39 880	43 981	48 554	(0,10)	(0,10)
	Other	45 205	20 485	33 400	28 591	(0,63)	0,14
Total		81 784	85 365	87 380	77 145	**-2,36%**	**11,71%**
Percentage of finance							
	External loans	0,0%	29,3%	11,4%	0,0%		
	Public contributions and donations	0,0%	0,0%	0,0%	0,0%		
	Grants and subsidies	44,7%	46,7%	50,3%	62,9%		
	Other	55,3%	24,0%	38,2%	37,1%		
Capital expenditure							
	Water and sanitation	1 362	3 600	4 869	4 125	-14,58%	15,28%
	Electricity	4 357	1 700	1 453	1 439	15,35%	0,99%
	Housing	–	–	–	–		
	Roads and storm water	27 918	5 200	11 126	10 928	-110,15%	1,78%
	Other	48 146	74 865	69 932	60 653	18,98%	13,27%
Total		81 784	85 365	87 380	77 145	**9,63%**	**11,71%**
Percentage of expenditure							
	Water and sanitation	1,7%	4,2%	5,6%	5,3%		
	Electricity	5,3%	2,0%	1,7%	1,9%		
	Housing	0,0%	0,0%	0,0%	0,0%		
	Roads and storm water	34,1%	6,1%	12,7%	14,2%		
	Other	58,9%	87,7%	80,0%	78,6%		
							T5.6.1

5.8 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Projects with the highest capital expenditure in 2024/25:

Capital Expenditure of 5 largest projects* R' 000					
Name of Project	Current Year: 2024/25			Variance Current Year: 2024/25	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Capex Upgrade Power Station	25 000	7 245	5 421	78%	71%
B - CAPEX Tierhokskloof Bulk pipeline	21 265	20 965	20 965	1%	1%
C - Capex Upgrade of Waste Water Treatment Works	13 043	13 043	13 042	0%	0%
D - Capex Network Street	5 000	11 126	10 928	-119%	-123%
E - Capex Vehicle Replacement Programme	1 000	8 805	6 337	-534%	-780%
** Projects with the highest capital expenditure in Year 1*					
Name of Project - A	**A - Capex Upgrade Power Station**				
Objective of Project	To ensure a sustainable supply electricity				
Delays	Due to submission and finalization of building plans				
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained.				
Anticipated citizen benefits	Sustainable supply of Electricity				
Name of Project - B	**B - CAPEX Tierhokskloof Bulk pipeline**				
Objective of Project	Provision of sustainable water supply				
Delays	No delays				
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained.				
Anticipated citizen benefits	Improved Water provision				
Name of Project - C	**C - Capex Upgrade of Waste Water Treatment Works**				
Objective of Project	Improved Waste Water Management Services				
Delays	No Delays				
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained.				
Anticipated citizen benefits	Improved Waste Water Infrastrucuture				
Name of Project - D	**D - Capex Network Street**				
Objective of Project	Provision of sustainable road infrastructure				
Delays	No delays				
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained				
Anticipated citizen benefits	Improved Road infrastructure				
Name of Project - E	**E - Capex Vehicle Replacement Programme**				
Objective of Project	Improved vehicle transport to enable the effective and efficient deployment of resources				
Delays	No delays				
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained				
Anticipated citizen benefits	Improved turnaround time to service delivery issues as well as improved Traffic & Law Enforcement Services				
T5.7.1					

5.9 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS OVERVIEW

All the residents in the urban areas have access to minimum basic services. Some areas still need to be upgraded to waterborne sewerage systems. Housing delivery is still a challenge, although it is a function of the Provincial Government. Service delivery to informal areas needs to be improved, serviced plots might be the only solution.

5.9.1 Service Backlogs

Service Backlogs as at 2024/25 Households (HHs)				
	*Service level above minimun standard		**Service level below minimun standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	21 502	100%	0	0%
Sanitation	21 811	100%	0	0%
Electricity	14 848	100%	0	0%
Waste management	22 321	100%	0	0%
Housing (dwellings)	56 205	88%	6 295	11%
Services only refer to urban areas. Housing refer to municipal wide as published in the 2024 Witzenberg Socio-Economic Profile (Western Cape Government)				

Schools & clinics with access to basic services **Appendix P**

Schools & clinics with access to basic services where other spheres of government are responsible for the provision.

Appendix Q

CAPITAL INVESTMENT FRAMEWORK

The past couple of financial years, capital investment was dominated by bulk infrastructure projects linked to especially the Vredebes subsidized housing project. Most of the required bulk infrastructure has been completed and construction of houses and servicing of sites has commenced. A limited number of top structures will be constructed in the next two years due to the incapacity of Eskom bulk supply electricity network to Witzenberg as well as a policy change from the National Department of Housing where the focus will be more on serviced sites. It was indicated that upgrading of the electricity supply lines would only commence by 2030. With regards to housing, 529 sites at Vredebes were completed in 2021/22, with the purpose to accommodate the informal settlement at Nduli which should be upgraded the year after. Major projects mainly include the construction of a storage dam in Tulbagh completed in 2022/23, and other network upgrading for water/sanitation and electricity services.
The construction of a new Material Recovery Facility where solid waste is recycled was completed in July 2022 followed by the construction of drop-off points and transfer stations in various towns. The upgrading of the Van Breda Bridge in Ceres was completed in 2023/24. The upgrade of bulk water supply line from Tierhokskloof servicing Wolseley was completed in 2025 at a cost of R24m.

In terms of the Witzenberg Strategic Map, the bulk of the funding is allocated to the key performance area of Essential Services with the strategic objectives related to the provision of services receiving most of the capital funding.

Detailed three-year Capital Budget

New works & renewal programme **Appendix M**

Full programme of capital projects **Appendix N**

Alignment of projects to Wards **Appendix O**

5.9.2 Municipal Infrastructure Grant (MIG)

Municipal Infrastructure Grant (MIG)* Expenditure 2024/25 on Service backlogs R' 000						
Details	**Budget**	**Adjust-ments Budget**	**Actual**	**Variance**		**Major conditions applied by donor (continue below if necessary)**
				Budget	**Adjust-ments Budget**	
Infrastructure - Road transport	–	–	–			
Roads, Pavements & Bridges						
Storm water	–	–	–			
Infrastructure - Electricity	–	–	–			
Generation	–	–	–			
Transmission & Reticulation	–	–	–			
Street Lighting	–	–	–			
Infrastructure - Water	**21 351**	**21 331**	**21 331**	**-0,10%**	**0,00%**	
Dams & Reservoirs						
Water purification	–	–	–			
Reticulation	21 351	21 331	21 331	-0,10%	0,00%	
Infrastructure - Sanitation	**–**	**–**	**–**			
Reticulation	–	–	–			
Sewerage purification	–	–	–			
Infrastructure - Other	–	–	–			
Waste Management	–	–	–			
Transportation	–	–	–			
Gas	–	–	–			
Other Specify:	**66**	**56**	**56**	**-17,70%**	**0,00%**	
Office Equipment	66	56	56	-17,70%	0,00%	
	–	–	–			
	–	–	–			
	–	–	–			
Total	**21 417**	**21 387**	**21 387**	**-0,14%**	**0,00%**	

** MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*

T5.8.3

COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENTS

Cash flow budgeting and management is of the utmost importance to ensure sufficient cash to meet obligations.

5.10 CASH FLOW

Cash Flow Outcomes				R'000
Description	2023/24	Current Year: 2024/25		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	597 667	723 210	723 210	615 912
Government - operating	135 022	194 392	196 865	139 904
Government - capital	36 315	46 362	57 118	60 496
Interest	48 344	49 570	49 570	52 985
Payments				
Suppliers and employees	(785 192)	(939 422)	(939 422)	(784 971)
Finance charges	–	–	–	–
Transfers and Grants	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**32 156**	**74 112**	**87 341**	**84 326**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	21	–	–	1 746
Decrease (Increase) in non-current debtors	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–
Payments				
Capital assets	(72 027)	(85 365)	(84 909)	(75 424)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(72 006)**	**(85 365)**	**(84 909)**	**(73 678)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	25 000	25 000	–
Increase (decrease) in consumer deposits	275	–	–	916
Payments				
Repayment of borrowing	206	(4 012)	(4 012)	(171)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**481**	**20 988**	**20 988**	**744**
NET INCREASE/ (DECREASE) IN CASH HELD	**(39 557)**	**9 736**	**23 420**	**11 392**
Cash/cash equivalents at the year begin:	226 802	187 245	187 245	187 245
Cash/cash equivalents at the year end:	**187 245**	**196 980**	**210 665**	**198 636**
Source: MBRR SA7				T5.9.1

5.11 GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services (Electricity and Water)	Economic services (Sanitation and Refuse)	Housing rentals	Other	Total
	(R'000)					
2023/24	54 881	163 537	158 575	2 309	4 338	383 641
2024/25	64 019	188 121	154 927	2 914	18 539	428 520
Difference	9 137	24 584	(3 648)	605	14 201	44 880
% growth year on year	**17%**	**15%**	**-2%**	**26%**	**327%**	**12%**

Note: Figures exclude provision for bad debt

5.12 TOTAL DEBTORS AGE ANALYSIS

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2023/24	113 330	8 637	7 272	267 105	396 344
2024/25	71 962	9 545	7 567	353 710	442 784
Difference	(41 368)	909	295	86 604	46 440
% growth year on year	**-37%**	**11%**	**4%**	**32%**	**12%**

Note: Figures exclude provision for bad debt

The Auditor-General of South Africa has, in its report on the 2024/25 financial statements of the Municipal Council, has emphasised the material impairment of R268 million of receivables from exchange transactions and R 65 million of receivables from non-exchange transactions. Included in the impairment for receivables from non-exchange transactions in an amount of R6 in respect of traffic fines.

The gross outstanding service debtors in total decreased by 12 % in relation to the 2023/24 financial year.

The leading contributor to the outstanding debt is water at 25.9 %.

The effective implementation of the Credit Control Policy in areas where Eskom is a supplier of electricity is playing a major role in the escalation of the service debtors.

5.13 BORROWINGS AND INVESTMENT

5.13.1 Actual Borrowings

Instrument	2023/24	2024/25
	R'000	
Long(Term Loans (annuity/reducing balance)	1 386	1 052
Long(Term Loans (non(annuity)	0	0
Local registered stock	0	0
Instalment Credit	0	0
Financial Leases	0	0
PPP liabilities	0	0
Finance Granted By Cap Equipment Supplier	0	0
Marketable Bonds	0	0
Non(Marketable Bonds	0	0
Bankers Acceptances	0	0
Financial derivatives	0	0
Other Securities	0	0
Municipality Total	**1 386**	**1 052**

5.13.2 Municipal Investments

Witzenberg Municipality needs to increase the available investments to be financially more viable. This can only be achieved if the payment for rates and taxes improves.

Investment type	2023/24	2024/25
	R'000	
Securities (National Government	0	0
Listed Corporate Bonds	0	0
Deposits (Bank	187 245	198 636
Deposits (Public Investment Commissioners	0	0
Deposits (Corporation for Public Deposits	0	0
Bankers Acceptance Certificates	0	0
Negotiable Certificates of Deposit (Banks	0	0
Guaranteed Endowment Policies (sinking)	0	0
Repurchase Agreements (Banks	0	0
Municipal Bonds	0	0
Other	0	0
Municipality Total	**187 245**	**198 636**

COMPONENT D: OTHER FINANCIAL MATTERS

5.14 SUPPLY CHAIN MANAGEMENT

Witzenberg Municipality implemented policies and practices in compliance with the guidelines stipulated by the SCM Regulations 2005. No councillors are members of any committees handling supply chain processes.

5.15 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice, and it provides the accounting standards 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.

CHAPTER 6 – AUDITOR-GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION 2024/25

6.1 AUDITOR-GENERAL REPORTS 2023/24

Auditor-General Report on Financial Performance 2023/24	
Status of the audit report:	**Unqualified**
Issue raised	**Corrective step implemented**
Emphasis of matter:	
Material impairments	
As disclosed in note 3 to the financial statements, the municipality provided for an impairment of R211,6 million (2022-23: R310,5 million) on receivables from exchange transactions of R334,9 million (2022-23: R392 million).	A report on installation of water management devices and other improvements in the application of the credit control policy will be submitted to council for consideration in 2025.
As disclosed in note 4 to the financial statements, the municipality provided for an impairment of R53,3 million (2022-23: R49,6 million) on receivables from non-exchange transactions amounting to R62, 1 million (2022-23: R53, 1 million).	
Restatement of corresponding figures	
As disclosed in note 37 to the financial statements, the corresponding figures for 30 June 2023 have been restated because of errors in the financial statements of the municipality at, and for the year ended 30 June 2024.	None

6.2 AUDITOR-GENERAL REPORTS 2024/25

Auditor-General Report on Financial Performance 2024/25	
Status of the audit report:	**Unqualified**
Issue raised	**Corrective step implemented**
Emphasis of matter:	
Material impairments	
As disclosed in note 4 to the financial statements, the municipality provided for the impairment of trading service and consumer debtors of R267,7 million (2023-24: R211,6 million).	The DBSA appointed a service provider to help with revenue enhancement. The program include the audit of some meters, review of policies and by-laws and cost of supply studies.
As disclosed in note 5 to the financial statements, the municipality provided for the impairment of receivables from customer services debtors of R58,6 million (2023-24: R50,2 million).	
Restatement of corresponding figures	
As disclosed in note 50 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2025.	None

LIST OF ABBREVIATIONS

AG	Auditor-General	**MMC**	Member of the Mayoral Committee
CAPEX	Capital Expenditure	**MIG**	Municipal Infrastructure Grant
CBP	Community Based Planning	**MM**	Municipal Manager
CFO	Chief Financial Officer	**MRF**	Material Recovery Facilities
DPLG	Department of Provincial and Local Government	**MSA**	Municipal Systems Act No. 32 of 2000
DWA	Department of Water Affairs	**MTECH**	Medium Term Expenditure Committee
EE	Employment Equity	**NGO**	Non-governmental organisation
GAMAP	Generally Accepted Municipal Accounting Practice	**NT**	National Treasury
GRAP	Generally Recognised Accounting Practice	**OPEX**	Operating expenditure
HR	Human Resources	**PMS**	Performance Management System
IDP	Integrated Development Plan	**PPP**	Public Private Partnership
IFRS	International Financial Reporting Standards	**PT**	Provincial Treasury
IMFO	Institute for Municipal Finance Officers	**SALGA**	South African Local Government Organisation
KPA	Key Performance Area	**SAMDI**	South African Management Development Institute
KPI	Key Performance Indicator	**SCM**	Supply Chain Management
LED	Local Economic Development	**SDBIP**	Service Delivery and Budget Implementation Plan
MAYCO	Executive Mayoral Committee	**SDF**	Spatial Development Framework
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)		

APPENDIX A

APPENDICES

APPENDIX A:Councillors; Committee Allocation and Council Attendance

See also Chapter 2.1.1 of Annual Report

Period 1 July 2024 to 30 June 2025

Name of Councillor / Alderman	Capacity	Committee Allocation	% Attendance of Council Meetings 2024/25
T Abrahams	Councillor / Executive Mayor	Executive Mayoral Committee / Local Labour Forum	92%
K Adams	Alderman / Mayco Member	Mayco/ Committee for Housing Matters	100%
W Alexander	Councillor	Committee for Corporate and Financial Services	100%
P Daniels	Councillor / Mayco member	Committee for Local Economic Development	100%
S de Bruin	Councillor	Committee for Housing Matters	100%
G Franse	Councillor	Committee for Technical Services	100%
JP Fredericks	Councillor / Mayco member	Mayco / Committee for Corporate and Financial Services / Local Labour Forum	100%
AL Gili	Councillor / Mayco member	Committee for Technical Services	92%
LA Hardnek	Councillor	MPAC / Mayco Ex-Officio	100%
GG Laban	Councillor	Committee for Local Economic Development	71%
JS Mouton	Councillor	Committee for Technical Services	100%
JF Nel	Councillor / Executive Deputy Mayor	Committee for Community Development	100%
MJ Ndaba	Councillor	Committee for Corporate and Financial Services	92%
N Nogcinisa	Councillor	Committee for Local Economic Development / MPAC	100%
N Phatsoane	Councillor	Committee for Housing Matters	71%
K Robyn	Councillor	Committee for Local Economic Development	100%
J Rooi	Councillor	MPAC / Mayco Ex-Officio	100%
EM Sidego	Alder lady / Speaker	Council / Mayco Ex-Officio	100%
HJ Smit	Alderman	Council / Mayco / Committee for Technical Services / Local Labour Forum	92%
D Swart	Alderman	Committee for Corporate and Financial Services / Committee for Housing Matters / Committee for Technical Services	100%
IL Swartz	Councillor	Committee for Housing Matters	92%

Name of Councillor / Alderman	Capacity	Committee Allocation	% Attendance of Council Meetings 2024/25
JJ Visagie	Alderman	Mayco / Committee for Local Economic Development / Committee for Community Development / MPAC	83%
K Yisa	Councillor	Committee for Community Development	92%
J Zalie	Councillor	Committee for Corporate and Financial Services	71%

Total attendance of Council Meetings

Period 1 July 2024 to 30 June 2025

Council Meeting dates	**Number of items submitted**	**Percentage Council Meetings Attendance**	**Percentage Apologies for non-attendance**
26 July 2024	15	91%	9%
30 August 2024	1	100%	0%
30 September 2024	13	100%	0%
14 October 2024	1	96%	4%
21 October 2024	1	87%	13%
30 October 2024	7	96%	4%
12 November 2024	17	96%	4%
12 December 2024	24	87%	13%
19 December 2024	2	91%	0%
27 January 2025	13	100%	0%
26 February 2025	21	91%	9%
25 March 2025	1	96%	4%
31 March 2025	12	91%	9%
30 May 2025	21	100%	0%

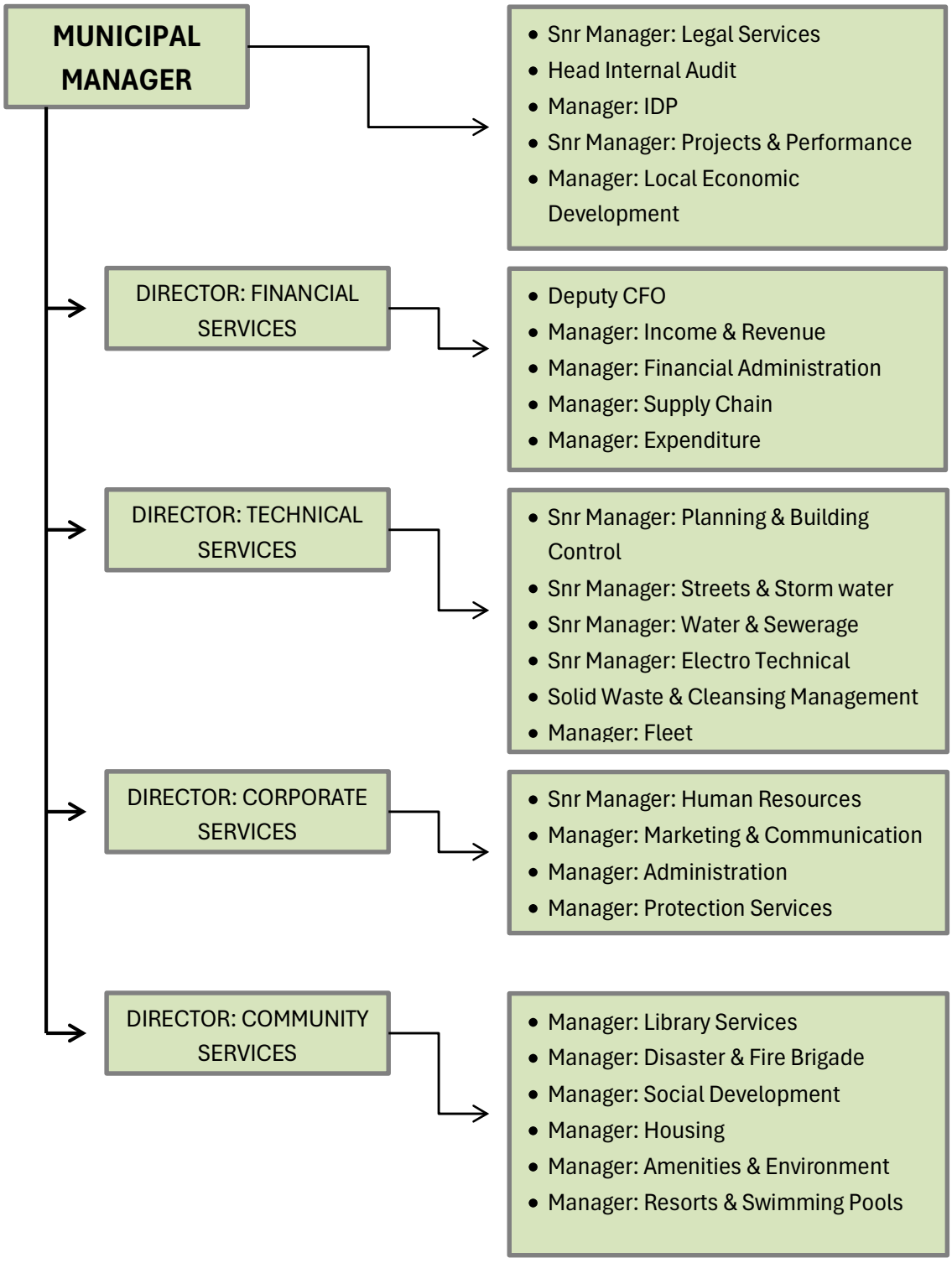
APPENDIX B: Committees & Committee Purposes

APPENDIX B

See also Chapter 2.1.1 of Annual Report

Name of Committee	Purpose	
Corporate and Financial Services	Administrative & Financial Support Services Traffic (finances) Information Technology IDP & Public Participation Labor Relations Human Resources Budget, Insurance, Assets & Valuations	Supply Chain Management Internal Audit Property Management Performance Management Archives Industrial Development
Housing Matters	Housing Management Needs determination Community Participation (Housing) Placement & Allocation	Project Management (Housing) Lease & Subsidy Administration Illegal Occupancy & Squatter Control
Local Economic Development, Tourism & Marketing	Local Economic Development Marketing Communication	Tourism Museums
Technical Services	Cleansing & Solid Waste Expanded Public Works & Infrastructure Electricity Mechanical Services Civil Services	Water & Sanitation Roads & Storm Water Project Management Town Planning & Land Use Building Control
Community Development	Protection Services Traffic Fire Fighting Disaster Management Social Services Child Care Facilities Elderly Support Community Safety Youth Development Night Shelter	Stray Animal Management Law Enforcement Library Services Municipal Facilities & Community Halls Parks & Sport Facilities Cemeteries Resorts & Swimming Pools Non-Governmental Organizations Socio-Economic Development Environmental Management Public Transport

APPENDIX C: Third Tier Administrative Structure



APPENDIX D: Functions of the Municipality

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function: Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	No (support)
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	No (support)
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No (only planning & operating licenses)
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
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	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	No
Local amenities	Yes

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

APPENDIX E: Ward Committee Governance & Functionality

Ward committee members are paid a monthly stipend and transport is provided where necessary. This stipend is to aid ward committee members by attending meetings and functions where public participation, through the ward committee system, is required.

Venues have been established for the ward meetings and support personnel. The Community Liaison Officers and Community Development Workers are available for support, if necessary. Refreshments are provided at the ward committee meetings.

The table below provides information on the establishment of ward committees and their functionality:

Ward Number	Location	Committee established: Yes / No	Number meetings held during the year	Committee functioning effectively: Yes / No
1	Nduli (Polo Cross Hall)	Yes	8	Yes
2	Wolseley (Montana Library)	Yes	11	Yes
3	Ceres (Rietvallei Library)	Yes	9	Yes
4	Prince Alfred's Hamlet (Kliprug Community Hall)	Yes	10	Yes
5	Ceres (John Steyn Library)	Yes	7	Yes
6	Bella Vista (Bella Vista Library)	Yes	9	Yes
7	Wolseley (Montana Library)	Yes	9	Yes
8	Op -Die-Berg (Op-die-Berg Aksent Office)	Yes	10	Yes
9	Op-die-Berg	Yes	10	Yes
10	Prince Alfred's Hamlet (Council Chambers)	Yes	10	Yes
11	Tulbagh (Council Chamber)	Yes	9	Yes
12	N'Duli (Community Hall)	Yes	9	Yes

The table below provides information on each ward with regards to representatives and the capacity representing:

Ward	1	2	3	4	5	6
Sport & Culture	Vuyisa Solly Yisa	Sara Jacobs	Carel Jacobs	Le-Marco Smit	Rudolf Nel	Chantel Pietersen
Health & Social	Pontso Mona	Lucille Claasen	Lorencia Jacobs	Tegan Hails	Ian Hercules	Jonathan Fredericks
Safety	Hazel Mancayi	Jan Pietersen	Mark Mentor	Jane Haas	Terry Webb	Abraham Crotz
Youth	Noluvo Zwelinjani	George Fredericks	Mariaan Van Rooi	Willie Abrahams	Cornelia Moses	Sara Krotz
Education	Vacant	Audrey Longman	Helen Hendricks	Anneline Smit	Ronnie Philander	Katinka Koopman
Business Community	Eric Ndwanya	Doreen Lottering	Petrus Wolfaart	Alma Goosen	Jonathan Higgins	Pieter Farao
Women	Xoliswa Mazomba	Jaqueline Fortuin	Saartjie Franse	Trudene Roman	Paulina Bitterbos	Sylvia Minaar
Churches	Nombulelo Sehlahla	Marilise Marthinus	Violet Zekoe	Kamit Slinger	Pieter Fredericks	Willie Mars
Civics & Taxes	Kenneth Mbangula	Pauldine September	Ronald Ross	Moses Davids	Charmain Paulse	Demetri Opperman
Disabled& Elderly	Buyiswa Stuurman	Petronela Moses	Marinda Mankapan	Jacobus De Wee	Andries Slinger	Geraldine Adams

Ward	7	8	9	10	11	12
Sport & Culture	Rose January	Vacant	Thuliswa Mayekiso	Thabisani Kwinana	Nceba Nyosana	Lindy Gili
Health & Social	Lizel Qundana	Heinrich Swart	Manuel Mackenzie	Victoria Mandazaya	Gerald Davids	Lucia Gambushe
Safety	Filemon Philander	Salmon Jantjies	Heyley Fransman	Zibongile Gqibisa	Aubrey Petersen	Humphry Ndwanya
Youth	Vacant	Sophia Zass	Bongeka Rini	Jaqualine Moses	Valencia Daniels	Thembakazi Ncaphayi
Education	Jannie J Van Wyngaardt	Celeste Jantjies	Thomas Persens	Leonard Baartman	Vacant	Thembisa Mhlophe
Business Community	Neville Jansen	Anna Kywa	Nkosinathi Nonjola	Vacant	Dawid Meyer	Vukile Manzi
Women	Daleen Kinear	Elsie Olivier	Zukuswa Phuphuma	Bulelwa Dywasha	Rosina Jooste	Pamela Dumbisa
Churches	Mathilda Marang	Carlo Galant	Ndelelo Shweni	Hermanus Hartnek	Sindiswa Bede	Mabhuti Silere
Civics & Taxes	Elizabeth Madani	Audrey Coetzee	Mzwanele Mrhwetyana	Princess Thetyana	Norman Collins	Ntombekhaya Tshazibane
Disabled& Elderly	Melodie T Bles	Esmarelda Ockhuis	Mncedisi Zwelinjani	Carine Visagie	Daniel Thomas	Legina Balani

APPENDIX F: Service delivery performance at Ward level

Basic service provision per ward/town (within urban edge).

Wards	Town	Nr. of Accounts					Informal Households	Housing Waiting List
		Water	Sanitation	Electricity pre-paid	Electricity Conventional	Refuse		
1,12	*Nduli*	1 492	1 503	2 522	10	1 491	1 133	1 550
3,5	*Ceres*	2 549	2 719	3 305	1 470	3 166		2 678
4,6	*Bella Vista*	2 579	2 599	2 328	188	2 590		
4,1	*Hamlet*	1 326	1 373	Eskom	Eskom	1 365	1200	1 226
9	*Op-Die-Berg*	533	479	Eskom	Eskom	522		875
7,11	*Tulbagh*	1 819	1 864	2 061	194	1 894	2 926	998
2,7	*Wolseley*	2 542	2 612	2 520	250	2 631	3 403	1 312
TOTALS		**12 840**	**13 149**	**12 736**	**2 112**	**13 659**	**8 662**	**8 639**

**Informal Households – nr of households in informal areas (excluding backyarders)*

Top four service delivery priorities per ward/town.

Wards	Town	Priority Name & Detail	Progress During 2024/25
1,12	Nduli	Housing Project safety	Regular patrols at new housing developments
		Sports grounds needs to be restored/ upgraded	On-going vandalism & theft prohibits restoration
		Electrical theft needs to be clamped down	Illegal connections remain high priority to be addressed through newly developed Illegal electricity connection & theft strategy
		Taxi Violence	Public Transport Plan to address and continuous engagements with role-players.
		Provide street/security lights in unsafe areas	Periodic maintenance.
3,5	Ceres	Provide street/security lights in unsafe areas	Periodic maintenance.
		Weekends the Town Main Roads have too much traffic	Spatial Development Plan completed. In progress with precinct plan for R46 towards Nduli.
		Housing need	635 Serviced sites completed & top structures being developed at Vredebes
4,6	Bella Vista	Vandalizing of Municipal property	Increasing law enforcement & coordination with SAPS
		Business hub/mini-CBD for Bella Vista	In process to develop container park at Bella Vista / Skoonvlei industry.
		Clamp down on illegal dumping of refuse.	New Waste Management Policy
4,1	Hamlet	Animal control in all areas	Increased law-enforcement
		Illegal occupation of land	Continued law enforcement and inspections
		Xhosa medium school for PA Hamlet area	Conveyed to Provincial Government
		Housing need	Development at Vredebes
9	Op-Die-Berg	Public transport	Negotiations need to take place with Transport associations
		Restoration and securing of Skurweberg Sports grounds	Sports Master Plan Dev
		Illegal shops and shebeens need to be closed	Continued law enforcement & inspections

Wards	Town	Priority Name & Detail	Progress During 2024/25
		Speed calming still a problem	Increased law enforcement
7,11	Tulbagh	More ablution facilities needed in Chris Hani area, and ASLA Camp	Upgrade of Informal Settlements project underway for Chris Hani
		Informal households utilising storm water to dump their grey water & wastewater, which contaminates river. Storm water network in Tulbagh needs to be maintained regularly	Formal housing to be included in housing pipeline to alleviate problem.
		Sewerage network in Chris Hani area needs to be maintained regularly	Periodic maintenance
		River Rehabilitation Programs	Negotiations need to take place with illegal occupants on riverbanks
2,7	Wolseley	Illegal occupation of land	Continued law enforcement and inspections
		Restoration and securing of Pine Valley Sports grounds	Sports Master Plan Dev
		Back yard dwellers still a problem, housing need	Housing project planned for future, dependant on grant funding allocations.
		Illegal shops and shebeens need to be closed	Continued law enforcement and inspections

APPENDIX G: Audit Committee recommendations

Date of the PRAC meetings	Committee recommendations during 2024/25	Recommendations adopted
17-Jan-25	The Performance, Risk and Audit Committee resolved that:	Yes
	that notice be taken of the Performance, Risk and Audit Committee Charter with effect from 9 January 2025 and, after consideration, same be approved.	
17-Jan-25	The Performance, Risk and Audit Committee resolved that:	Yes
	that notice be taken of the Internal Audit Charter with effect from 9 January 2025 and, after consideration, same be approved.	

Audit Committee recommendations on Fraud & Financial Misconduct for 2024/25

that notice was taken that there were no disciplinary cases regarding fraud and corruption for the period 1 July 2024 to 30 June 2025.

APPENDIX H

APPENDIX H: Long Term Contracts and Public Private Partnerships

No long-term contract was entered into by the end of June 2024/25. No Public Private Partnership was entered into by end of June 2024/25.

APPENDIX I

APPENDIX I: Service delivery performance of entities & service providers

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

- means a person or institution or any combination of persons and institutions which provide to or for the benefit of the local community.
- External service provider means an external mechanism referred to in Section 76(b) which provides a municipal service for a municipality.
- Service delivery agreement means an agreement between a municipality and an institution or person mentioned in Section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

During the year under review, the municipality did not appoint any service providers who provided municipal services to or for the benefit of the local community on behalf of the municipality and thus, this report contains no information in this regard. All other contract appointments are regularly monitored in terms of Section 51(3) of the Supply Chain Management Policy which stipulates that vendor performance must be monitored as follows:

- Each project manager shall monitor the supplier's compliance and performance to the set of specifications.
- If the supplier fails to perform in accordance with the specification requirements, the project manager must report such failure to the supplier in writing immediately upon becoming aware of such non-compliance for them to correct the situation.

The above information will be kept and made available for future evaluation purposes, contract negotiations and regular feedback to vendors.

If vendors fail to deliver in terms of paragraph 23(1)(a) of the General conditions of the contract, the municipality reserves the right to make use of remedies at its disposal in terms of applicable law.

APPENDIX J: Disclosure on Financial Interests

Schedule 1, Section 7 as well as Schedule 2, Section 5A of the Municipal Systems Act states that when a councillor is elected or appointed or a person appointed in terms of section 56 or a municipal manager, he or she must within 60 days declare in writing to the municipal manager or the chairperson of the municipal council the following financial interests held:

- shares and securities in any company.
- membership of any close corporation.
- interest in any trust.
- directorships.
- partnerships.
- other financial interests in any business undertaking
- employment and remuneration.
- interest in property.
- pension; and
- subsidies, grants and sponsorships by any organisation.

Any change in the nature or detail of the financial interests of any councillor or official must be declared in writing to the municipal manager or to the chairperson of the municipal council annually. The municipal Council must determine which of the financial interests referred in the above-mentioned list must be made public, whilst balancing the need for confidentiality and disclosure in the public interest.

The following table lists the disclosure of financial interests of the administrative and strategic role players of the municipality which were deemed to be disclosed for public interest:

Disclosures of Financial Interests - 1 July 2023 – 30 June 2024		
Name	**Description of Financial interests***	
Executive Mayor		
Cllr T Abrahams	Employment and Remuneration	Witzenberg Municipality and BOCMA: Board Member: Stipend
	Property	7 Fortuin Street and 1 Cloete Street
	Shares & securities in any company	Sasol; MTN and Peninsula Hotel
	Interest in any trust	Abrahams Family Trust
	Pension	Old Mutual
Member of Mayoral Committee / Executive Committee		
Cllr JF Nel	Employment and Remuneration	Witzenberg Municipality
	Property	4 Vos Street, Ceres
	Pension	Government Pension
Alderman K Adams	Employment and Remuneration	Witzenberg Municipality
	Property	853 Vrede Street, Bella Vista
	Pension	Consolidated Retirement Fund
Cllr HJ Smit	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr P Daniels	Employment and Remuneration	Witzenberg Municipality
	Property	31 7th Avenue Wolseley
	Pension	Consolidated Retirement Fund
Cllr JP Fredericks	Employment and Remuneration	Witzenberg Municipality
	Directorship	Dakaf's Costruction

	Pension	Cape Joint Retirement Fund and GERF
	Property	8 Zahn Street, Tulbagh (Rent) (Beneficiary - Executor)
	Other financial interest in any business	Tavern and Café (Tulbagh) (Executor)
Councillor		
Cllr W Alexander	Employment and Remuneration	Witzenberg Municipality
	Pension	Cape Joint Retirement Fund
Alderlady EM Sidego	Employment and Remuneration	Witzenberg Municipality
	Pension	Cape Joint Retirement Fund
	Shares & securities in any company	SANLAM
	Property	9 Michael Street, Tulbagh
Alderman JJ Visagie	Employment and Remuneration	Witzenberg Municipality
	Pension	Cape Joint Retirement Fund
	Property	1 Skuinsbaai Cresent, Prince Alfred's Hamlet
Alderman D Swart	Employment and Remuneration	Witzenberg Municipality and Cape Winelands District Municipality
	Property	27 Umzimaai Avenue, Ceres
	Pension	Consolidated Retirement Fund
Cllr GG Laban	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr NJ Ndaba	Shares and securities in any	Eyethuintaba Farm Project
	Directorships	Eyethuintaba Farm Project
	Membership of any close cooperation	Yes, Emdweni development project base in Eastern Cape
	Partnership	Partnership with Donkerbos Estate ate Eyethuintaba
	Employment and Remuneration	Donkerbos Landgoed and Witzenberg Municipality
	Pension	Consolidated Retirement Fund
	Property	Entsimekweni Village, Eastern Cape (2 Houses)
Cllr JS Mouton	Employment and Remuneration	Witzenberg Municipality
	Directorship	Home Base Trade 63
	Pension	Consolidated Retirement Fund
Cllr N Phatsoane	Employment and Remuneration	Witzenberg Municipality
		Cape Winelands District Municipality
	Pension	Consolidated Retirement Fund
Cllr J Zalie	Employment and Remuneration	Witzenberg Municipality
	Other financial interest in any business	JB's Place
	Shares & securities in any company	Partnership in family business
	Partnership	Partnership in family business
	Property	156 Madani Street, Wolseley
Cllr IL Zwartz	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr P Heradien	Shares and Securities in any company	Mardorpet (PTY)
	Directorship	Mardorpet (PTY)

	Employment and Remuneration	Witzenberg Municipality
	Property	44 Lyell Street Ceres; 42 Lyell Street Ceres
	Pension	Cobalt Pension Fund (ABSA)
Cllr A Gili	Employment and Remuneration	Witzenberg Municipality and Kasi Vibes Entertainment
	Pension	Consolidated Retirement Fund
Cllr R Robyn	Employment and Remuneration	Witzenberg Municipality
	Property	19 Wiehan Street, Prince Alfred's Hamlet
	Pension	Consolidated Retirement Fund
Cllr S de Bruin	Employment and Remuneration	Witzenberg Municipality / Du Toit Group
	Shares	Crispy Coolers
	Pension	Consolidated Retirement Fund / Verso / Du Toit
Cllr G Franse	Employment and Remuneration	Witzenberg Municipality
	Property	354 River Cresent, Op-die-Berg, Koue Bokkeveld
	Pension	Consolidated Retirement Fund
Cllr LA Hardnek	Employment and Remuneration	Witzenberg Municipality
	Membership of any close cooperation	Lilly's Catering and Hiring Service
	Other financial interest in any business	Lilly's Catering and Hiring Service
	Property	283 Marina Street, Ceres
		284 Marina Street, Ceres
		23 Starking Street, Ceres
	Pension	GEPF and Consolidated Retirement Fund
		SASSA – Old Age
Cllr K Yisa	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr N Nogcinisa	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
	Property	4 Ashley Kriel Street, Prince Alfred's Hamlet
	Subsidies. grants and sponsorships by any organisation	Child Support Gant
Chief Accounting Officer		
Mr D Nasson	Shares and security in any Company	Old Mutual
	Property	Residential
Chief Financial Officer		
Mr C Kritzinger	25% Interest in property	Residential
	50 % Interest in property	Residential
	50 % Interest in property	Residential
Directors		
Mr JF Barnard	Property	Residential & Small Holding
Mr M Mpeluza	Property	Residential
Mr S Swartz	Shares	Southern Sun
	Property	50% residential
	Property	50% residential
** Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A*		

APPENDIX K

APPENDIX K: Statements of Revenue Collection Performance by vote & source

Revenue collection by vote

The table below indicates the Revenue collection performance by vote:

Revenue per Vote	23/24	24/25			24/25 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)				(%)	
Vote1 - Executive and Council	28	31	31	30	(4,19)	(4,19)
Vote2 - Budget and Treasury Office	144 130	149 934	156 370	151 851	1,28	(2,89)
Vote3 - Corporate Services	23 301	18 036	18 072	26 953	49,44	49,14
Vote4 - Technical	596 087	630 366	642 570	584 511	(7,27)	(9,04)
Vote5 - Community and Social Services	203 884	202 076	192 517	180 758	(10,55)	(6,11)
Total Revenue by Vote	**967 430**	**1 000 443**	**1 009 560**	**944 103**	**(5,63)**	**(6,48)**

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3

Revenue collection by Source

The table below indicates the Revenue collection performance by source for the 2024/25 financial year:

Source	23/24	24/25			24/25 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)				(%)	
Property rates	101 317	113 658	113 658	107 320	(5,58)	(5,58)
Property rates - penalties & collection charges	4 091	3 566	3 566	4 881	36,88	36,88
Service Charges - electricity revenue	371 022	431 223	431 223	395 037	(8,39)	(8,39)
Service Charges - water revenue	48 337	49 359	49 359	50 462	2,23	2,23
Service Charges - sanitation revenue	84 582	62 229	62 229	37 451	(39,82)	(39,82)
Service Charges - refuse revenue	42 659	43 435	43 435	46 136	6,22	6,22
Less: Revenue Forgone	(25 976)	(29 690)	(29 690)	(5 667)	(80,91)	(80,91)
Rentals of facilities and equipment	6 007	6 015	6 015	6 765	12,46	12,46
Interest earned - external investments	22 019	22 434	22 434	18 758	(16,38)	(16,38)
Interest Income on Overdue Accounts	28 557	23 587	23 587	27 153	15,12	15,12
Fines	20 634	11 254	11 254	22 354	98,63	98,63
Licences and permits	1 183	2 444	2 444	1 069	(56,27)	(56,27)
Agency services	4 739	4 684	4 684	4 948	5,64	5,64
Transfers recognised - operational	143 778	163 220	181 691	150 058	(8,06)	(17,41)
Gains	4 791	–	6 121	10 494	–	71,45
Other revenue	109 690	93 026	77 551	66 885	(28,10)	(13,75)
Total Revenue (excluding capital transfers and contributions)	**967 430**	**1 000 443**	**1 009 560**	**944 103**	**(5,63)**	**(6,48)**

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3

APPENDIX L

APPENDIX L: Conditional Grants excluding MIG

Conditional Grants: excluding MIG						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Finance Management Grant	1 600	1 600	1 600	0,00%	0,00%	Financial Management
Expanded Public Works Programme	1 559	1 559	1 361	12,71%	12,71%	Job creation
Water Service Infrastructure Grant	15 000	15 000	14 999	0,01%	0,01%	Bulk Water Provision Wolseley
Municipal Disaster Relief Gran	–	3 141	3 265	0,00%	-3,94%	Repair flood damage
Energy Resilience Grant	–	3 300	3 305	0,00%	-0,16%	Energy efficiency
CDW	262	262	64	75,43%	75,39%	Community Development Workers
Human Settlement Development	34 820	5 000	4 988	85,67%	0,24%	Housing
Exilator Housing Delivery	–	7 035	8 091	0,00%	-15,00%	Housing
Capacity Building (Internship)	72	72	100	-38,14%	-38,14%	Capacity Building
Municipal Accreditation and Capacity Building Grant	858	–	–	100,00%	0,00%	Capacity Building
Municipal Energy Resilience Grant	–	700	290	0,00%	58,60%	Energy efficiency
Waste Management Compliance: Borehole Installation	–	257	257	0,00%	0,00%	Compliance with regulations
Parks and recreation	–	500	433	0,00%	13,34%	Local Economic Development
Sanitation Infrastructure	–	31	–	0,00%	100,00%	Services for informal areas
Capacity Building	–	–	35	0,00%	0,00%	Capacity Building
Belgium	661	256	–	100,00%	100,00%	Local Economic Development
Perdekraal	–	673	26	0,00%	96,21%	Nature conservation
Nedbank	–	1 233	–	0,00%	100,00%	Nature conservation
Total	**54 833**	**40 620**	**38 814**	**29,21%**	**4,45%**	

APPENDIX M, N, O

APPENDIX M: New Capital works & renewal programme

APPENDIX N: Full programme of capital projects

APPENDIX O: Alignment of projects to wards

The following tables show the individual budgeted projects as allocated per ward (as included in the 2024/25 adjusted SDBIP):

Key Performance Area: 1. ESSENTIAL SERVICES

Strategic Objective: 1.1 SUSTAINABLE PROVISION & MAINTENANCE OF BASIC INFRASTRUCTURE

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Electricity	Electrical Network (Energy Resilience)	Prov	All	608 696			1 000 000	1 000 000
Electricity	MV Substation Equipment	CRR	All	920 000	1 630 000	1 400 000	1 400 000	1 400 000
Electricity	Upgrade of LV Network Cables	CRR	All	380 000	500 000	400 000	400 000	400 000
Electricity	MV Network Equipment	CRR	All	200 000	1 000 000	1 000 000	1 000 000	1 000 000
Electricity	Upgrade of MV Cables	CRR	All	500 000	1 500 000	1 400 000	1 400 000	1 400 000
Electricity	Tools & Equipment	CRR	All	150 000	250 000	200 000	200 000	200 000
Electricity	Plant & Equipment	CRR	All					150 000
Electricity	Electrical Network Refurbishment	CRR	All	500 000	1 000 000	1 000 000		
Roads	Wolseley rehabilitation roads	MIG	2,7	86 957	9 457 280	6 188 325		
Roads	Network streets	CRR	All	9 454 012	4 000 000	5 000 000	5 000 000	5 000 000
Roads	Tools & Equipment	CRR	All	120 000				
Sewerage	Upgrade WWTW Wolseley	WSIG	2,7	13 043 478				
Sewerage	Upgrade WWTW Wolseley (Own Contri	CRR	7				4 000 000	2 000 000
Sewerage	Upgrade Shandstr sewer, Tulbagh	CRR	7,11				3 000 000	
Sewerage	Aerator replacement programme	CRR	All	500 000			500 000	500 000
Sewerage	Refurbishment WWTW	CRR	All	1 500 438			750 000	750 000
Sewerage	Sewer Pumps-replacement	CRR	All	250 000			250 000	250 000
Sewerage	Sewer Network Replacement	CRR	All	750 000	1 000 000		750 000	750 000
Sewerage	Security upgrades	CRR	All	600 000			600 000	600 000
Solid Waste Remov	Fencing landfill site	CRR	10	201 100				
Solid Waste Remov	Boreholes at liandfill site	CRR	10	223 478				
Solid Waste Remov	Bulk waste container bins	CRR	3,5	133 000	100 000	100 000		
Solid Waste Remov	Bulk waste container bins	CRR	3,5	100 000				
Solid Waste Remov	Drop-offs Transfer stations	CRR	All	353 000			2 000 000	4 000 000
Storm Water	Network - Storm Water Upgrading	CRR	All	450 000				
Storm Water	Replacement of Roads & Storm water I	MDRG	3,5	2 778 260				
Water Distribution	Tulbagh Reservoir	MIG	7,11		7 052 214			
Water Distribution	Infrastructure Management System Wa	CRR	All	200 000				
Water Distribution	Nduli water pipe line R46	CRR	1	252 174				
Water Distribution	Network- Water	CRR	All	750 000				
Water Distribution	Plant & Equipment	CRR	All	304 817				
Water Distribution	Security upgrades	CRR	All	500 000				
Water Distribution	Tierhokskloof Bulk pipeline	CRR	2,7	2 502 386				
Water Distribution	Tierhokskloof bulk pipeline	MIG	2,7	18 762 992				
Water Distribution	Nduli: Upgrade & replace water pipe lir	MIG	5	2 480 563	860 831			

Strategic Objective: 1.2 PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Electricity Administra	Electrical Network Housing Project	INEP	All		573 913	518 261		
Roads	Nduli 188 Serviced sites	IHHSDG	1,12		1 779 783	307 174		
Sewerage	Tulbagh bulk sewer lowcost housing	MIG	7,11				372 379	18 975 832
Sewerage	Nduli 188 Serviced sites	IHHSDG	1,12		1 779 783	307 174		
Sewerage	Toilets for Informal Settlements	CRR	All	161 703				
Storm Water	Nduli 188 Serviced sites	IHHSDG	1,12		1 779 783	307 174		
Water Distribution	Nduli 188 Serviced sites	IHHSDG	1,12		1 779 783	307 174		

Key Performance Area: 2. GOOD GOVERNANCE

Strategic Objective: 2.1 Support Institutional Transformation and Development

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Director Communit	Office Equipment	CRR	All	30 000	30 000	30 000	30 000	30 000
Administrative & Co	Building Regulations Upgrades	CRR	All	200 000				
Administrative & Co	Acquisition of property for municipal o	CRR	All	2 720 000				
Administrative & Co	Council chambers Furniture & Equipm	CRR	All		500 000			
Director Corporate	Office Equipment	CRR	All	96 200	30 000	30 000	30 000	30 000
Human Resources	Electronic overtime system	CRR	All	363 100				
Information Techno	IT Equipment	CRR	All	410 000	300 000	300 000	350 000	350 000
Director Finance	Office Equipment	CRR	All	30 000	30 000	30 000	30 000	30 000
Municipal Manager	PMU IT Equipment	MIG	All	56 445				
Municipal Manager	Office Equipment	CRR	All	30 000	30 000	30 000	30 000	30 000
Director Technical	Office Equipment	CRR	All	30 000	30 000	30 000	30 000	30 000
Fleet Management	Vehicle Replacement Program	CRR	All	3 270 000	1 000 000	2 000 000	2 000 000	3 000 000
Fleet Management	Tools & Equipment	CRR	All	50 000		50 000	50 000	80 000
Fleet Management	Workshop Building Upgrade	CRR	3	300 000	300 000			
Solid Waste Remov	Vehicle Replacement Program	Belgium	All		300 000			
Town Planning	Filing Cabinets	CRR	All	200 000				

Strategic Objective: 2.2 Ensure Financial Stability

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Finance	Furniture & equipment	CRR	All					200 000

Strategic Objective: 2.3 Maintain and strengthen relations

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Marketing & Commun	Access Control - Furniture and Equipment	CRR	All	100 000	100 000	250 000		
Marketing & Commun	Signage & Billboards	CRR	All				200 000	200 000
Marketing & Commun	Camera equipment	CRR	All		30 000	35 000		

Key Performance Area: 3. COMMUNAL SERVICES

Strategic Objective: 3.1 Provide and Maintain Facilities and Environment that make citizens feel at home

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Cemeteries, Funera	Expanding of Cemetery	CRR	All				200 000	
Fire Fighting & Prote	Building Regulations Upgrades	CRR	All	320 000	150 000		150 000	150 000
Fire Fighting & Prote	Fire Fighting Equipment	CRR	All	30 000				
Libraries	Library Nduli	CRR	1,12	1 000 000				
Parks	Chainsaws	CRR	All	23 900	120 000		120 000	100 000
Parks	Brushcutters	CRR	All	130 398	100 000		100 000	80 000
Recreational Facilit	Containers	CRR	All	56 814				
Recreational Facilit	Upgrade of sport facilities	CRR	All	500 000				
Traffic & Law Enforc	Building Upgrade Traffic Department	CRR	All	200 000				
Electricity	Upgrade of Streetlights	EEDS	All	3 043 478				
Electricity	Upgrade of Streetlights	CRR	All	150 000				
Electricity	Upgrade of Streetlights	CRR	All	56 509	210 000	100 000	150 000	150 000
Roads	NMT Sidewalks Ceres	CWDM	3,5	434 783				
Roads	NMT Sidewalks Ceres	CRR	3,5	50 000				
Roads	Traffic Calming	CRR	All	200 000	50 000		150 000	150 000
Roads	Tulbagh Taxi Rank (Ph1)	CRR	7,11					

Key Performance Area: 4. SOCIO-ECONOMIC SUPPORT SERVICES

Strategic Objective: 4.2 Create an enabling environment to support local economy

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Electricity	Upgrade Power Station	Loan	All	10 000 000	15 000 000			
Recreational Facilitie	Chalet Furniture	CRR	3	450 000			200 000	
Sewerage	Network Schoonvlei	CRR	6	700 000				
Water Distribution	Network Schoonvlei	CRR	6	300 000				

APPENDIX P

APPENDIX P: Schools & clinics with access to basic services

There are no service connection backlogs to schools and clinics within urban areas where Witzenberg Municipality are responsible for services. The situation of service connections in rural areas is however unknown.

APPENDIX Q: Schools & clinics with access to basic services where other spheres of government are responsible for the provision

This Appendix relates to all service backlogs experienced by the community where another sphere of government is responsible for providing the service, this information is provided to assist the national and provincial departments improve planning, budgeting and implementation.

Information can however not be provided as the type of service, backlog & backlog criteria are unknown to the municipality.

APPENDIX R: Declaration of Loans and Grants Made by the Municipality

No loans or grants were granted by the municipality.

APPENDIX S: Declaration of Returns not Made in due Time under MFMA s71

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/ with no exceptions for the 2024/25 financial year.



Signed (Chief Financial Officer)
C Kritzinger

30 October 2025

APPENDIX T: National and Provincial Outcome for local government

This Appendix covers information not addressed in any of the other areas of the Annual Report, relating to municipal powers and functions that can be used by the National and Provincial Spheres to monitor and evaluate service delivery performance. This should indicate the progress to date, numbers and percentage achieved.

All major service delivery functions are measured through key performance indicators as reported on under Chapter 3.1.7.

2025

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

Annual Financial Statements

30 June 2025



WITZENBERG MUNICIPALITY

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 2025

Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Table of Contents

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

	Page
Abbreviations	2 - 3
General Information	4 - 5
Accounting Officer's Statement	6
Statement of Financial Position	7
Statement of Financial Performance	8
Statement of Changes in Net Assets	9
Cash Flow Statement	10
Comparison of Budget and Actual Amounts	11 - 17
Reportable Segments	18 - 19
Accounting Policies	20 - 47
Notes to the Annual Financial Statements	47 - 103

The following supplementary information does not form part of the annual financial statements and is unaudited:

Appendixes:

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 2025

Abbreviations

AARTO	Administrative Adjudication of Road Traffic Offences
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
ASB	Accounting Standards Board
CIGFARO	Chartered Institute of Government, Finance, Audit and Risk Officers
COGTA	Cooperative Governance and Traditional Affairs
COID	Compensation for Occupational Injuries and Diseases
CPI	Consumer Price Index
DBSA	Development Bank of South Africa
DORA	Division of Revenue Act
DSACR	Department of Sport, Arts, Culture and Recreation
ED	Executive Director
EEDSM	Energy Efficiency and Demand Side Management
EPWP	Expanded Public Works Programme
FMG	Finance Management Grant
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
INEP	Integrated National Electrification Programme
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
IUDG	Integrated Urban Devopment Grant
JSE	Johannesburg Stock Exchange
LED	Local Economic Development
LGSETA	Local Government Services Sector Education and Training Authority
MBA	Master of Business Administration
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPAC	Municipal Public Accounts Committee
MPRA	Municipal Property Rates Act
MSA	Municipal Structures Act

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U Mnqanqeni - 10 December 2025

Abbreviations

MSA	Municipal System Act
mSCOA	Municipal Standard Chart of Accounts
MSIG	Municipal System Improvement Grant
NDPG	Neighbourhood Development Partnership Grant
NDPG	Neighbourhood Development And Partnership Grant
NRA	Normal Retirement Age
PAYE	Pay As You Earn
PPE	Property, Plant and Equipment
PTNG	Public Transport Network Grant
RBIG	Regional Bulk Infrastructure Grant
RSA	Republic of South Africa
SACNASP	South African Council of Natural Scientific Professions
SAIEES	South African Institute of Ecologists and Environmental Scientists
SALGA	South African Local Government Association
SAPS	South African Police Services
SARS	South African Revenue Services
SCM	Supply Chain Management
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
SRAC	Sports, Recreation, Arts and Culture
UIF	Unemployment Insurance Fund
VAT	VAlue added Tax
WSIG	Water and Sanitation Infrastructure Grant

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 2025

General Information

Nature of business and principal activities	The provision of services (electricity, water, sanitation and refuse) to communities in a sustainable manner, to promote social and economic development; and to promote a safe and healthy environment
Legislation governing the municipality's operations	Constitution of the Republic of south Africa (Act 108 of 1998) Municipal Finance Management Act (Act 56 of 2003) Local Government: Municipal Systems Act (Act 32 of 2000) Local Government: Municipal Structures Act (Act 117 of 1998) Municipal Property Rates Act (act of 6 2004) Division of Revenue Act (Act 1 of 2007)

Executive mayor and chairperson of mayoral commitee

Portfolio	Councillor
Executive mayor	Abrahams TE
Deputy executive mayor	Nel JF
Speaker	Sidego EM
Mayoral Committee Member	Alderman Smit, HJ
Mayoral Committee Member	Alderman Adams, K
Mayoral Committee Member	Fredericks JP
Mayoral Committee Member	Daniels P
MPAC Chairperson	Hardnek LA
MPAC Chairperson	Rooi J

Council members

Nr	Surname	Initials
1	Alexander	WJ
2	Alderman Visagie	JJ
3	Laban	G
4	Phatsoane	N
5	Swart	D
6	Ndaba	MJ
7	Mouton	JS
8	Gili	AL
9	Zalie	J
10	Yisa	K
11	Nogcinisa	N
12	Franse	GJ
13	De Bruin	S
14	Swartz	IL
15	Robyn	KA

Registered head office	50 Voortrekker Street Ceres 6835
Physical address	50 Voortrekker Street Ceres 6835
Postal address	P O Box 44 Ceres 6835

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 2025

General Information

Bankers	First National Bank ABSA
Auditors	Auditor-General of South Africa (AGSA)
Demarcation code	WC022

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 2025

Accounting Officer's Statement

I am responsible for the preparation of these annual financial statements, in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in the notes of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

David Nasson
Municipal Manager

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 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	3	198,636,427	187,244,733
Trade and other receivables from exchange transactions	4	102,211,701	122,582,281
Receivables from non-exchange transactions	5	43,005,281	31,639,039
Inventory	6	17,738,984	22,625,335
Operating lease receivable	7	2,303,438	1,240,313
Total Current Assets		**363,895,831**	**365,331,701**
Non-Current Assets			
Investment property	9	41,250,996	41,919,719
Property, plant and equipment	10	1,158,195,068	1,118,888,937
Heritage assets	11	550,000	550,000
Intangible assets	12	1,278,268	1,057,687
Total Non-Current Assets		**1,201,274,332**	**1,162,416,343**
Total Assets		**1,565,170,163**	**1,527,748,044**
Liabilities			
Current Liabilities			
Financial liabilities	13	162,737	334,172
Employee benefits	14	38,223,159	33,906,947
Consumer deposits	15	10,655,130	9,739,377
Trade and other payables from exchange transactions	16	90,643,547	83,707,978
Trade and other payables from non-exchange transactions	17	4,005,642	(4,043,952)
Provisions	18	3,791,013	3,630,749
VAT Payables	8	3,075,774	4,665,378
Total Current Liabilities		**150,557,002**	**131,940,649**
Non-Current Liabilities			
Financial liabilities	13	889,278	1,052,015
Employee benefits	14	80,122,398	71,753,312
Provisions	18	63,832,456	52,330,758
Total Non-Current Liabilities		**144,844,132**	**125,136,085**
Total Liabilities		**295,401,134**	**257,076,734**
Net Assets		**1,269,769,029**	**1,270,671,310**
Community Wealth / Equity			
Reserves and funds	19	11,166,356	11,166,358
Accumulated surplus		1,258,602,662	1,259,504,952
Total Community Wealth / Equity		**1,269,769,018**	**1,270,671,310**

* See Note 50

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Exchange Revenue			
Services charges	20	508,072,018	528,791,554
Sales of goods and rendering of services	21	15,430,642	14,483,782
Agency services	22	4,948,368	4,738,934
Interest earned from receivables	23	27,153,392	28,557,418
Interests on current and non-current assets	24	18,758,044	22,018,748
Rent from fixed assets	25	6,764,809	6,007,232
Operational revenue	26	2,334,861	3,046,065
Construction contract revenue	27	11,373,082	33,460,159
Gain on Adjustment of Provision		-	1,986,710
Total Exchange Revenue		**594,835,216**	**643,090,602**
Non-Exchange Revenue			
Availability charges	28	2,824,476	2,990,685
Property rates by usage	29	107,320,205	101,316,646
Surcharges and taxes	30	7,975,570	9,121,658
Fines, penalties and forfeits	31	22,353,641	20,634,347
Licence and permits	32	1,068,580	1,182,780
Transfers and subsidies – Operational	33	150,058,027	145,661,090
Transfers and subsidies – Capital	33	42,292,480	36,536,411
Interest earned from receivables	23	4,881,176	4,091,476
Gains	34	8,082,849	1,821,382
Total Non-Exchange Revenue		**346,857,004**	**323,356,475**
Total Revenue		**941,692,220**	**966,447,077**
Expenditure			
Employee related cost	35	265,016,218	238,876,956
Remuneration of councillors	36	12,315,281	11,630,945
Bulk purchases	37	391,687,224	324,085,574
Inventory consumed	38	24,212,928	23,244,559
Debt impairment	39	66,389,465	(72,354,972)
Depreciation and amortisation	40	38,282,632	34,132,831
Impairment losses / (reversal) of impairment	41	1,163,041	108,454
Interest	42	15,330,174	13,827,042
Rent on land	43	49,779	38,769
Contracted services	44	60,134,886	89,214,236
Transfers and subsidies	45	4,633,156	2,877,601
Irrecoverable debts written off	46	15,347,310	159,168,262
Operating leases	47	1,200,791	1,106,871
Operational cost	48	46,831,621	44,903,295
Total Expenditure		**942,594,506**	**870,860,423**
(Deficit) surplus for the year		**(902,286)**	**95,586,654**

* See Note 50

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 2025

Statement of Changes in Net Assets

Figures in Rand	C repl re
Opening balance as previously reported	12
Adjustments	
Change in accounting policy	
Correction of errors	
Balance at 01 July 2023 as restated*	**12**
Surplus for the year	
Transfers to / from accumulated surplus for the year	
Increase in reserve	(1
Total changes	(1
Restated Subtotal	11
Adjustments	
Correction of errors	
Restated* Balance at 01 July 2024 as restated*	**11**
Surplus for the year	
Increase in reserve	
Total changes	
Balance at 30 June 2025	**11**
Note(s)	

* See Note 50

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Property rates & Other Taxes		106,158,287	102,509,333
Sales of goods and services		509,844,529	494,814,895
Government Grants		200,400,101	171,336,713
Interest		52,984,642	48,344,009
Increase in consumer deposits		915,751	274,818
Payments			
Employee and Councillor Costs		(275,489,801)	(250,595,740)
Suppliers		(509,791,346)	(534,596,331)
Net cash from(used) operating activities	49	**85,022,163**	**32,087,697**
Cash flows from investing activities			
Receipts			
Proceeds on disposal of fixed and intangible assets		1,745,635	21,174
Payments			
Property, Plant and Equipment		(75,203,429)	(71,696,448)
Intangible Assets		(220,580)	(330,870)
Net cash flows from investing activities		**(73,678,374)**	**(72,006,144)**
Cash flows from financing activities			
Payments			
Decrease in borrowing long-term		47,904	206,029
Net cash flows from financing activities		**47,904**	**206,029**
Net increase/(decrease) in cash		**11,391,693**	**(39,556,989)**
Cash and cash equivalents at year begin		187,244,734	226,801,723
		198,636,427	**187,244,734**

* See Note 50

AUDITOR-GENERAL SOUTH AFRICA
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U Mnqanqeni - 10 December 2025

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	ou
2025							
Financial performance							
Revenue							
Exchange revenue							
Service charges - Electricity	431,223,350	(2)	431,223,348	431,223,348	395,036,514	(36,186,834)	
Service charges - Water	49,358,871	-	49,358,871	49,358,871	50,461,847	1,102,976	
Service charges - Waste Water Management	50,931,952	-	50,931,952	50,931,952	26,461,450	(24,470,502)	
Service charges - Waste Management	33,773,623	-	33,773,623	33,773,623	36,112,207	2,338,584	
Sale of goods and rendering of services	5,535,924	10,683,001	16,218,925	16,218,925	26,803,724	10,584,799	
Agency services	4,684,213	-	4,684,213	4,684,213	4,948,368	264,155	
Interest	10,860	-	10,860	10,860	-	(10,860)	
Interest earned from receivables	23,549,060	-	23,549,060	23,549,060	27,153,393	3,604,333	
Interest earned from current and non current assets	22,444,468	-	22,444,468	22,444,468	18,758,044	(3,686,424)	
Rent on land	27,150	-	27,150	27,150	-	(27,150)	
Rental from fixed assets	6,015,322	-	6,015,322	6,015,322	6,764,809	749,487	
Operational revenue	1,763,667	(1)	1,763,666	1,763,666	2,334,861	571,195	
	629,318,460	**10,682,998**	**640,001,458**	**640,001,458**	**594,835,217**	**(45,166,241)**	
Non-exchange revenue							
Property rates	113,495,472	-	113,495,472	113,495,472	107,320,206	(6,175,266)	

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	ou
Surcharges and taxes	5,501,303	4,859,004	10,360,307	10,360,307	7,975,570	(2,384,737)	
Fines, penalties and forfeits	11,253,803	-	11,253,803	11,253,803	22,353,641	11,099,838	
Licences or permits	2,443,535	-	2,443,535	2,443,535	1,068,580	(1,374,955)	
Transfer and subsidies - Operational	196,212,696	(14,316,483)	181,896,213	181,896,213	150,058,027	(31,838,186)	
Interest	3,566,095	-	3,566,095	3,566,095	4,881,176	1,315,081	
Operational revenue	3,095,150	-	3,095,150	3,095,150	2,824,476	(270,674)	
Gains on disposal of assets	-	6,120,737	6,120,737	6,120,737	144,214	(5,976,523)	
	335,568,054	**(3,336,742)**	**332,231,312**	**332,231,312**	**296,625,890**	**(35,605,422)**	
Total Revenue (excl. capital transfers and contributions)	**964,886,514**	**7,346,256**	**972,232,770**	**972,232,770**	**891,461,107**	**(80,771,663)**	

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	ou
Expenditure							
Employee costs	(277,558,134)	(1,635,978)	(279,194,112)	(279,194,112)	(269,855,115)	9,338,997	
Remuneration of councillors	(12,311,169)	-	(12,311,169)	(12,311,169)	(12,315,281)	(4,112)	
Bulk purchases - Electricity	(375,257,918)	(2,200,001)	(377,457,919)	(377,457,919)	(391,687,224)	(14,229,305)	
Inventory consumed	(25,928,541)	90,973	(25,837,568)	(25,837,568)	(24,212,932)	1,624,636	
Debt impairment	(62,757,730)	3	(62,757,727)	(62,757,727)	(66,389,465)	(3,631,738)	
Depreciation and amortisation	(54,218,569)	-	(54,218,569)	(54,218,569)	(38,282,640)	15,935,929	
Finance charges	(10,233,393)	-	(10,233,393)	(10,233,393)	(7,846,834)	2,386,559	
Contracted services	(75,234,155)	9,904,128	(65,330,027)	(65,330,027)	(60,134,885)	5,195,142	
Transfers and subsidies	(37,115,788)	2,299,841	(34,815,947)	(34,815,947)	(4,633,155)	30,182,792	
Irrecoverable debts written off	(2,130,824)	(6)	(2,130,830)	(2,130,830)	(15,347,310)	(13,216,480)	
Operational costs	(63,983,950)	2,572,478	(61,411,472)	(61,411,472)	(53,160,171)	8,251,301	
Losses on disposal of Assets	-	-	-	-	10,282,235	10,282,235	
Other Losses	-	-	-	-	(1,073,098)	(1,073,098)	
Total Expenditure	**(996,730,171)**	**11,031,438**	**(985,698,733)**	**(985,698,733)**	**(934,655,875)**	**51,042,858**	
Deficit	**(31,843,657)**	**18,377,694**	**(13,465,963)**	**(13,465,963)**	**(43,194,768)**	**(29,728,805)**	
Transfers and subsidies - capital (monetary allocations)	35,556,521	1,771,088	37,327,609	37,327,609	40,834,480	3,506,871	
Transfers and subsidies - capital (in-kind)	-	-	-	-	1,458,000	1,458,000	

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	ou
Deficit for the year	**3,712,864**	**20,148,782**	**23,861,646**	**23,861,646**	**(902,288)**	**(24,763,934)**	
Capital expenditure and funds sources							
Capital expenditure	82,771,082	2,025,961	84,797,043	84,797,043	82,874,187	(1,922,856)	
Financial position							
Assets							
Current assets							
Cash and cash equivalents	227,306,118	(19,411,412)	207,894,706	207,894,706	198,636,426	(9,258,280)	
Trade and other receivables from exchange transactions	68,636,312	57,688,160	126,324,472	126,324,472	102,436,314	(23,888,158)	
Receivables from non-exchange transactions	49,233,850	(9,145,752)	40,088,098	40,088,098	40,361,630	273,532	
Inventory	9,181,240	18,775,442	27,956,682	27,956,682	17,738,985	(10,217,697)	
VAT	6,836,054	(1,534,446)	5,301,608	5,301,608	10,087,643	4,786,035	
Other current assets	1,709,188	(470,239)	1,238,949	1,238,949	4,722,475	3,483,526	
Total current assets	**362,902,762**	**45,901,753**	**408,804,515**	**408,804,515**	**373,983,473**	**(34,821,042)**	
Non-current assets							
Investment property	40,609,725	(1,811,125)	38,798,600	38,798,600	41,250,995	2,452,395	

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	ou
Property, plant and equipment	1,091,865,577	44,462,547	1,136,328,124	1,136,328,124	1,158,195,068	21,866,944	
Heritage assets	550,000	-	550,000	550,000	550,000	-	
Intangible assets	2,529,043	(1,055,130)	1,473,913	1,473,913	1,278,267	(195,646)	
Total non-current assets	**1,135,554,345**	**41,596,292**	**1,177,150,637**	**1,177,150,637**	**1,201,274,330**	**24,123,693**	
Total assets	**1,498,457,107**	**87,498,045**	**1,585,955,152**	**1,585,955,152**	**1,575,257,803**	**(10,697,349)**	
Liabilities							
Current liabilities							
Financial liabilities	(3,329,711)	(117,676)	(3,447,387)	(3,447,387)	162,737	3,610,124	
Consumer deposits	12,158,284	(2,418,905)	9,739,379	9,739,379	10,655,130	915,751	
Trade and other payables from exchange transactions	110,940,615	(32,250,867)	78,689,748	78,689,748	93,126,825	14,437,077	
Trade and other payables from non-exchange transactions	3,308,749	7,851,735	11,160,484	11,160,484	4,392,644	(6,767,840)	
Provision	33,244,633	(2,955,677)	30,288,956	30,288,956	36,230,896	5,941,940	
VAT	18,268,607	(23,099,769)	(4,831,162)	(4,831,162)	13,163,417	17,994,579	
Other current liabilities	8,825,372	(5,774,377)	3,050,995	3,050,995	3,300,000	249,005	
Total current liabilities	**183,416,549**	**(58,765,536)**	**124,651,013**	**124,651,013**	**161,031,649**	**36,380,636**	
Non-current liabilities							

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	ou
Financial liabilities	25,645,246	1,900,747	27,545,993	27,545,993	889,278	(26,656,715)	
Other non-current liabilities	155,711,984	(7,865,933)	147,846,051	147,846,051	143,954,854	(3,891,197)	
Total non-current liabilities	**181,357,230**	**(5,965,186)**	**175,392,044**	**175,392,044**	**144,844,132**	**(30,547,912)**	
Total liabilities	**364,773,779**	**(64,730,722)**	**300,043,057**	**300,043,057**	**305,875,781**	**5,832,724**	
Net assets	**1,133,683,328**	**152,228,767**	**1,285,912,095**	**1,285,912,095**	**1,269,382,022**	**(16,530,073)**	
Community wealth/ Equity							
Accumulated Surplus/(Deficit)	1,120,420,236	154,890,143	1,275,310,379	1,275,310,379	1,258,602,666	(16,707,713)	
Reserves	12,539,508	(1,373,151)	11,166,357	11,166,357	11,166,357	-	
Total current community wealth/ equity	**1,132,959,744**	**153,516,992**	**1,286,476,736**	**1,286,476,736**	**1,269,769,023**	**(16,707,713)**	

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	ou
Cash flow							
Net cash from/(used) operating activities	(48,895,520)	(954,609)	(49,850,129)	(49,850,129)	(18,069,922)	31,780,207	
Net cash from/(used) investing activities	-	-	-	-	(1,531,584)	(1,531,584)	
Net cash from/(used) financing activities	-	-	-	-	(1,865,756)	(1,865,756)	
Cash/cash equivalents at the year end:	168,689,542	(31,304,409)	137,385,133	137,385,133	165,768,000	28,382,867	

The budget and accounting basis' are the same - both are on the accrual basis. The Financial Statemens are prepared using a classifica of Financial Performance.

The changes between approved and final budget are a consequence of reallocations within the budget and other factors allowable in ter

Reportable Segments for the year ended 30 June 2025

Figures in Rand	Community and public safety	Economic and environmental services	Trading services
2025			
Segment revenue			
External revenue from non-exchange transactions	170,957,507	1,624,995	43,860,40
External revenue from exchange transactions	34,853,242	3,850,105	508,318,01
Interests on investments	-	-	
Interest earned from receivables	247,777	-	24,824,67
Gain on disposal of assets	42,746	18,467	
	206,101,272	**5,493,567**	**577,003,09**
Segment expenses			
Total segment expenses	136,003,162	34,083,857	518,656,48
Depreciation, amortisation and impairment	4,831,527	7,897,258	18,704,93
Loss on disposal of assets	-	-	509,71
Impairment losses on financial assets	3,461,076	-	56,066,60
Interest expense	49,779	-	6,037,49
	144,345,544	**41,981,115**	**599,975,23**
Surplus for the year	**61,755,728**	**(36,487,548)**	**(22,972,14**
Other information			
Segment assets	(277,172)	(649,854)	4,201,10
Segment liabilities	107,884	460,554	3,242,38
Additions to non-current assets	(277,172)	(649,854)	3,196,48

Figures in Rand	Community and public safety	Economic and environmental services	Trading services
	6	6	
2024			
Segment revenue			
External revenue from non-exchange transactions	165,412,101	20,075,354	20,026,75
External revenue from exchange transactions	57,005,542	1,803,076	530,926,52
Interests on investments	-	-	
Interest earned from receivables	313,343	-	26,563,79
Gain on disposal of assets	-	-	
	222,730,986	**21,878,430**	**577,517,08**
Segment expenses			
Total segment expenses	149,940,700	32,410,831	593,664,95
Depreciation, amortisation and impairment	4,749,291	6,940,009	17,571,94
Loss on disposal of assets	-	28,427	625,02
Impairment losses on financial assets	(3,712,750)	-	(56,925,09
Interest expense	38,769	-	5,166,33
	151,016,010	**39,379,267**	**560,103,15**
Surplus for the year	**71,714,976**	**(17,500,837)**	**17,413,92**
Other information			
Segment assets	-	(224,498)	1,790,68
Segment liabilities	(312,941)	(203,125)	3,265,18
Additions to non-current assets	(616,163)	(224,498)	1,790,68

Accounting Policies

The annual financial statements of Witzenberg Municipality for the year ended 30 June 2025 were authorised for issue by the Accounting Officer on 30 November 2025.

These 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 No 56 of 2003).

The Annual Financial Statements were prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, is disclosed below:

1. Summary of significant accounting policies

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality and all values are rounded to the nearest hundred.

1.2 Going concern assumption

These annual financial statements were prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.The Municipality considers its objective of using an asset to designate non-cash generating assets. Those assets that are not used in the objective of generating a commercial return but to deliver services are designated as non-cash generating assets

1.3 Current year comparatives

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods.

1.4 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.5 Capital replacement reserve (CRR)

In order to finance the acquisition of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR in terms of the Annual Budget. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

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Accounting Policies

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Entity as lessee - operating leases

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 rent is expensed in the period in which they are incurred.

Entity as lessor - operating leases

Operating lease revenue is recognised as revenue 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.

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.

Municipality as lessee

Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent. Corresponding liabilities are included in the Statement of financial position as Finance Lease Obligations. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on the straight-line basis over the term of the relevant lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Municipality as lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Operating lease rental income is recognised on a straight-line basis over the term of the relevant lease.

1.7 Provisions

Provisions are recognised when:
- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

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Accounting Policies

1.7 Provisions (continued)

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

If the municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Environmental rehabilitation provisions

At year end a provision is raised for the rehabilitation of landfill sites. The provision is the net present value of the future cash flows to rehabilitate damaged land at year end.

As 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;

the amount deducted from the cost of the asset does not exceed it carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit;

if the adjustments results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may be fully recoverable. If there is such an indication, the municipality tests the asset for the impairment by estimating its recoverable amount or recoverable service amount, and accounts for any impairment loss, in accordance with the accounting policy on impairment of assets as described in the accounting policy on impairment of cash-generating assets and/ or impairment of non-cash generating assets.

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.

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Accounting Policies

1.8 Landfill site

Site restoration and dismantling cost - The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes:

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located;
- changes in the measurement of an existing decommissioning, restoration and similar liability that result from change 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 discount rate; and
- the obligation the municipality incurs for having used the items during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

(a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;

(b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and

(c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets

1.9 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 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 at year end and is shown as a provision in the Statement of Financial Position. The municipality recognises the expected cost of performance bonuses only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

Leave pay

Leave pay is recognised in the statement of financial performance for leave days accummulated, and recognised as a provision in the statement of financial position.

Bonus provisions

bonus provision is recognised in the statement of financial performance for months accummulated towards the 12 month cycle, and recognised as a provision in the statement of financial position.

Post-employment benefits: Defined contribution plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

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Accounting Policies

1.9 Employee benefits (continued)

Post-retirement health care benefits

The municipality has an obligation to provide Post-retirement Health Care Benefits for current employees of the municipality. According to the municipality, 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.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised 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 annually by independent qualified actuaries.

Actuarial gains or losses are recognised immediately in the Statement of Financial Performance.

Past-service costs are recognised immediately in the Statement of Financial Performance.

Interest costs are recognised immediately in the Statement of Financial Performance.

Long-service allowance

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.

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Accounting Policies

1.9 Employee benefits (continued)

Pension obligations

The Municipality's personnel are members of either the Government Employees Pension Fund (GEPF) or one of the Natal Joint Municipal Pension (NJMPF) retirement funds, namely the Superannuation, Retirement and Provident Funds. Except for the NJMPF Provident fund, the aforementioned funds are defined benefit funds. As these defined benefit funds are multi-employer funds, the allocation of any surplus/deficit to individual municipalities cannot be determined. Furthermore disclosure of further details such as actuarial assumptions, cannot be attributed to any specific employer and is of no relevance to users of the municipality's financial statements. As the required disclosure information cannot be obtained the funds are all treated as defined contribution funds.

Municipal Councillors

Councillors belong to the Councillors Pension Fund which is a defined contribution fund and employers have no legal or constructive obligation for any shortfalls in valuation of the fund.

1.10 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period. The municipality elected the cost model for Property, plant and equipment.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if

- if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and
- the cost or fair value of the item can be measured reliably.

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost on its acquisition date. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Where an asset 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 that asset on the date acquired.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets is measured at the fair value of the asset given up, unless the fair value of the asset received is more clearly evident. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components} of property, plant and equipment.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent measurement - cost model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have indefinite useful life.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

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Accounting Policies

1.10 Property, plant and equipment (continued)

Incomplete construction work

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use

Impairment

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable service amount, it is written down immediately to its recoverable service amount and an impairment loss is charged to the statement of financial performance.

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. Depreciation on new acquisitions is charged to the statement of financial performance in the financial year in which the asset is available for use after taking into account the assets' residual value where applicable

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Infrastructure:	Straight-line	
• Roads and Paving		5-100 Years
• Electricity		4-46 Years
• Water		15-150 Years
• Sanitation		10-75 Years
• Stormwater		5-100 Years
• Solid Waste		10-100 Years
• Information and Communication		3-15 Years
• Other		10-75 Years
Community:	Straight-line	
• Recreational Facilities		5-30 Years
• Sport Fields and Stadia		10-20 Years
• Halls		5-100 Years
• Libraries		10-30 Years
• Parks and Gardens		10-30 Years
• Other Assets		5-30 Years
• Cemetaries		5-30 Years
Finance Lease Assets:	Straight-line	
• Office Equipment		3-5 Years
Other:	Straight-line	
• Airports		20 Years
• Buildings		30-100 Years
• Computer Equipment		3-30 Years
• Furniture and Equipment		3-30 Years
• Landfill Sites		10-15 Years
• Markets		30 Years
• Other		3-30 Years
• Other Vehicles		2-67 Years
• Plant and Equipment		3-32 Years
• Specialist Vehicles		6-38 Years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.10 Property, plant and equipment (continued)

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 10).

De-recognition

Items of property, plant and equipment are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Effective interest rate

The municipality used the prime interest rate to discount future cash flows

1.11 Intangible assets

Initial recognition

An intangible asset is an identifiable non-monetary asset without physical substance. The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Intangible assets are initially recognised at cost.

Where an intangible asset 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 that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Subsequent measurement - Cost model

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.11 Intangible assets (continued)

Amortisation and impairment

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	5 - 7 years

Derecognition

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.12 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services; or for
- Administrative purposes, or
- Sale in ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that is associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

The cost of self-constructed investment property is the cost at date of completion.

Subsequent measurement – cost model

Investment property is, subsequent to initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciatied as it is deemed to have and indefinite useful life.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

Item	Useful life
Buildings	99-100 years

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.12 Investment property (continued)

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The nature OR type of properties classified as held for strategic purposes are as follows:

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note 9).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 9).

When classification is difficult, the criteria used to distinguish investment property from owner -occupied property and from property held for sale in the ordinary course of operations, are as follows:

All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes, and that will not be sold within the next 12 months are classified as Investment Properties

A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

(a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property;

(b) commencement of development with a view to sale, for a transfer from investment property to inventories;

(c)end of owner-occupation, for a transfer from owner-occupied property to investment property; or

(d) commencement of an operating lease (on a commercial basis) to another party, for a transfer from inventories to investment property.

1.13 Heritage assets

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance, and is held and preserved indefinitely for the benefit of present and future generations.

A heritage asset is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

Initial recognition and measurement

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held and preserved indefinitely for the benefit of present and future generations. A heritage asset is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

Heritage asset is initially measured at cost at the date of acquisition or in the case where a heritage asset is acquired through a non-exchange transaction (i.e. donation or grant) at deemed cost, being the fair value of the asset at acquisition date.

The cost of a heritage asset is a purchase price and other costs directly attributable to bring the heritage asset to the location and condition necessary for it to be capable of operating in the manner intended by management of the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes attributable costs of dismantling and removing the asset and restoring the site on which the asset is located.

Where there is no evidence to determine the market value of an item of heritage asset in an active market, a valuation technique is used to determine the fair value.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.13 Heritage assets (continued)

Subsequent measurement

The municipality uses the cost model to value each class of heritage asset. Subsequent expenditure relating to heritage assets is capitalised if that expenditure meets all the requirement of heritage asset and can be measured reliable. Subsequent expenditure is only capitalised when that expenditure increases the level of benefit from present and future generation.

Heritage assets are not depreciated; however, the municipality assesses impairment to all heritage assets at each reporting date.

Derecognition

The carrying amount of an item of heritage asset is de-recognised on disposal or when no future economic benefit or service potential or for the benefit of present and future generations.

The gains or losses derived from de-recognition is recognised in the surplus or deficit when the heritage asset is de-recognised

Gains and losses are determined as the difference between the carrying amount (cost less accumulated depreciation and impairment) and the disposal proceeds and included in the Statement of Financial Performance.

1.14 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

All cash generating assets are measured at amortised cost, or cost, these assets are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a cash generating asset or group of cash generating assets is impaired.

Impairment is assessed annually during year-end reporting. Impairment loss is recognised to the Statement of Financial Performance. Reversal of the impairment loss affects surplus or deficit for that reporting period.

Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

1.15 Commitments

Disclosures are required in respect of unrecognised contractual commitments.

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

Commitments are disclosed inclusive of VAT.

1.16 Inventory

Initial recognition

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.16 Inventory (continued)

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held fo

- distribution at no charge or for a nominal charge; or

- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Subsequent measurement

Inventories, consisting of consumable stores, materials and water, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. 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.

1.17 Borrowing costs

Borrowing costs are interest and other expenses incurred by an municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the Statement of financial performance in the period in which they are incurred.

1.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity. Financial instruments are classified into three categories namely, financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost. The municipality determines the classification of its financial instruments at initial recognition.

The municipality has various types of financial instruments and these can be broadly categorised as either financial assets or financial liabilities.

A financial instrument is recognised if the municipality becomes a party to the contractual provisions of the instrument.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.18 Financial instruments (continued)

1.18.1 Classification of financial instruments

Financial assets

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104 the Financial Assets of the municipality are classified as follows into the three categories allowed by this standard:

Financial asset at amortised cost being a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Financial assets measured at fair value being financial assets that meet either of the following conditions:

- Derivatives;
- Combined instruments that are designated at fair value;
- Instruments held for trading;
- Non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
- Financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Financial assets measured at cost being investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

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:

Type of financial asset	Classification in terms of GRAP 104
	Financial assets at amortised cost

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short - term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets at amortised cost.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

The following main categories of financial liabilities and the classification determining how they are measured exist:

- Financial liabilities measured at amortised cost; or
- Financial liabilities measured at fair value.

The municipality has the following types of financial liabilities as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial liability	Classification in terms of GRAP 104
Long-term liabilities	Financial liability at amortised cost
Current portion of long-term liabilities	Financial liability at amortised cost

1.18.2 Initial and subsequent measurement

Initial recognition and measurement

A financial instruments is recognised when the municipality becomes a party to the contractual provisions of the instrument and are initially measured at fair value. In the case of a financial instruments not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instruments are added or deducted from the fair value as appropriate on initial recognition.

Subsequent measurement – Financial assets

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.18 Financial instruments (continued)

Financial assets consist of cash and cash equivalents, deposits, receivables and investments.

Receivables are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

A provision 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 provision is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. Changes in the carrying amount of the provision is recognised in the Statement of financial performance. When a receivable is considered uncollectible it is written off against the provision. Any gains or losses arising from the change in fair value of investments measured at fair value are recognised in the Statement of financial performance.

Trade and other receivables (excluding Value Added Taxation, prepayments and operating lease receivables), loans to municipal entities and loans that have fixed and determinable payments that are not quoted in an active market are classified as financial assets at amortised cost.

Financial assets measured at fair value are initially measured at fair value plus directly attributable transaction costs. They are subsequently measured at fair value with unrealised gains or losses recognised directly in equity until the investment is derecognised, at which time the cumulative gain or loss recorded in equity is recognised in the Statement of financial performance, or determined to be impaired, at which time the cumulative loss recorded in equity is recognised in the Statement of financial performance.

Subsequent measurement – Financial Liabilities

Financial liabilities consist of payables, interest bearing loans and bank overdrafts. These liabilities are subsequently measured at amortised cost, using the effective interest rate method. Finance costs are expensed in the Statement of financial performance in the period in which they are incurred except where stated otherwise (see accounting policy on borrowing costs).

Bank borrowings, consisting of interest-bearing short-term bank loans, repayable on demand and overdrafts are recorded at the proceeds received. Finance costs are accounted for using the accrual basis and are added to the carrying amount of the bank borrowing to the extent that they are not settled in the period that they arise.

Prepayments are carried at cost less any accumulated impairment losses.

1.18.3 Impairment of financial assets

All financial assets measured at amortised cost, are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

Consumer debtors

Consumer debtors are assessed individually thereafter collectively considering factors such as payment histories and ratios, qualitative factors e.g. correspondence from attorneys, disputes about certain accounts, etc.

All financial assets measured at amortised cost, are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Other debtors

Other debtors are reviewed individually considering payment histories and disputes about certain amounts. Provision for impairment is made accordingly.

All financial assets measured at amortised cost, are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired..

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.18 Financial instruments (continued)

1.18.4 Derecognition

Financial assets

The municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets 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.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial assets, the municipality continues to recognise the financial assets and also recognises a collateralised borrowing for the proceeds received.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.18 Financial instruments (continued)

Financial liabilities

The municipality derecognises financial liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as having extinguished the original financial liability, and a new financial liability recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a nonexchange transaction, are accounted for in accordance with GRAP 23.

1.18.5 Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instruments is not active, the municipality establishes fair value using a valuation technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality-specific inputs.

1.19 Revenue

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction

Recognition and measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

1.19.1 Revenue from exchange transactions

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.

Service charges relating to water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly by the system if the reading was not obtained. The provisional estimates of consumption are recognised as revenue when invoiced. The system automatically reverse the provisional readings, when the reading has been captured on the system.

Interest revenue is recognised on a time proportion basis, Interest earned on investments is recognised in the statement of financial performance on the time proportionate basis that takes into account the effective yield on the investment.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.19 Revenue (continued)

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied.

- the amount of revenue can be measured reliably;

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;.

- the stage of completion of the transaction at the reporting date can be measured reliably; and

- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by the proportion that costs incurred to date bear to the total estimated costs of the transaction.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the buyer 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.

1.19.2 Revenue from non-exchange transactions

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.

Fines constitute both spot fines in the form of meter tampering fines. Fines are recognised when payment is received.

Revenue from public contributions and donations 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 qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, a deferred income (liability) is recognised.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualifies for recognition and become available for use by the municipality.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.19 Revenue (continued)

Fines

Fines constitute both spot fines and camera fines. Fines are recognised when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset. It is measured at the best estimate, based on past experience, of the amount of revenue the municipality is entitled to collect.

Subsequent to initial recognition and measurement, the municipality assess the collectability of the revenue and recognises a separate impairment loss where appropriate.

Donations and 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.

Transfers and subsidies

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Unconditional grants

Equitable share allocations are recognised in revenue at the start of the financial year.

Conditional grants

Conditional grants 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.

Interest earned on grants received and invested is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of financial performance.

Revenue recognition of unclaimed deposits

Unclaimed deposits older than three (3) years are recognised as revenue.

Revenue recognition of forfeited retention

Retention forfeited is recognised as revenue in the statement of financial performance.

Retention forfeit is recognised when service provider does not meet the retention release conditions.

1.20 Related parties and related party transactions

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.20 Related parties and related party transactions (continued)

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements

1.21 Unauthorised expenditure

Unauthorised expenditure means:
- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.22 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.23 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of financial performance.

1.24 Contingent assets and contingent liabilities

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 wholly within the control of the municipality.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.24 Contingent assets and contingent liabilities (continued)

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 wholly within the control of the municipality.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the municipality.

1.25 Budget information

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the same period as the Annual Financial Statements.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Explanatory comments on material differences are provided in a separate budget statement in the annual financial statements giving firstly reasons for overall growth or decline in the budget and secondly motivations for over or under spending in line items. The changes between the approved and final budget are a consequence of reallocations within the approved budget by the Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan.

The approved budget is classified by economic nature per items on the same basis as adopted in the financial statements.

1.26 Significant judgements and estimates

In the application of the municipality's accounting policies, which are described below, management & councillors is required to make judgement, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experiences and other factors that are considered too 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 may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.26.1 Judgements

The following are the critical judgements, apart from those involving estimations, that the management & councillors 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:

Lease classification – municipality as lessor

The municipality has entered into lease agreements to rent a small portion of its administration building. The municipality has determined that it retains all the significant risks and rewards of ownership of these properties, and so accounts for them as operating leases.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.26 Significant judgements and estimates (continued)

Lease classification – municipality as lessee

The municipality has entered into a number of leases for office equipment. In determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the municipality.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. The municipality has exercised its judgement on the appropriate classification of equipment leases, and has determined a number of lease arrangements are finance leases.

Determination of repairs and maintenance cost

Repairs and maintenance is based on management & councillors's own judgement of costs incurred in cost centres responsible for the maintenance and repair of municipality owned assets. This includes internal charges (inter departmental charges) such as internal transport costs, charged out to the different departments.

Componentisation of infrastructure assets

All infrastructure assets, acquired before the adoption of GRAP where the acquisition cost could not be obtained, with significant components relating to different useful lives are unbundled into their components in order to depreciate all major components over the expected useful lives. The cost of each component is estimated based on the current market replacement cost of each component, depreciated for age and condition and recalculated to deemed cost at the acquisition date if known or to the date of initially adopting the Standards of GRAP. All infrastructure assets acquired after the adoption of GRAP with significant components relating to different useful lives are unbundled into their components based on the actual expenditure incurred.

1.26.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Post-retirement benefits and Other long term obligations

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions.

Classification of financial assets and liabilities

The classification of financial assets and liabilities, into categories, is based on judgement by management & councillors. The Accounting Policy on Financial Instruments describes the factors and criteria considered by the management & councillors of the municipality in the classification of financial assets and liabilities.

In making the above-mentioned judgement, management & councillors considered the definition and recognition criteria for the classification of financial instruments as set out in GRAP 104: Financial Instruments.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.26 Significant judgements and estimates (continued)

Impairment of financial assets

The Accounting Policy on Financial Instruments describes the process followed to determine the value by which financial assets should be impaired. In making the estimation of the impairment, the management & councillors of the municipality considers the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management & councillors of the municipality is satisfied that the impairment of financial assets recorded during the year is appropriate.

The calculation in respect of the impairment of service debtors (receivables from exchange and non-exchange transactions) 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. This was performed per service-identifiable categories across all classes of debtors.

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Review of useful lives of property, plant and equipment and intangible assets

The useful lives of assets are based on management & councillors's estimation. Management & Councillors considers whether there is any indication that expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. These include changes in the composition, condition and nature of the asset, its susceptibility and adaptability to changes in technology and processes, the nature of the processes and environment in which the asset is deployed availability of funding to replace the asset and changes in the market in relation to the asset, as well as planned repairs and maintenance including refurbishments.

Impairment of property, plant and equipment, intangible assets, heritage assets and inventory

The Accounting Policies on impairment of cash and non-cash generating assets as well as inventory describes the conditions under which non-financial assets are tested for potential impairment losses by the management & councillors of the municipality. Significant estimates and judgements are made relating to the impairment of property, plant and equipment, intangible assets and heritage assets and the write down of Inventories to the lowest of Cost and Net Realisable Values (NRV).

In making the above-mentioned estimates and judgement, management & councillors considers 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.

Provisions and contingent liabilities

Management & Councillors judgement is required when recognising and measuring provisions, and when measuring contingent liabilities. Provisions are measured at the management & councillors's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Non-Cash Generating Assets

The Municipality considers its objective of using an asset to designate non-cash generating assets. Those assets that are not used in the objective of generating a commercial return but to deliver services are designated as non-cash generating assets

1.27 Value Added Tax

The municipality accounts for VAT on the accrual basis, based on the approval received from the Commissioner for South African Revenue Services, permission has been given to remit or claim for value - added tax on the payments basis for debtors and creditors

VAT is a statutory receivable in terms of the VAT act, levied at 15% on qualifying payments and receipts.

Input VAT accrual and input VAT (General and Capital) are recognised when expenditure is incurred and when cash payments are made, respectively.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.27 Value Added Tax (continued)

Output VAT accrual is recognised when revenue is billed. Output VAT (payable to SARS) is recognised once payment is received from debtors or when cash receipts are recorded. Output VAT impairment is recognised when debtors are impaired. Output VAT accrual and Output VAT impairment are treated as a financial instrument in terms of GRAP 104.

Statutory receivables/payables are recognised when VAT201 submission has been made to SARS.

1.28 Principal-agent arrangements

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

1.29 Statutory receivables

1.29.1 Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.29 Statutory receivables (continued)

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

In estimating the future cash flows, an entity considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, an entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

1.29.2 Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

1.29.3 Measurement

The municipality initially measures statutory receivables at their transaction amount.

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the accounting policy on Revenue from exchange transactions or the accounting policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled to levy additional charges in terms of legislation, supporting regulations, by-laws or similar means on overdue or unpaid amounts, these charges are accounted for in terms of the municipality's accounting policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (taxes and transfers).

1.29.4 Impairment

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

significant financial difficulty of the receivable, which may be evidenced by an application for debt counselling, business rescue or an equivalent.

it is probable that the receivable will enter sequestration, liquidation or other financial re-organisation.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.29 Statutory receivables (continued)

a breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).

adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable, or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

1.29.5 Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers control of the statutory receivable and substantially all the risks and rewards of ownership of the asset to another entity; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.30 Events after reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the annual financial statements.

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.31 Contruction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of subcontractors. The term “contractor” thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

1.32 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Segmental information was based and identified on the MFMA S71 monthly budget statement/reports that are reviewed by senior management and council to make strategic decisions and in monitoring segment performance. The disclosure of information about segments in these reports is organised around the type of service delivered, in a standardised format, namely the C2 schedule.

The municipality manages its assets and liability as a whole and is not reviewed on a segregated basis for each town. Segment reporting per geographical area is not deemed relevant.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity’s financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment’s surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment’s assets and segment’s liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment’s surplus or deficit, the segment’s assets or the segment’s liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment’s surplus or deficit, the segment’s assets or the segment’s liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity’s financial statements.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.33 Unspent Conditional Government Grants and Receipts

Conditional government grants are subject to specific conditions. If these specific conditions are not met, the monies received are repayable.

Unspent conditional grants are financial liabilities that are separately reflected on the Statement of Financial Position. They represent unspent government grants, subsidies and contributions from the public

This liability always has to be cash-backed. The following provisions are set for the creation and utilisation of this creditor

- Unspent conditional grants are recognised as a liability when the grant is received
- When grant conditions are met an amount equal to the conditions met are transferred to revenue in the Statement of Financial Performance.
- The cash which backs up the creditor is invested as individual investment or part of the general investments of the Municipality until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.34 Unpaid Conditional Government Grants and Receipts

Unpaid conditional grants are assets in terms of the Framework that are separately reflected on the Statement of Financial Position. The asset is recognised when the Economic Entity has an enforceable right to receive the grant or if it is virtually certain that it will be received based on that grant conditions have been met. They represent unpaid government grants, subsidies and contributions from the public.

The following provisions are set for the creation and utilisation of the grant is receivables:

- Unpaid conditional grants are recognised as an asset when the grant is receivable.

1.35 Amended Disclosure Policy

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements. The principal amendments to matters disclosed in the current financial statements include fundamental errors, and the treatment of assets financed by external grants.

1.36 Standards, amendments to standards and interpretation issued but not yet effective

In the current year the municipality has adopted all new and revised standards and interpretations issued by the ASB that are relevant to its operations and are effective. The following GRAP standards have been issued but are not yet effective during the current reporting period and the municipality did not early adopt these GRAP standards or interpretation.

GRAP 104 (Revised 2019) - Financial Instruments: The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments.

GRAP 103 on Heritage assets (amended): The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments.

Management has considered all the above mentioned GRAP standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance, budget statement or cash flow of the municipality.

1.37 Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrences of liabilities that result in decreases in net assets, other than those relating to distributions to owners.

1.38 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at amortised cost. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are carried at amortised cost.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Accounting Policies

1.38 Cash and cash equivalents (continued)

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts.

The municipality utilises the direct method for the purposes of the cash flow statement.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

2. New standards and interpretations

2.1 Standards, amendments to standards and interpretations issued, but not yet effective

The municipality has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• iGRAP 22: Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Impact is currently being assessed

3. Cash and cash equivalents

3.1 Cash and cash equivalents

Cash flow statement consist of the following:

Cash at bank		
Bank account	198,626,966	187,235,261
Cash on hand	9,461	9,472
Total cash and cash equivalents	**198,636,427**	**187,244,733**

3.2 Bank accounts

The municipality has the following bank accounts:

First National Bank & ABSA Bank	Account Numbers: 62748215979 & 350000011	198,626,966	187,235,261

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

3. Cash and cash equivalents (continued)

3.3 Difference between cash book and bank statement

2025

	Cash book	Bank statement	Difference
First National Bank	198,626,966	197,378,193	1,248,773

2024

	Cash book	Bank statement	Difference
First National Bank	187,235,261	185,512,811	1,722,450

Bank statement balance at beginning of year		185,512,811	226,484,102
Bank statement balance at end of year		197,378,193	185,512,811
Cash book balance at beginning of year		187,235,262	226,792,468
Bank statement balance at end of year		197,378,193	185,512,811
Net movement / reconciling items		1,248,773	1,722,450
Cash book balance at end of year		**198,626,966**	**187,235,261**

4. Trade and other receivables from exchange transactions

Prepayments and advances	4.1	4,222,555	3,187,719
Trading service and customer service debtors	4.2	97,989,146	119,394,562
Total		**102,211,701**	**122,582,281**
Current assets		102,211,701	122,582,281

4.1 Prepayments and advances

	2025		2024	
	Gross	Total	Gross	Total
Rent	7,754	**7,754**	7,754	**7,754**
Recoveries from Staff	128,065	**128,065**	124,303	**124,303**
SALGA	2,521,067	**2,521,067**	2,449,407	**2,449,407**
Maintenance Contracts	1,565,669	**1,565,669**	606,255	**606,255**
Total	**4,222,555**	**4,222,555**	**3,187,719**	**3,187,719**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

4. Trade and other receivables from exchange transactions (continued)

4.2 Trading service and customer service debtors

	2025		
	Gross	Impairment	Total
Electricity	68,200,881	(13,545,649)	**54,655,23**
Waste management	75,583,509	(61,246,545)	**14,336,96**
Waste water management	79,343,254	(64,270,693)	**15,072,56**
Water	119,920,347	(119,205,030)	**715,31**
Housing selling scheme	-	(4,714)	**(4,71**
Land sale debtors	12,967,138	-	**12,967,13**
Merchandising, jobbing and contracts	5,444,769	(5,444,769)	
Property rental debtors	2,914,209	(2,728,635)	**185,57**
Service charges	1,349,652	(1,288,578)	**61,07**
Total	**365,723,759**	**(267,734,613)**	**97,989,14**

Notes to the Annual Financial Statements

Figures in Rand

4. Trade and other receivables from exchange transactions (continued)

4.2.1 Ageing of trading service and customer service debtors

2025

		Not due
	Total	**Current**
Ageing by debt type		
Electricity	**68,200,881**	49,529,14
Waste management	**75,583,509**	4,023,91
Waste water management	**79,343,254**	5,473,68
Water	**119,920,347**	8,257,62
Land sale debtors	**12,967,138**	
Merchandising, jobbing and contracts	**5,444,769**	
Property rental debtors	**2,914,209**	102,57
Service charges	**1,349,652**	17,07
Total ageing by debt type	**365,723,759**	**67,404,02**

Notes to the Annual Financial Statements

Figures in Rand

4. Trade and other receivables from exchange transactions (continued)

2024

		Not due
	Total	**Current**
Ageing by debt type		
Electricity	**68,708,576**	54,118,62
Merchandising, jobbing and contracts	**5,444,769**	
Property rental debtors	**2,309,457**	90,81
Service charges	**1,150,217**	7,87
Waste management	**59,184,847**	3,314,05
Waste water management	**99,389,832**	42,329,72
Water	**94,828,532**	8,980,86
Total ageing by debt type	**331,016,230**	**108,841,96**

4. Trade and other receivables from exchange transactions (continued)

4.2.2 Impairment reconciliation of trading service and customer service debtors

	2025				
	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance	Opening balance
Electricity	10,010,436	3,535,213	-	**13,545,649**	9,319,84
Waste management	48,096,628	13,149,917	-	**61,246,545**	85,318,69
Waste water management	51,004,406	20,809,597	(7,543,310)	**64,270,693**	75,829,98
Water	99,300,811	19,904,219	-	**119,205,030**	141,701,65
Housing selling scheme	-	4,714	-	**4,714**	
Merchandising, jobbing and contracts	-	5,444,769	-	**5,444,769**	
Property rental debtors	2,156,274	572,361	-	**2,728,635**	2,931,06
Service charges	1,053,113	235,465	-	**1,288,578**	1,412,39
Total	**211,621,668**	**63,656,255**	**(7,543,310)**	**267,734,613**	**316,513,63**

5. Receivables from non-exchange transactions

Customer service debtors	5.1	14,262,069	11,898,780
Other receivables	5.2	28,743,212	19,740,259
Total		**43,005,281**	**31,639,039**
Current		43,005,281	31,639,039

5. Receivables from non-exchange transactions (continued)

5.1 Customer service debtors

	2025		
	Gross	Impairment	Total
Electricity	3,155,798	(2,818,634)	**337,16**
Waste	1,330,773	(1,150,311)	**180,46**
Waste water management	1,617,948	(1,430,928)	**187,02**
Water	2,714,706	(2,427,505)	**287,20**
Property rates by usage	64,018,930	(50,748,708)	**13,270,22**
Total	**72,838,155**	**(58,576,086)**	**14,262,06**

Notes to the Annual Financial Statements

Figures in Rand

5. Receivables from non-exchange transactions (continued)

5.1.1 Ageing of customer service debtors

2025

		Not due
	Total	**Current**
Electricity	**3,155,798**	89,20
Waste	**1,330,773**	35,23
Waste water management	**1,617,948**	40,76
Water	**2,714,706**	62,51
Property rates by usage	**64,018,930**	4,330,34
Total	**72,838,155**	**4,558,05**

2024

		Not due
	Total	**Current**
Electricity	**2,506,530**	85,57
Waste	**1,102,068**	40,37
Waste water management	**1,351,875**	43,16
Water	**2,298,110**	67,33
Property rates by usage	**54,881,436**	4,251,20
Total	**62,140,019**	**4,487,66**

5. Receivables from non-exchange transactions (continued)

5.1.2 Impairment reconciliation of customer service debtors

Controlling entity

	2025			
	Opening balance	Impairment raised	Closing balance	Opening balance
Electricity	2,382,081	436,553	**2,818,634**	
Waste	1,055,844	94,467	**1,150,311**	
Waste water management	1,290,678	140,250	**1,430,928**	
Water	2,203,236	224,269	**2,427,505**	
Property rates by usage	43,309,399	7,439,309	**50,748,708**	36,766,15
Total	**50,241,238**	**8,334,848**	**58,576,086**	**36,766,15**

5.2 Other receivables

	2025		
	Gross	Impairment	Total
Fines	32,172,260	(6,072,700)	**26,099,56**
Other Receivables	1,083,662	-	**1,083,66**
Deposits	1,559,990	-	**1,559,99**
Total	**34,815,912**	**(6,072,700)**	**28,743,21**

5. Receivables from non-exchange transactions (continued)

5.2.1 Impairment reconciliation of other receivables

Controlling entity

	2025				
	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance	Opening balance
Fines	3,138,950	10,737,750	(7,804,000)	**6,072,700**	6,851,90

6. Inventory

Consumables		1,689,835	2,590,811
Materials and supplies		16,028,617	20,018,613
Water	6.1	20,532	15,911
Total Inventories		**17,738,984**	**22,625,335**

Inventories of R4 405 990.62 (2024: R8 141 093.12) are held as major spare parts for infrastructure assets and has been transferred to property, plant and equipment.

6.1 Water

Summary

Opening balance	15,911	348,802
System input volume	4,621	(332,891)
Closing balance	**20,532**	**15,911**

Notes to the Annual Financial Statements

Figures in Rand		2025	2024

7. Operating lease receivable

Gross investment in lease due			
Within 1 year		1,063,125	1,063,125
2 to 5 years		4,163,906	4,252,500
More than 5 years		13,732,031	14,706,563
		18,959,062	**20,022,187**
Current Asset (Liability)			
Operating Lease Asset		2,303,438	1,240,313

Operating leases consist of rentals on the letting of premises. The municipality concluded a 20-year non-cancellable operating lease. (2024: 20 years). The escalation rates of the lease agreements vary from 25% to 33% (2024: 25% to 33%). There are no contingent rents receivable.

Please refer to Note 50 narrative for Operating Lease Receivable related prior year corrections.

8. Value Added Tax

Net VAT Control (as per VAT 201)	(595,564)	5,782,484
VAT Accrual Receivable	10,087,643	4,154,923
VAT Accrual (Payable)	(12,567,853)	(14,602,785)
Total	**(3,075,774)**	**(4,665,378)**

The prior year comparatives have been restated, please refer to note 50 for more detail information. Disclosure note was enhanced to seperately disclose the statutory receivable/(payable), VAT Accrual Receivable and VAT Accrual (Payable).

The municipality is registered for VAT on the payment/cash basis.

VAT meets the definition of a statutory receivable/(payable) as per the accounting policy. The statutory receivable/(payable) amounts are as follows (R595 563) and 2024: R5 782 483

Note 7 in the prior year audited Annual Financial Statements did not seperately present the statutory receivable. The statutory receivable information was, however, presented seperately in Note 44.3 of the prior year audited Annual Financial Statements. The disclosure of the comparative information in the current year financial statements is the result of the enhancement.

9. Investment property

9.1 Reconciliation of carrying value

Opening carrying value			
Cost		46,980,339	46,980,339
Accumulated depreciation and impairment losses		(5,060,620)	(4,651,902)
		41,919,719	**42,328,437**
Depreciation	40	(409,934)	(408,718)
Carrying value of disposals / transfers			
Cost		(258,789)	-
Closing carrying value		**41,250,996**	**41,919,719**
Cost		46,721,550	46,980,339
Accumulated depreciation and impairment losses		(5,470,554)	(5,060,620)

Total Operating Expenditure incurred on properties generating revenue amounted to R14 679 605 (2024: R13 821 547).

Total Operating Expenditure incurred on properties not generating revenue amounted to R970 303 (2024: R975 549).

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

9. Investment property (continued)

9.2 Restrictions on investment property

There are no restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal.

9.3 Maintenance of investment property

The following maintenance costs were incurred:

Repair and maintenance incurred on		
Properties generating revenue	166,092	186,762

10. Property, plant and equipment

10.1 Reconciliation summary

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	73,864,280	-	**73,864,280**	74,012,280	-	**74,012,280**
Transport Assets	47,302,933	(24,494,052)	**22,808,881**	44,520,876	(22,780,152)	**21,740,724**
Electrical Infrastructure	160,806,555	(52,666,926)	**108,139,629**	155,742,392	(50,603,959)	**105,138,433**
Water Supply Infrastructure	311,463,213	(71,109,889)	**240,353,324**	287,381,476	(64,846,486)	**222,534,990**
Sanitation Infrastructure	201,010,465	(62,942,629)	**138,067,836**	185,370,402	(58,436,763)	**126,933,639**
Solid Waste Infrastructure	95,240,685	(49,908,522)	**45,332,163**	88,956,989	(49,380,105)	**39,576,884**
Machinery and Equipment	42,893,085	(20,158,233)	**22,734,852**	40,334,093	(18,284,068)	**22,050,025**
Furniture and Office Equipment	10,160,426	(7,487,575)	**2,672,851**	9,895,120	(7,158,050)	**2,737,070**
Computer Equipment	12,697,696	(9,020,731)	**3,676,965**	12,140,622	(9,184,090)	**2,956,532**
Information and Communication Infrastructure	2,999,447	(1,728,539)	**1,270,908**	2,999,446	(1,535,739)	**1,463,707**
Roads Infrastructure	310,372,025	(73,317,218)	**237,054,807**	299,436,248	(66,296,567)	**233,139,681**
Storm water Infrastructure	118,532,476	(23,471,553)	**95,060,923**	115,760,015	(20,925,556)	**94,834,459**
Community Assets	111,373,686	(28,995,931)	**82,377,755**	108,377,095	(24,494,142)	**83,882,953**
Other assets						
Operational Buildings	109,196,693	(24,416,799)	**84,779,894**	109,319,765	(21,432,205)	**87,887,560**
Total	**1,607,913,665**	**(449,718,597)**	**1,158,195,068**	**1,534,246,819**	**(415,357,882)**	**1,118,888,937**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

10. Property, plant and equipment (continued)

Leased Assets

	2025			2024		
	Cost / Revaluation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Revaluation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and Office Equipment	8,469,960	(6,043,692)	**2,426,268**	8,740,242	(5,834,236)	**2,906,006**

Construction work-in-progress

	2025	2024
Other Assets (Buildings)	724,695	575,838
Solid Waste Infrastructure	-	2,428,537
Community Assets	959,576	1,107,275
Water Supply Infrastructure	30,333,791	4,135,284
Sanitation Infrastructure	3,146,032	7,611,647
Eletrical Infrastructure	11,822,334	9,238,210
Intangible Assets	551,450	330,870
Roads Infrastructure	224,498	224,498
Storm Water Infrastructure	-	-

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

10. Property, plant and equipment (continued)

10.2 Reconciliation of carrying value

2025

	Opening balance	Additions	Disposals	Transfers received	Transfers made
Land	74,012,280	-	(148,000)	-	
Transport Assets	21,740,724	3,749,964	(352,752)	-	
Electrical Infrastructure	106,735,024	10,086,242	(1,650,835)	(1,999,505)	(1,074,03
Water Supply Infrastructure	220,187,808	26,421,986	-	-	
Sanitation Infrastructure	127,140,311	15,105,853	-	327,537	
Solid Waste Infrastructure	39,576,885	6,283,695	-	-	
Machinery and Equipment	21,843,351	4,217,629	(116,430)	-	(777,50
Furniture and Office Equipment	3,262,303	360,315	(536)	3,960	(3,96
Computer Equipment	2,957,392	1,502,690	-	9,695	(9,69
Information and Communication Infrastructure	1,407,155	-	56,552	-	
Roads Infrastructure	233,364,179	10,711,279	-	433,321	(433,32
Storm water Infrastructure	94,834,459	2,772,461	-	-	
Community Assets	84,499,117	922,428	-	1,458,000	
Other assets					
Operational Buildings	87,271,396	519,066	-	-	
Total	**1,118,832,384**	**82,653,608**	**(2,212,001)**	**233,008**	**(2,298,50**

Notes to the Annual Financial Statements

Figures in Rand

10. Property, plant and equipment (continued)

2024

	Opening balance	Additions	Disposals	Transfers received	Transfers made
Land	74,012,280	-	-	-	
Transport Assets	12,663,119	11,205,033	-	-	
Electrical Infrastructure	103,274,823	6,759,251	(101,403)	8,141,093	(8,980,43
Water Supply Infrastructure	218,472,818	9,970,453	-	-	
Sanitation Infrastructure	129,242,005	2,099,385	(3,699)	-	
Solid Waste Infrastructure	30,558,512	9,352,150	-	-	
Machinery and Equipment	18,272,925	5,759,086	(64,607)	-	
Furniture and Office Equipment	1,968,431	1,762,418	(136,286)	-	
Computer Equipment	3,282,998	591,171	(123,838)	(1,417)	
Information and Communication Infrastructure	1,624,783	16,680	(13,501)	-	
Roads Infrastructure	206,897,612	32,463,482	(28,427)	-	
Storm water Infrastructure	92,530,081	-	-	4,736,275	
Community Assets	82,559,483	4,233,669	(6,178)	-	
Other assets					
Operational Buildings	87,325,511	2,377,670	(66,015)	-	
Total	**1,062,685,381**	**86,590,448**	**(543,954)**	**12,875,951**	**(8,980,43**

10.3 Maintenance of property, plant and equipment

The total cost of repairs and maintenance in respect of property, plant and equipment was R17 098 801 (2024: R23 172 254).

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

11. Heritage assets

11.1 Reconciliation of carrying value

2025

	Land and buildings	Monuments and parks	Archives	Other assets	Heritage assets measured at cost	Total
Opening carrying value as at 01 July 2024						
Cost	550,000	-	-	-	-	550,000
Cost	550,000	-	-	-	-	550,000

2024

	Land and buildings	Total
Opening carrying value as at 01 July 2023		
Cost	550,000	550,000
Cost	550,000	550,000

12. Intangible assets

12.1 Reconciliation of carrying value

2025

	Computer software	Total
Opening carrying value as at 01 July 2024		
Cost	2,108,536	2,108,536
Accumulated depreciation and impairment	(1,050,848)	(1,050,848)
	1,057,688	**1,057,688**
Additions from acquisitions	220,580	220,580
Closing carrying value as at 30 June 2025	**1,278,268**	**1,278,268**
Cost	2,329,116	2,329,116
Accumulated amortisation and impairment	(1,050,848)	(1,050,848)
	1,278,268	**1,278,268**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand		2025	2024

12. Intangible assets (continued)

2024

		Computer software	Other assets	Total
Opening carrying value as at 01 July 2023				
Cost		2,941,080	-	2,941,080
Accumulated depreciation and impairment		(1,585,511)	-	(1,585,511)
		1,355,569	**-**	**1,355,569**
Additions from acquisitions		330,870	-	330,870
Correction of prior period errors		(636,896)	-	(636,896)
Amortisation	40	(12,349)	-	(12,349)
		(318,375)	**-**	**(318,375)**
Carrying value of disposals / transfers				
Cost		-	(526,519)	(526,519)
Accumulated depreciation and impairment		547,012	-	547,012
		547,012	**(526,519)**	**20,493**
Closing carrying value as at 30 June 2024		**1,584,206**	**(526,519)**	**1,057,687**
Cost		2,635,054	(526,519)	2,108,535
Accumulated amortisation and impairment		(1,050,848)	-	(1,050,848)
		1,584,206	**(526,519)**	**1,057,687**

13. Financial liabilities

Finance lease liabilities	13.3	1,052,015	1,386,187
Less: Transferred to current liabilities		(162,737)	(334,172)
Total non-current liabilities		**889,278**	**1,052,015**

13.1 Carrying value of current financial liabilities

2025

		Opening balance	Deposits	Withdrawals	Total
Carrying value as at 30 June 2025					
Current portion of Finance lease liabilities	13.3	334,172	162,737	(334,172)	**162,737**

2024

		Opening balance	Deposits	Withdrawals	Total
Carrying value as at 30 June 2024					
Current portion of Finance lease liabilities	13.3	527,450	408,093	(601,371)	**334,172**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand		2025	2024

13. Financial liabilities (continued)

13.2 Carrying value of non-current financial liabilities

2025

	Opening balance	Deposits	Withdrawals	Total
Carrying value as at 30 June 2025				
Finance lease liability	1,052,015	-	-	**1,052,015**
Transferred to current liabilities	(334,172)	(162,737)	334,172	(162,737)
Total	**717,843**	**(162,737)**	**334,172**	**889,278**

2024

	Opening balance	Deposits	Withdrawals	Difference	Total
Carrying value as at 30 June 2024					
Finance lease liability	-	1,460,108	-	-	**1,460,108**
Transferred to current liabilities	(527,450)	(408,093)	601,371	**(73,921)**	(408,093)
Total	**(527,450)**	**1,052,015**	**601,371**	**(73,921)**	**1,052,015**

13.3 Obligation under finance leases

The municipality as lessee

The obligations under finance leases are as follow:

Minimum lease payments			
Payable within 1 year		162,737	334,172
Payable within 2 to 5 years		889,278	1,052,015
Total minimum lease payments		**1,052,015**	**1,386,187**
Present value of minimum lease payments			
Payable within 1 year		162,737	334,172
Payable within 2 to 5 years		889,278	1,052,015
Total		**1,052,015**	**1,386,187**
Current liability		162,737	334,172
Non-current liability		889,278	1,052,015

14. Employee benefits

Current employee benefits			
Post employment health care benefits		3,300,000	3,050,995
Ex-gratia pension benefits	14.1	7,670	7,100
Provision for long-service awards	14.2	2,778,522	1,655,618
Provision for bonuses	14.3	7,364,826	6,794,511
Leave accrual	14.4	22,288,865	20,423,714
Overtime payable	14.5	2,483,276	1,975,009
		38,223,159	**33,906,947**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024

14. Employee benefits (continued)

Non-current employee benefits			
Post employment health care benefits		67,920,000	59,764,000
Ex-gratia pension benefits	14.1	22,920	19,930
Provision for long-service awards	14.2	12,179,478	11,969,382
		80,122,398	**71,753,312**
Total		**118,345,557**	**105,660,259**

14.1 Ex-gratia pension benefits

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out by Mr Chanan Weiss of ARCH Actuarial Consulting (Pty) Ltd. 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..

	Number	**Number**
In-service members (Employees)	13	13

The liability in respect of past service has been estimated as follow:

Pension benefit	30,590	27,030
Total liability	**30,590**	**27,030**

14.2 Provision for long-service awards

Current liabilities	2,778,522	8,097,526
Non-current liabilities	12,179,478	11,969,382
Total liability	**14,958,000**	**20,066,908**

14.3 Provision for bonuses

Opening Balance	6,794,511	6,414,537
Current service cost	12,571,038	11,442,751
Benefits paid	(12,000,722)	(11,062,777)
Undefined Difference	**(1)**	**-**
Closing balance	**7,364,826**	**6,794,511**

14.4 Leave accrual

Opening Balance	20,423,714	19,652,655
Current service cost	3,772,946	2,522,067
Benefits paid	(1,907,795)	(1,751,008)
Closing balance	**22,288,865**	**20,423,714**

14.5 Overtime payable

Opening Balance	1,975,009	1,988,685
Benefits paid	508,267	(13,676)
Closing balance	**2,483,276**	**1,975,009**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024

15. Consumer deposits

Building plans	1,059,038	1,149,360
Electricity	204,499	205,374
Posters	30,308	30,906
Rental properties	380,239	406,885
Water	8,611,229	7,813,036
Wayleave	369,817	133,816
Total	**10,655,130**	**9,739,377**

Deposits are released on termination of the contract or when the contractual services are delivered.

16. Trade and other payables from exchange transactions

Bulk purchases	16.1	54,581,361	43,777,206
Contractors	16.2	11,869,631	13,712,563
Control and clearing accounts		1,539,016	446,721
Other payables	16.3	22,653,539	25,771,488
Total		**90,643,547**	**83,707,978**

16.1 Bulk purchases

Bulk electricity	54,581,361	43,777,206

16.2 Contractors

Retentions	11,869,631	13,712,563

16.3 Other payables

Agency fees	(1,119)	(1,126)
Fair value adjustment	501	501
Payables and accruals	16,849,509	14,382,897
Unallocated deposits	1,345,285	1,108,451
Advance payments	4,459,363	10,280,765
Total	**22,653,539**	**25,771,488**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand

17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent

		2025						
		Opening balance	Funds received	Transfer to revenue	Repayment unspent grants	Closing balance	Opening balance	Funds receive
Capital								
Monetary Allocations	17.1	(4,102,592)	52,136,144	(46,465,237)	(926,013)	**642,302**	14,149	41,443
Operational								
Monetary Allocations	17.2	58,639	21,629,962	(18,069,922)	(255,339)	**3,363,340**	6,802,685	42,793
Total		**(4,043,953)**	**73,766,106**	**(64,535,159)**	**(1,181,352)**	**4,005,642**	**6,816,834**	**84,237**

17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

17.1 Unspent capital monetary allocations

	2025						
	Opening balance	Funds received	Transfer to revenue	Repayment unspent grants	Closing balance	Opening balance	Funds receive
District Municipalities							
Western Cape	1,026,517	100,000	(433,321)	-	**693,196**	2,205,185	672
National Government							
Energy Efficiency and Demand Side Management Grant	-	3,500,000	(2,862,785)	-	**637,215**	-	
Integrated National Electrification Programme Gran	122,359	-	-	(900,000)	**(777,641)**	(777,641)	900
Municipal Disaster Relief Grant	-	3,195,000	(3,188,330)	-	**6,670**	-	
Municipal Infrastructure Grant	59,596	24,595,000	(24,595,000)	(16,000)	**43,596**	1,111,284	23,312
Regional Bulk Infrastructure Grant	548,655	-	-	-	**548,655**	1,600,376	
Urban Settlement Development Grant	471,155	-	-	-	**471,155**	471,155	
Water Services Infrastructure Grant	-	15,000,000	(14,998,801)	-	**1,199**	2,558,224	
Total	**1,201,765**	**46,290,000**	**(45,644,916)**	**(916,000)**	**930,849**	**4,963,398**	**24,212**
Provincial Government							
Western Cape	(6,330,874)	5,746,144	(387,000)	(10,013)	**(981,743)**	(7,154,434)	16,559
Provincial Government							

Notes to the Annual Financial Statements

Figures in Rand

17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

Municipal Infrastructure	(1,046,497)	-	-	-	**(1,046,497)**	(1,046,497)	
Economic Development and Tourism SMME Booster	68	-	-	-	**68**	68	
Municipal Infrastructure	(206,126)	-	-	-	**(206,126)**	(206,126)	
Regional Social Economic Program	-	-	-	-	**-**	106,402	200
Maintenance and Construction of Transport Infrastructure	(5,061,033)	5,489,144	(130,000)	**-**	**298,111**	(6,883,633)	14,701
Fire Services	10,013	-	-	(10,013)	**-**	-	985
Loadshedding Relief Grant	-	-	-	-	**-**	475,000	
Electronic Case Management Intervention	-	-	-	-	**-**	400,000	
Borehole Installation	**-**	257,000	(257,000)	-	**-**	-	
Sport and Recreation	(27,299)	-	-	-	**(27,299)**	352	672
Total	**(6,330,874)**	**5,746,144**	**(387,000)**	**(10,013)**	**(981,743)**	**(7,154,434)**	**16,559**
Total unspent capital monetary allocations	**(4,102,592)**	**52,136,144**	**(46,465,237)**	**(926,013)**	**642,302**	**14,149**	**41,443**

Notes to the Annual Financial Statements

Figures in Rand

17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

17.2 Unspent operational monetary allocations

	2025						
	Opening balance	**Funds received**	**Transfer to revenue**	**Repayment unspent grants**	**Closing balance**	**Opening balance**	**Funds receive**
District Municipalities							
Western Cape	2,283,862	36,000	(35,029)	(150,000)	**2,134,833**	2,133,862	150
Foreign Governments and International Organisations							
Unspecified	3,684	315,703	-	-	**319,387**	1,116,990	679
National Government							
Expanded Public Works Programme Integrated Grant	(198,128)	1,559,000	(1,360,872)	-	**-**	(80,676)	3,247
Local Government Financial Management Grant	**-**	1,600,000	(1,600,000)	-	**-**	45	1,550
Municipal Disaster Relief Grant	**-**	417,000	(76,233)	**-**	**340,767**	**-**	
Municipal Infrastructure Grant	**-**	1,000,000	(996,464)	**-**	**3,536**	**-**	997
Neighbourhood Development Partnership Grant	322	-	-	-	**322**	322	
Total	**(197,806)**	**4,576,000**	**(4,033,569)**	**-**	**344,625**	**(80,309)**	**5,794**
Private Enterprises							
Other transfers private enterprises	2,207,199	3,493,788	(25,510)	**-**	**5,675,477**	1,199,504	2,082

17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

Provincial Government							
Western Cape	(4,238,300)	13,208,471	(13,975,814)	(105,339)	**(5,110,982)**	2,432,638	34,087
Provincial Government							
Water Resilience Grant	-	-	-	-	**-**	568,189	
Human Settlements Development Grant (Beneficiaries)	(4,493,639)	4,691,991	(4,988,243)	**-**	**(4,789,891)**	**-**	33,460
Specify (Add grant description)	-	-	-	-	**-**	1	
Community Development Worker Operational Support Grant	50,948	132,000	(64,467)	(50,948)	**67,533**	(10,019)	132
Accelerated Housing Delivery	**-**	7,035,480	(8,090,802)	**-**	**(1,055,322)**	**-**	
Municipal Energy Resilience Grant	**-**	700,000	(289,800)	**-**	**410,200**	**-**	
Municipal Accreditation and Capacity Building Grant	49,391	249,000	(442,502)	(49,391)	**(193,502)**	559,867	245
Thusong Services Centre Grant	**-**	150,000	-	-	**150,000**	**-**	
Service Delivery and Capacity Building Grant	-	-	-	-	**-**	1,100,000	
Financial Management Capability Grant	155,000	250,000	(100,000)	(5,000)	**300,000**	214,600	250
Total	**(4,238,300)**	**13,208,471**	**(13,975,814)**	**(105,339)**	**(5,110,982)**	**2,432,638**	**34,087**
Total unspent operational monetary allocations	**58,639**	**21,629,962**	**(18,069,922)**	**(255,339)**	**3,363,340**	**6,802,685**	**42,793**

Figures in Rand		2025	2024

18. Provisions (Current and non-current)

Landfill Sites	18.1	67,623,469	55,961,507

Split between current and non-current

Current	3,791,013	3,630,749
Non-current	63,832,456	52,330,758
Total	**67,623,469**	**55,961,507**

18.1 Landfill Sites

Opening Balance	55,961,508	49,415,526
Additional provisions raised	5,624,468	1,379,651
Increases (Passage of Time/Discounted Rate)	6,037,493	5,166,330
Closing balance	**67,623,469**	**55,961,507**

Split between current and non-current

Current	3,791,013	3,630,749
Non-current	63,832,456	52,330,758
Total	**67,623,469**	**55,961,507**

The Rehabilitation cost of all landfill sites was prepared by an independent qualified engineer in order to determine the present value to rehabilitate the landfill sites at the end of its useful life.

An appropriate discount rate was used to determine the present value of the future landfill rehabilitation liability.

The total obligation at year-end can be attributed to the following sites:

Location	Estimated Decommision Date:	Post closure monitoring date		
Ceres	June 2003	30 June 2023	4,213,935	4,075,675
Prince Alfred's Hamlet	June 2046	30 June 2076	22,036,955	17,485,637
Op-die-Berg	June 2034	30 June 2064	6,442,276	5,935,678
Tulbagh	June 2035	30 June 2065	19,982,134	17,218,755
Wolseley	June 2043	30 June 2073	14,948,169	11,245,762
			67,623,469	**55,961,507**

Rates used	**2025**	**2024**
Discount Rate	7.15 - 11.045%	5.25 - 12.49%
Inflation Rate	5.02%	5.02%

Current Cost of Rehabilitation	**30 June 2025**	**30 June 2024**
Ceres	4,335,934	4,184,795
Prince Alfred's Hamlet	77,452,977	71,240,342
Op-die-Berg	10,500,425	10,533,459
Tulbagh	34,486,888	33,067,977
Wolseley	43,807,980	41,996,226

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

18. Provisions (Current and non-current) (continued)

Future Cost of Rehabilitation	30 June 2025	30 June 2024
Ceres	4,437,988	4,363,482
Prince Alfred's Hamlet	224,271,546	226,499,965
Op-die-Berg	18,972,563	20,306,976
Tulbagh	63,715,788	65,677,557
Wolseley	115,215,551	119,728,149

19. Reserves and funds

Capital Replacement Reserve	11,166,356	11,166,358

20. Services charges

Total Service Charges		
Service Charges	508,072,018	528,791,554

Detail of service charges per service less revenue foregone:

	2025	2024
Electricity	395,036,514	371,021,863
Waste Management	39,814,946	40,250,637
Waste Water Management	35,146,829	33,326,330
Water Management	38,073,728	84,192,722

21. Sales of goods and rendering of services

Advertisements	67,381	94,113
Application Fees for Land Usage	455,812	100,139
Building Plan Approval	1,071,428	1,142,210
Building Plan Clause Levy	-	4
Camping Fees	3,058,440	2,732,095
Cemetery and Burial	273,988	142,264
Cleaning and Removal	54,795	43,197
Drainage Fees	-	96
Encroachment Fees	125,549	68,057
Entrance Fees	586,169	562,533
Fire Services	29,093	21,070
Management Fees	9,289,565	9,340,870
Photo copies, Faxes and Telephone charges	48,689	42,694
Sale of Goods	126,686	57,800
Scrap, Waste & Other Goods	193,769	92,021
Town Planning and Servitudes	217	-
Valuation Services	49,061	44,619
Total	**15,430,642**	**14,483,782**

22. Agency services

Provincial	4,948,368	4,738,934

23. Interest earned from receivables

Exchange receivables	23.1	27,153,392	28,557,418
Non-exchange receivables	23.2	4,881,176	4,091,476
Total		**32,034,568**	**32,648,894**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
23. Interest earned from receivables (continued)		
23.1 Interest earned from exchange receivables		
Consumer receivables		
Electricity	1,975,335	1,558,439
Water	11,024,464	11,998,118
Waste water management	8,146,575	6,926,881
Waste management	5,653,633	7,638,800
Service charges	105,608	121,837
	26,905,615	**28,244,075**
Other receivables		
Property rental debtors	247,777	313,343
Total	**27,153,392**	**28,557,418**
23.2 Interest earned from non-exchange receivables		
Consumer receivables		
Property rates	4,881,176	4,091,476
24. Interests on current and non-current assets		
Bank accounts	9,546,995	10,227,455
Short-term investments and call accounts	9,211,049	11,791,293
Total	**18,758,044**	**22,018,748**
25. Rent from fixed assets		
Market related	6,764,809	6,007,232
26. Operational revenue		
Exchange revenue		
Administrative Handling Fees	379,927	452,396
Bad Debts Recovered	1,529	-
Breakages and Losses Recovered	5,176	4,334
Collection Charges	(2,225)	(713)
Discounts and Early Settlements	(785,580)	(684,853)
Incidental Cash Surpluses	4,778	7,465
Inspection fees	977	1,218,590
Insurance Refund	48,435	1,045,097
Merchandising, Jobbing and Contracts	45,219	20,182
Registration fees	68,456	65,434
Request for information	2,321	3,671
Skills Development Levy Refund	381,386	417,619
Staff and Councillors Recoveries	33,700	27,700
Development Charges	2,150,762	469,143
Total	**2,334,861**	**3,046,065**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand		2025	2024

27. Construction Contract Revenue

Construction Contract Revenue	11,373,082	33,460,159

The municipality participates as a non-accredited municipality in the National Housing Programme. In the arrangement, the municipality is appointed to construct low-cost houses for the beneficiaries of the National Housing Programme. Refer to note 44 for construction expenses recognised.

28. Service charges - Availability charges

Electricity		
Availability charges	2,824,476	2,990,685

Detail of availability charges per service:.

	2025	2024
Electricity	936,259	973,948
Waste Management	384,245	425,319
Waste Water Management	848,881	847,343
Water Management	669,091	744,075

29. Property rates by usage

Agricultural property	25,012,504	25,294,570
Business and commercial properties	21,487,520	19,963,699
Industrial properties	12,750,122	11,521,095
Public benefit organisations	17,775	-
Public service infrastructure properties	489,751	453,417
Public service purposes properties	18,390,026	16,820,067
Residential properties	26,789,750	25,023,290
Vacant land	2,382,757	2,240,508
Total	**107,320,205**	**101,316,646**

30. Surcharges and taxes

Surcharges	-	2,189
Taxes	7,975,570	9,119,469
Total	**7,975,570**	**9,121,658**

31. Fines, penalties and forfeits

Fines	31.1	19,699,324	16,301,692
Forfeits	31.2	2,654,317	4,332,655
Total		**22,353,641**	**20,634,347**

31.1 Fines

Traffic fines		
Court fines	2,082	18,946
Service provider fines	19,658,150	16,118,600
	19,660,232	**16,137,546**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024
31. Fines, penalties and forfeits (continued)			
Other fines			
Building fines		212	-
Illegal connections		31,984	159,086
Overdue books		6,896	5,060
		39,092	**164,146**
Total		**19,699,324**	**16,301,692**
31.2 Forfeits			
Unclaimed money		2,654,317	4,332,655
32. Licence and permits			
Non-exchange revenue		1,068,580	1,182,780
33. Transfers and subsidies - Revenue			
Operational			
Monetary allocations	33.1	150,058,027	145,661,090
Capital			
Allocations in-kind	33.2	1,458,000	-
Monetary allocations	33.3	40,834,480	36,536,411
Total transfers and subsidies: Capital		**42,292,480**	**36,536,411**
Total		**192,350,507**	**182,197,501**
33.1 Monetary allocations: Operational			
District municipalities		130,460	295,000
Foreign government and international organisations		-	1,882,664
National governments		3,884,252	5,746,833
Provincial government		311,805	932,443
National revenue fund		145,706,000	135,729,000
Private enterprises		25,510	1,075,150
Total		**150,058,027**	**145,661,090**
National governments			
Expanded Public Works Programme Integrated Grant		1,360,037	3,349,100
Local Government Financial Management Grant		1,461,461	1,400,733
Municipal Disaster Relief Grant		66,290	-
Municipal Infrastructure Grant		996,464	997,000
		3,884,252	**5,746,833**
Provincial government			
Community Development Workers Grant (CDW)		59,805	68,843
Water Resilience Grant		-	494,078
Municipal Energy Resilience Grant		252,000	369,522
		311,805	**932,443**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

33. Transfers and subsidies - Revenue (continued)

Departmental agencies and accounts

33.2 Allocations in-kind: Capital

Private enterprises	1,458,000	-

33.3 Monetary allocations: Capital

District municipalities	433,321	1,850,669
Foreign government and international organisations	-	221,793
National government	40,064,638	20,250,400
Provincial governments	336,521	14,213,549
Total	**40,834,480**	**36,536,411**

National government

Municipal Infrastructure Grant	21,386,957	20,250,400
Energy Efficiency and Demand Side Management Grant	2,862,785	-
Water Services Infrastructure Grant	13,042,435	-
Municipal Disaster Relief Grant	2,772,461	-
	40,064,638	**20,250,400**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand		2025	2024

33. Transfers and subsidies - Revenue (continued)

Provincial governments

Maintenance and Construction of Transport Infrastructure		113,043	11,905,394
Fire Service Capacity Building Grant		-	847,815
Development of sport and recreation facilities		-	612,515
Borehole Installation and Groundwater Quality Monitoring		223,478	434,782
Emergency Municipal Load-Shedding Relief Grant		-	413,043
		336,521	**14,213,549**

34. Gain/(Loss) on disposal of fixed and intangible assets

Gains/(losses) on disposals	34.1	10,411,508	(978,802)
Fair value adjustment		(1,946,261)	2,803,986
Gains/(losses) on discontinued operations and disposals of non-current assets		104,883	-
Increase/(decrease) to net-realisable value of inventory		(487,281)	(3,802)
Total		**8,082,849**	**1,821,382**

34.1 Gains/(losses) on disposals

Investment property		10,710,827	-
Property, plant and equipment		(299,319)	(978,802)
Total		**10,411,508**	**(978,802)**

35. Employee related cost

Senior management	35.1	11,323,973	7,033,513
Municipal staff	35.2	253,692,245	231,843,443
Total		**265,016,218**	**238,876,956**

35.1 Senior management costs

2025

	Municipal manager	Chief financial officer	Director Corporate Services	Director Community Services	Director Technical Services	Total
Basic salary	2,001,560	2,468,196	3,459,607	194,047	269,073	8,392,483
Bonuses	300,301	318,089	318,089	65,738	63,395	1,065,612
Allowances	199,200	650,339	283,200	55,800	213,439	1,401,978
Bargaining council	286	286	286	36	142	1,036
Pension	259,421	160,545	-	34,929	-	454,895
Unemployment insurance	2,125	2,125	2,125	531	1,063	7,969
	2,762,893	**3,599,580**	**4,063,307**	**351,081**	**547,112**	**11,323,973**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

35. Employee related cost (continued)

2024

	Municipal manager	Chief financial officer	Director Corporate Services	Director Technical Services	Total
Basic salary	1,315,913	752,310	1,186,207	827,560	4,081,990
Bonuses	232,653	190,185	190,185	190,185	803,208
Allowances	199,200	590,973	327,543	640,317	1,758,033
Bargaining council	270	270	270	270	1,080
Medical	31,664	-	-	-	31,664
Pension	224,444	124,594	-	-	349,038
Unemployment insurance	2,125	2,125	2,125	2,125	8,500
	2,006,269	**1,660,457**	**1,706,330**	**1,660,457**	**7,033,513**

The Municipal Manager and Directors are remunerated in terms of the Waiver from the Upper Limites of Total Remuneration Packages Payable to Municipal Managers and Managers Directly Accountable to Municipal Managers, issued in terms of the Local Government: Municipal Systems Act 32 of 2000.

The Remuneration of Executives as disclosed above refer to the actual amounts paid to them during the 2025 and 2024 years respectively.

The increase in total remuneration paid from 2024 to 2025 is due to the backpay in terms of the waiver granted.

35.2 Municipal staff costs

Basic salary	154,470,838	141,863,238
Bonuses	11,505,427	10,639,545
Service-related benefits	31,965,465	28,520,329
Allowances	10,229,336	8,619,243
Bargaining council	78,191	74,384
Group life insurance	5,565,547	4,737,982
Medical	10,510,870	9,802,375
Pension	23,523,621	22,033,688
Post-retirement benefit: Medical	1,981,000	1,981,000
Post-retirement benefit: Pension	2,340	2,490
Unemployment insurance	1,215,168	1,162,477
Skills Development Fund Levy	2,644,442	2,406,692
Total	**253,692,245**	**231,843,443**

36. Remuneration of councillors

Executive Mayor/Mayor	36.1	1,009,718	976,235
Speaker	36.2	871,238	802,468
Deputy executive mayor	36.3	818,548	743,678
Executive committee	36.4	3,282,464	2,965,197
Section 79 committee chairperson	36.5	756,409	492,751
All other councillors	36.6	5,576,904	5,650,616
Total		**12,315,281**	**11,630,945**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

36. Remuneration of councillors (continued)

36.1 Executive Mayor/Mayor

Allowances and service related benefits		
Basic salary	904,758	862,993
Cell phone allowance	43,200	45,600
Travelling allowance	-	9,515
	947,958	**918,108**
Social contributions		
Medical aid benefits	-	18,824
Pension fund contributions	61,760	39,303
	61,760	**58,127**
Total	**1,009,718**	**976,235**

36.2 Speaker

Allowances and service related benefits		
Basic salary	707,082	638,121
Cell phone allowance	43,200	47,573
	750,282	**685,694**
Social contributions		
Medial aid benefits	-	6,893
Pension fund contributions	120,956	109,881
	120,956	**116,774**
Total	**871,238**	**802,468**

36.3 Deputy executive mayor

Allowances and service related benefits		
Basic salary	657,422	560,895
Cell phone allowance	43,200	42,968
Travelling allowance	-	28,438
	700,622	**632,301**
Social contributions		
Medial aid benefits	-	10,416
Pension fund contributions	117,926	100,961
	117,926	**111,377**
Total	**818,548**	**743,678**

36.4 Executive committee

Allowances and service related benefits		
Basic salary	2,312,921	2,275,509
Cell phone allowance	172,800	183,705
Travelling allowance	376,429	124,195
	2,862,150	**2,583,409**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024
36. Remuneration of councillors (continued)			
Social contributions			
Medial aid benefits		-	2,892
Pension fund contributions		420,314	378,896
		420,314	**381,788**
Total		**3,282,464**	**2,965,197**
36.5 Section 79 committee chairperson			
Allowances and service related benefits			
Basic salary		686,716	384,398
Cell phone allowance		42,387	45,600
Travelling allowance		775	-
		729,878	**429,998**
Social contributions			
Pension fund contributions		26,531	62,753
Total		**756,409**	**492,751**
36.6 All other councillors			
Allowances and service related benefits			
Basic salary		4,146,044	4,285,515
Cell phone allowance		648,000	682,304
Travelling allowance		163,636	21,380
		4,957,680	**4,989,199**
Social contributions			
Medial aid benefits		-	14,648
Pension fund contributions		619,224	646,769
		619,224	**661,417**
Total		**5,576,904**	**5,650,616**
37. Bulk purchases			
Electricity: Eskom		391,687,224	324,085,574
38. Inventory consumed			
Consumables		2,782,707	2,135,022
Materials and supplies		21,434,842	20,776,646
Water		(4,621)	332,891
Total		**24,212,928**	**23,244,559**
39. Debt impairment			
Trade and other receivables from exchange transactions	4	56,016,406	(57,033,353)
Property Rates	5	7,439,309	(11,608,669)
Non Specific Accounts		2,933,750	(3,712,950)
Total		**66,389,465**	**(72,354,972)**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024
40. Depreciation and amortisation			
Amortisation			
Intangible assets	12.1	-	12,349
Depreciation			
Investment property	9.1	409,934	408,718
Property, plant and equipment		37,872,698	33,711,764
		38,282,632	**34,120,482**
Total		**38,282,632**	**34,132,831**
41. Impairment losses / (reversal) of impairment			
Impairment loss / Reversal of impairment			
Property, plant and equipment		1,163,041	108,454
42. Interest			
42.1 Interest cost			
Finance leases	13.3	395,341	132,222
Interest costs non-current provisions	18	6,037,493	5,166,330
Long service awards		1,414,000	1,243,000
Post Employment Health Care		7,481,000	7,283,000
Ex-gratia Pension		2,340	2,490
Total		**15,330,174**	**13,827,042**
43. Rent on land			
Rent on land		49,779	38,769
44. Contracted services			
Consultants and professional services	44.1	7,465,130	6,469,149
Contractors	44.2	22,552,052	46,092,570
Outsourced services	44.3	30,117,704	36,652,517
Total		**60,134,886**	**89,214,236**
44.1 Consultants and professional services			
Business advisory services			
Actuaries		20,500	17,300
Audit committee		86,056	77,483
Human resources		1,781,468	791,973
Medical examinations		69,088	595
Organisational		1,950	26,000
Qualification verification		19,443	27,229
Quality control		1,678,754	886,164
Research and advisory		18,400	1,025,746
Total business advisory services		**3,675,659**	**2,852,490**
Legal services			
Legal advice and litigation		630,100	958,028

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

44. Contracted services (continued)

Engineering services		
Civil engineering	1,719,473	1,323,090
Electrical engineering	372,000	854,301
Total engineering services	**2,091,473**	**2,177,391**
Infrastructure and planning services		
Architectural infrastructure and planning	198,000	-
Geodetic, control and surveys infrastructure and planning	605,009	345,132
Geoinformatic services infrastructure and planning	131,279	136,108
Town planner infrastructure and planning	133,610	-
Total infrastructure and planning services	**1,067,898**	**481,240**
Total consultants and professional services	**7,465,130**	**6,469,149**

44.2 Contractors

General services		
Building	11,373,082	33,460,159
Catering services	-	1,900
Chipping	111,000	128,280
Forestry	229,414	434,121
Gardening services	3,702	2,910
Gas	8,530	9,025
Pest control and fumigation	23,735	14,690
Photographer	10,005	-
Plants, flowers and other decorations	13,562	12,750
Stage and sound crew	22,700	14,950
Stream cleaning and ditching	3,702	-
Tracing agents and debt collectors	23,138	25,608
Transportation	32,295	25,833
Total general services	**11,854,865**	**34,130,226**
Maintenance services		
Maintenance of buildings and facilities	956,515	574,396
Maintenance of equipment	16,952	69,704
Maintenance: Other	9,723,720	11,318,244
Total maintenance service	**10,697,187**	**11,962,344**
Total contractor	**22,552,052**	**46,092,570**

Included in the contractors' building are the construction expenses of R11 373 082 (2024: R33 460 159) for the construction of low-cost houses, for which the municipality has been appointed as a Project Developer by the Provincial Department of Infrastructure. Refer to note 27 for the revenue recognition of construction contracts.

44.3 Outsourced services

Business and advisory services		
Research and Advisory	17	80
Valuer	55,696	279,364
Total business and advisory services	**55,713**	**279,444**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024
44. Contracted services (continued)			
General services			
Alien Vegetation Control		159,500	-
Animal Care		30,045	11,500
Burial Services		33,852	26,474
Catering Services		230,103	585,521
Cleaning Services		11,545	32,569
Clearing and Grass Cutting Services		144,909	255,965
Hygiene Services		1,269,704	1,203,434
Illegal Dumping		-	197,192
Litter Picking and Street Cleaning		5,900	1,960
Meter Management		297,915	322,752
Sewerage Services		32,038	30,600
Traffic Fines Management		97,072	67,249
Translators, Scribes and Editors		10,172	3,469
Transport Services		2,800	10,830
Veterinary Services		465,180	316,093
Total general services		**2,790,735**	**3,065,608**
Trading services			
Connection/Dis-connection: Electricity		857,270	693,329
Electrical		1,367,606	8,939,997
Security Services		25,046,380	23,674,139
Total trading services		**27,271,256**	**33,307,465**
Total outsourced services		**30,117,704**	**36,652,517**
45. Transfers and subsidies			
Operational			
Monetary allocations	45.1	4,633,156	2,877,601
45.1 Monetary allocations: Operational			
Households		1,279,761	653,403
Non-profit institutions		1,946,083	2,224,198
Private Enterprises		1,407,312	-
Total		**4,633,156**	**2,877,601**
46. Irrecoverable debts written off			
Electricity		241,417	2,808,996
Non specific accounts		51,304	-
Waste management		2,385,974	44,022,184
Waste water management		1,431,856	35,360,011
Water		3,242,074	67,446,589
Traffic Fines		7,804,000	7,245,450
Property rates		190,685	2,285,032
Total		**15,347,310**	**159,168,262**
Split between exchange and non-exchange			
Exchange		7,352,625	149,637,780
Non-exchange		7,994,685	9,530,482
Total		**15,347,310**	**159,168,262**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024
47. Operating leases		
Investment Properties	1,200,791	1,106,871
48. Operational cost		
Advertising, Publicity and Marketing	1,124,000	772,798
Bank Charges, Facility and Card Fees	451,764	413,813
Bursaries (Employees)	-	50,765
Cleaning Services	31,479	15,054
Commission	2,140,092	2,136,024
Communication	1,483,638	3,231,480
Courier and Delivery Services	3,317	1,234
Deeds	48,145	44,451
Electricity Compliance Certificate	-	3,810
Entertainment	6,821	1,671
External Audit Fees	4,386,789	3,754,262
External Computer Service	3,877,139	3,716,100
Full Time Union Representative	37,547	86,647
Hire Charges	7,442,232	4,969,829
Insurance Underwriting	2,551,179	1,831,180
Learnerships and Internships	626,992	768,373
Levies Paid - Water Resource Management Charges	2,376,854	1,862,537
Licences	543,461	620,491
Management Fee	4,880	-
Municipal Services	39,000	22,000
Printing, Publications and Books	590,763	343,857
Professional Bodies, Membership and Subscription	2,547,427	2,714,140
Registration Fees	28,062	47,212
Remuneration to Ward Committees	1,411,000	1,373,000
Servitudes and Land Surveys	3,500	-
Signage	1,212,884	1,109,022
Toll Gate Fees	5,385	1,532
Transport Provided as Part of Departmental Activit	65,535	55,759
Travel Agency and Visa's	7,960	29,182
Travel and Subsistence	970,272	945,684
Uniform and Protective Clothing	1,343,248	1,373,994
Vehicle Tracking	193,554	259,187
Wet Fuel	8,807,830	10,246,670
Workmen's Compensation Fund	2,468,872	2,101,537
Total	**46,831,621**	**44,903,295**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
49. Net cash from/(used) operating activities		
(Deficit) surplus for the year	(882,723)	95,586,657
Adjustments for:		
Depreciation and amortisation	38,263,070	33,952,079
Bad debts written off	15,347,310	159,168,262
Acturial Gain/Loss	1,946,261	(2,803,986)
(Gains) / Losses on disposal of assets	(10,494,065)	1,087,056
Increase / (Decrease) in provisions	1,946,261	(1,986,710)
Reversal of impairment loss	1,140,717	-
Finance Charges	15,330,174	13,827,042
Amortisation of Intangible Assets	-	12,349
Debt Impairment	66,389,465	(72,354,971)
Stock Adjustments	487,281	3,802
Operating Lease Income Accrued	(1,063,125)	(1,063,125)
Finance Lease: Deemed Loan Expenditure	(162,737)	(807,401)
Movement in working capital		
(Increase) / Decrease in receivables from non-exchange transactions	(62,036,549)	(117,872,280)
(Increase) / Decrease in inventory	6,549,420	(18,474,255)
(Decrease) / Increase Taxes	(3,181,877)	(23,676,542)
Increase / (Decrease) in trade and other payables	6,246,976	(22,738,555)
Increase / (Decrease) in unspent conditional grants and receipts trade and other payable non-exchange transactions	4,265,614	(10,755,177)
Increase / (Decrease) in Unspent Public Contributions	3,783,981	(105,612)
Increase / (Decrease) in Consumer Deposits	915,781	274,818
Net cash flows from operating activities	**84,791,235**	**31,273,451**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

50. GRAP 3 Adjustments

The following restatements and adjustments occurred which are set out below:

50.1 Adjustments of Statement of financial performance items

2024

	Ref	Note	As previously reported	Correction of error	Re-classification	Restated
Revenue						
Exchange revenue						
Services Charges		20	528,791,554	-	-	**528,791,554**
Sales of goods and Rendering of Services	R1	21	14,952,925	-	(469,143)	**14,483,782**
Agency services		22	4,738,934	-	-	**4,738,934**
Interest earned from receivables		23	28,557,418	-	-	**28,557,418**
Interests on current and non-current assets		24	22,018,748	-	-	**22,018,748**
Rent from fixed assets	E1	25	5,038,019	969,213	-	**6,007,232**
Operational revenue	R1	26	2,576,922	-	469,143	**3,046,065**
Gain on Adjustment of Provision			1,986,710	-	-	**1,986,710**
Gain on Actuarial Valuations			2,803,986	-	(2,803,986)	**-**
			611,465,216	**969,213**	**(2,803,986)**	**609,630,443**
Non-exchange revenue						
Availability Charges		28	2,990,685	-	-	**2,990,685**
Property rates by usage		29	101,316,646	-	-	**101,316,646**
Surcharges and taxes		30	9,121,658	-	-	**9,121,658**
Fines, penalties and forfeits		31	20,634,347	-	-	**20,634,347**
Licence and permits		32	1,182,780	-	-	**1,182,780**
Transfers and subsidies – Operational	E2,R2	33	141,212,199	101,003	4,347,888	**145,661,090**
Transfers and subsidies – Capital	R2	33	38,779,842	-	(2,243,431)	**36,536,411**
Interest earned from receivables		23	4,091,476	-	-	**4,091,476**
Gains	R1	34	-	-	1,821,382	**1,821,382**
Public contributions and donations			2,104,457	-	(2,104,457)	**-**
			321,434,090	**101,003**	**1,821,382**	**323,356,475**
Total revenue			**932,899,306**	**1,070,216**	**(982,604)**	**932,986,918**
Expenditure						
Employee related cost		35	238,876,956	-	-	**238,876,956**
Remuneration of councillors	E3	36	11,679,538	(48,593)	-	**11,630,945**
Bulk purchases		37	324,085,574	-	-	**324,085,574**
Inventory consumed		38	23,244,559	-	-	**23,244,559**
Debt impairment		39	(72,354,972)	-	-	**(72,354,972)**
Depreciation and amortisation		40	34,132,831	-	-	**34,132,831**
Impairment losses / (reversal) of impairment	R1	41	110,098	30,282	(31,926)	**108,454**
Interest		42	13,827,042	-	-	**13,827,042**
Rent on land		43	38,769	-	-	**38,769**
Contracted services	E9	44	89,144,618	69,618	-	**89,214,236**
Transfers and subsidies	R1	45	2,928,366	-	(50,765)	**2,877,601**
Irrecoverable debts written off		46	159,168,262	-	-	**159,168,262**
Operating leases		47	1,106,871	-	-	**1,106,871**
Operational cost	E3,E8,R1	48	44,699,367	153,163	50,765	**44,903,295**
Loss on disposal of assets			946,676	-	(946,676)	**-**
Inventories: Write Down			3,802	-	(3,802)	**-**
Total expenditure			**871,638,357**	**204,470**	**(982,404)**	**870,860,423**
Surplus for the year			**61,260,949**	**865,746**	**(200)**	**62,126,495**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

50. GRAP 3 Adjustments (continued)

E1 - Recognition of Operating Lease Rentals Klip River Park

E2 - Recognition of Revenue on Nedbank Public Contribution.

E3 - Items relating to operational expenditure incorrectly mapped as remuneration of councillors.

R1 - Caseware Mscoa item mapping reclassification.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand			2025	2024

50. GRAP 3 Adjustments (continued)

50.2 Adjustments of Statement of financial position items

2024

		Note	Previously reported	Correction of error	Re-classification	Restated
Assets						
Current assets						
Cash and cash equivalents		3	187,244,733	-	-	**187,244,733**
Trade and other receivables from exchange transactions	E4	4	123,373,108	(790,827)	-	**122,582,281**
Receivables from non-exchange transactions		5	31,639,040	-	-	**31,639,040**
Inventory	E5	6	27,361,611	(4,736,276)	-	**22,625,335**
Operating lease receivable	E6	7	-	1,240,313	-	**1,240,313**
			369,618,492	**(4,286,790)**	**-**	**365,331,702**
Non-current assets						
Investment property		9	41,919,719	-	-	**41,919,719**
Property, plant and equipment	E5, E7	10	1,106,308,855	12,580,082	-	**,118,888,937**
Heritage assets		11	550,000	-	-	**550,000**
Intangible assets		12	1,057,687	-	-	**1,057,687**
			1,149,836,261	**12,580,082**	**-**	**,162,416,343**
Liabilities						
Current liabilities						
Financial liabilities	E8	13	-	334,172	-	**334,172**
Employee benefits	R1	14	31,980,319	-	1,926,628	**33,906,947**
Consumer deposits		15	9,739,377	-	-	**9,739,377**
Trade and other payables from exchange transactions	E9,R1	16	85,602,703	80,287	(1,975,012)	**83,707,978**
Trade and other payables from non-exchange transactions	E2	17	(3,942,949)	(101,003)	-	**(4,043,952)**
Provisions		18	3,630,749	-	-	**3,630,749**
VAT Payable	E6,E9, E11		4,566,285	99,093	-	**4,665,378**
Current Portion of Borrowings			1,281,622	(1,281,622)	-	**-**
			132,858,106	**(869,073)**	**(48,384)**	**131,940,649**
Non-current liabilities						
Financial liabilities	E8	13	-	1,052,015	-	**1,052,015**
Employee benefits	R1	14	71,704,930	-	48,382	**71,753,312**
Provisions		18	52,330,759	-	-	**52,330,759**
			124,035,689	**1,052,015**	**48,382**	**125,136,086**
Total liabilities			**256,893,795**	**182,942**	**(2)**	**257,076,735**
Community Wealth / Equity						
Reserves and funds		19	11,166,357	-	-	**11,166,357**
Accumulated surplus	E10		1,251,394,605	8,110,347	-	**1,259,504,952**
Total Community Wealth / Equity			**1,262,560,962**	**8,110,347**	**-**	**1,270,671,309**

E4 - Correction to Land Sale Debtors and Waverenskroon Debtor.

E5 - Correction - Electrical Inventory Recognised.

E6 - Recognition of operating lease asset: Klip River Park. Line item in Statement of Financial Position and related disclosure was not included in prior year Audited Annual Financial Statements. Please refer to Note 7 for disclosure information relating to current and prior year. Please refer to VAT Payable line item (E11) for related VAT corrections.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

50. GRAP 3 Adjustments (continued)

E7 - Recognition of Servitude and alignment of Trial Balance and Asset Register.

E8 - Correction of Finance Lease Movements as well as current and non-current portions. Please refer to VAT Payable line item for related VAT corrections

E9 - Recognition of retention.

E10 - Cumulutive effect of corrections to assets and liabilities above.

E11 - Note 7 in the prior year audited Annual Financial Statements did not seperately present the statutory receivable. The statutory receivable information was, however, presented seperately in Note 44.3 of the prior year audited Annual Financial Statements. The disclosure of the comparative information in the current year financial statements is the result of the enhancement. Furthermore, the difference in the note listed above is a result of the VAT implications on the corrections made on retentions and operating lease assets.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand		2025	2024

50. GRAP 3 Adjustments (continued)

50.3 Adjustments of Cash flow statement items

	Note	Previously reported	Correction of error	Re-classification	Restated
Cash flows from operating activities					
Receipts					
Property rates		102,509,333	-	-	**102,509,333**
Service charges		494,504,686	310,209	-	**494,814,895**
Transfers and Subsidies		171,336,713	-	-	**171,336,713**
Interest		48,344,009	-	-	**48,344,009**
Increase in consumer deposits		-	-	274,818	**274,818**
		816,694,741	**310,209**	**274,818**	**817,279,768**
Payments					
Employee and Councillor Cost		(250,644,332)	48,592		**- (250,595,740)**
Suppliers	E5	(529,507,451)	(5,088,880)		**- (534,596,331)**
		(780,151,783)	**(5,040,288)**		**- (785,192,071)**
Net cash from(used) operating activities		**36,542,958**	**(4,730,079)**	**274,818**	**32,087,697**
Cash flows from investing activities					
Payments					
Purchase of property, plant and equipment	E5	(75,911,673)	4,215,225	-	**(71,696,448)**
Purchase of Intangible Assets		(330,870)	-	-	**(330,870)**
		(76,242,543)	**4,215,225**	**-**	**(72,027,318)**
Cash flows from financing activities					
Receipts					
Increase in consumer deposits		274,818	-	(274,818)	**-**
Net increase/ (decrease) in cash		**(39,424,767)**	**(514,854)**	**274,818**	**(39,939,621)**
Cash and cash equivalents at the beginning of the year		226,801,723	-	-	**226,801,723**
Cash and cash equivalents at the end of the year		187,244,734	-	-	**187,244,734**
Net increase/ (decrease) in cash		**(39,556,989)**	**-**	**-**	**(39,556,989)**

E5 - Correction - Electrical Inventory Recognised.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

50. GRAP 3 Adjustments (continued)

Statement of financial position

Accumulated surplus

Balance previously reported	1,251,394,605
	-
Correction - Land Sale Debtors	(1,106,706)
Recognition of Prior Period Operating Lease Revenue	504,660
Recognition of Servitude	3,000,000
Alignment of differences between Asset Register and Trial Balance	4,874,088
Adjustment to contract debtor - Tulbagh Dam	315,879
Corrections 2023-2024, Listed in Note 50	522,426
	-
	-
	-
	-
	-
	-
	-
Undefined Difference	-
	1,259,504,952

Adjustments to Disclosure:

Operating Lease Receivable			
Description:	**Previously Reported 2024:**	**Restated 2024:**	**Reference:**
Within 1 year	-	1,063,125	
2-5 years	-	4,252,500	
More than 5 years	-	14,706,563	
Total	**-**	**20,022,188**	**E6**

Value Added Tax			
Description:	**Previously Reported 2024:**	**Restated 2024:**	**Reference:**
VAT 201	-	5,782,484	
VAT Payable	-21,797,907	-14,602,785	
VAT Receivable	17,231,622	4,154,923	
	-4,566,285	**-4,665,378**	**E6,E9,E11**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

51. Unauthorised, irregular, fruitless and wasteful expenditure

51.1 Unauthorised expenditure

None Identified.

51.2 Irregular expenditure

Opening balance as previously reported	11,329,164	5,437,362
Add: Irregular expenditure - current	-	5,891,802
Less: Amounts written-off	(11,329,164)	-
Closing balance	**-**	**11,329,164**

Incident:
Procurement less than R 30 000,00 (quotations) was audited by the AGSA and classified as irregular expenditure during the 2022-23 audit process, as no preference points calculations have been performed.

The municipality is not in agreement with the view of the AGSA and National Treasury with their interpretation and proposed implementation of the Preferential Procurement Regulations of 2022.

Disciplinary steps/criminal proceedings:
Council unanimously resolved on 31 March 2025:

(a) that in terms of Section 32(2)(b) of the Municipal Finance Management Act, the Municipal Public Accounts Committee certifies that the expenditure is irrecoverable and resolves that it be written off.
(b) that Council did not suffer any loss, and that no official should be held accountable.

52. Additional disclosure in terms of Municipal Finance Management Act

SALGA Contributions

Current year subscription / fee	2,482,648	2,655,622
Amount paid - previous period	(2,482,648)	(2,655,622)
Amount approved by the director and noted by council	**-**	**-**

Audit fees

Current year subscription / fee	4,472,845	3,831,745
Amount paid - current year	(4,472,845)	(3,831,745)
Amount approved by the director and noted by council	**-**	**-**

Current year subscription / fee includes an amount of R86 056 which was paid for the Audit Committee (2024: R77 483).

PAYE, UIF and SDL

Current year subscription / fee	43,811,888	37,281,944
Amount paid - current year	(43,811,888)	(37,281,944)
Amount approved by the director and noted by council	**-**	**-**

Pension deductions

Current year subscription / fee	38,039,113	35,625,644
Amount paid - current year	(38,039,113)	(35,625,644)
Amount approved by the director and noted by council	**-**	**-**

Medical aid deductions

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

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

Current year subscription / fee	19,198,508	17,867,210
Amount paid - current year	(19,198,508)	(17,867,210)
Total	**-**	**-**

Value Added Tax

VAT receivable	(3,075,774)	(4,665,378)

Councillors' arrear consumer accounts

	2025			2024		
	Outstanding less than 90 days	Outstanding more than 90 days	Total	Outstanding less than 90 days	Outstanding more than 90 days	Total
LA Hardneck	-	-	**-**	-	247	**247**
GJ Franse	**-**	44,370	**44,370**	**-**	35,402	**35,402**
K Robyn	18,204	33,723	**51,927**	22,000	53,927	**75,927**
JS Mouton	2,110	**-**	**2,110**	-	-	**-**
Total	**20,314**	**78,093**	**98,407**	**22,000**	**89,576**	**111,576**

Distribution losses

In terms of section 125(2)(d)(i) of the Municipal Finance Management Act (Act 56 of 2003), the municipality experienced the following distribution losses for the year under review.

Electrical distribution losses (KW)		
Units purchased (Kwh)	190,315,569	163,626,748
Units sold (Kwh)	162,443,196	146,752,984
Units lost during distribution (Kwh)	27,872,373	16,873,764
Percentage lost during distribution	14	10
Value of units lost during distribution (Rand)	57,363,949	33,420,841

Electricity losses are calculated as 14.60% (2024: 10.30%). Electricity losses exceeds 10%.

The electricity losses are in line with the guideline of the National Energy Regulator of South Africa of 10%.

Water distribution losses (KL)		
Kilolitres purified	7,336,783	6,781,956
Kilolitres sold	6,480,798	6,037,407
Kilolitres lost during distribution	855,985	744,549
Percentage lost during distribution	11	11
Value of kilolitres lost during distribution	400,468	318,429

Water losses are calculated as 11.67% (2024: 10.98%). Water losses are within the industry norm.

The estimated consumption for public open spaces and informal houses are calculated on a conservative bases using baseline consumption estimations provided by the Department of Water Affairs.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

53. Deviations from SCM regulations - SCM Regulation 36

In terms of section 36 of the municipality SCM regulations, any deviations from SCM policy needs to be approved by the accounting officer and noted by Council. The awards listed below have been approved by the accounting officer and noted by Council.

All deviations considered by the accounting officer are processed in terms of the SCM regulations and the municipality's SCM policy. This process entails being assessed by the SCM Bid Adjudication Committee in terms of the stipulated criteria for emergency procurements and circumstances where it is impractical or not possible to follow the official procedure.

Deviation from, and ratification of minor breaches of, the procurement processes

In terms of section 36(2) of the Supply Chain Management Policy approved by Council it is stipulated that bids where the formal procurement processes could not be followed, must be noted in the annual financial statements.

		Types of Deviations			
	Amount	Single Supplier	Impossible	Impractical	Emergency
2024/2025					
July	463,809	4	-	3	2
August	284,100	5	-	2	3
September	341,813	4	-	1	1
October	1,466,461	6	-	1	-
November	141,404	2	-	1	3
December	343,474	5	-	6	-
January	1,691,754	5	-	1	-
February	74,205	2	-	5	1
March	302,230	6	-	2	2
April	54,391	7	-	1	-
May	1,094,664	6	-	1	-
June	266,038	8	-	4	2
	6,524,343	**60**	**-**	**28**	**14**

		Types of Deviations			
	Amount	Single Supplier	Impossible	Impractical	Emergency
2023/2024					
July	893,259	4	-	9	6
August	1,578,305	9	-	5	1
September	2,515,800	5	-	4	5
October	1,033,897	5	-	3	2
November	169,132	4	-	1	4
December	106,541	1	-	3	-
January	70,955	4	-	-	-
February	1,479,837	10	-	3	-
March	528,817	8	-	3	-
April	561,892	4	-	2	2
May	770,655	4	-	4	-
June	102,022	4	-	-	-
	9,811,112	**62**	**-**	**37**	**20**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand

54. Awards to close family members - SCM Regulation 45

Awards to close family members of persons in the service of Witzenberg Municipality

Supplier name	Employee name	Relationship	Department
AJ Rankin Basson Sport	MJL Wessels	Spouse	Witzenberg Municipality - Social Departm
JC Fencing	K Abrahamse	Father	Witzenberg Municipality - Traffic Departm
DAV General Dealer (Pty) Ltd	A Lategan	Father	Witzenberg Municipality - Finance Depart
Zelpy 707 (Pty) Ltd t/a Boland Isuzu	K Adams	Son	Witzenberg Municipality - Member of Cou

Notes to the Annual Financial Statements

Figures in Rand

54. Awards to close family members - SCM Regulation 45 (continued)

Awards to close family members of persons in the service of other state departments and entities (not listed above)

Supplier name	Employee name	Relationship	Department
Williams Loodgieters	R Williams	Spouse	Department of Health
Siphakame Skills Development	MR Vacu	Spouse	Drakenstein Municipality
RJC Conservation Services	Prins	Son	Department of Health
Conlog (Pty) Ltd	N Moodley	Spouse	Department of Health
Neil Lyners and Associates (RF) (Pty) Ltd	H Lyners	Sibling	WCGTPW
Piston Power Chemicals (Pty) Ltd	N Andhee	Spouse	Department of Education
Actom	T Lubbe	Spouse	Western Cape Education Department
Zutari (Pty) Ltd	RJ Ahlschlager	Spouse	Special Investigating Unit
Leibrandt Training Academy	H Benjamin	Spouse	SAPS
Adapt IT (Pty) Ltd	DMS Mbambo	Spouse	SANRAL
JVZ Construction	R Matthee	Spouse	Department of Correctional Services
WRP Consulting Engineers (Pty) Ltd*	Z van Rooyen	Spouse	Department of Public Works
WRP Consulting Engineers (Pty) Ltd*	K Mamphitha	Spouse	SABC
Amandla Construction*	J Jacobs	Brother in Law	National Government Employment & Lab
Amandla Construction*	U Frazenburg	Sister	National Government Deeds Office
Amandla Construction*	E Frazenburg	Brother	Western Cape Government Education
Amandla Construction*	J Frazenburg	Sister	Western Cape Government Education
Amandla Construction*	B Frazenburg	Brother	City of Cape Town - Traffic Department
WAB Print Media (Pty) Ltd	A Brink	Spouse	Drakenstein Municipality
SEW Plumbing*	R Williams	Son	Department of Health
SEW Plumbing*	L Williams	Spouse	Department of Health
JPCE (Pty) Ltd	J Minnie	Spouse	City of Cape Town - Disaster Manageme
Ian Dickie & Co	D Samuels	Spouse	SAPS
Sandi Archary Incorporated	G Archari	Spouse	Transnet
Skonto (Pty) Ltd		Parent	Western Cape Government Dep of Trans

*Awards made to bidders with multiple close family members of persons in the service of other state departments and entities.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

55. Capital commitments

Commitments in respect of capital expenditure:

Approved and contracted for:		
Infrastructure	28,952,387	32,380,667
Community	531,383	815,103
Intangible Assets	132,513	417,500
Machinery and Equipment	1,487,985	-
Transport Assets	635,129	-
	31,739,397	**33,613,270**

All capital commitments includes VAT.

56. Contingent liabilities

The municipality is currently engaged in litigation which could result in damages/costs being awarded against Council if claimants are successful in their actions. Management are respectfully of opinion that this matter will be successfully defended. The Municipality is defending all the claims. The amounts indicated is Management's estimated financial exposure. The following are naritives of the cases:

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

56. Contingent liabilities (continued)

Ceres Koekedouw Management Committee The purchase agreement of the Vredebes Farm includes 15 hectares water rights. The Ceres Koekedouw Management Committee now claims that Witzenberg Municipality is part of their historical loan agreements and therefore responsible for a portion of the repayment of their loan. The purchase agreement however is silent on the loan.	889,892	889,892
South African Revenue Services The Minister of Finance, Minister Godongwana indicates in a letter addressed to the Member of Executive Council for Finance in the Western Cape Provincial Government dated 24 July 2024, ruled that municipalities are rendering a service to the provincial government and that the amount received by municipalities is subject to VAT. A payable had been recognised for the vat, but there is a possibility that penalties and interest may be charged.	1,955,192	1,955,192
Gunter C Mrs Plaintiff claims damages from the municipality after she fell on the sidewalk. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	350,000	350,000
Smith WJ Stepped into hole of manhole cover on c/o Friesland & Delta Street, Bella Vista. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	628,370	628,370
Pedro I Fell into an open manhole. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	2,551,000	2,551,000
Jack F TP injury after fall on pavement, the case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	1,000,000	1,000,000
Weitz B Five year old boy burned and injured at Pump Station. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	2,000,000	2,000,000
Wiese K Municipal vehicle collided with third party vehicle. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	-	35,164
Aare C Third party vehicle hit by stray ox. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	-	61,000
Laubscher AA Municipal trailer collided with third party vehicle. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	73,378	73,378
Michaels C Third party vehicle hit by herd of goats. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.]	-	120,000
Craig & Sons Bus Services Claim in respect of vehicle accident. The case was submitted to the municipality's insurance broker The chance that any amount might be payable by the municipality is remote.	80,000	80,000
Panting N Claim in respect of vehicle accident. The case was submitted to the municipality's insurance broker The chance that any amount might be payable by the municipality is remote	73,536	-

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

57. Related party disclosures

Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.

The rates, service charges and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses have been recognised in respect of amounts owed by related parties.

57.1 Related party balances

Management & Councillors

-

The compensation of key management personnel & councillors is set out in Notes 35.1 and 36 to the Annual Financial Statements.

Other related parties

No purchases were made during the year where Councillors or staff have an interest.

Ceres Koekedouw Management Committee

Ceres Koekedouw Management Committee is an entity established by the Witzenberg Municipality and the Koekedouw Irrigation Board. Ceres Koekedouw Management Committee is responsible for the management of the Koekedouw Dam, jointly owned by Witzenberg Municipality and the Koekedouw Irrigation Board.

Witzenberg municipality was responsible for 41% of the expenditure to build the Koekedouw Dam. The expense was financed by way of loans. These loans have already been redeemed. The municipality is entitled to 10 million kilolitre water per annum from the dam.

The total carrying value of the municipal asset in respect of the dam is included under Property Plant and Equipment – Infrastructure Assets.

	2025	2024
The following contributions included with General Expenses were paid to the Ceres Koekedouw Management Committee (VAT Excluded)	1,676,168	1,817,606

58. Living resources

58.1 Non-living resources

The responsibility for the non-living water resource emanates from Chapter 3 of the Water Service Act which recognises the municipality as a water service authority.

The nature of the municipality's custodial responsibility includes the duty to provide access to water services, the duty to prepare and adopt a water service development plan and the reporting on the implementation thereof, any contracts and joint ventures with water services providers and the adoption of appropriate bylaws that sets out the conditions for the provision of water services.

Additional supporting information pertaining to the provision of water can be found in chapter 3 of the Annual Report.

The Municipality has the following non-living water resources per town:

Ceres
The main water source for Ceres is the Koekedouw Dam. Six boreholes serve as a backup source of supply.

Tulbagh
Currently, Klein Berg, Moordenaarskloof and Tierkloof serve as the main sources of water supply to Tulbagh.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Figures in Rand	2025	2024

58. Living resources (continued)

Wolseley
Wolseley receives its water supply from the Tierhokkloof weir.

PrinceAlfred'sHamlet
Prince Alfred's Hamlet has four water sources. They consist of the Wabooms River Weir, a fountain, one borehole and a supply line from the Koekedouw Dam.

Op-die-Berg
Op-die-Berg has three water sources, a fountain and two boreholes.

There are no liabilities or contingent liabilities that arose from the non-living resource which is water.

Water purchased by the farmers including VAT amount to R461 968.92 (2024: R0)

59. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Annually the municipality performs a going concern evaluation. The following key factors were considered in the evaluation and contributed to the conclusion that the municipality can operate as a going concern for the foreseeable future.

- No confirmed or expected changes to the constitutional mandate of the municipality, i.e, removing certain functions/responsibilities which would reduce services to be delivered to the public.
- The municipality will continue to receive its gazette grant allocations.
- The 2025/26 budget as approved by council was assessed as a funded budget by the provincial treasury.
- There is no material amount for unspent grants that must be returned to government.
- The municipality has limited its exposure to credit risks. The municipality currently has no loans and is not reliant on loan funding for short, medium or long term operational requirements.
- No significant negative changes in consumer behavior about payment of their municipal accounts. The municipality automated its auxiliary credit control mechanism and applied the 30% deduction against pre-paid electricity purchases by default customers. The 30% auxiliary will increase to 60% during the 2025/26 financial year for all accounts with debt older than 6 months
- Positive bank balance and cost coverage ratio.
- Generating operating surplus and not losses.
- Favorable ratios (Asset Management/Utilisation, Liquidity Management, Liability Management, Sustainability, Efficiency, and revenue management) confirming the municipality has sufficient cash resources to continue making payments within the legislative 30 days.

60. Change in estimate

The useful lives of all asset classes were adjusted during 2024 to more accurately reflect the period of economic benefits or service potential derived from these assets. Refer to note 10. The effect of changing the remaining useful life of assets for the municipality during 2024 has decreased the depreciation charge for the current by R - and future periods. It is impracticable to estimate the effect of these changes on future periods.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

61. Principal-agent arrangements

61.1 Municipality acting as the agent

Western Cape Department of Mobility

The municipality acts as agent for the Western Cape Department of Mobility, where it undertakes to handle the issuing of Motor Vehicle- and Driver's License on behalf of Western Cape Department of Mobility.

Reconciliation of amounts payable to Western Cape Department of Mobility		
Opening balance	379,989	411,713
Funds collected	32,893,127	31,461,835
Revenue recognised by municipality as agency fee	(5,689,910)	(5,401,997)
Revenue paid over to the principal	(26,950,494)	(26,091,562)
Closing balance	**632,712**	**379,989**

Department of Justice

The municipality acts as agent for the Department of Justice, where it collects contempt of court fines imposed for the non-appearance in court in terms of traffic fine offenders on behalf of Department of Justice. The municipality does not derive any revenue from these functions.

Reconciliation of amounts payable to Department of Justice		
Opening balance	15,601	77,701
Funds collected	192,300	195,000
Revenue paid over to the principal	(183,600)	(257,100)
Closing balance	**24,301**	**15,601**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

61. Principal-agent arrangements (continued)

61.2 Municipality acting as the principle

ONTEC

The municipality has a service provider ONTEC, who acts as agent for the municipality through selling and collecting money from the sale of prepaid electricity on behalf of the municipality.

Commission received by the agent	1,830,612	1,441,714

Pay@

The municipality has a service provider Pay@, who acts as agent for the municipality by providing a payment platform used to collect municipal service payments from third parties on behalf of the municipality.

Commission received by the agent	221,075	223,605

Easy Pay

The municipality has a service provider Easy Pay, who acts as agent for the municipality by providing a payment platform used to collect municipal service payments from third parties on behalf of the municipality.

Commission received by the agent	214,609	224,724

South African Post Office Ltd (Pay a Bill)

The municipality has a service provider , who acts as agent for the municipality providing a payment platform for municipal clients to make payment on there debtors account at the SA Post Office on behalf of the municipality.

Commission received by the agent	1,027	1,840

Syntell

The municipality has a service provider , who acts as agent for the municipality through selling and collecting money from the sale of prepaid electricity on behalf of the municipality.

Commission received by the agent	-	386,400

There were no significant judgements applied in making this assessment.

There are no significant terms and conditions of the arrangements and no changes occurred during the reporting period.

There are no significant risks and benefits associated with the relationships.

62. Non-adjusting events after the reporting date

Nature of event Subsequent to the reporting period, the municipality concluded its due processes for the uptaking of a loan to mainly fund the upgrades to the Ceres Power Station. The Municipality signed the loan agreement after the reporting date and is awaiting the signed agreement from the Financial Institution confirming the loan commitment.	25,000,000	-

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

		2025	2024

63 FINANCIAL RISK MANAGEMENT

The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

(a) Foreign Exchange Currency Risk

The municipality does not engage in foreign currency transactions.

(b) Price risk

The municipality is not exposed to price risk.

(c) Interest Rate Risk

As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

The potential impact on the entity's surplus/deficit for the year due to changes in interest rates were as follow:

0.5% Increase in interest rates	987,875	929,245
0.5% Decrease in interest rates	(987,875)	(929,245)

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the municipality to incur a financial loss. Credit risk consist mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

Trade and other debtors are disclosed net after provisions are made for impairment and bad debts. Trade debtors comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other debtors is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours 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.

All rates and services are payable within 30 days from invoice date. Refer to note 3 and 4 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms. Also refer to note 3 for balances included in receivables that were re-negotiated for the period under review.

Balances past due not impaired:

	2025 %	2025 R	2024 %	2024 R
Exchange Receivables				
Electricity	79.52%	54,233,882	84.82%	58,276,779
Water	10.88%	13,043,996	8.28%	7,856,398
Housing Rentals	6.21%	180,859	6.63%	153,183
Refuse	10.23%	7,733,636	7.58%	4,484,890
Sewerage	12.31%	9,768,558	43.35%	43,081,424
Other	4.53%	61,074	8.44%	97,104
Contracts	0.00%	(0)	100.00%	5,444,769
Land Sales	100.00%	12,967,138		-
	26.49%	**97,989,143**	**35.73%**	**119,394,546**

No receivables are pledged as security for financial liabilities.

Due to the short term nature of receivables the carrying value disclosed in note 3 and 4 of the financial statements is an approximation of its fair value. Interest on overdue balances are included at prime lending rate plus 1% where applicable.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

63 FINANCIAL RISK MANAGEMENT CONTINUED

The provision for bad debts could be allocated between the different classes of debtors as follows:

	2025 %	2025 R	2024 %	2024 R
Exchange Receivables				
Electricity	5.22%	13,966,997	4.93%	10,431,797
Water	39.92%	106,876,352	41.10%	86,972,133
Housing Rentals	1.02%	2,733,349	1.02%	2,156,274
Refuse	25.34%	67,849,873	25.85%	54,699,957
Sewerage	25.99%	69,574,695	26.61%	56,308,408
Other	0.48%	1,288,578	0.50%	1,053,113
Contract	2.03%	5,444,769		
	100.00%	**267,734,613**	**100.00%**	**211,621,669**

The provision for bad debts could be allocated between the different categories of debtors as follows:

	2025 %	2025 R	2024 %	2024 R
Residential	92.24%	246,958,165	91.30%	193,212,663
Commercial	5.10%	13,658,382	4.31%	9,127,691
Other	2.66%	7,118,066	4.39%	9,281,329
	100.00%	**267,734,613**	**100.00%**	**211,621,669**

Bad debts written off per debtor class:

Exchange Receivables				
Electricity	0.00%	-	1.87%	(2,808,996)
Water management	47.38%	(3,483,491)	44.82%	(67,446,589)
Housing Rentals	0.00%	-	0.28%	(419,787)
Waste management	32.45%	(2,385,974)	29.25%	(44,022,184)
Waste water management	20.09%	(1,477,373)	23.50%	(35,360,011)
Other	0.08%	(5,787)	0.29%	(429,629)
	100.00%	**(7,352,625)**	**100.00%**	**(150,487,196)**

Kindly note that these amounts are exclusive of VAT

The entity only deposits cash with major banks with high quality credit standing. 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 under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure is disclosed below.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there is no expectation of counter party default.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment.

Financial assets exposed to credit risk at year end are as follows:	2025 R	2024 R
Receivables from exchange transactions	102,211,698	122,582,281
Cash and Cash Equivalents	198,626,966	187,235,262
	300,838,664	**309,817,543**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

63 FINANCIAL RISK MANAGEMENT CONTINUED

(e) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Over 10 Years
2025				
Trade and Other Payables	71,976,013	-	-	-
Unspent conditional government grants and receipts	4,005,642	-	-	-
	75,981,655	**-**	**-**	**-**

	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Over 10 Years
2024				
	-	-	-	-
Trade and Other Payables	58,633,430	-	-	-
Unspent conditional government grants and receipts	(4,043,953)	-	-	-
	54,589,477	**-**	**-**	**-**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

			2025	2024
64	**FINANCIAL INSTRUMENTS**			
	In accordance with IAS 39.09 the financial instruments of the municipality are classified as follows:			
	The fair value of financial instruments approximates the amortised costs as reflected bellow.			
64.1	**Financial Assets**	**Classification**		
	Receivables			
	Receivables from exchange transactions	Financial instruments at amortised cost	102,211,698	122,582,281
	Other Receivables			
	Bank Balances			
	Bank Balances	Financial instruments at amortised cost	198,626,966	187,235,262
			300,838,664	**309,817,543**
	SUMMARY OF FINANCIAL ASSETS			
	Financial instruments at amortised cost		300,838,664	309,817,543
	At amortised cost		**300,838,664**	**309,817,543**
64.2	**Financial Liability**	**Classification**		
	Long-term Liabilities			
	Capitalised Lease Liability	Financial instruments at amortised cost	889,278	1,052,015
	Payables from exchange transactions			
	Trade creditors	Financial instruments at amortised cost	16,849,512	14,382,899
	Retentions	Financial instruments at amortised cost	11,869,631	13,712,562
	Deposits	Financial instruments at amortised cost	545,140	473,325
	Other	Financial instruments at amortised cost	54,581,361	43,777,206
	Other Payables			
	Government Subsidies and Grants	Financial instruments at amortised cost	5,997,619	4,861,951
	Current Portion of Long-term Liabilities			
	Capitalised Lease Liability	Financial instruments at amortised cost	162,737	334,172
			90,895,278	**78,594,130**
	SUMMARY OF FINANCIAL LIABILITY			
	Financial instruments at amortised cost		**90,895,278**	**78,594,130**

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

65 STATUTORY RECEIVABLES

Statutory receivables of the municipality are classified as follows in accordance with the principles of GRAP 108,

As of 30 June 2024, total statutory receivables of R 93115415 (2023: R 71955415) were impaired and provided for.

The amount of the allowance for impairment was R 56821409 as of 30 June 2024 (2023: R46448350).

Reconciliation of statutory receivables		
Gross balance of statutory receivables	93,115,415	71,955,415
Provision for impairment	(56,821,409)	(46,448,350)
Netto statutory receivables	**36,294,006**	**25,507,065**
Gross balance		
Fines	32,172,260	21,640,260
Property rates	64,018,929	54,881,440
VAT	(3,075,774)	(4,566,285)
Total	**93,115,415**	**71,955,415**
Reconciliation of Provision for impairment		
Opening Balance	(53,380,188)	(49,603,460)
Recognised	(19,072,597)	(12,457,793)
Reversal (Write-off)	7,804,000	8,681,065
Balance at end of year	**(64,648,785)**	**(53,380,188)**
The total amount of the Provision for impairment consists of:		
Fines	(6,072,700)	(3,138,950)
Property rates	(50,748,709)	(43,309,400)
Total	**(56,821,409)**	**(46,448,350)**
Net balance		
Fines	26,099,560	18,501,310
Property rates	13,270,220	11,572,040
VAT	(3,075,774)	(4,566,285)
Total	**36,294,006**	**25,507,065**
Interest charged	4,881,176	4,091,476
Property Rates: Ageing		
Current (0 - 30 days)	4,330,340	4,251,207
31 - 60 Days	1,129,680	991,836
61 - 90 Days	1,115,250	754,212
+ 90 Days	57,443,661	48,884,186
Total	**64,018,930**	**54,881,440**

Statutory receivables arises from the following legislation:
Property Rates- Municipal Property Rates Act (Act no 60 of 2014)
Fines- Criminal Procedures Act (Act no 51 of 1977)
Value Added Tax Act (Act no 89 of 1991)

No receivables from statutory receivables were pledged as security.

Credit quality of statutory receivables

Consumer debtors are payable within 30 days. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of non-exchange receivables on initial recognition is not deemed necessary.

There are no statutory receivables which were restricted.

Property rates are levied on the value of land and improvements, which valuation is performed every 5 years. The last valuation came into effect on 1 July 2023. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions and also new buildings.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

STATUTORY RECEIVABLES CONTINUED

Basic rate		
Residential	0.600c/R	1.054c/R
Commercial	1.650c/R	1.903c/R
Industrial	1.650c/R	1.903c/R
Bona Fide Agricultural	0.150c/R	0.151c/R

Rates are levied annually and monthly. Monthly rates are payable by the 15th of the following month and annual rates are payable before 30 September. Interest is levied at the prime rate plus 1% on outstanding monthly rates.

Rebates were granted on land with buildings used solely for dwellings purposes as follows:
- Residential - The first R150 000 on the valuation is exempted.

Balances past due not impaired:	**2025 %**	**2025 R**	**2024 %**	**2024 R**
Non-Exchange Receivables				
Fines	81.12%	26,099,560	85.49%	18,501,310
Property rates	20.73%	13,270,220	21.09%	11,572,040
VAT	100.00%	(3,075,774)	100.00%	(4,566,285)
	38.98%	**36,294,006**	**35.45%**	**25,507,065**

The provision for bad debts could be allocated between the different classes of debtors as follows:

	2025 %	**2025 R**	**2024 %**	**2024 R**
Non-Exchange Receivables				
Fines	10.69%	6,072,700	6.76%	3,138,950
Property rates	89.31%	50,748,709	93.24%	43,309,400
	100.00%	**56,821,409**	**100.00%**	**46,448,350**

The provision for bad debts could be allocated between the different categories of debtors as follows:

	2025 %	**2025 R**	**2024 %**	**2024 R**
Residential	48.80%	27,726,992	67.61%	43,835,208
Commercial	39.32%	22,344,940	28.44%	18,440,414
Other	11.88%	6,749,476	3.95%	2,560,129
	100.00%	**56,821,409**	**100.00%**	**64,835,751**

VAT PAYABLE	**2025 R**	**2024 R**
VAT Payable	13,163,417	21,797,907
	13,163,417	**21,797,907**
VAT RECEIVABLE		
VAT input in suspense	10,087,643	17,231,622
	10,087,643	**17,231,622**
NET VAT RECEIVABLE/(PAYABLE)	**(3,075,774)**	**(4,566,285)**

VAT is receivable/payable on the cash basis.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

	2025	2024

66 POST-EMPLOYMENT HEALTH CARE BENEFITS

The Post Retirement Benefit Plan is a defined benefit plan, of which the members are made up as follows:

In-service (employee) members	246	247
In-service (employee) non-members	251	254
Continuation members (e.g. Retirees, widows, orphans)	53	48
Total Members	**550**	**549**

The liability in respect of past service has been estimated to be as follows:

In-service (employee) members	35,598,000	32,852,000
In-service (employee) non-members	3,221,000	3,062,000
Continuation members	32,401,000	26,869,000
Total Liability	**71,220,000**	**62,783,000**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	2023 R	2022 R	2021 R
In-service (employee) members	30,550,000	32,044,000	30,183,000
In-service (employee) non-members	2,863,000	2,585,000	2,345,000
Continuation members	26,481,000	27,006,000	30,738,000
Total Liability	**59,894,000**	**61,635,000**	**63,266,000**

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas;
Keyhealth.
LA Health
Hosmed and
Samwumed.

The employees of the municipality and their dependants are currently entitled to a subsidy of 70% of the medical scheme contributions after they retire or in the case of death. This percentage is reduced if an employee did not complete a required service period before retirement. Widow(er)s and orphans of in-service members are entitled to a subsidy of 60% of the contribution payable. Upon a member's death-in retirement, the surviving dependants will continue to receive the same benefits.

The post-employment subsidies are not limited to a maximum Rand value/subsidy and as a result the following risks should be noted:
•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 DBO: The risk that the DBO 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 may increase the DBO for the Municipality.

Key actuarial assumptions used:

i) Rate of interest

Discount rate	11.10%	12.20%
Health Care Cost Inflation Rate	6.80%	7.69%
Net Effective Discount Rate	6.30%	4.19%

The discount rate are derived from government bond yields consistent with the estimated term of the post-employment liabilities. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve.

ii) Mortality rates

The PA 90 ultimate table was used by the actuaries.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

		2025	2024

66 **iii) Normal retirement age**

The normal retirement ages are 65. It has been assumed that male in-service members will retire at age 62 and female in-service members will retire at age 59, on average, which then implicitly allows for expected rates of ill-health and early retirement.

Continuation of membership at retirement	75%	70%
Proportion assumed married at retirement	60%	60%
Proportion of eligible current non-member employees joining the scheme by retirement	15%	15%

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	71,220,000	62,814,995
Net liability/(asset)	**71,220,000**	**62,814,995**

The municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25, Employee Benefits, paragraph 155 (a).

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	62,814,995	59,894,000
Total expenses	6,670,060	6,888,263
Current service cost	1,981,000	1,981,000
Interest Cost	7,481,000	7,283,000
Benefits Paid	(2,791,940)	(2,375,737)
Amendments	-	-
Actuarial (gains)/losses	1,734,945	(3,967,268)
Present value of fund obligation at the end of the year	71,220,000	62,814,995
Less: Transfer of Current Portion - Note 15	(3,040,945)	(2,838,732)
Balance 30 June	**68,179,055**	**59,976,263**

Sensitivity Analysis on the Accrued Liability at 30 June 2025

Assumption	members liability	members liability	Total liability (R'000)
Central Assumptions	38,819,000	32,401,000	71,220,000

The effect of movements in the assumptions are as follows:

Assumption	Change	In-service members	Continuation members	Total liability (R'000)	% change
Central assumptions		38,819,000	32,401,000	71,220,000	
Medical aid contribution inflation rate	1%	41,106,000	34,516,000	75,622,000	6
Medical aid contribution inflation rate	-1%	35,538,000	30,269,000	65,807,000	-8
Mortality rate	20%	37,342,000	30,393,000	67,735,000	-5
Mortality rate	-20%	40,518,000	34,870,000	75,388,000	6

LONG SERVICE AWARDS

The Long Service Bonus plans are defined benefit plans.

As at year end, the following number of employees were eligible for Long Service Bonuses.	497	501

i) Rate of interest

Discount rate	9.70%	11.05%
General Salary Inflation (long-term)	4.70%	6.20%
Net Effective Discount Rate applied to salary-related Long Service Bonuses	4.80%	4.56%

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	14,958,001	13,625,000
Net liability	**14,958,001**	**13,625,000**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	2023 R	2022 R	2021 R
Present value of fund obligations	12,046,000	12,176,763	12,156,000
Net liability	**12,046,000**	**12,176,763**	**12,156,000**

AUDITOR-GENERAL SOUTH AFRICA
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		2025	2024

66 Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	13,625,000	12,046,000
Total expenses	1,122,905	416,388
Current service cost	1,078,000	913,000
Interest Cost	1,414,000	1,243,000
Benefits Paid	(1,369,095)	(1,739,612)
Actuarial (gains)/losses	210,096	1,162,612
Present value of fund obligation at the end of the year	14,958,001	13,625,000
Less: Transfer of Current Portion - Note 15	(2,684,000)	(1,704,000)
Balance 30 June	**12,274,001**	**11,921,000**

Sensitivity Analysis on the Accrued Liability at 30 June 2025

Assumption	**Change**	**Liability**	**% change**
Central assumptions		14,958,001	
General earnings inflation rate	1.00%	15,722,000	5%
General earnings inflation rate	-1.00%	14,257,000	-5%
Withdrawal rates	20%	14,433,000	-4%
Withdrawal rates	-20%	15,525,000	4%

EX-GRATIA PENSION BENEFITS

The Ex-Gratia Pension Benefits plans are defined benefit plans.

As at year end, the following number of employees were eligible for Ex-Gratia Pension Benefits.	13	13

i) Rate of interest

Discount rate	8.50%	9.79%

The amounts recognised in the Statement of Financial Position are as follows:

Present value of fund obligations	30,590	27,030
Net liability	**30,590**	**27,030**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	**2023 R**	**2022 R**	**2021 R**
Present value of fund obligations	27,710	33,618	32,082
Net liability	**27,710**	**33,618**	**32,082**

EMPLOYEE BENEFITS CONTINUED

	2025 R	**2024 R**

Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	27,030	27,710
Total expenses	2,340	(1,350)
Interest Cost	2,340	2,490
Benefits Paid	-	(3,840)
Actuarial (gains)/losses	1,220	670
Present value of fund obligation at the end of the year	30,590	27,030
Less: Transfer of Current Portion - Note	(7,670)	(7,100)
Balance 30 June	**22,920**	**19,930**

Sensitivity Analysis on the Accrued Liability at 30 June 2025

Assumption	**Change**	**(R'000)**	**% change**
Central assumptions		30,590	
Discount rates	+1%	29,470	-4.0%
Discount rates	-1%	31,820	4.0%
Average retirement age	+1 year	28,830	-6.0%
Average retirement age	11 year	32,610	7.0%

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

66 EMPLOYEE BENEFITS CONTINUED

Retirement funds

CAPE JOINT PENSION FUND

The contribution rate of the defined benefit scheme is 27%; 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2023 disclosed an actuarial valuation amounting to R1 338 791 000 (30 June 2022: R1 391 841 000), with a surplus of R226 285 000 (2022: R144 158 000), with a funding level of 120.3% (30 June 2022: 111.6%).

Contributions paid recognised in the Statement of Financial Performance	471,281	445,247

SOUTH AFRICAN LOCAL AUTHORITIES PENSION FUND

The fund is a DB plan, and its last statutory valuation at 1 July 2021 revealed a deficit of R2,08 million and a funding level of 85,5%, having deteriorated since its previous statutory valuation at 1 July 2018, which indicated a deficit of R601,2 million and a funding level of 96%. That was prior to the approval of a scheme of arrangement (SOA) between the fund and all participating employers. The SOA requires all participating employers to contribute an additional 2% per annum over the next five to six years to restore the fund to financial soundness. Due to its further deterioration as a result of poor investment returns over the valuation period, the fund is required under section 18 of the Pension Funds Act to submit an updated SOA to the Financial Sector Conduct Authority (FSCA) to outline how the funding position will be addressed and restored.

Contributions paid recognised in the Statement of Financial Performance	340,842	312,527

DEFINED CONTRIBUTION FUNDS

Council contributes to: the Government Employees Pension Fund; Municipal Council Pension Fund; National Fund for Municipal Workers (IMATU); and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.

Contributions paid recognised in the Statement of Financial Performance

Cape Joint Retirement Fund	32,712,197	30,201,649
Municipal Councillors Pension Fund	122,738	140,993
Municipal Workers Retirement Fund:	101,757	115,890
SAMWU National Provident Fund	4,272,534	4,395,265
	37,209,225	**34,853,797**

The valuation results are dependent on the expected average retirement ages (EARAs) instead of the normal retirement age (NRAs).

Witzenberg's own recent employee-retirement history will be too small a sample to be solely relied on in setting these assumptions. Nevertheless, this recent experience seems to be in line with the EARAs used in the 2020 valuation.

If there is concern that the change in NRA for females will affect their EARA, then we recommend that the retirement-experience be monitored for several years after the change.

Consolidated Retirement Fund (Previously Cape Joint Retirement Fund:

The most recent statutory valuation performed as at 30 June 2024 revealed that the assets of the fund amounted to R47 307 646 099 (30 June 2023: R42 710 035 000), with funding levels of 17.3% and 100.2% (30 June 2023: 120.0% and 100.4%) for the Pensions Account and the Share Account respectively. The contribution rate paid by the members (7,50%/9%) and the municipalities (19,50%/18%) is sufficient to fund the benefits accruing from the fund in the future. The actuary certified that the structure of the assets is appropriate relative to the nature of the liabilities, given normal circumstances and that the Fund is in a sound financial condition as at the valuation date.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

AUDITOR-GENERAL
SOUTH AFRICA

The Municipal Manager
Witzenberg Municipality
PO Box 44
Ceres
6835

10 December 2025

Reference: 21430REG2024-25

Dear Mr D. Nasson

Report of the Auditor-General on the financial statements, annual performance report, compliance with legislation and other legal and regulatory requirements of Witzenberg Municipality for the year ended 30 June 2025

1. The above-mentioned report of the Auditor-General is submitted herewith in terms of section 21(1) of the Public Audit Act No. 25 of 2004 (PAA) read in conjunction with section 188 of the Constitution of the Republic of South Africa and section 126(3) of the Municipal Finance Management Act 56 of 2003 (MFMA).
2. We have not yet received the other information that will be included in the annual report with the audited financial statements and the annual performance report and have thus not been able to establish whether there are any inconsistencies between this information and the audited financial statements, the annual performance report or our report on compliance with legislation. You are requested to supply this information as soon as possible. Once this information is received it will be read, and should any inconsistencies be identified, these will be communicated to you, and you will be requested to make the necessary corrections. Should the corrections not be made we will amend and reissue the audit report.
3. In terms of section 121(3) of the MFMA you are required to include the auditor's report in the municipality's annual report to be tabled.
4. Prior to printing or copying the annual report which will include the auditor's report you are required to do the following:
    - Submit the final printer's proof of the annual report to the relevant senior manager of the Auditor-General of South Africa for verification of the audit-related references in the auditor's report and for confirmation that the financial statements, annual performance report and other information are those documents that have been read and audited. Special care should be taken with the page references in your report, since an incorrect reference could have audit implications.
    - The signature *Auditor-General* in the handwriting of the auditor authorised to sign the audit report at the end of the hard copy of the audit report should be scanned in when preparing to print the report. This signature, as well as the place and date of signing and the Auditor-General of South Africa's logo, should appear at the end of the report, as in

the hard copy that is provided to you. The official logo will be made available to you in electronic format.

5. Please notify the undersigned Business Unit Leader well in advance of the date on which the annual report containing this audit report will be tabled.
6. The confidentiality of information obtained in an engagement must be always observed. In terms of section 50 of the PAA and the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants *(including International Independence Standards*), members of the staff of the Auditor General (AG), or an audit firm appointed in terms of section 25 of the PAA, may not disclose or make available any information obtained during an audit, other than the final auditor's report, to any third party without the permission of the AG or his/her delegate, unless this is to a legislature or internal committee of a legislature or a court in a criminal matter.
7. Until the steps described in paragraphs 2 and 4 of this document are completed and the annual report is tabled as required by section 127(2) of the MFMA, the audit report is not a final and public document and you are therefore requested to treat it as confidential.
8. Your cooperation to ensure that all these requirements are met would be much appreciated.

Kindly acknowledge receipt of this letter.

Yours sincerely



Unathi Mnqanqeni
Senior Manager: Western Cape

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Witzenberg Municipality set out on pages 7 to 113, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Witzenberg Municipality at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with Generally Recognised Accounting Practice (GRAP) 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 50 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2025.

Material impairments

8. As disclosed in note 4 to the financial statements, the municipality provided for the impairment of trading service and consumer debtors of R267,7 million (2023-24: R211,6 million).

9. As disclosed in note 5 to the financial statements, the municipality provided for the impairment of receivables from customer services debtors of R58,6 million (2023-24: R50,2 million).

Other matters

10. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited disclosure notes

11. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

13. 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

14. 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.

15. 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 pages 6, forms part of my auditor's report.

Report on the audit of the annual performance report

16. 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 municipal key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following municipal key performance area presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected a municipal key performance area that measure's the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Essential Services	65 - 67	Direct service delivery such as provision of water, sanitation, electricity & sold waste removal. Also include roads and storm water management and subsidised serviced sites.

18. I evaluated the reported performance information for the selected municipal key performance area 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.

19. 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.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected key performance area.

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides taken to improve performance.

24. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicator that was not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 18 to 20.

Essential Services

Targets achieved: 84,6% *Budget spent: Capital – 95,5 % Operational – 95,6%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
EE1.11a Number of formal dwellings provided with connections to mains electricity supply by the municipality	8	7

Report on compliance with legislation

25. 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.

26. 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.

27. 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.

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

Other information in the annual report

29. 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 the selected municipal key performance area presented in the annual performance report that have been specifically reported on in this auditor's report.

30. 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.

31. 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 municipal key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

32. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report on that fact.

33. I have nothing to report in this regard.

Internal control deficiencies

34. 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.

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

Auditor General

Cape Town

10 December 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 focus area 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)
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)

Legislation	Sections or regulations
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)