<u>TABLING OF THE DRAFT ANNUAL REPORT FOR 2021/2022 (5/14/1/1) (DIRECTOR: STRATEGY AND SOCIAL DEVELOPMENT)</u>

1 PURPOSE

To obtain support from the Council for the 2021/2022 Annual report.

2 STRATEGIC INTENT

This report supports the Strategic Intent to achieve Good Governance, as well as facilitating the accomplishment of Council's other strategies.

3 FOR DECISION BY

Council.

4 EXECUTIVE SUMMARY

4.1 In terms of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA), the following action is necessary:

4.1.1 the mayor of a municipality must, within <u>seven</u> months after the end of a financial year (i.e. by the end of January), table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control [Section 127. (2)];

4.1.2 immediately after the annual report is tabled, the report must, *inter alia*, be made public and representations invited from the local community [Section 127. (5)]; and

4.1.3 Council must consider the annual report of the municipality / municipal entity and by no later than two months from the date on which the annual report was tabled in Council (i.e. by the end of March), adopt an oversight report containing the Council's comments [Section 129. (1)].

The latest version of the draft Annual Report is available via SharePoint which will be emailed to all councillors

5 DISCUSSION/CONTENTS

5.1 **<u>Constitutional and Policy Implications</u>**

5.1.1 The annual report process is currently driven by legislation.

5.2 **<u>Legal Implications</u>**

5.2.1 Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (Chapter 12) (MFMA).

5.2.2 Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (Chapter 6), as read with the Local Government: Municipal Systems Amendment Act, 2003 (Act 44 of 2003) (hereinafter referred to as the Systems Act).

5.3 **<u>Background</u>**

5.3.1 In terms of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA), the following action is necessary:

(a) the mayor of a municipality must, within <u>seven</u> months after the end of a financial year (i.e. by the end of January), table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control [Section 127. (2)];

(b) immediately after the annual report is tabled, the report must, *inter alia*, be made public and representations invited from the local community [Section 127. (5)]; and

(c) Council must consider the annual report of the municipality / municipal entity and by no later than two months from the date on which the annual report was tabled in Council (i.e. by the end of March), adopt an oversight report containing the Council's comments [Section 129. (1)].

5.3.2 According to Section 121. (2) of the MFMA, the purpose of an annual report is:

(a) to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;

(b) to provide a report on performance against the budget of the municipality or municipal entity for that financial year; and

(c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

5.3.3 Section 121. (3) of the MFMA prescribes the contents of the annual report, which must include:

(a) the annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1);

(b) the Auditor-General's audit report in terms of section 126(3) on those financial statements;

(c) the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Systems Act;

(d) the Auditor-General's audit report in terms of section 45(b) of the Systems Act;

(e) an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;

(f) an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;

(g) Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);

(h) Any explanations that may be necessary to clarify issues in connection with the financial statements;

(i) Any information as determined by the municipality;

(j) Any recommendations of the municipality's audit committee; and

(k) Any other information as may be prescribed.

The latest version of the Draft Annual Report is available via SharePoint which will be emailed to all councillors

RECOMMENDATIONS

That the Annual Report for 2021/2022 be approved in principle by Council and that for oversight purposes, the report be advertised for public comment.

Dat die Jaarverslag vir 2021/2022 *in beginsel deur die Raad goedgekeur word en dat dit vir oorsigdoeleinde, geadverteer word vir publieke kommentaar.*

This item served before an Ordinary Meeting of Council on 06 December 2022
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 06 Desember 2022
Eenparig Besluit / Unanimously Resolved

That the Annual Report for 2021/2022 be approved in principle by Council and that for oversight purposes, the report be advertised for public comment.

Dat die Jaarverslag vir 2021/2022 *in beginsel deur die Raad goedgekeur word en dat dit vir oorsigdoeleinde, geadverteer word vir publieke kommentaar.*

DRAFT
ANNUAL REPORT
2021-2022

LANGEBERG
MUNISIPALITEIT MUNICIPALITY MASIPALA

TABLE OF CONTEXTS

LIST OF ACRONYMS

ACVV	Afrikaanse Christelike Vroue Vereniging'
AG	Auditor General
AGSA	Auditor-General South Africa
ALD	Aldermen
ANC	African National Congress
APP	Application
A&PC	Audit and Performance Committee
BET	Business Economy and Tourism
BRE	Business Retention and Expansion
CV	Curriculum Vitae
CLW	Community Liaison Worker
CBO	Community Based Organisation
CLLR	Councillor
COPE	Congress of the People
CRR	Capital Replacement Reserve
CWD	Cape Winelands District
CWDM	Cape Winelands District Municipality
DA	Democratic Alliance
DEPT	Department
ECD	Early Childhood Development
EE	Employment Equity
EFF	Economic Freedom Fighters
EPWP	Extended Public Works Programme
FF PLUS	Freedom Front Plus
GDP	Gross Domestic Product
GDPR	Gross Domestic Product Per Region
GRAP	Generally Recognised Accounting Practice
HDI	Human Development Index
HIV/AIDS	MMP Maintenance Management Plan
HR	Human Resources
ICOSA	Independent Civic Organisation of South Africa
ICT	Information Communication and Technology
IDP	Integrated Development Plan
IGR	Inter-Governmental Relations
IWMP	Integrated Waste Management Plan
JOC	Joint Operations Centre
KPA	Key Performance Area
KPI	Key Performance Indicator
Kv	Kilo Volt
LDAC	Local Drug Action Committee
LED	Local Economic Development
LGSETA	Local Government Sector Education Training Authority
LIP	Independent Party
LTA	Local Tourism Association
Ltd	Limited
LUPA	Land Use Planning Act
LUPO	Land Use Planning Ordinance
MANCOSA	Management College of Southern Africa
MBRR	Municipal Budget and Reporting Regulations
MCPF	Municipal Councillors Pension Fund
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of the Mayoral Committee

MPAC	Municipal Property Assessment Committee
MPRA	Municipal Property Rates Act
MRF	Materials Recovery Facility
MSA	Municipal Systems Act
MUN	Municipality
mSCOA	Municipal Standard Chart of Accounts
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Energy Regulator of South Africa
NGO	Non-Governmental Organisation
NO	Number
NPO	Non-Profit Organisation
NPSC	National Police Safety Commission
PA	Patriotic Alliance
PDM	People's Democratic Movement
PMS	Performance Management System
PR	Proportional Representative
PROV	Provincial
RDP	Reconstruction and Development Programme
RTLC	Regional Tourism Liaison Committee
SA	South Africa
SAICA	Southern Region Public Sector Committee
SALA	South African Local Authorities
SALGA	South African Local Government Association
SANS	South African National Standards
SAPS	South African Police Services
SARS	South African Revenue Service
SCM	Supply Chain Management
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
SMT	Senior Management Team
SO	Strategic Objective
Strat	Startegy
StatsSA	Statistics South Africa
TL	Top Level
WC	Western Cape

CHAPTER 1
MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

LANGEBERG
MUNISIPALITEIT MUNICIPALITY MASIPALA

COMPONENT A: EXECUTIVE **MAYOR'S** FOREWORD

1.1 EXECUTIVE MAYORS FOREWORD

This Annual Report reflects on the performance of Langeberg Municipality for the 2021-2022 financial year. Looking back on the financial year under review, we can proudly proclaim that, through a range of targeted interventions and strategic policy directives, we have made remarkable progress and remained focused on putting our people first.

We have taken great care to identify and respond to the needs of our community, as captured in our Integrated Development Plan (IDP). The quality services delivered during the 2021-2022 financial year have also strongly put us on a path to achieve our vision. To be the best municipality, in so far as providing strong leadership, good governance and sound financial management.

Our IDP highlights the identified needs of our residents for healthy and dignified living, accessible economic opportunities and efficient service delivery. Council has made community safety a priority with ongoing consultations with our people and other role players.

Key Policy Developments:

To improve good governance and accountability, our policies and strategies are regularly revised to ensure that it remains relevant.

Langeberg Municipality strives to progress and grow from being one of the best municipalities, to be the best municipality. With strategic objectives aligned to the provincial growth and development strategy our goals are focused towards:

1. Housing: Effective approach to human settlement and improved living conditions of all households.
2. Basic Service Delivery: Maintain the infrastructure to provide basic services to all citizens.
3. Local Economic Development: Create an enabling environment for economic growth and decent employment.
4. An efficient, effective, responsive and accountable administration.
5. Sound financial management: adherence to all laws and regulations applicable to Local Government.
6. Effective stakeholder engagements: to promote civic education.

Key Service Delivery Improvements:

A three-year MTREF budget that reflects the identified MIG projects are developed and approved by the Council. We have implemented projects that allow for upgrades to electrical infrastructure, road and stormwater infrastructure, water supply, recreational facilities and a fire service station. Blocked sewerages in Robertson and Ashton has been the top complaints received through our customer call centre together with electrical failures which receive ongoing attention to improve service delivery.

Public Participation:

To enhance stakeholder engagements and deepen democracy, the municipality facilitate and strengthen public participation. The Public Participation Policy enables and encourages citizens to be actively involved in municipal affairs through various means.

The Ward Committee System remains the main vehicle for Langeberg Municipality's public participation processes and new ward committees were established to engage with the community in consultation through various meetings. Allowing community inputs in municipal decision-making regarding service delivery, developing credible IDPs, policy formulation, budgeting processes and organisational performance at ward level.

The Ward Committee System however, remains challenged and mostly relies on those residents who make that special effort to be involved and attend community meetings. The Covid-19 restrictions also posed a challenge to gather communities together for meetings encouraging alternative means of communicating with our residents through digital platforms. One of our activities involved updating a database of all NGO's, NPO's and CBO's within the municipal area.

Future Actions:
The adopted 2022/2023 IDP sets out Council's development path, goals and actions for the Langeberg municipal area for the next reporting year. The immediate priority is to support economic activity and alleviate hardship caused by the COVID-19 pandemic. The intention is to support strategic, spatially coordinated planning and investment in infrastructure and human development to contribute to economic growth, job creation and poverty reduction.
We are developing a Safety Plan for Langeberg area that includes the establishment of Neighborhood Watches.
We are looking at alternative energy sources to make economic development possible.

Agreements / Partnerships:
This Municipality will continue to work in partnership with other stakeholders, including National and Provincial Government Departments, NGO's, NPO's, CBO's, private sector and other structures, to jointly address the social evils that are gripping our communities and cooperatively plan and implement t programmes.

The aim is to establish partnerships with role-players in the social development sector to improve cooperation, integration and utilisation of resources to facilitate and ensure the development and empowerment of the poor and most vulnerable people, particularly women, children, youth, the disabled, elderly persons and rural dwellers throughout our area.

We promote entrepreneurial skills in partnership with other Government departments.

I remain grateful to Council, the Deputy Executive Mayor, the Mayoral Committee and the Municipal Manager, all of whom continue to guide our staff, resources and operations.

Alderman Schalk Van Eeden
Executive Mayor

1.2 MUNICIPAL MANAGERS OVERVIEW

The annual report serves as a platform to account for the activities and financial performance of Langeberg Municipality. The report highlights the progress and achievements made towards the outlined priorities set out in the Integrated Development Plan (IDP) and aligned projects of the Service Delivery Budget and Implementation Plan (SDBIP).

Langeberg Municipality is a B-municipality and exercised its powers and performed its functions in accordance with the provisions of Section 155/156 of the Constitution and Chapter 3 of the MSA.

During the elections of a new council and ward committees, the Langeberg Municipality's demarcated boundaries undergone a change in Ward 2 and Ward 11. The internal Section 56/57 management structure, has remained unchanged during the period.

We maintained a clean audit issued by the Auditor General of South Africa, underpinning our compliance with legislation and the management of public funds to the benefit of our citizens.

Alignment of Services to IDP Indicators and Council Priorities

Langeberg Municipality extensively employed measures and tools to align its responsibilities, planning, service delivery implementation, performance, and risk management to that of national, provincial, and local council goals.

The process is managed through participation in inter-governmental engagements, adherence to intersecting timelines and scheduled reporting, all which Langeberg Municipality complied with in 2021-2022.

A combined risk register inclusive of all directorates was developed for 2021-2022. All risks were linked to the strategic outcomes of the IDP.

In terms of improved administrative efficiency and effectiveness in 2021-2022, the presence of COVID-19 restrictions necessitated a strong focus on external and internal communication platforms to ensure the public had access to information to keep communities informed of municipal matters.

Notwithstanding the challenges experienced, the following projects were implemented (note some are completed while others are currently underway, refer to chapter 3 of this document)

- Electrification of the housing projects and electrification of Kenana in Robertson,
- Replacement of hall roofs, upgrade of the sport facilities, fire station and construction of netball courts,
- Development of the Ashton silo's cemetery,
- Upgraded of roads and stormwater in Robertson,
- Upgrade of bus route in August street, Nkqubela
- Replacement and repair of electricity network, street lights, prepaid meters, safety and test equipment.
- Upgrade of filters in Montagu Water Treatment Works.
- Replacement of 11KV Oil insulated switchgear,
- Construction of material recovery facility,
- Installation of a new pipeline reservoir at Robertson Heights.
- Upgrade the pump station at waterworks in Robertson,
- Replacement of the 66Kv Transformers at the Robertson main substation

Financial Health

Langeberg Municipality prepared a multi-year budget in accordance with the Municipal Budgeting and Reporting Regulations. Financing of capital expenditure from own funds (CRR) to the total of R 34 537 million.

- The capital investment funding (own funding) represented 34% of the capital budget.
- Borrowed Funds represented 18% of the capital budget.
- Grants from National government represented 48% of the capital budget.
- Planned borrowing for capital expenditure total to R17 800 million.

Service Delivery Improvements

The Langeberg Municipality provided for a total of R101 million to be spent in the 2021-2022 financial year, to upgrade and improve infrastructure within the municipal area. Provision for the following capital expenditure were made in the 2021-2022 budget:

Mr M. Mgajo
Acting Municipal Manager

Table 01: Capital Projects

2021-2022 CAPITAL PROJECTS	
WATER R20 576 027.72	• Upgrading filters in Montagu WTW • Extend De Hoop pipeline to Gumgrove dam • New Reservoir Robertson Heights • Install New Pipeline Reservoir Robertson Heights • Upgrade Pumpstation Waterworks Robertson • Water network - Zolani - CRR • CRR: Rehabilitate Water Networks Ph 4 - Robertson • CRR: Rehabilitate Water Networks Ph 4 - Montagu • CRR: Rehabilitate Water Networks Ph 4 - Bonnievale • Equipment • WSIG Mandela Square Montagu - Install water main • WSIG Boekenhoutskloof Bonnievale - Install water main • Walkway at filters Bonnievale WTW (H S) • 1 x 1600 LDV • New Reservoir Robertson Heights - CRR
SEWERAGE R13 148 100.12	• New Sewer Truck • New Telemetry System Bvale Sewerage Pumpstation • Equipment • WSIG Mandela Square Montagu - Construct Install sewer pump line • WSIG Boekenhoutskloof Bonnievale - Construct Install sewer pump line • Stairs at Avalon Springs sewer pump station (H S)
CLEANSING / SOLID WASTE R2 722 387.74	• Material Recovery Facility • Vehicles - EFF • Refuse Compactor • Roof Transfer Station Robertson • 2 x 1600 LDV base petrol
ROADS & STORMWATER R22 629 739	• MIG Robertson: Upgrading of Roads Stormwater in Robertson • CRR Upgrading of Roads and Stormwater in Robertson • CRR Robertson: Upgrading of Roads Stormwater in Robertson • NDPG : Upgrading of bus route - August Street-Nkqubela • Equipment • Bridge River Crossing McGregor • Stormwater Van Zyl Street Bonnievale
ELECTRICITY R8 259 919.57	• Electrification Kenana • Replace Safety Test Equipment ladders link sticks earthing kids and power/hand tools • New Elect Connections • Replacement and Repairs Network • Replacements and Repairs Street Lights • Replacement of Prepaid Meters Bulk Supply Meters to reduce losses • Replace 66Kv Transformers at Robertson Main Substation • Replace 11Kv Oil Insulated Switchgear • Upgrade McGregor/Boesmansrivier 11Kv Line • Vehicles

COMMUNITY HALLS R619 855.41	• Zolani Hall Roof replacement • Ashton Town Hall Roof replacement • Barnard hall roof refurbishment • Community Halls Camera System • Furniture
FIRE SERVICES R1 009 645.86	• 3 X PPE (Protective Personal Ensemble) • Small equipment - Fire Services • Furniture - Fire Station • Fire Station Robertson Building • Vehicles • Air Conditioners - Fire Services • Fire Extinguishers and Fire Hose Reels
ENVIROMENTAL SERVICES R398 049.04	• Purchase of replacement horticultural equipment • Purchase new electronic aluminium roller doors for the Montagu Parks stores • Fencing of lower cave in Montagu Mountain Reserve • Air conditioner • Vehicles • Replace Fence at Park at Corner of Cross and Bath Street, Montagu
CEMETRIES R201 524.42	• Development of Ashton Silos cemetery expansion • Pave the entrance of McGregor cemetery
SPORTSFIELDS R1 559 828.50	• Resurfacing and Construction of netball courts • Upgrading floodlights Cogmanskloof Sportsfield • Nkqubela Sportsground security fencing for pumps and Jojo tanks • Van Zyl Street Cloakroom roof replacement • Happy Valley sportsground soccer field high mast lighting • Nkqubela sportsground machinery for synthetic surface maintenance • Boundary wall Happy Valley sportsground completion with precast walling • New Spectator Ablution Cogmansklooof Sport field • 1x Blower Mower
LIBRARIES R481 550	• Fencing Mountain View Library - Robertson • Fencing Ashton Library • Fencing Sunnyside Library - Montagu

To conserve resources within the administrative offices, there was a focus towards savings on:

- Non-priority spending not linked to service delivery
- Telephone costs
- Overtime
- Congresses and meetings outside of the municipal area
- Fuel usage

Shared Services:

The Langeberg Municipality has an arrangement with The Cape Winelands District Municipality for the sharing of fire services.

Langeberg Municipality has arrangements (service level agreements and/or memorandums of agreements) with external organisations within the municipal area, for the development of local tourism, social development, and the collection of long outstanding debt.

Langeberg Municipality shared none of its functions with any municipal entity in 2021-2022.

1.3 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.3.1 Municipal Function:

Langeberg Municipality is located within the Cape Winelands District Municipality in the Western Cape Province. The municipal area covers approximately 4 517.4 km2, that includes the towns of Robertson, Montagu, Ashton, Bonnievale and McGregor, as well as rural areas adjacent to and between these towns.

Langeberg Municipality is a Category B: Local Municipality that shares municipal executive and legislative authority with the Cape Winelands District Municipality.
In accordance with Section 155/156 of the Constitution and Chapter 3 of the Municipal Systems Act, 2000 (Act no. 32 of 2000), the broad functions and powers of the Municipality are tabled in this Annual Performance Report.

1.3.2 Population Profile: (*Department of Social Development, 2021*)

Quantec Research estimated the total population for Langeberg municipal area to be 119 962 residents and 31 000 households in 2021, making it one of the less populated areas in the Cape Winelands District (CWD). This total is expected to grow to 126 464 by 2025, equating to an average annual growth rate of 1.3 per cent.

Table 03: Population Overview

POPULATION DETAILS									
Age	2019-2020			2020 - 2021			2021-2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 14	48.6%	51.4%	35 318	49%	51%	34 149	48.9%	51.1%	34 541
Age: 15 - 65	48.6%	51.4%	75 400	49%	51%	76 891	48.9%	51.1%	77 932
Age: 65+	48.6%	51.4%	6 732	49%	51%	7 394	48.9%	51.1%	7 489
Totals			117 450			118 434			119 962
Source: Quantec, 2020									

Table 04: Household Per Neighborhood According to 2011 Census

HOUSEHOLDS PER NEIGHBORHOOD	
Settlement type	Households
Towns	
Ashton	1 777
Bonnievale	2 376
McGregor	654
Montagu	4 029
Robertson	5 676
Nkqubela	1 849
Zolani	1 580
Sub-total	17 941
Informal Settlement	
Nkanini, Nkqubela	724
Robertson North	234
Nkandla, Zolani	381
Riemvasmaak, Ashton	141
Mandela Square, Montagu	271
Boekenhoudskloof, Bonnievale	588
McGregor	28
Sub-Total	2 367
Total	20 308

Sex Ratio

The overall sex ratio (SR) depicts the number of males per 100 females in the population. The data indicates that there are more females than males in the Langeberg area with a ratio of 95.6 males per 100 females in 2021, rising to 96.6 males per 100 females in 2024. The increasing sex ratio for the Langeberg municipal area could be attributed to a wide range of factors such as an increase in female mortality rates as well as the potential inflow of working males to the municipal area.

Age Cohorts

Between 2021 and 2025, the highest population growth is estimated for the 0-14 aged cohort, with expected growth over the period reaching an average annual rate of 1.5 per cent. Growth of 1.3 per cent are expected for the working age population and children respectively. The predicted growth increases the dependency ratio from 53.9 in 2021 to 54.3 in 2025.

Household size

Household size refers to the number of people per household. The size of households in the Langeberg municipal area dropped slightly from 4.0 in 2021 and it is estimated to remain at a level 3.9 persons per household between 2022 and 2025.

Graph 01: Number of poor households in Langberg Municipality

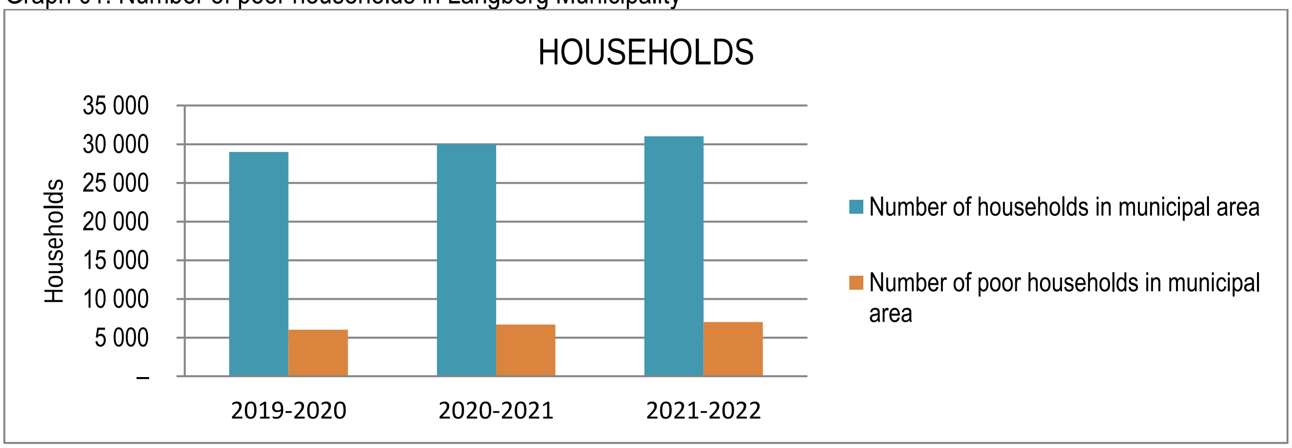


Table 05: Socio Economic Status

Socio Economic Status				
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence
Year 2019-2020	10 029	6.2%	46.7%	3 115
Year 2020-2021	8 724	7.2%	45.7%	3 479
Year 2021-2022	9 206	7.3%	45.7%	3 729

Population density

In 2021, the population density of the Cape Winelands District (CWD) was 45 persons per square kilometre, with Langeberg recording 27 people/km2.

1.3.3 Poverty

GDPR Per Capita

An increase in regional gross domestic product (GDPR) per capita, i.e. GDPR per person, is experienced only if the economic growth rate exceeds the population growth rate. The Langeberg municipal area has the lowest GDPR per capita in the District. At R58 431 (Nominal Price) in 2020, Langeberg's per capita GDPR is below that of the Cape Winelands District (R 72 778) and Western Cape as a whole (R84 967).

Income Inequality

Even though GDPR per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the real GDPR per capita indicator. The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. However, between 2014 and 2020, income inequality has worsened in Langeberg area, with the Gini-coefficient increasing from 0.56 in 2014 to 0.61 in 2020. Worsening income inequality could also be seen across the Cape Winelands District (0.59 in 2014 and 0.62 in 2020) as well as the Western Cape Province (0.60 in 2014 and 0.62 in 2020).

Human Development

The Human Development Index (HDI) is a composite indicator reflecting on education levels, health, and income. It is a measure of peoples' ability to live a long and healthy life, to communicate, participate in the community and to have sufficient means to be able to afford a decent living. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development. The United Nations uses the Human Development Index (HDI) to assess the relative level of socio-economic development within countries. There has been a general increase in the HDI for the Langeberg municipal area, from 0.65 in 2014 to 0.72 in 2020. There has been a similar upward trend for the Cape Winelands District as well as for the Western Cape.

1.3.4 Economy and Labour Market Performance

The wholesale and retail trade, catering and accommodation sector is the largest contributor to GDP in Langeberg area. Other main contributors to the economy are the manufacturing, finance, insurance, real estate, and business services sectors. Employment in the region is concentrated in the agriculture, forestry, and fishing sector. The wholesale and retail trade, catering and accommodation sector also accounts for many jobs.
The agriculture, forestry and fishing sector, the wholesale and retail trade, catering and accommodation sector and the community, social and personal services sector are labour-intensive, contributing more to employment than to GDPR. The manufacturing sector is highly capital-intensive and contributed less to employment.

The tertiary sector showed increased annual growth. The wholesale and retail trade, catering and accommodation sector was the largest contributor to GDPR in the Langeberg municipal area, during the period of review.

Formal and Informal Employment

The Langeberg municipal area's economy was valued at R7.2 billion (current prices) in 2019, with 53 489 people being employed during the year. In 2020, the region's GDPR contracted by 4.9 per cent in real terms. It is estimated that employment also declined in 2020, with the region experiencing 2 921 job losses during the year. The contraction in the overall economy of the municipal area affected employment significantly. The financial pressure on businesses resulted in retrenchments, and 2 921 jobs are estimated to have been lost in the municipal area. The largest contraction in employment was in the wholesale and retail trade, catering and accommodation sector (807 jobs), followed by the community, social and personal services sector (676 jobs) and the agriculture, forestry and fishing sector (569 jobs). The only sector that created additional jobs in 2020 was the general government sector, with 45 jobs created.

Employment in the Langeberg municipal area was predominantly concentrated in the formal sector in 2019, at 61.2 per cent, with the remaining 38.8 per cent of workers being informally employed. The majority of employment in the wholesale and retail trade, catering and accommodation sector and the transport, storage and communication sector was for informal workers, at 54.7 per cent and 52.0 per cent respectively. Other sectors that largely comprised informal activities were the community, social and personal services sector (44.5 per cent) and the construction sector (44.2 per cent).

Unemployment

Economic changes have had a substantial impact on the primary sector, resulting in a significant number of job losses for low-skilled individuals. Over the five-year period, the secondary sector also experienced a significant number of job losses. Strong economic performance in the tertiary sector has however created employment opportunities, which have been able to offset some of the losses in the primary and secondary sectors. Economic changes have had a substantial impact on the primary sector, resulting in a significant number of job losses for low-skilled individuals

1.3.5 Safety and security profile

Murder

The 2019-2020 crime statistics released by SAPS and Stats SA indicate that there was a sharp increase in murders in the Western Cape prior to Operation Lockdown, and a slight decline during lockdown suggesting that Operation Lockdown might have reduced homicide numbers in areas at the police stations where the operation took place. Murders in South Africa remain high, with a 1.4 per cent increase in 2019-2020, to 21 325 reported cases. This works out to 58 people murdered in the country every day, at a rate of 35.8 people per 100,000 population. In the Langeberg municipal area, the number of murders remained unchanged at 37 over the period 2018/19 to 2019-2020. However, a welcomed decline was witnessed in 2020-2021 with 27 murders recorded. The murder rate per 100 000 people followed a similar downward trend at 22 in 2020-2021 with the District figure following this trend shifting from 42 in 2019-2020 to 38 in 2020-2021.

Sexual Offences

The rate of sexual offences in South Africa is amongst the highest in the world. With respect to the crime statistics released by SAPS and Stats SA, sexual offences increased by 3.7 per cent in 2019-2020 compared to the previous financial year. In 2020-2021, there were 82 sexual offences in the Langeberg area compared to 752 reported cases in the Cape Winelands District. The incidence of sexual offences (per 100 000 people) in Langeberg municipal area (271) was lower than that of the District (298) in 2020-2021.

Drug-related Offences

The 2020-2021 crime statistics indicates that drug related crime has decreased sizably by 34.7 per cent in Langeberg, from 461 in 2020 to 301 in 2021. Within the Province, drug related decreased by 32.1 per cent between 2019-2020 and 2020-2021. While the incidence of drug-related offences is trending downwards in both Langeberg and the District; there is a lower occurrence of drug-related offences (per 100 000 people) in the Langeberg (251) relative to the District (559).

Driving under the influence (DUI)

Over the 2020-2021 period, 54 cases of driving under the influence of alcohol and drugs were detected by the police in Langeberg. The number of cases of driving under the influence of alcohol or drugs in the Langeberg area decreased from 156 in 2019-2020, this translates into a rate of 45 per 100 000 people in 2020-2021, which is on par with the District (45).

Residential Burglaries

The 2020-2021 crime statistics released by SAPS and Stats SA indicates that the number of residential burglaries within Langeberg fell marginally by 7.1 per cent. Within the Western Cape Province, burglaries at residences decreased by 17.7 per cent between 2019-2020 and 2020-2021. When considering the rate per 100 000 population, with 673 cases in 2020-2021, Langeberg's rate is above the District rate of 475 cases per 100 000 in the same reporting year.

1.3.6 Environmental Overview

The natural environment forms the basis on which our economic and social systems depend. Surrounded by the Riviersonderend, Langeberg and Waboom mountains with the Breede River with its tributaries and fertile land, the large heritage building stock, factories and infrastructure, including the Route 60 and Route 62, are sustainably exploited so as to continue to provide and enhance the livelihoods of its residents.

The magnificent scenery these resources and agricultural activities, especially wine-making also form the basis of its vibrant tourism industry.

Table 06: Natural Resources within Langeberg Municipal Area

Natural Resources	
Major Natural Resource	Relevance to Community
Mountain Catchment Areas	Water source and biodiversity, scenic value – heritage and tourism
Rivers	Water source – urban and farmland, recreation and tourism
Biodiversity of Natural Areas & Municipal Nature Reserves	Climate change resilience, heritage, scenic value, tourism
Productive Agricultural land	Food security, major employer
Mineral deposits	Building materials and industry, employment
Source: Langeberg SDF, 2015, Section 3	

Land Use

The Premier of the Western Cape province has assented to Act no 3 of 2014: Western Cape Land Use Planning Act, 2014 (LUPA), which was published in Provincial Gazette Extraordinary, 7250, for general information on 7 April 2014.
The Langeberg Municipal Land Use Planning By-Law, May 2015, was published (PN 264/2015) for general information on 30 July 2015.
The Langeberg Integrated Zoning Scheme By-Law, 2018 was published (PN 71/2018) for general information on 18 May 2018.

Waste Minimisation

All the waste management facilities, are licensed or authorised in terms of the National Environmental Management: Waste Act, 59 of 2008. The municipality delivers waste removal, storage and disposal services in a manner that does not conflict with national or provincial norms and standards and conducts internal and external audits on all sites as required.

The Langeberg Solid Waste Management Department engages in multiple waste minimisation, reuse and recycling initiatives. Besides offering separation at source for the main towns, the municipality provides educational programmes that drive and increase the community's levels of participation. Presentations and educational material to schools and organisations together with articles in the municipal newsletter is used to spread useful information to encourage waste minimisation, re-use and recycling.

An average of between 75% to 85% compliance in terms of waste license conditions has been maintained.

Air Quality

The Department of Environmental Affairs and Development Planning and the Cape Winelands District Municipality are maintaining good intergovernmental relations on air quality matters and continue to deal with air quality, noise, odour and dust complaints.
Langeberg Municipality has appointed an Air Quality Officer to render air quality related functions in the Langeberg Municipal area, such as air quality, noise, dust and odour control.
An Air Quality Management Plan for the Langeberg Municipal area was approved by Council and the Air Quality By-law for the Langeberg Municipal area was promulgated in the Provincial Gazette Extraordinary, 8194, on Friday, 24 January 2020.

Climate Change and Global Warming

In line with the Climate Change Response Strategy of the Western Cape Government, Langeberg Municipality's response to climate change and global warming, include the following:

- Minimizing resource use and wastage by improving water and energy efficiencies
- Waste minimisation
- An Air Quality Management Plan and approved Air Quality By-law
- A Disaster Management Plan with disaster risk assessments; and
- Improved institutional capacity to coordinate environmental management

1.4 SERVICE DELIVERY OVERVIEW

One of the objects of local government is to ensure the provision of services to communities in a sustainable manner. Basic services rendered to the community of Langeberg Municipality is water, sanitation, waste water, electricity, waste management, roads and stormwater. Other services are planning and economic development, environmental, housing, libraries, cemeteries, community facilities, traffic services as well as fire and disaster services.

The Municipality has higher levels of access to water and electricity when compared with the Cape Winelands District average, but lags in terms of access to sanitation and refuse removal.

The continued growth of informal settlements and illegal land invasion, have been recorded. The number of shacks that has been erected illegally in the past year, has significantly impacted the housing backlog and service delivery. Some areas are unable to be reached with municipal vehicles to collect waste. Some of these areas share an onsite toilet and water facility.

1.4.1 Services

The municipality contributes to the decent standard of living of 31 000 households in the Langeberg Municipal area by providing access to the basic services as per the Constitution. (Quantec Research, 2021) *The information on free basic services is obtained from Statistics South Africa's Non-Financial Census of Municipalities survey findings*.

Housing:

Effective approach to integrated human settlements and improved living conditions of all households form part of the municipality's strategic objective.

Though housing is a National and Provincial mandate Langeberg Municipality continues to collaborate with these spheres of government to find amicable solutions to address its housing backlog. The municipality facilitate the development of sustainable regional land use, economic, spatial and environmental frameworks that will support and guide the development of a diversified, resilient and sustainable district economy.

With a total of 31 000 households in the Langeberg municipal area, 90.2 per cent had access to a formal dwelling, the highest when compared with other municipalities in the Cape Winelands District area; the Cape Winelands District average was 80.8%.

Rapid growth in informal housing remained an increasing challenge in 2021-2022. Limited housing opportunities, increased patterns of in migration, spikes in illegal occupation and land invasion puts additional pressure on our growing housing backlog and service delivery.

Table 07: Housing Backlog

HOUSING BACKLOG		
TOWN	NUMBER OF APPLICANTS ON HOUSING DATABASE LIST	DATE OF FIRST APPLICATION
Ashton & Zolani	1 446	20/03/1985
Bonnievale	1 578	17/08/2001
McGregor	537	09/09/2001
Montagu	1 147	11/07/1987
Nkqubela	1 730	17/09/2001
Robertson	2 738	22/05/2001
Other	32	
Total	9 206	

Service delivery priorities captured in the IDP include

- The transfer of rental/ RDP housing stock
- Access to affordable housing, title deeds and access to basic services in the informal settlements has been identified as key priorities.

The following projects was completed by 30 June 2022 to redress service backlogs and deliver basic housing provision to the national standard.

- The Nkqubela Housing Project delivered 75 houses.
- Mandela Square bulk services has been installed.
- Boekenhoutskloof contractor has established site.
- No purchase agreements were signed or registered the past year as conveyancer has only been appointed mid-June 2022,

Potable Water:

Approximately 97.8% of households have access to piped water within 200 meters of the dwelling. The municipality supplied 45 additional households with minimum water supply during the year. To improve water conservation the municipality reduced unaccountable water levels by 15% compared to the previous year.

Service delivery priorities captured in the IDP:

- Limit unaccounted water
- Microbiological quality of water to comply with SANS standards
- Provide water to the formal residential properties connected to the municipal water infrastructure network

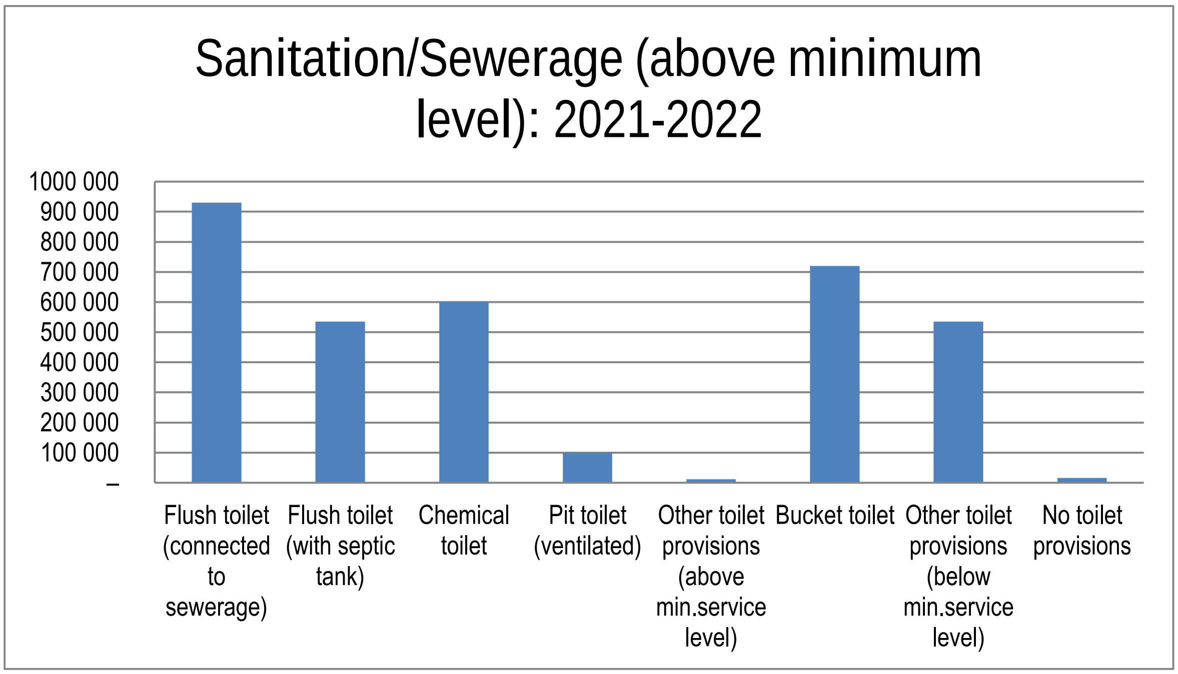
Basic Sanitation:

89% of households had access to a flush/chemical toilet. The municipality supplied 45 additional households with provision of toilets (minimum sanitation) during the year.

Service delivery priorities captured in the IDP:

- Quality of effluent in terms of SANS standards
- Provide sewerage services to the formal residential properties connected to the municipal waste water sanitation network

Graph 02: Sanitation/Sewerage



Electricity Services:

Langeberg Municipality's household access level to electricity was 94.1%.

Service delivery priorities captured in the IDP:

- Limit unaccounted electricity to less than 7.5%
- Provide electricity to the formal residential properties connected to the Municipal electricity infrastructure networks
- Replace pre-paid Meters
- New connections on application
- Replace and repair electricity networks
- Replace and repair street lights

Refuse removal Services:

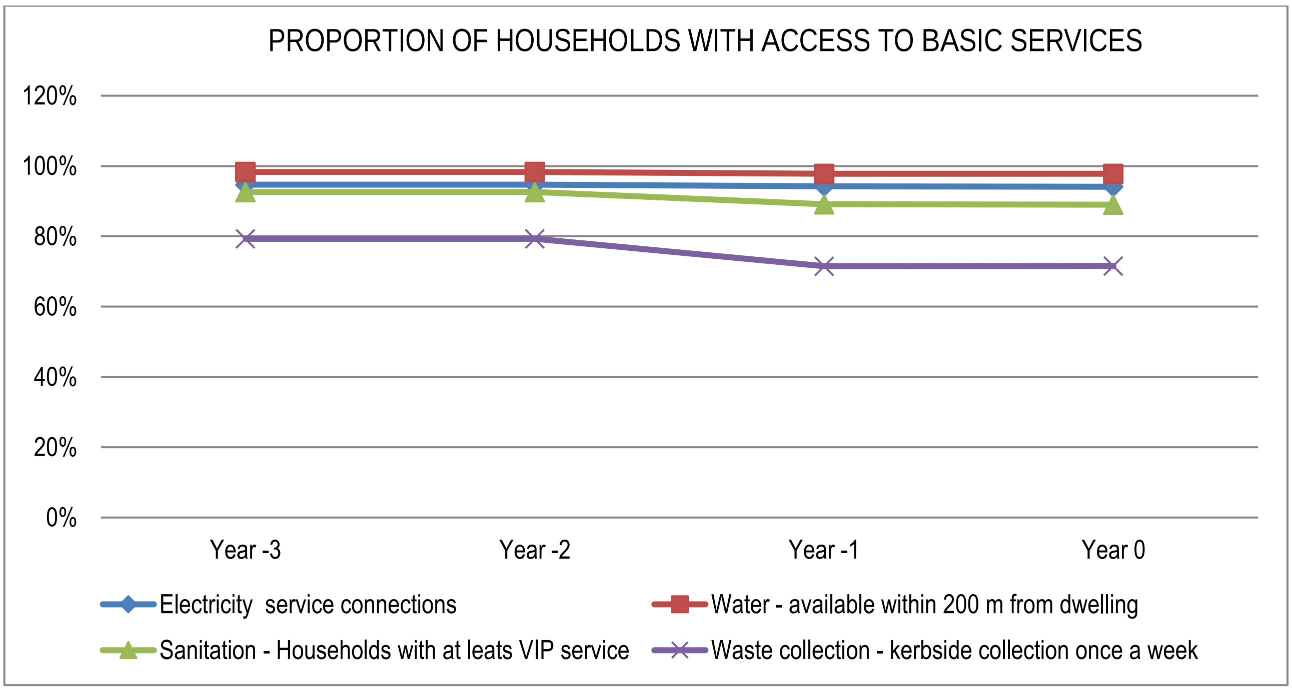
The Langeberg Municipality provides waste collection services to high, medium and low-income groups, informal settlements, businesses and schools. The Langeberg Municipality offers collection of source-separated waste to all households and businesses in the formal urban area and make use of skips to service the informal settlements. Due to the high levels of illegal dumping around skips, black bags are also provided to informal settlements on a quarterly basis in an attempt to prevent/limit illegal dumping. The Langeberg Municipality services 143 farms, with the remainder of the farmers making use of the nearest drop-off facility.

71.6% have their waste removed at least once a week.

Service delivery priorities captured in the IDP:

- Implement waste management awareness campaign municipal area
- Report annually on compliance with the National Waste Management Strategy
- Remove refuse once a week to the formal residential properties which are billed for refuse removal
- Build a material recovery facility
- Organize and manage waste disposal, collection and recycling facilities
- Meet targets for waste reduction and recycling which aims to reduce landfill waste
- Responsible for waste treatment and street cleaning operations
- Dispose of waste safely, with due consideration for the environment, whilst conforming to government regulations

Graph 03: Proportion of Households with access to basic services



COMPONENT B: ROADS, TRANSPORT AND STORM WATER

Road construction and maintenance are costly. Addressing inherited backlogs, coupled with funding constraints, remain a persistent challenge. The IDP prioritised the upgrade of roads in Robertson and the elimination of gravel roads in townships of which 7 kms of gravel road was tarred.

Table 08: Tarred Road Infrastructure

Tarred Road Infrastructure Kilometers					
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2019-2020	188,1	1,5	0	0	187
2020-2021	195	6,931	1	0	187
2021-2022	203	7,831	1	25	187

Table 09: Gravel Road Infrastructure

Gravel Road Infrastructure Kilometers				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2019-2020	26	0	2	26
2020-2021	17	0	7	11
2021-2022	15	0	8	15

Storm Water Drainage:

The IDP prioritized the

- Upgrade of filters in Montagu Water Treatment Works.
- Upgrade roads and storm water in Robertson.

Local planning approvals:
There were 61 building plans approved.

Local Economic Development:

- A total of 689 job opportunities were created during the 2021-2022financial year through the municipal and EPWP projects.
- 182 SMME's were assisted during this period.
- Seda provided training to 18 entrepreneurs of Zolani with basic business skills and one-on-one training to 142 SMME's.
- ABSA and Seda also provided 17 SMME's with consumer financial education.
- The Department: LED and Rural Development issued a total of 1432 Informal Trading Permits in terms of the Informal Trading By-law and Business Licenses in terms of the Business Act, 1991 (Act 71 of 1991).

Table 10: Jobs Created

JOBS CREATED				
Sector	Jobs created 2019-202020	Jobs created 2020-2021	Jobs created 2021-2022	Target for 2022/2023
Municipal Projects including MIG Funding	436	488	436	450
Bakery Project	5	12	12	N/A
Informal Trading Project	77	72	69	80
Private sector	Unknown	Unknown Developments such as the Robertson Quarter and the Carewell Hospital were built but employment figures are unknown	Unknown Developments such as the Robertson Quarter and the Carewell Hospital were built but employment figures are unknown	Unknown

Service delivery priorities included:

- To facilitate and develop an entrepreneurial culture and skills development. Promote entrepreneurial skills in partnership with other Government Departments.
- To promote economic development the municipality signed 5 Service Level Agreements with organizations to roll out arts and culture development projects and implemented of the EPWP.
- To manage special projects including rural development the municipality annually review and update the MOU with the 3 Local Tourism Associations. A number of issues raised in the tourism strategy and social development initiatives was implemented and monthly reporting was done to the Municipal Manager and 2 reports was submitted to Council on conditions in the SLA with tourism offices.

COMPONENT D: COMMUNITY FACILITIES, LIBRARIES, CEMETERIES & SOCIAL SERVICES

Community Facilities

The Community Facilities Department has the responsibility of managing 7 sport fields, 12 community halls and 1 swimming pool residing within the 5 towns of Langeberg Municipal area. In addition to maintenance, the department manages all the bookings for the respective facilities. It also have responsibilities to provide an enabling environment for sport development to transpire within the boundaries of Langeberg Municipal area.

Sport facilities include:

1. Robertson – Van Zyl street sport ground, Callie de Wet sport ground, Nkqubela sportsground
2. Bonnievale – Happy Valley sportsground
3. McGregor – McGregor sportsground
4. Ashton – Zolani Sports field, Cogmanskloof sportsground
5. Montagu – King Edward sportsground

Key projects include:

- Resurfacing and Construction of netball courts
- Van Zyl Street sport ground cloakroom roof refurbishment
- Boundary wall Happy Valley sportsground fenced with precast walling

Swimming pool facility:

1. Robertson – Dirky Uys Street Swimming pool

Community Halls:

1. Robertson – Robertson Town Hall, Robertson Civic hall, Nkqubela hall, Callie de Wet hall
2. McGregor – McGregor hall
3. Bonnievale – Chris Van Zyl hall, Happy Valley hall
4. Ashton – Ashton Town hall, Barnard hall, Zolani hall
5. Montagu – Hofmeyer hall, Wilhelm Thys hall, King Edward hall

Key projects include:

- Zolani Hall Roof Refurbishment
- Ashton Town Hall Roof Refurbishment
- Barnard hall roof partial Refurbishment

Libraries:

Langeberg Municipality manages 11 libraries and 5 dual-purpose libraries. With a membership record of 12 239 adults and 10 000 children that have free access to books, the internet, social media, newspapers, magazines and other facilities and services such as convenient internet browsing, photocopying, scanning and printing facilities. With venues to use as training facilities for the Municipality's Workplace Skills Plans

Libraries are a safe spaces where children and youth can attend recreational and literacy programs, such as games, watching movies, story times and receive assistance with school projects and homework by library staff, library partners and volunteers.

Libraries provide platforms for job searches and job applications searching newspapers, the public notice board and the internet where one can also create a CV.

Partnerships with NGOs provide community empowerment programs such as, starting a SMME, teaching of handicraft to unemployed youths for self-sustainability, Gender Based Violence, drug and substance abuse awareness and intervention programs and youth career guidance.

Cemeteries:

Langeberg municipality maintain 17 cemeteries in its service area. The municipality handle pauper funerals, built-up of graves, keep cemetery records and uphold cemetery neatness. Burial space is one of the challenging issues within the Langeberg Municipality especially in the town of Robertson. Proper procedures are followed to develop a regional cemetery to ensure available space for burials and providing adequate graves.

Table 11: The status of each cemetery:

Name of Cemetery	Town	Capacity
White Street Cemetery	Robertson	99% full
New White Street Cemetery	Robertson	99% full
Northern Cemetery	Robertson	98% full
Nkqubela Cemetery	Robertson	70% full
McGregor Cemetery	McGregor	70% full
Cogmanskloof	Ashton	100% full
Conradiedorp	Ashton	99% full
Silo's	Ashton	In development
Zolani Old	Ashton	100% full
Zolani New	Ashton	50% full
Golf Course cemetery	Montagu	100% full
Ashbury New	Montagu	50% full
Ashbury Old	Montagu	100% full
Town old	Bonnievale	95% full
Town New	Bonnievale	50% full
Happy Valley Milner Street	Bonnievale	99% full
Happy Valley Newcross Street	Bonnievale	89% full

Key projects include:

- Development of Ashton Silo's cemetery
- Paving of McGregor cemetery entrance

Parks and Amenities

Parks and Amenities is striving to create public open spaces that reflects diversity and encourages people to live and play. The parks are well maintained and are inviting to the public.

Focus areas:

- Management and maintenance parks and street side gardens within the Langeberg municipal area. Development of new parks within the municipal area.
- Maintenance of trees on sidewalks.
- Management of kept animals.
- Greening of the municipal area.
- Management and cleaning of open spaces, rivers, municipal nature reserves and hiking trails.
- Planting, pruning and maintenance of trees and shrubs.
- Mowing of open spaces and road reserves.
- Development and maintenance of play parks.
- Horticultural maintenance.
- Alien clearing.

Key projects included:

- River cleaning project- operational project.
- Installation of bollard at voortrekker park- Capital.

Social Development:
An agreement has been signed between the Department: Social Development and Langeberg Municipality to ensure the maximum impact on communities.

Annual social development projects which are rolled out by Langeberg Municipality, with the support of stakeholder are prioritized towards substance abuse, school drop outs and a parenting programme. The projects rotate between the 5 towns and the farming communities covering the following programmes:

- Support to vegetable gardens on farms, farm schools, ECD facilities and urban schools
- FAS programmes
- Support to the prestige agri awards
- Substance abuse programmes
- Support to the disabled
- 16 Days of activism programme
- World aids day programme
- Support to ECD Facilities, both farm as well as urban facilities
- Teenage pregnancy programme
- Holiday programme
- Parenting programme
- Child protection programme
- Provides educational material to all ECD facilities on an annual basis and assists, where applicable, to register these facilities.
- Programme for the elderly
- Establishment of a Local Drug Action Committee (LDAC)

Stakeholders include the Department of Social Development, SAPS, Department of Health, Department: Education, Department: Agriculture, ACVV, Child Welfare and others.

The function of service statistics for child care is rendered by the Department of Education, however, the Langeberg Municipality regards ECD facilities as an exceptionally important part of the growth and development of the toddlers. Langeberg Municipality provides educational material to all ECD facilities on an annual basis and assists, where applicable, to register these facilities.

Solid Waste Management

Providing sufficient disposal airspace has been identified as a priority, as the commissioning of the Cape Winelands Regional Facility has been delayed to at least mid- 2023. The Langeberg Municipality has to continue with waste disposal at viable alternatives, until the Regional Facility can accept waste. Two clear bags per household are distributed in the towns for collection of recyclables. The participation level in low-income areas is less than that of middle and high-income areas.

The Langeberg Municipality owns the following landfill sites:

- Robertson landfill site (closed and rehabilitated)
- McGregor landfill site (closed, but rehabilitation required)
- Bonnievale landfill site (operational)
- Ashton landfill site (operational)
- Montagu landfill site (operational, but closure and rehabilitation required).

The Langeberg Municipality owns the following waste management facilities:

- Robertson transfer station and composting facility (operational)
- McGregor drop-off facility (operational)
- Bonnievale drop-off facility (operational)
- Ashton transfer station (operational)
- Montagu transfer station (operational).

The Ashton Material Recovery Facility (MRF), was vandalised in May 2020 whereby recyclable material was supplied to a private company during the time of investigations. The new MRF will be developed in the 2022-2023 financial year.

The 4th Generation Integrated Waste Management Plan (IWMP) for the Langeberg Municipality served before an Ordinary Meeting of Council on 22 February 2022 and was approved. Four quarterly internal audits were done and submitted to the DEA& DP. External audits were done for Ashton and Bonnievale Waste Disposal Facilities and were also submitted to DEA& DP.

Table 12: The following facilities are registered on the Integrated Pollutant and Waste Information System (IPWIS):

Facilities	Weighbridge available
Ashton WDF	Yes
Robertson Compost Facilities	Yes
Bonnievale WDF	No (waste estimation system)
Montagu WDF	No (waste estimation system)

Challenges

- Funding for the rehabilitation of closed landfill sites
- Illegal dumping and littering
- A lack of hazardous waste facilities
- Growing informal settlements and urban sprawls
- Recyclable collection from homes
- Staff shortage
- Limited airspace on the Ashton landfill site
- Old waste collection trucks

Fire and Disaster Services:
The Langeberg Municipality has an arrangement with The Cape Winelands District Municipality for the sharing of fire services. The top priorities during 2021-2022 was the construction of the Robertson fire station and staffing.

The fire response times are currently capped at 25 minutes even though it is greater than the South African National Standards. The municipality aim to meet the minimum required National standards with the Robertson satellite fire station by employing 10 Cadet Firefighters and providing them with PPE and training during the 2022-2023 year.

The duties of the fire service include:

- The inspections at business premises, institutional facilities, etc.
- Examination of building plans
- Fire and life safety education
- Attends to motor vehicle accidents
- Different kinds of rescues
- Maintenance of fire hydrants

The activities by the Disaster Management team included:

- Smoke alarms installation
- Awareness campaigns
- Emergency relief in a form of food parcels, blankets etc.
- Review of Disaster Management Plan
- COVID-19 JOC
- Attendance of Disaster Management Forum
- Collaboration with District, Province and National with regards to Disaster Management

Table 13: Metropolitan Fire Service Data

Metropolitan Fire Service Data				
	Details	2020-2021	2021-2022	2022-2023
		Actual No.	Actual No.	Estimate No.
1	Total fires attended in the year	231	263	280
2	Total of other incidents attended in the year	48	39	50
3	Average turnout time - urban areas	0:17: 32	0:15:12	0:14:00
4	Average turnout time - rural areas	0:26:05	0:15:56	0:20:00
5	Fire fighters in post at year end	16	16	31
6	Total fire appliances at year end	7	8	9
7	Average number of appliance off the road during the year	0	0	0

COMPONENT G: SPORT

The performance of Sport and Recreation overall:

Langeberg Municipal facilities are in great demand by the communities within Langeberg municipal area, several state departments and other organisations regularly utilises facilities throughout each financial year.

Challenges

No formal sport structure exists within Langeberg Municipal area and within November 2021, sport stakeholders requested the municipality to support the initiation and setting up of a Langeberg Municipal Sport Council. Progress to date was an interim structure selected by local participating clubs and schools representing the sporting community within Langeberg municipal area, undergoing several sessions and training offered and assisted by the Provincial Department of Cultural Affairs and Sport and Cape Winelands Sport Council.

There is a backlog of maintenance and repairs experienced at Community Facilities. Major capital projects such as roof refurbishments was concluded at community halls and sport fields to ensure longevity and proper facilities for use by the general public. Majority of community halls has been fenced off with proper fencing and replacing all current sport fields deteriorated vibracrete boundary walls with precast walling has become a priority to ensure sport fields are properly protected and access are controlled effectively.

Community Facilities experience occasional vandalism incidents and would like the public to report all such instances to help with the fight against crime within Langeberg Municipal area.

Due to growing population and sporting clubs advancing to playing in higher leagues within their respective codes, Langeberg Municipal sport fields would require to conform to certain field conditions and standards as set out by respective sport federations provincially and nationally for club level participation.

Rugby is currently the biggest sporting code within Langeberg municipal area, with 3 clubs participating in the super leagues. Cricket is another code that particularly excelled in the past few years. Local Football Association league matches are transpiring well within the area with one town having at least more than 10 registered clubs, which shows club development within Langeberg is slowly increasing, creating a need for more sport fields within the area.

The Provincial Department of Cultural Affairs and Sport recent investment into resurfacing of netball courts within the municipal area as part of their Netball World Cup Legacy project could now encourage netball revival within Langeberg Municipal towns and contribute to netball club development ensuring increased female participation within sport for Langeberg Municipal area.

1.4.2 Free Basic Services

As per the Constitution, it is the responsibility of the local sphere of government to provide services that satisfy the basic needs of its citizens. The Municipal Systems Act 32 of 2000 in turn defines basic municipal services as those necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health or safety or the environment.

Amidst a challenged world economy, Langeberg Municipality anticipated an increase in poverty levels in 2021-2022 and provided for Grant-in-Aid to poor households, an extended indigent program, and an increased indigent threshold of R3 820. Municipalities review the indigent policies (and as such the determined amount) on an annual basis to bring the defined amount in line with reigning socio-economic conditions.

Municipalities provide a package of free basic services to households who are financially vulnerable and struggle to pay for services. To qualify the occupants in said households earn a combined income of less than R3 820 per month. As per the indigent policy an indigent household, qualify for:

- Provision of 6kl free basic water per indigent household per month in terms of the equitable share requirements
- Provision of free basic sanitation to indigent households in terms of the equitable share requirements
- Provision of 50kwh free basic electricity per indigent household per month in terms of the equitable share requirements
- Provision of free basic refuse removal to indigent households in terms of the equitable share requirements

In 2022, the Langeberg municipal area had 5 848 indigent households, 837 households less compared to 2021.

Table 14: Free basic services to low income households earning less than R3 820 per month

Free Basic Services to Low Income Households earning less than R3 820 per month								
	Basic Water		Basic Sewer		Basic Electricity		Basic Refuse	
	Formal House-holds	Indigent free services	Formal Households	Indigent free services	Formal Households	Indigent free services	Formal Households	Indigent free services
30 June 2022	15 055	5 688	15 337	5 703	18 568	5 848	15 403	5 709

1.5 FINANCIAL HEALTH OVERVIEW

1.5.1 Statement of Financial Performance Overview

Table 15: Financial Overview

Financial Overview: Year 0			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	111 025 262	132 500 407	177 815 768
Taxes, Levies and tariffs	701 769 660	705 623 854	733 202 717
Other	41 620 102	40 120 102	52 337 213
Sub Total	854 415 024	878 244 363	963 355 698
Less: Expenditure	880 464 651	899 850 019	857 504 038
Net Total*	(26 049 627)	(21 605 656)	105 851 660
** Note: surplus/(defecit)*			

Table 16: Operating Ratios

Operating Ratios	
Detail	%
Employee Cost	26,56%
Repairs & Maintenance	2,75%
Finance Charges & Impairment	3,44%

Table 17: Total Capital Expenditure 2019-2020 to 2021-2022

Total Capital Expenditure: Year -2 to Year 0			
Detail	2019-2020	2020-2021	2021-2022
Original Budget	95 434	79 802	114 398
Adjustment Budget	83 732	109 322	108 633
Actual	69 068	57 635	76 031

Table 18: Financial viability challenges and interventions

Key Responsibilities	Challenges	Development Focus
Budget and Support Services Asset and Stores Management Auxiliary Services Financial Statements Financial Reporting Budgets	Improving the current turnaround time in populating financial information for financial reporting purposes. Network downfall causing not all requisition processed to reflect on the Promun System	Upgrading of the PROMUN financial system to its full capacity, to timely generate financial information for improved financial reporting and population of Financial Statements Regularly testing of the Network and reconciling all requisitions monthly
Income and Expenditure Income/ Revenue Credit Control Expenditure Payroll/Salaries	Debt collection: Outstanding debts of more than 90 days are increasing. The high rate of staff turnover negatively affects productivity. Trained staff is lost - many within a short space of time. Implementation of manual capturing of timesheets on system	Third Party Vending Project –on-going Debt collection (long outstanding) by external service provider – on-going – Contract was terminated Implementation of auxiliary services when collecting debt – Implemented but we experience some challenges with the synchronization between the two systems but we are working towards resolving the issue. General Valuation – GV is already implemented currently working to complete the first Supplementary valuation.

Key Responsibilities	Challenges	Development Focus
<u>Income and Expenditure</u> Expenditure Payroll/Salaries	The Manually handling of invoices is a hassle and causes difficulties in tracking the documents for approval and document management in general The Manually handling of timesheets is a hassle and causes difficulties in tracking the documents for approval and document management in general	An automated electronic system should be implemented for the signing and verification of invoices. Implementation of an electronic timesheet system, to import timesheet information electronically to R-data financial system
<u>Supply Chain Management</u>	Slow processing of requisitions during high volume periods (at the beginning of a financial year and before cut-off date for requisitions) Verification of false information supplied by suppliers	Updating of the Suppliers Database to ensure that no duplicate suppliers are registered thereon Ensure implementation of the SCM Policy i.t.o. actions taken against suppliers providing false information Develop staff capacity, to give effect to all Supply Chain Management functions as prescribe in the SCM regulations Develop efficiency on demand management.

1.6 ORGANISATIONAL DEVELOPMENT OVERVIEW

1.6.1 The key Organisational Development highlights include:

- Identifying future critical positions and leadership roles from the Workforce Plan.
- Verifying processes and systems which will attract a sustainable pool of talent for current objectives and future organisation needs.
- Managing the retention of talent.
- Linking high potential employees with key future roles in the Organisation.
- Pinpointing, through assessment, optimal development opportunities for talent.
- Accomplishing consistently high levels of performance from employees.
- Ensuring relevant roles for all stakeholders in the development and management oftalent.
- Monitoring and reporting on Talent Management key result areas and indicators.

1.6.2 Municipal Transformation and Organisational Development Challenges

TASK has been implemented to all job positions. Performance Management will be implemented in the upcoming year. Personal Development Plans have been developed and HR is going follow up with departments to ensure proper implementations of the plans. Departments are encouraged to take ownership of the process to ensure that skills are retained/transferred especially for critical skills and ageing staff.

1.6.3 MFMA Minimum Competencies

All Government Gazette 29967 targeted officials have successfully attained the prescribed minimum competencies.

Table 19: Financial Competency Development: Progress Report.

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	1	0	1	1	1	1
Chief financial officer	1		1	1	1	1
Senior managers	4	0	4	4	4	4
Any other financial officials	3	0	3	2	2	2
Supply Chain Management Officials						
Heads of supply chain management units	1	0	1	1	1	1
Supply chain management senior managers	0	0	0	1	1	1
TOTAL	10	0	10	10	10	10
* *This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)*						

1.7 AUDITOR GENERAL REPORT

The Auditor-General awarded the municipality an unqualified opinion for the 2021-2022 financial year.

1.8 STATUTORY ANNUAL REPORT PROCESS

Table 20: Statutory APR process

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to Municipal Manager	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - November
12	Municipalities receive and start to address the Auditor General's comments	November - January
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report The Annual Report was tabled in Council on 6 December 2022 - within 7 months after the end of the financial year.	
14	Audited Annual Report is made public and representation is invited Communities were invited to make comments on the AR on 6 December 2022. The advert was published at www.langeberg.gov.za	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	February
17	Oversight report is made public The Annual Report was placed on the municipal website within 5 days after tabling in Council on ******.	
18	Oversight report is submitted to relevant provincial councils The Annual Report was submitted to Provincial Treasury on 7 December 2022.	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	March

It is important to achieve the above deadlines, not only to achieve legislative compliance, but to ensure the smooth running of municipal planning, budgeting, service delivery implementation and reporting cycles which all feed and depend on one another. The Municipal Annual Report also informs the planning process of other spheres of government, thus influencing our equitable share of future government grants.

CHAPTER 2
GOVERNANCE

LANGEBERG
MUNISIPALITEIT MUNICIPALITY MASIPALA

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

In terms of Section 40 of the Constitution, the South African government is constituted as national, provincial, and local spheres of government which are distinctive, interdependent and interrelated. All spheres of government must comply and adhere to the principles of the Constitution and must conduct their activities within the provisions of the Constitution. The municipality represents the local sphere of government.

The purpose of this Annual Report is to promote accountability to communities, to highlight those decisions taken by the Council and matters relating to administrative structures, throughout the 2021-2022financial year.

To ensure good governance, nine major characteristics should be applied within the political and administrative structures of the municipality namely, participation, rule of law, transparency, responsiveness, consensus, equity/inclusiveness, effectiveness/efficiency, accountability, and sustainability.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Chapter 2 seeks to report on how the Municipality met these requirements with regard to handling its political and administrative structures, intergovernmental relations, public accountability and community participation and corporate governance.

The Constitution S151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community. The municipality makes a clear distinction between the politically elected structure, namely Council, which is responsible for the oversight and legislative function, and the Administration.

The Council is chaired by the Speaker. The decision-making process is headed by the Executive Mayor together with the Mayoral Committee, who are full-time office bearers, involved in the day-to-day running of Council from a political perspective.

The Administration is headed by the Municipal Manager, who is the organisation's Accounting Officer. Powers have been delegated to the different functions within the organisation to ensure that roles, responsibilities, and decision-making are clear and unambiguous.

2.1 POLITICAL GOVERNANCE

In accordance with the MFMA No. 56 of 2003, Section 52 (a), the mayor provides general political guidance over the fiscal and financial affairs of the Municipality. To assist the mayor with the exercise of political governance at Langeberg Municipality, a Portfolio Committee System is in place.

An established Oversight Committee comprises of non-executive councillors, with the specific purpose of providing Council with comments and recommendations on the Annual Report. The Oversight Committee Report will be published separately in accordance with MFMA No. 56 of 2003, section 129 guidance.

In addition, the municipality also has an Audit & Performance Committee. This committee provides opinions and recommendations on financial processes and performance, as well as comments to the Oversight Committee on the Annual Report. Political decisions are made by the Executive Mayor, in terms of the powers delegated to him by law, and by the Council. General council meetings are held monthly or Special Council Meetings which is called when urgent decisions cannot wait for the scheduled monthly meetings.

The Council of the Municipality comprises of 12 Ward Councillors and 11 proportional representatives.

To deepen democracy and contribute to the public participatory structure, a refined Ward Committee model is fully functional. The geographical area per ward is divided into 10 blocks. Each block is represented by a non-political Ward Committee Member. An established report was adopted by council and monthly meetings are held.

POLITICAL STRUCTURE

Councillors for the period 01 July 2021 until 31 October 2021

Councillors for the period 01 November 2021 until 30 June 2022

POLITICAL DECISION-TAKING

Section 160(3) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) prescribes the manner in which Council takes decisions. A quorum of all Councillors must be present to take any decision and the majority of the votes cast results in a legal decision. The exception to this rule is that when any of the following issues are determined, it is determined by a decision taken with a supporting vote of a majority of all its members:

- The passing of bylaws;
- The approval of budgets;
- The imposition of rates and other taxes, levies and duties; and
- The raising of loan

Table 21: Council, Mayoral Committee and Portfolio Meetings 2021-2022

Meetings	2020-2021	Attendance	2021-2022	Attendance
Portfolio Committee Meetings	36	80%	40	90%
Mayoral Committee Meetings	8	100%	10	98%
Special Mayoral Committee Meetings	---	---	2	100%
Statutory Council Meetings	---	---	2	97%
Combined Portfolio	---	---	2	83%
Council Meetings	9	91%	7	95%
Special Council Meetings	5	85%	5	93%
Audit & Performance Committee Meetings	6	28 of 30		
Municipal Public Accounts Committee	8	---	9	93%
Special MPAC	---	---	3	94%
Inaugural Meeting	---	---	1	100%

POLITICAL HEADS OF SECTION 80 COMMITTEE

Five (5) Section 80 committees are established, to advice the Executive Mayor on policy matters and any other matter to be considered by the Executive Mayor. They are assigned to focus on specific functional areas of the Municipality and can only make decisions on specific functional issues if delegations have been granted to them. The members are appointed by Council. The chairpersons appointed by the Executive Mayor are full-time councillors and form part of the Mayoral Committee.

Table 22: Political Heads of Section 80 Committee

POLITICAL HEADS OF SECTION 80 COMMITTEE				
For the period 01 July 2021 until 31 October 2021				
Cllr JD Burger (Strategy and Social Development)	Cllr DB Janse (Corporate Services)	Cllr EMJ Scheffers (Finance Services)	Cllr GD Joubert (Engineering Services)	Cllr GD Joubert (Community Services)
For the period 01 November 2021 until 30 June 2022				
Cllr JG Steenkamp (Strategy and Social Development)	Cllr. C Steyn (Corporate Services)	Cllr DAT Felix (Finance Services)	Cllr JCJ Coetzee (Engineering Services)	Cllr RC Henn (Community Services)

Table 23: Strategy and Social Development Portfolio Committee

STRATEGY AND SOCIAL DEVELOPMENT PORTFOLIO COMMITTEE				
The Strategy and Social Development Portfolio Committee consists of five councilors under the leadership of MMC for Strategy and Social Development who held 7 meetings during the year under review.				
For the period 01 July 2021 until 31 October 2021				
Cllr LJ Prins (Chairperson)	Cllr EW Hohlo	Cllr BH Nteta	Cllr LM Swanepoel	Cllr DJW Kuhn
For the period 01 November 2021 until 30 June 2022				
Cllr JG Steenkamp (Chairperson)	Cllr L Kahla	Cllr A Ndongeni	Cllr MG Oostendorff-Kraukamp	Cllr Y Siegel

Table 24: Corporate Services Portfolio Committee

CORPORATE SERVICES PORTFOLIO COMMITTEE				
The Corporate Services Portfolio Committee consists of five councillors under the leadership of MMC for Corporate Services who held 10 meetings during the year under review				
For the period 01 July 2021 until 31 October 2021				
Cllr SD Beginsel (Chairperson)	Cllr JJS Januarie	Cllr OC Simpson	Cllr LM Swanepoel	Cllr JDF van Zyl
For the period 01 November 2021 until 30 June 2022				
Cllr C Steyn (Chairperson)	Cllr NJ Beginsel	Cllr DB Janse	Cllr OC Simpson	Cllr D September

Table 25: Financial Services Portfolio Committee

FINANCIAL SERVICES PORTFOLIO COMMITTEE				
The Financial Services Portfolio Committee consists of five councillors under the leadership of MMC for Financial Services who held 9 meetings during the year under review.				
For the period 01 July 2021 until 31 October 2021				
Cllr J Kriel (Chairperson)	Cllr CJ Grootboom	Cllr EW Hohlo	Cllr JS Mafilika	Cllr JDF van Zyl
For the period 01 November 2021 until 30 June 2022				
Cllr DAT Felix (Chairperson)	Cllr CJ Grootboom	Cllr GD Joubert	Cllr JS Mafilika	Cllr C Pokwas

Table 26: Engineering Services Portfolio Committee

ENGINEERING SERVICES PORTFOLIO COMMITTEE				
The Engineering Services Portfolio Committee consists of five councillors under the leadership of MMC for Engineering Services who held 7 meetings during the year under review.				
For the period 01 July 2021 until 31 October 2021				
Cllr DJW Kuhn (Chairperson)	Cllr SD Beginsel	Cllr S Du Plessis	Cllr AJ Shibili	Cllr J Kriel
For the period 01 November 2021 until 30 June 2022				
Cllr JCJ Coetzee (Chairperson)	Cllr T Coetzee	Cllr L Gxowa	Cllr JJ Januarie	Cllr GD Joubert

Table 27: Community Services Portfolio Committee

COMMUNITY SERVICES PORTFOLIO COMMITTEE				
The Community Services Portfolio Committee consists of five councillors under the leadership of MMC for Community Services who held 9 meetings during the year under review.				
For the period 01 July 2021 until 31 October 2021				
Cllr EW Hohlo (Chairperson)	Cllr SD Beginsel	Cllr E Bosjan	Cllr LJ Prins	Cllr OC Simpson
For the period 01 November 2021 until 30 June 2022				
Cllr RC Henn (Chairperson)	Cllr M Gertse	Cllr MG Oostendorff-Kraukamp	Cllr C Pokwas	Cllr OC Simpson

MAYORAL COMMITTEE AND PORTFOLIO CHAIRPERSONS

The Executive Mayor is supported by a Mayoral Committee. Each member of the Mayoral Committee has a portfolio with specific functions. The Executive Mayor may delegate specific responsibilities to each member of the Mayoral Committee. Any powers and duties delegated to the Executive Mayor by the Municipal Council must be exercised and performed by the Executive Mayor together with the other members of the Mayoral Committee.

Table 28: Mayoral Committee and Portfolio Chairpersons

MAYORAL COMMITTEE AND PORTFOLIO CHAIRPERSONS		
2020-2021	2021-2022	Portfolio
Alderman SW van Eeden	Alderman SW van Eeden	Executive Mayor
Cllr JD Burger	Cllr JG Steenkamp	Strategy and Social Development
Cllr DB Janse	Cllr C Steyn	Corporate Services
Cllr EMJ Scheffers	Cllr DAT Felix	Financial Services
Cllr GD Joubert	Cllr JCJ Coetzee	Engineering Services
Cllr SW van Zyl	Cllr RC Henn	Community Services

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

In terms of the provision of Section 79 of the Local Government Municipal Structures Act, 117 of 1998, five MPAC members were appointed to strengthen oversight within the Municipality and to determine the institutional functionality of the Municipal Council in terms of effectiveness. The committee met on 9 occasions during the year under review.

Table 29: Municipal Public Accounts Committee

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)				
For the period 01 July 2021 until 31 October 2021				
Cllr TM van der Merwe (Chairperson)	Cllr SD Beginsel (Member of Committee)	Cllr JJ Januarie Member of Committee	Cllr J Kriel (Member of Committee)	Cllr LJ Prince (Member of Committee)
For the period 01 November 2021 until 30 June 2022				
Cllr D September (Chairperson)	Cllr G Joubert (Member of Committee)	Cllr JJ Januarie (Member of Committee)	Cllr D Jansen (Member of Committee)	Cllr T Coetzee (Member of Committee)

INTERNAL AUDIT AND PERFORMANCE COMMITTEE

The Audit and Performance Committee is an independent advisory body established in terms of section 166 of the MFMA, which is responsible for the oversight of internal controls, risk management, performance information, financial reporting and compliance with regulatory matters. The committee met on 6 occasions during the year under review.

Table 30: Internal Audit and Performance Committee

INTERNAL AUDIT AND PERFORMANCE COMMITTEE				
Mr Ebrahim Abrahams (Chairperson)	Mr Rowan Graham Nicholls	Mr Omar Valley	Ms Kirstie Marcha Talmakkies	Mr Anda Njeza

PERFORMANCE MANAGEMENT COMMITTEE

The Municipal Systems Act, 32 of 2000, requires the Langeberg Municipality to establish a performance management system that is commensurate with its resources, best suited to its circumstances and in line with the priorities, objectives, indicators and targets contained in the IDP. For the purpose of evaluating the performance of employees, an evaluation panel was established in terms of Section 6.6 of the Performance Agreement.The committee met on 2 occasions during the year under review.

Table 31: Performance Management Committee

PERFORMANCE MANAGEMENT COMMITTEE
Mr A S A de Klerk, Municipal Manager
Ald S W van Eeden, Executive Mayor
Mayoral Committee Members attending the evaluations for the portfolio's they represent
Mr A Mati, Chief Audit Executive
Mr. H Prins, Municipal Manager from Cape Winelands Municipality
Mr. E Abrahams, Chairperson of the Audit & Risk Committee
Mr R King (Member of the Community)

ANTI-CORRUPTION AND FRAUD PREVENTION

The following institutional arrangements are in place for the detection of fraud:

- An Internal Audit & Risk Management Unit has been established;
- Management takes steps against fraudulent actions;
- The Directors, together with the Internal Audit & Risk Management Department, identify risks;
- The Audit & Performance Committee approves the risk based Internal Audit Plan; and,
- The Risk Management Committee evaluates the effectiveness of the implementation of the Fraud Prevention and Response Plan

WARD COMMITTEES AND COMMUNITY PARTICIPATION

The municipality works together with Ward Committees in its public participation processes and reaches the community by disseminating information through these ward committee members. This is done by engaging with them in consultation and by allowing community inputs in municipal decision-making regarding service delivery, developing credible IDPs, policy formulation, budgeting processes and organisational performance.

For this purpose, the Ward Committees of Langeberg Municipality hold various meetings with the community e.g. IDP Community Input Meetings, Ward-based Planning Sessions and ordinary Community Feedback Meetings. The Council has twelve (12) Ward Committees. Each Ward Committee has approximately ten members. The Ward Councillor is the chairperson of the respective Ward Committee. Ward-based Planning reviews were conducted in all twelve (12) wards.

Table 32: Ward Committees and Chairpersons for the period 01 July 2021 until 31 October 2021

WARD COMMITTEE	CHAIRPERSON
Ward 1 – Robertson	Ald JD Burger
Ward 2 – Robertson Nkqubela	Cllr AJ Shibili
Ward 3 – Robertson	Cllr P Hess
Ward 4 – Bonnievale (Happy Valley)	Cllr JJS Januarie
Ward 5 – McGregor	Cllr SW Van Zyl
Ward 6 – Robertson	Cllr DB Janse
Ward 7 – Montagu	Cllr J Kriel
Ward 8 – Bonnievale	Ald SW Van Eeden
Ward 9 – Ashton	Cllr S Beginsel
Ward 10 – Ashton Zolani	Cllr BH Nteta
Ward 11 – Ashton Rural	Cllr JDF Van Zyl
Ward 12 – Montagu	Cllr EMJ Scheffers

Table 33: Ward Committees and Chairpersons for the period 01 November 2021 until 30 June 2022

Ward Committee	Chairperson
Ward 1 – Robertson	Cllr Steyn C
Ward 2 – Robertson Nkqubela	Cllr Gxowa L
Ward 3 – Robertson	Cllr Hess P
Ward 4 – Bonnievale (Happy Valley)	Cllr Januarie JJS
Ward 5 – McGregor	Cllr Kraukamp M
Ward 6 – Robertson	Cllr Janse DB
Ward 7 – Montagu	Cllr Felix DAT
Ward 8 – Bonnievale	Cllr Van Eeden SW
Ward 9 – Ashton	Cllr Siegel Y
Ward 10 – Ashton Zolani	Cllr Ndongeni A
Ward 11 – Ashton Rural	Cllr Coetzee JCJ
Ward 12 – Montagu	Cllr Pokwas CJ

COMMUNITY LIAISON WORKERS

The Langeberg Municipality embraces the use of CLWs to strengthen effective, participative democracy in the municipality.

Table 34: Community Liaison Workers and their Linkage to Wards

CLW	TOWN/AREA	WARD DEPLOYED
Mr Wiaan Booyssen	Robertson	1 & 3
Mr Johannes Jansen	Robertson and Nkqubela	2 & 6
Mr Andries Willemse	McGregor	5
Ms Siyamthanda Nentsa	Bonnievale	4 & 8
Ms Nandipha Fikizolo	Zolani	10
Ms Vuyolwethu Zweni	Ashton	9 & 11
Ms Shani Pekeur	Montagu	7 & 12

Table 35: Committees (Other Than Mayoral / Executive Committee) And Purposes of Committees

COMMITTEES (OTHER THAN MAYORAL / EXECUTIVE COMMITTEE) AND PURPOSES OF COMMITTEES	
Municipal Committees	Purpose of Committee
Appeals Committee	To deal with appeals in terms of Section 62 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).
Fraud-and Risk Management Committee	To assist the MM to fulfil his fraud and risk management responsibilities in accordance with prescribed legislation and corporate governance principles. Assists the MM by reviewing the effectiveness of the Municipality’s fraud and risk management systems, practices and procedures and providing recommendations for improvement.
Budget Steering Committee	To assist Council in ensuring that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies.

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the Accounting Officer of the Municipality and also the head of the Administration. His primary function is to serve as chief custodian of service delivery and the implementation of political priorities and decisions.

He is assisted by his Strategic Management Team (SMT), which comprises of the Executive Directors of the five departments. The SMT meets on at least a weekly basis to discuss service delivery issues and reports that must be submitted to the Mayoral committee or Council in terms of delegated powers, as well as on organisational management matters. The Senior Management Team (SMT) also engages the Mayoral Committee to expedite the decision-making and service delivery process.

Macro Organisational Structure:

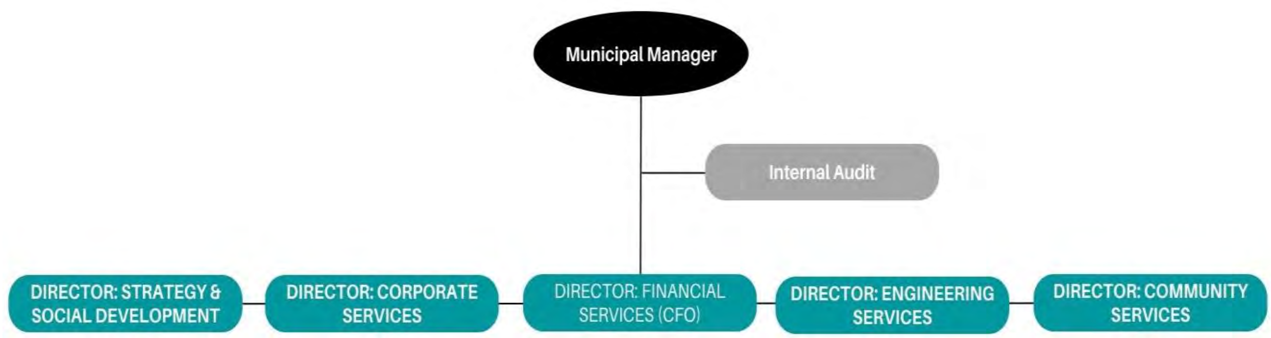


Table 36: Top Administrative Structure

TOP ADMINISTRATIVE STRUCTURE TIER 1	
 MUNICIPAL MANAGER Mr ASA de Klerk	FUNCTIONS • Accounting Officer of the municipality • Provide guidance on compliance to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality. • Strategic Development • Sound Financial Management • Improvement of communication and stakeholder Management

<table>
<tr><th colspan="3">TOP ADMINISTRATIVE STRUCTURE
TIER 2</th></tr>
<tr><th colspan="2"></th><th>FUNCTIONS</th></tr>
<tr><td></td><td>DIRECTOR: CORPORATE SERVICES
Mr AWJ Everson
(Section 56)</td><td>• Legal Services
• Administrative Support
• Governance Support
• Human Resources
• Labour Relations
• Traffic Services</td></tr>
<tr><td></td><td>DIRECTOR: FINANCIAL SERVICES (CFO)
Mr M Shude
(Section 56)</td><td>• Budget Office
• Supply Chain Management
• Income Services
• Expenditure Services</td></tr>
<tr><td></td><td>DIRECTOR: ENGINEERING SERVICES
Mr M Johnson
(Section 56)</td><td>• Civil Engineering Services
• Electrical Engineering Services
• Solid Waste Management
• Project Management
• Town Planning</td></tr>
<tr><td></td><td>DIRECTOR: STRATEGY & SOCIAL DEVELOPMENT
Mrs CO Matthys
(Section 56)</td><td>• Special Projects
• Integrated Development Plan
• SMME Development
• Information Technology
• Communications
• Performance Management
• EPWP</td></tr>
<tr><td></td><td>DIRECTOR: COMMUNITY SERVICES
Mr M Mgajo
(Section 56)</td><td>• Community Facilities
• Parks and Amenities
• Fire & Disaster Management
• Housing Administration
• Libraries</td></tr>
</table>

Table 37: Top Administrative Structure

TOP ADMINISTRATIVE STRUCTURE TIER 3		
Department	Officials	Designation
Municipal Manager	Mr A Mati	Chief Audit Executive
Corporate Services	Mrs S Kotzé	Manager: Administrative Support
	Mr AG Brönn	Assistant Manager: Governance Support
	Mr TH Carstens	Manager: Human Resources
	Mr E Jooste	Manager: Labour Relations
	Vacant	Manager: Traffic Services
	Mr AJ Dondolo	Assistant Manager: Traffic Services
Strategy & Social Development	Vacant	Manager: IDP, Communications & PMS Development
	Mr D van Schalkwyk	Manager: LED & Rural Development
	Vacant	Manager: ICT
Financial Services	Mrs AJ Swarts	Manager: Budget Office
	Mr S Ngcongolo	Manager: SCM
	Mr ZS Qhanqisa	Manager: Income Services
	Mr CJ Franken	Manager: Expenditure Services
Civil Engineering Services	Mr CGH Posthumus	Manager: Civil Engineering Services
	Mr GA Lotter	Manager: Electrical Engineering Services
	Mr GM Slingers	Manager: Solid Waste Management
	Mr NW Albertyn	Manager: Project Management
	Mr JV Brand	Manager: Town Planning
Community Services	Mrs LJH April	Manager: Community Facilities
	Mr A Manjati	Manager: Parks & Amenities
	Mr N Mdluli	Chief: Fire & Disaster Management
	Ms M Brown	Manager: Housing Administration
	Ms FG Gubede	Librarian

COMPONENT B: INTERGOVERNMENTAL RELATIONS

The Section 3 of the Municipal Systems Act requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution Section 41.

Langeberg Municipality strives to uphold its legislative authority and co-operative governance as required by the Constitution and other relevant legislation. In doing so, the municipality maintains good co-operative and inter-governmental relations with the Cape Winelands District Municipality, neighbouring municipalities, provincial and national government and other government agencies.

Maintaining good relations with other government spheres makes it possible to benefit from the various contributions to service delivery offered by government, by aligning municipal planning to the development objectives and targets of provincial and national sector departments. Such contributions include various grants, skills development and capacity building roll-outs which strengthen local government in its quest to improve service delivery.
A few of the intergovernmental platforms are reflected below.

assisting and supporting one another; informing one another and consulting one another on matters of common interest; coordinating their actions and legislation with one another; adhering to agreed procedures; and, avoiding legal proceedings against one another.

2.3 INTERGOVERNMENTAL RELATIONS

Langeberg Municipality strives to uphold its legislative authority and co-operative governance as required by the Constitution and other relevant legislation. In doing so, the municipality maintains good co-operative and intergovernmental relations with the Cape Winelands District Municipality, neighbouring municipalities, provincial and national government, and other government agencies.

Maintaining good relations with other government spheres makes it possible to benefit from the various contributions to service delivery offered by government, by aligning municipal planning to the development objectives and targets of provincial and national sector departments. Such contributions include various grants, skills development and capacity building rollouts which strengthen local government in its quest to improve service delivery.

Table 38: IGR Engagements for the Department: Municipal Manager's Office

A. IGR **ENGAGEMENTS FOR THE DEPARTMENT: MUNICIPAL MANAGER'S OFFICE**		
FORUM / MEETING	DATE	ATTENDED BY
MUNICIPAL MANAGER		
DISTRICT COORDINATING FORUM	05/07/2021	A S A DE KLERK
DISTRICT COORDINATING FORUM	02/08/2021	A S A DE KLERK
DISTRICT COORDINATING FORUM	30/08/2021	A S A DE KLERK
DISTRICT COORDINATING FORUM	18/03/2022	A S A DE KLERK
DISTRICT COORDINATING FORUM	27/05/2022	A S A DE KLERK
QUARTERLY GENERAL SUPPORT STEERING COMMITTEE MEETING	07/09/2021	A S A DE KLERK
MINMAYTECH MEETING	05/10/2021	A S A DE KLERK
PREMIER COORDINATING FORUM	03/12/2021	A S A DE KLERK
SALGA WC PROV CONFERENCE NOTICE	18+19/01/2022	A S A DE KLERK

A. IGR **ENGAGEMENTS FOR THE DEPARTMENT: MUNICIPAL MANAGER'S OFFICE**		
FORUM / MEETING	DATE	ATTENDED BY
GENERAL SUPPORT STEERING COMMITTEE MEETING	11/02/2022	A S A DE KLERK
WC MUNICIPAL MANAGER'S FORUM	24+25/02/2022	A S A DE KLERK
IGR STAKEHOLDERS MEETING	25/03/2022	A S A DE KLERK
PREMIER AND PROVINCIAL CABINET MEET & GREET	22/04/2022	A S A DE KLERK
STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENT	10/05/2022	A S A DE KLERK
STANDING COMMITTEE MEETING & OVERSIGHT VISIT	11/05/2022	A S A DE KLERK
MINMAY FORUM	23/06/2022	A S A DE KLERK
NATIONAL MUNICIPAL MANAGERS FORUM	20/10/2021	A S A DE KLERK
SALGA NATIONAL CONFERENCE	02-04/03/2022	A S A DE KLERK
FINANCE		
RECOVERY & COVID 19 HIGH PERFORMANCE MEETING	3/08/2021	M SHUDE
DATA GOVERNANCE AND PROFILE WORKING GROUP: CWDM JDMA	7/09/2021	M SHUDE
CAPE WINELANDS DISTRICT DCF TECH: TIME ENGAGEMENT	16/02/2022	M SHUDE A SWARTS
MEETING - PPPFA AND PPPF REGULATIONS CLARITY AND WAY FORWARD	29/03/2022	M SHUDE
JDMA 2022 PLANNING MEETING	17/05/2022	M SHUDE
ETENDER TRAINING	09/07/2021	S NGCONGOLO
ZOHO TRAINING	28/07/2021	M SHUDE
LANGEBERG SMME BOOSTER FUND	12/08/2021	M SHUDE
SCM FORUM	18/08/2021	S NGCONGOLO
MPRA CHALLENGES - WORKGROUP 2ND SESSION	26/08/2021	Z QHANQISA
QUARTERLY MUNICIPAL INFRASTRUCTURE FORUM	31/08/2021	M SHUDE
LANGEBERG MUNICIPALITY: DISCUSSION ON LAND TENURE ISSUE	02/09/2021	M SHUDE
LANGEBERG MUNICIPALITY: QUARTERLY GENERAL SUPPORT STEERING COMMITTEE MEETING	07/09/2021	M SHUDE
MUNICIPAL CFO FORUM	10/09/2021	M SHUDE
SCM BUSINESS PROCESS WALKTHROUGH	16-17/09/2021	S NGCONGOLO
35TH WESTERN CAPE MPRA FOCUS GROUP WORKSHOP	17/09/2021	Z QHANQISA
ACCOUNTING WORKING COMMITTEE (AWC) MEETING	28/09/2021	M SHUDE
WC ANNUAL MUNICIPAL FINANCE INTERNSHIP WORKSHOP	28/09/2021	A SWARTS
MUNICIPAL ACCOUNTANTS FORUM (MAF)	30/09/2021	M SHUDE A SWARTS
ACCOUNTING WORKING COMMITTEE (AWC) MEETING	23/11/2021	MR M SHUDE A SWARTS
36TH WESTERN CAPE MPRA FOCUS GROUP WORKSHOP	26/11/2021	Z QHANQISA
SCM BUSINESS PROCESS WALKTHROUGH	3/12/2021	S NGCONGOLO
DISCUSSION: PUBLIC EMPLOYMENT GRANT	10/12/2021	M SHUDE

A. IGR **ENGAGEMENTS FOR THE DEPARTMENT: MUNICIPAL MANAGER'S OFFICE**		
FORUM / MEETING	DATE	ATTENDED BY
MUNICIPAL CFO LEKGOTLA	9-10/12/2021	M SHUDE
PROPOSED LOCAL GOVERNMENT PUBLIC EMPLOYMENT SUPPORT GRANT	20/12/2021	M SHUDE
LANGEBERG MUNICIPALITY: GENERAL SUPPORT STEERING COMMITTEE MEETING	11/02/2022	M SHUDE
PROVINCIAL TREASURY INFRASTRUCTURE ASSET MANAGEMENT SYSTEM OF GOVERNANCE	18/02/2022	M SHUDE
MUNICIPAL INFRASTRUCTURE FORUM MEETING	08/03/2022	M SHUDE
MUNICIPAL ACCOUNTANTS FORUM	10/03/2022	A SWARTS
MUNICIPAL ACCOUNTANTS FORUM	11/03/2022	A SWARTS
37TH WESTERN CAPE MPRA FOCUS GROUP WORKSHOP	18/03/2022	Z QHANQISA
SCM FORUM	30/03/2022	S NGCONGOLO
BFI INFORMATION SESSION: WESTERN CAPE	19/05/2022	M SHUDE
ACCOUNTING WORKING COMMITEE (AWC) MEETING	20/05/2022	M SHUDE, A SWARTS
YEAR-END READINESS ENGAGEMENT	14/06/2022	M SHUDE, A SWARTS
38TH MPRA FOCUS GROUP WORKSHOP	24/06/2022	A SWARTS
NT ENGAGEMENT ON FINANCIALMISCONDUCT REGULATIONS AND UNAUTHORIZED, IRREGULAR, FRUITLESS & WASTEFUL EXPENDITURE	06/08/2021	M SHUDE
INVITATION TO THE STANDARD TRANSFER SPECIFICATION (STS) PREPAYMENT METERS TOKEN IDENTIFIER (TID) ROLLOVER WORKSHOP - SALGA	24/08/2021	M SHUDE
REVISED REGULATION ON NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME (NIPP) – NATIONAL TREASURY	15/10/2021	S NGCONGOLO
INTRODUCTION TO SCM COURSE - SALGA	15/12/2021	S NGCONGOLO
ETENDER TRAINING- NATIONAL TREASURY	24/05/2022	S NGCONGOLO
OTHER		
MUNICIPAL DEBT FUND LAUNCH - INCA	02/07/2021	M SHUDE
FUND LAUNCH WEBINAR - INCA	15/07/2021	M SHUDE
PAYE WORKSHOP - SARS	10/08/2021	CJ FRANKEN
AGSA: APPLICATIONS CONTROLS REVIEW (REVENUE)	20/09/2021	M SHUDE, Z QHANQISA
A&PC QUARTERLY MEETINGS	12/10/2021	M SHUDE
STAKEHOLDER ENGAGEMENT: RESULTS OF THE REVIEW OF GRAP 24	18/10/2021	M SHUDE
SOUTHERN REGION PUBLIC SECTOR COMMITTEE INDUCTION SESSION (SAICA)	22/10/2021	M SHUDE
SOUTHERN REGION PUBLIC SECTOR COMMITTEE MEETING (SAICA)	17/11/2021	M SHUDE
A&PC QUARTERLY MEETINGS	9/12/2021	M SHUDE
A&PC QUARTERLY MEETINGS	01/02/2022	M SHUDE

A. IGR **ENGAGEMENTS FOR THE DEPARTMENT: MUNICIPAL MANAGER'S OFFICE**		
FORUM / MEETING	DATE	ATTENDED BY
ASB GRAP UPDATE FOR PFMA ENTITIES	04/02/2022	M SHUDE
SRPSC 2022 PLANNING MEETING (SAICA)	09/02/2022	M SHUDE
SOUTHERN REGION PUBLIC SECTOR COMMITTEE MEETING: INITIAL MEETING (SAICA)	10/02/2022	M SHUDE
SAICA PUBLIC SECTOR COMMITTEES CHAIRPERSONS INTRODUCTORY MEETING	17/02/2022	M SHUDE
SOUTHERN REGION PUBLIC SECTOR COMMITTEE MEETING TERM 1	04/04/2022	M SHUDE
MASTERCLASS FOR MUNICIPAL EXECUTIVES INCA (CAPE TOWN)	07/04/2022	M SHUDE
QUARTERLY A&PC MEETING	04/05/2022	M SHUDE
SAICA CAREER MOBILITY ROUNDTABLE DISCUSSION VIRTUAL SESSION 1	24/05/2022	M SHUDE
THE ROLE OF NPSC DISCUSSION (SAICA)	01/06/2022	M SHUDE
BUSINESS ENGINEERING: COLLAB CITIZEN APP DEMONSTRATION	20/06/2022	M SHUDE
QUARTERLY A&PC MEETING: 28 JUNE 2022	28/06/2022	M SHUDE

Table 39: IGR Engagements for the Department: Corporate Services

B. IGR ENGAGEMENTS FOR THE DEPARTMENT: CORPORATE SERVICES		
MEETING	DATE	ATTENDED BY
HR PRACTITIONERS FORUM	18/08/2021	TH CARSTENS
CAPE WINELANDS DISTRICT MUNICIPALITY PUBLIC PARTICIPATION VIRTUAL MEETING	19/08/2021	AG BRÔNN
SDF FORUM	16/09/2021	TH CARSTENS
AG MEETING	17/09/2021	TH CARSTENS
MCPF MEETING	05/10/2021	TH CARSTENS
LA HEALTH MEETING	8/10/2021	TH CARSTENS
SCM TRAINING	25/11/2021	TH CARSTENS
LGSETA SECOND WINDOW	7/12/2021	TH CARSTENS
MANCOSA	27/01/2022	TH CARSTENS
SDF FORUM	3/03/2022	TH CARSTENS
IGNITE READINESS MEETING	24/03/2022	TH CARSTENS
SALA PENSION FUND MEETING	25/03/2022	TH CARSTENS
WORKSHOP ON NEW REGULATIONS	4-5/04/2022	TH CARSTENS / JC JENEKE
IGNITE SHARED SERVICES MEETING	20/04/2022	TH CARSTENS
HR PRACTITIONERS FORUM	21/04/2022	TH CARSTENS
SALGA MANDATE MEETING	2/06/2022	TH CARSTENS / AWJ VERSON
SDF FORUM	9-10/06/2022	JC JENEKE
CAPE WINELANDS DISTRICT MUNICIPALITY PUBLIC PARTICIPATION VIRTUAL MEETING	19/08/2021	AG BRÔNN

B. IGR ENGAGEMENTS FOR THE DEPARTMENT: CORPORATE SERVICES		
MEETING	DATE	ATTENDED BY
COMMUNITY DEVELOPMENT WORKERS MEETING WITH LED AND RURAL DEVELOPMENT	30/08/2021	DEPARTMENT OF COMMUNITY DEVELOPMENT PROGRAMMES AND MANAGER: LED AND RURAL DEVELOPMENT, MR AG BRÖNN- ASSISTANT MANAGER: GOVERNANCE SUPPORT
COMMUNITY DEVELOPMENT WORKERS MEETING WITH LED AND RURAL DEVELOPMENT	20/09/2021	DEPARTMENT OF COMMUNITY DEVELOPMENT PROGRAMMES AND MANAGER: LED AND RURAL DEVELOPMENT, MR AG BRÖNN
CAPE WINELANDS DISTRICT MUNICIPALITY PUBLIC PARTICIPATION VIRTUAL MEETING WITH B - MUNICIPALITIES ROLLOUT OF WARD COMMITTEE ESTABLISHMENT PROGRAMMES	30/09/2021	MR AG BRÖNN
COMMUNITY DEVELOPMENT WORKERS MEETING WITH LED AND RURAL DEVELOPMENT AND DIRECTOR: STRATEGY AND SOCIAL DEVELOPMENT	14/10/2021	DEPARTMENT OF COMMUNITY DEVELOPMENT PROGRAMMES AND MANAGER: LED AND RURAL DEVELOPMENT, MR AG BRÖNN
COMMUNITY DEVELOPMENT WORKERS MEETING WITH LED AND RURAL DEVELOPMENT AND DIRECTOR: STRATEGY AND SOCIAL DEVELOPMENT	25/10/2021	DEPARTMENT OF COMMUNITY DEVELOPMENT PROGRAMMES AND MANAGER: LED AND RURAL DEVELOPMENT, DIRECTOR: STRATEGY AND SOCIAL DEVELOPMENT, IDP COORDINATOR, MR AG BRÖNN
WARD COMMITTEE ESTABLISHMENT OUTREACH EVENTS IN COLLABORATION WITH CDWP AND PROVINCIAL PUBLIC PARTICIPATION UNIT DEPARTMENT OF LOCAL GOVERNMENT	MONTH OF NOVEMBER 2021	CLW`S, MR AG BRÖNN, CDW`S AND PUBLIC PARTICIPATION UNIT, DEPARTMENT OF LOCAL GOVERNMENT WESTERN CAPE
WARD COMMITTEE ESTABLISHMENT ,NOMINATION PROCESSES OUTREACH EVENTS IN COLLABORATION WITH CDWP AND PROVINCIAL PUBLIC PARTICIPATION UNIT DEPARTMENT OF LOCAL GOVERNMENT	MONTH OF DECEMBER 2021	CLW`S , MR AG BRÖNN, CDW`S AND PUBLIC PARTICIPATION UNIT ,DEPARTMENT OF LOCAL GOVERNMENT WESTERN CAPE
WARD COMMITTEE ELECTION PROCESSES OUTREACH EVENTS IN COLLABORATION WITH CDWP AND PROVINCIAL PUBLIC PARTICIPATION UNIT DEPARTMENT OF LOCAL GOVERNMENT	MONTH OF JANUARY 2022	CLW`S , MR AG BRÖNN, CDW`S AND PUBLIC PARTICIPATION UNIT ,DEPARTMENT OF LOCAL GOVERNMENT WESTERN CAPE

B. IGR ENGAGEMENTS FOR THE DEPARTMENT: CORPORATE SERVICES		
MEETING	DATE	ATTENDED BY
WARD COMMITTEE INDUCTION AND INAUGURATION PROGRAMME IN COLLABORATION WITH CDWP AND DEPARTMENT OF LOCAL GOVERNMENT WESTERN CAPE, PUBLIC PARTICIPATION UNIT.	11& 12 /03/2022 18&19/03/2022 25&26/03/2022	CLW`S , MR AG BRÖNN, DIRECTOR :STRATEGY AND SOCIAL DEVELOPMENT DEPARTMENT OF LOCAL GOVERNMENT WESTERN CAPE, PUBLIC PARTICIPATION UNIT AND CDW`S
LOCALIZE COMMUNITY DEVELOPMENT WORKERS STAFF MEETING	02/06/2022	DEPARTMENT OF COMMUNITY DEVELOPMENT PROGRAMMES AND -MR AG BRÖNN AND CDW –ME CHARMAIN SWANEPOEL
BUSINESS ENGINEERING: COLLAB CITIZEN APP DEMONSTRATION	20/06/2022	MM DIRECTOR: CORPORATE SERVICES DIRECTOR: COMMUNITY SERVICES DIRECTOR: STRATEGY & SOCIAL DEVELOPMENT CFO COLLABORATOR - BUSINESS ENGINEERING MR AG BRÖNN ASSISTANT MANAGER: GOVERNANCE SUPPORT
COMMUNITY DEVELOPMENT WORKERS LOCAL COORDINATORS MEETING	22/06/2022	DEPARTMENT OF COMMUNITY DEVELOPMENT PROGRAMMES AND CAPE WINELANDS DISTRICT MUNICIPALITIES MR AG BRÖNN- ASSISTANT MANAGER: GOVERNANCE SUPPORT

Table 40: IGR Engagements for the Department: Strategy and Social Development

C. IGR ENGAGEMENTS FOR THE DEPARTMENT: STRATEGY AND SOCIAL DEVELOPMENT		
FORUM/MEETING	DATE	ATTENDED BY
CAPE WINELANDS BET MEETING	1/7/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
REGIONAL TOURISM LIAISON COMMITTEE MEETING (RTLC)	9/7/2021	A WANTZA
CWDM JDMA	12/7/2021	CO MATTHYS
CAPE WINELANDS BET MEETING	15/7/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
CAPE WINELANDS LTA MEETING	21/7/2021	A WANTZA

CAPE WINELANDS BET MEETING	29/7/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
IDP MANAGERS FORUM	05/8/2021	J MFUTWANA
SMME BOOSTER FUND	12/8/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
EPWP CAPE WINELANDS REGIONAL MEETING	17/8/2021	D VAN SCHALKWYK, T DANTI AND L NGQAKASE
CAPE WINELANDS BET CLUSTER MEETING	19/8/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
EARLY CHILDHOOD DEV	23/8/2021	A WANTZA
PDO WORKSHOP	27/8/2021	C O MATTHYS
MUN SUPPORT AND CAPACITY BUILDING -	02/9/2021	C O MATTHYS
CAPE WINELANDS BET MEETING	2/9/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
REGIONAL TOURISM LIAISON COMMITTEE MEETING (RTLC)	10/9/2021	A WANTZA
BET CLUSTER MEETING	16/9/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
ECD REGISTRATION	16/9/2021	A WANTZA
LED FORUM MEETING	30/9/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
MEETING WITH PROVINCE ON IDP	6/10/2021	CO MATTHYS J MFUTWANA
CAPE WINELANDS LTA MEETING	6/10/2021	A WANTZA
EPWP CAPE WINELANDS REGIONAL MEETING	12/10/2021	D VAN SCHALKWYK, T DANTI AND L NGQAKASE
BET CLUSTER MEETING	15/10/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
FOLLOW-UP MEETING ON ECD'S	21/10/2021	A WANTZA
MEETING CWDM – STRATEGIES AND PROGRAMMES WITH LANGEBERG	5/11/2021	CO MATTHYS
ECD REGISTRATION	10/11/2021	A WANTZA
REGIONAL TOURISM LIAISON COMMITTEE MEETING (RTLC)	12/11/2021	A WANTZA
BET CLUSTER MEETING	19/11/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
EVALUATION OF BR&E APPLICATIONS	24/11/2021	A WANTZA
BET CLUSTER MEETING	25/11/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
EPWP CAPE WINELANDS REGIONAL MEETING	30/11/2021	D VAN SCHALKWYK, T DANTI AND L NGQAKASE
FOLLOW UP ECD'S	1/12/2021	C O MATTHYS, A WANTZA
GENDER MAINSTREAMING IN MUN IN WCP	10/12/2021	C O MATTHYS
EVALUATION OF SEED FUNDING	14/12/2021	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
ECD REGISTRATION	15/12/2021	A WANTZA
BET CLUSTER MEETING	6/01/2022	D VAN SCHALKWYK AND O RICHARDS-LIEMENS

FARMCO MEETING	19/1/2022	C O MATTHYS
PRESIDENTIAL INVESTMENT FUND – UNATI SPEIRS	25/1/2022	C O MATTHYS
BET CLUSTER MEETING	27/1/2022	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
DEPT WOMEN, YOUTH AND PERSONS WITH DISABILITIES	02/2/2022	C O MATTHYS
DRDLF MEETING	09/2/2022	C O MATTHYS
REGIONAL TOURISM LIAISON COMMITTEE MEETING (RTLC)	1/2/2022	ARZALIA WANTZA
EPWP CAPE WINELANDS REGIONAL MEETING	15/2/2022	D VAN SCHALKWYK, T DANTI AND L NGQAKASE
BET CLUSTER MEETING	24/2/2022	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
LOCAL DRUG ACTION COMMITTEE MEETING (LDAC)	25/2/2022	ARZALIA WANTZA
JOBS FUND	1/3/2022	O RICHARDS-LIEMENS
DEPT OF LABOUR	14/3/2022	C O MATTHYS
STAKEHOLDERSMEETING WITH DEPT LABOUR	28/3/2022	C O MATTHYS
CAPE WINELANDS LTA MEETING	29/3/2022	ARZALIA WANTZA
CWDM LED FORUM MEETING	30/3/2022	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
HSRC INNOVATION FOR LED STUDY	5/4/2022	D VAN SCHALKWYK AND O RICHARDS-LIEMENS
NEIGHBOURHOOD DEV PARTNERSHIP PROGRAMME	5-6/4/2022	C O MATTHYS
HUMAN SETTLEMENTS	12/4/2022	C O MATTHYS
REGIONAL TOURISM LIAISON COMMITTEE MEETING (RTLC)	14/4/2022	A WANTZA
DEPT OF LABOUR	21/4/2022	C O MATTHYS
WESTERN CAPE DEPARTMENT: COMMUNITY SAFETY	21/4/2022	C O MATTHYS
STRAT INTEGRATED MUN ENGAGEMENT	10/5/2022	C O MATTHYS
EPWP CAPE WINELANDS REGIONAL MEETING	17/5/2022	D VAN SCHALKWYK, T DANTI AND L NGQAKASE
IDP MANAGERS FORUM	01/6/2022	C O MATTHYS, J MFUTWANA
CWDM YOUTH OUTREACH	9/6/2022	O RICHARDS-LIEMENS
EARLY CHILDHOOD MEETING	14/6/2022	A WANTZA
EPWP CAPE WINELANDS REGIONAL MEETING	14/6/2022	D VAN SCHALKWYK, T DANTI AND L NGQAKASE
DEPT LABOUR	15/6/2022	C O MATTHYS
CAPE WINELANDS LTA MEETING	22/6/2022	J STEENKAMP, C O MATTHYS AND D VAN SCHALKWYK

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

The MSA section 17 (2): requires a municipality to establish and organise 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 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development. Accountability, Transparency and Rule of Law: Accountability is a key requirement of good governance and cannot be enforced without transparency and the rule of law. It means that stakeholders are provided with information on decisions that directly affect them and that legal frameworks are enforced impartially. Langeberg Municipality's political and administrative governance structures are held accountable through various measures, all of which are adhered to.

Table 41: Governance Structures and Measures of Accountability

GOVERNANCE STRUCTURES	MEASURES OF ACCOUNTABILITY
Council	Approved minutes are available on request. All Council proceedings are ruled by the *Council Rules of Order.* The councillor conduct is ruled by the *Code of Conduct for Councillors.*
Mayoral Committee	Mayoral Committee Meetings are scheduled and minutes are kept. Mayoral Committee reports to Council.
Ward Committees	Ward Councillors have a duty to provide feedback to Ward Committees and to Council. Meetings are scheduled and minutes are kept.
Portfolio committees	Responsible for oversight over administrative departments and report to Council monthly. Meetings are scheduled and minutes kept.
Municipal Public Accounts Committee	The MPAC serves as an oversight committee - to determine the institutional functionality of the Municipal Council in terms of effectiveness. An Oversight Report is tabled to Council.
The municipality reports its annual performance financial statements to the Auditor General	The Auditor General delivers an AG Report and expresses an audit opinion.
The municipality reports its annual performance financial status to its communities annually	The approved Annual Report is made available to the public on the municipal website.
Municipal structures, employees, operations, procedures and processes are ruled by legislation	Policies and Bylaws Legislation, Regulations and Codes are available.
Worker Representative Unions represent employees on organisational structures and observe the legality of labour practices procedures and processes.	Representation on recruitment and selection panels: Interviews are recorded. Representation on Labour Forum: Minutes are recorded. Representation on Occupational Health and Safety Committee: Minutes are recorded.
Internal Auditing ensures the management of risk exposure and monitors adherence to legislation	The unit identifies municipal risk and generates a Municipal Risk Register. Internal Auditing reports are generated and tabled to the Audit & Performance Committee, which then reports to Council.
The Audit & Performance Committee is responsible for the oversight of internal controls, financial reporting and compliance with regulatory matters.	Audit & Performance Committee approves the Internal Audit Plan and reports to Council.
Community participation in the	Participative processes were scheduled and notices are posted on the municipal

GOVERNANCE STRUCTURES	MEASURES OF ACCOUNTABILITY
development of Policies and Strategies	website.
IDP and Budgeting Participation	Participative processes were ensured with a Process Plan which was approved by Council on 25 August 2020
Performance Management Committee	An evaluation panel, established in terms of Section 6.6 of the Performance Agreement, evaluates the performance of employees. Performance Agreements are signed on acceptance.
Organisational and Service Delivery Performance Reporting to Council	Quarterly Performance Reports on the SDBIP are tabled to Council. Dates tabled: 1st Quarter: 29 October 2022 2nd Quarter (midyear report): 26 January 2022 3rd Quarter: 26 April 2022 4th Quarter: 26 July 2022
Municipal website promotes transparency	The municipal website is updated on a daily basis. All current events, news articles, as well as required legislative documents (including budgets, tenders and vacancies) are updated on the website daily. An average of 12 808 unique visitors browsed the municipal website on a monthly basis during the 2020-2021 year, and an average of 14 387 per month in 2021-2022.

Effective and Efficient Governance means that governance structures and processes ensure community needs are met, with the best use of resources.

Table 42: Governance Structures and Measures of Effectiveness and Efficiency

GOVERNANCE STRUCTURE	MEASURE OF EFFECTIVENESS AND EFFICIENCY
Portfolio Committees monitor municipal service delivery and budget implementation	Quarterly Performance Reports on the SDBIP are tabled to Council. Dates tabled: 1st Quarter: 29 October 2022 2nd Quarter (midyear report): 26 January 2022 3rd Quarter: 26 April 2022 4th Quarter: 26 July 2022
Mayoral Committee ensures the mid-term assessment of performance, spending and budget	Mid-Term Assessment Report tabled to Council on 26 January 2022. Adjustment Budget Tabled to Council on 23 February 2022. Adjusted SDBIP tabled to Council on 24 February 2022.
Audit & Performance Committee ensures oversight of internal auditing and risk management processes	Internal Audit Plan. Audit & Performance Committee reports tabled to Council. Risk Register. Number of fraud cases reported and losses recovered.
Performance Management Committee	Performance Bonuses awarded. The performance management system is designed to reward superior performance. This linking increase overall organisational motivation and efficiency by focusing the executive management on the successful implementation of the IDP and Budget.

Equity and Inclusiveness: Society's well-being depends on ensuring that all its members have a stake in it and do not feel excluded from mainstream society. The political and administrative governance structures of the municipality reflect equitable representation of the area's population. Different political parties are well-represented in Council, as well as both genders.

Consensus Orientation: To be consensus orientated means striving towards reaching a broad consensus on what is in the best interest of the whole community and also how it can be achieved. Langeberg's orientation towards reaching broad consensus unfolds through its scheduled and consultative IDP, Budget and Ward-based Planning processes.

Responsiveness: In trying to serve all stakeholders within a responsible timeframe, the governance structures of the municipality adheres to set Council schedules, approved process plans and reporting cycles determined by provincial and national government spheres. This is maintained through administrative compliance monitoring and oversight.

Participation: Community participation in the governance structures of the municipality is mainly achieved through the Ward Committees-system and consultative meetings with the community and all sectors.

Community Participation, in the development or revision of policies and strategies, are achieved through scheduled consultation sessions and/or workshops and/or through website uploads for community review and comments. The following table lists the dates on which such uploads were posted.

Table 43: Website Uploads for Community Reviews and Comments in 2020-2021

WEBSITE UPLOADS FOR COMMUNITY REVIEWS AND COMMENTS IN 2021-2022	
Document	Date
Council Resolutions of 31 August 2021	06/09/2021
Council Resolutions of 27 July 2021	30/07/2021
Draft 2020-2021 Annual Report and Advertisement	14/12/2021
Approved2020-2021 Annual Report and advertisement	23/02/2022
Approved Operating Capital Budget 2020-2021 to 2022-2023 (With Amendments)	2020/07/29
Draft Operating Capital Budget 2021-2022– 2023-2024	30/03/2021
Advertisement notice: Municipal Draft Budget, Draft SDF, Draft IDP, Related Policies and Determination of tariffs for the financial ear 1 July 2021 to 30 June 2022	30/03/2021
Monthly Budget Statement July 2021	16/09/2021
Monthly Budget Statement August 2021	13/09/2021
Monthly Budget Statement September 2021 with Quarterly Budget Statement	14/10/2021
Monthly Budget Statement October 2021	15/11/2021
Monthly Budget Statement November 2021	14/12/2021
Monthly Budget Statement December 2021	13/01/2022
Mid-Year Budget and Performance Assessment Report	26/01/2022
Monthly Budget Statement January 2022	14/02/2022
Monthly Budget Statement February 2022	11/03/2022
Monthly Budget Statement March 2022	14/04/2022
Monthly Budget Statement April 2022	16/05/2022
Monthly Budget Statement May 2022	14/06/2022
Monthly Budget Statement June 2022	14/07/2022
Adjustment Budget Report	25/08/2021
Adjustment Budget Report	25/01/2022
Adjustment Budget Report	23/02/2022

WEBSITE UPLOADS FOR COMMUNITY REVIEWS AND COMMENTS IN 2021-2022	
Document	Date
Approved Amended Informal Trading By-law and informal Trading Areas	10/09/2021
2022-2023 Budget and IDP Time-Schedule	31/08/2021
Notice of the 2022-2023 Budget and IDP time-schedule	07/09/2021
Amend 2022-2023 Budget and IDP time-schedule	14/12/2021
IDP Database Registration	21/12/2021
Report on tabling of MTREF budget and IDP	31/03/2022
Draft Integrated Development Plan	02/06/2022
Integrated Development Plan 2022-2023	31/05/2022
Report on tabling of MTREF budget and IDP	31/05/2022
Spatial Development Framework and policies	31/05/2022
Electricity Tariffs 2021-2022	07/07/2021
Draft Property Rates for the Financial Year 2022-2023	31/03/2022
Draft Sundry Tariffs 2022-2023	31/05/2022
Property Rates and services tariffs 2022-2023	31/05/2022
NERSA Electricity Tariffs 2022-2023	30/06/2022
Risk Management Policy	06/09/2021
Grant in aid policy	21/09/2021
Implement Supply Chain Management Policy: 2nd Quarter of 2021-2022 financial year	11/01/2022
Supply Chain management Policy	24/03/2022
Implement Supply Chain Management Policy: 3rd Quarter of 2021-2022 financial year	05/05/2022
Spaza Shop Policy	30/05/2022
Top Layer SDBIP Quarter 1	29/10/2021
Top Layer SDBIP Quarter 2	26/01/2022
Amended Top Level SDBIP for 2021-2022	28/01/2022
Amended Top Level SDBIP for 2021-2022	24/02/2022
Top Layer SDBIP Quarter 3	26/04/2022
Amended Top Level SDBIP for 2021-2022	03/05/2022
Top Layer SDBIP Quarter 4	25/07/2022
Objection form on the supplement property valuation roll	01/02/2022
First Supplementary Valuation Roll for 2021-2026	08/02/2022
Inspection of the first inspection of the first supplementary valuation roll 2021-2026 and lodging of objectives	08/02/2022
Meeting Tribunal of 25 October 2021	18/10/2021
Minutes of Tribunal Meeting on 25 October 2021	11/01/2022
Meeting minutes from the 20 May 2021 TRIBUNAL MEETING	29/07/2021
Item 1 - Proposed consent use on Erf 1501, 15 Mark Street, Montagu	29/07/2021
Item 2 - Proposed Rezoning, Departure & Consolidation of erven 1173 & 502, 42 Van Zyl Street, Robertson	29/07/2021
Item 3 - Proposed Subdivision of Erf 653, 12 Smith Street, McGregor	29/07/2021
Risk Management Policy and Committee Charter	08/09/2021
Audit and Performance Committee Charter 2021-2022	06/09/2021
Internal Audit Charter 2021-2022	06/09/2021
List of tenders awarded 2021-2022	06/10/2021

WEBSITE UPLOADS FOR COMMUNITY REVIEWS AND COMMENTS IN 2021-2022	
Document	Date
2020-2021 Financial Year Bid Register for Langeberg Municipality	25/09/2021
Performance Agreements per directorate	11/06/2021
Agenda of Council Meeting of 14 December	10/12/2021
Agenda of Council Meeting of 22 February	18/02/2022
Agenda of Council Meeting of 25 April 2022	22/04/2022
Agenda of Council Meeting of 30 May 2022	30/05/2022
Agenda of Council Meeting of 21 June 2022	20/06/2022
Current Project Report	08/03/2022
Current Project Report	08/04/2022
Current Project Report	26/05/2022
Current Project Report	15/06/2022
Current Project Report	08/07/2022
Water Quality Report	Monthly
Municipal Notices	Daily

RELATIONSHIPS WITH MUNICIPAL ENTITITIES

No municipal entities have been established within the Langeberg Municipal area.

2.4 PUBLIC MEETINGS

Sustainability and Productivity: The municipality's political and administrative governance structures remained productive throughout 2021-2022 and complied well with legislative requirements.
The following meetings were held:

Equity and Inclusiveness: In order to facilitate inclusive participation in mainstream society, Ward Committees reached out to communities - creating opportunities to improve and/or maintain their well-being.

The table below reflects the Ward Committee Outreach Programmes in *2021-2022*

Table 44: Ward Committee Outreach Programmes in 2021-2022

WARD	DATE	PROGRAMMES
1	01/07 - 20/07/2021	Distribution of COVID 19 awareness pamphlets
	01/08 - 20/08/2021	Distribution of COVID 19 awareness pamphlets
	01/09 - 30/09/2021	Distribution and collection of completed IDP Questionnaires in ward
	01/10 - 30/10/2021	IDP Questionnaires distribution and completion in wards
	01/04- 20/04/2022	Distribution of draft budget 2021-2022to obtain inputs
2	01/07 - 20/07/2021	Distribution of COVID 19 awareness pamphlets
	01/08 - 20/08/2021	Distribution of COVID 19 awareness pamphlets
	01/09 - 30/09/2021	Distribution and collection of completed IDP Questionnaires in ward
	01/10 - 30/10/2021	IDP Questionnaires distribution and completion in wards
	01/04- 20/04/2022	Distribution of draft budget 2021-2022to obtain inputs
3	01/07 - 20/07/2021	Distribution of COVID 19 awareness pamphlets
	01/08 - 20/08/2021	Distribution of COVID 19 awareness pamphlets
	01/09 - 30/09/2021	Distribution and collection of completed IDP Questionnaires in ward

WARD	DATE	PROGRAMMES
	01/10 - 30/10/2021 01/04- 20/04/2022	IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022to obtain inputs
4	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022to obtain inputs
5	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022to obtain inputs
6	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022to obtain inputs
7	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022 to obtain inputs
8	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022 to obtain inputs
9	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022 to obtain inputs
10	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022 to obtain inputs
11	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022 to obtain inputs
12	01/07 - 20/07/2021 01/08 - 20/08/2021 01/09 - 30/09/2021 01/10 - 30/10/2021 01/04- 20/04/2022	Distribution of COVID 19 awareness pamphlets Distribution of COVID 19 awareness pamphlets Distribution and collection of completed IDP Questionnaires in ward IDP Questionnaires distribution and completion in wards Distribution of draft budget 2021-2022 to obtain inputs

IDP COMMUNITY INPUT MEETINGS

Table 45: IDP Community Input Meetings held in 2021-2022

IDP COMMUNITY INPUT MEETINGS HELD IN 2021-2022					
		2021		2022	
Wards	Town	Ward Councillor	Date	Ward Councillor	Date
1	Robertson	Ald JD Burger	None	Cllr Steyn C	04/04/2022
2	Robertson	Cllr A Shibili	None	Cllr Gxowa L	07/04/2022
3	Robertson	Cllr P Hess	None	Cllr Hess P	04/04/2022
4	Bonnievale	Cllr JJ Januarie	None	Cllr Januarie JJS	06/04/2022
5	McGregor	Cllr W Van Zyl	None	Cllr Kraukamp M	05/04/2022
6	Robertson	Cllr DB Janse	None	Cllr Janse DB	05/04/2022
7	Montagu	Cllr J Kriel	None	Cllr Felix DAT	06/04/2022
8	Bonnievale	Ald SW Van Eeden	None	Cllr Van Eeden SW	05/04/2022
9	Ashton	Cllr S Beginsel	None	Cllr Siegel Y	06/04/2022
10	Zolani ,Ashton	Cllr B Nteta	None	Cllr Ndongeni A	07/04/2022
11	Ashton , Montagu –South	Cllr J van Zyl	None	Cllr Coetzee JCJ	12/04/2022
12	Montagu	Cllr EMJ Scheffers	None	Cllr Pokwas CJ	12/04/2022

WARD COMMITTEE MEETINGS

For the period under review the normal block meetings were suspended and substitute with distribution of COVID 19 pamphlets and awareness information by the ward committee members in their respective blocks or geographical areas to ensure that COVID -19 protocols are adhere to. Ward Committee members term of office ended 30 October 2021.

The tables below reflect the Ward Block Meetings held in 2021-2022:

Table 46: Ward Committee – Community (Feedback) Meetings held in 2021-2022

WARD COMMITTEE – COMMUNITY (FEEDBACK) MEETINGS HELD IN 2021-2022				
Ward	Date		Date	
	July –Sept 2021	Oct – Dec 2021	Jan – March 2022	April – June 2022
1	None	None	None	2
2	None	None	None	2
3	None	None	None	2
4	None	None	None	2
5	None	None	None	2
6	None	None	None	2
7	None	None	None	2
8	None	None	None	2
9	None	None	None	2
10	None	None	None	2
11	None	None	None	2
12	None	None	None	2

Table 47: Public Meetings

PUBLIC MEETINGS						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward 1						
Ward IDP budget meeting -Ward 1	04-Apr-22	4	4	20	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 1	13-Jun-22	1	2	14	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 2						
Ward IDP budget meeting -Ward 2	07-Apr-22	2	4	50	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 2	07-Jun-22	1	2	73	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 3						
Ward IDP budget meeting -Ward 3	04-Apr-22	3	4	17	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 3	23-Jun-22	1	2	17	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 4						
Ward IDP budget meeting -Ward 4	06-Apr-22	3	4	47	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 4	09-Jun-22	2	2	169	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 5						
Ward IDP budget meeting -Ward 5	05-Apr-22	3	4	61	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 5	02-Jun-22	1	2	53	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 6						
Ward IDP budget meeting -Ward 6	05-Apr-22	2	4	21	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 6	01-Jun-22	1	2	28	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 7						
Ward IDP budget meeting -Ward 7	06-Apr-22	2	4	12	Yes	Verbal Reporting and PowerPoint

PUBLIC MEETINGS						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
						presentations
Ward Community feedback Meeting - Ward 7	22-Jun-22	1	2	17	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 8						
Ward IDP budget meeting-Ward 8	05-Apr-22	1	4	28	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 8	20-Jun-22	1	2	16	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 9						
Ward IDP budget Meeting -Ward 9	06-Apr-22	2	4	29	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 9	14-Jun-22	3	2	8	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 10						
Ward IDP budget meeting -Ward 10	07-Apr-22	2	4	65	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 10	08-Jun-22	1	2	72	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 11						
Ward IDP budget meeting -Ward 11	12-Apr-22	2	4	16	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 11	21-Jun-22	1	2	29	Yes	Verbal Reporting by Councillor and Ward Committee
Ward 12						
Ward IDP budget meeting -Ward 12	12-Apr-22	2	4	109	Yes	Verbal Reporting and PowerPoint presentations
Ward Community feedback Meeting - Ward 12	06-Jun-22	1	2	42	Yes	Verbal Reporting by Councillor and Ward Committee

Sustainable Participation: The Ward Committee System provides Langeberg Municipality with a powerful governance structure through which public accountability and community participation are promoted and strengthened. Being fully capacitated and institutionalised in each of the twelve wards, the foundation has been laid to sustain a fully functional system for a continuous, two-way information flow and engagement between the municipality and the community. The Ward Committee Chairpersons per ward are set out in the table below:

Table 48: Ward Committee Meetings held as from 1 July 2021 until 31 October 2022

WARD COMMITTEE	CHAIRPERSON	NUMBER OF MEETINGS HELD IN
Ward 1, Robertson	Ald JD Burger	0
Ward 2, Robertson (Nkqubela)	Cllr AJ Shibili	0
Ward 3, Robertson	Cllr P Hess	0
Ward 4, Bonnievale (Happy Valley)	Cllr JJS Januarie	0
Ward 5, McGregor	Cllr SW Van Zyl	0
Ward 6, Robertson	Cllr DB Janse	0
Ward 7, Montagu	Cllr J Kriel	0
Ward 8, Bonnievale	Ald SW van Eeden	0
Ward 9, Ashton	Cllr S Beginsel	0
Ward 10, Ashton (Zolani)	Cllr BH Nteta	0
Ward 11, Ashton (Rural)	Cllr JDF van Zyl	0
Ward 12, Montagu	Cllr EMJ Scheffers	0

Due to COVID 19 resurgence totals and level 3 to 4 restrictions in July, August, September and October 2021.Also as from November 2021, December 2021, January 2022, February 2022 and March 2022 Ward Committee meetings could not be conducted due to the newly elected ward councillors and the process to establish a ward committee system.

The ward committee establishment was concluded on 31 January 2022 and were trained and inaugurated as ward committee members In March 2022. The ward committee meetings were resumed from 01 April 2022.

Table 49: Ward Committee Meetings held as from 1 April 2022 until 30 June 2022

WARD COMMITTEE	CHAIRPERSON	NUMBER OF MEETINGS
Ward 1, Robertson	Cllr C Steyn	03
Ward 2, Robertson (Nkqubela)	Cllr L Gxowa	03
Ward 3, Robertson	Cllr P Hess	03
Ward 4, Bonnievale (Happy Valley)	Cllr JJS Januarie	03
Ward 5, McGregor	Cllr M Kraukamp	03
Ward 6, Robertson	Cllr DB Janse	03
Ward 7, Montagu	Cllr D Felix	03
Ward 8, Bonnievale	Cllr SW Van Eeden	03
Ward 9, Ashton	Cllr Y Siegel	03
Ward 10, Ashton (Zolani)	Cllr Ndongeni	03
Ward 11, Ashton (Rural)	Cllr JCJ Coetzee	03
Ward 12, Montagu	Cllr J Pokwas	03

Ward-based Planning Sessions for the period 2021-2022could not been held due the ward committee members term of office has ended 30 October 2021.

BLOCK MEETINGS 2021-2022IN WARD 1-12

Table 50: Ward 1 - Block meetings held in 2021-2022

WARD 1 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	M de Villiers	Yes	Yes	None
2	F Kriel	Yes	Yes	None
3	C Rossouw	Yes	Yes	None
4	M Kannemeyer	Yes	Yes	None
5	Vacant	Yes	Yes	None
6	J Rall	Yes	Yes	None
7	P Veldsman	Yes	Yes	None
8	A Koert	Yes	Yes	None
9	M Tiras	Yes	Yes	None
10	A Joseph	Yes	Yes	None

WARD 1 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2021
1	Ernest Liebich	Yes
2	Regan Van Ryneveld	Yes
3	Curtley Rossouw	Yes
4	Marie Kannemeyer	Yes
5	Peter Wessels	Yes
6	Murray Macdonald	Yes
7	Piet Veldsman	Yes
8	Sarie Davids	Yes
9	Monica Tiras	Yes
10	Anita Joseph	Yes

Table 51: Ward 2 - Block meetings held in 2021-2022

WARD 2 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2020	2nd Quarter Oct – Dec 2020	3rd Quarter Jan – March 2022
1	Akhona Luwalala	Yes	Yes	None
2	Monwabisi May	Yes	Yes	None
3	Babalwa Madonono	Yes	Yes	None
4	Nomzi Siqangwe	Yes	Yes	None
5	Lungani Gxowa	Yes	Yes	None
6	Solomon Khuselo Khuzelo	Yes	Yes	None
7	Moris Kopini	Yes	Yes	None
8	Stefhan Smith	Yes	Yes	None
9	Lincoln Padiachy	Yes	Yes	None
10	Vincent Abrahams	Yes	Yes	None

WARD 2 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2021
1	Musawenikosi Nyamana	Yes
2	Monwabisi May	None
3	Babalwa Madonono	Yes
4	Xolile Mxakakza	Yes
5	Zolani Sokutapa	Yes
6	Solomon Khuselo	Yes
7	Morris Kopini	Yes
8	Julius Rum	Yes
9	Nomzi Siqangwe	None
10	Gideon Silwana	Yes

Table 52: Ward 3 - Block meetings held in 2021-2022

WARD 3 - BLOCK MEETINGS HELD IN 2021				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	G October	Yes	Yes	None
2	E Jeneke	Yes	Yes	None
3	S Hartzenberg	Yes	Yes	None
4	J Tobais	Yes	Yes	None
5	F van Wyk	Yes	Yes	None
6	D Skippers	Yes	Yes	None
7	D Van Wyk	Yes	Yes	None
8	H Eksteen	Yes	Yes	None
9	A Hektoor	Yes	Yes	None
10	C Mc Krige	Yes	Yes	None

WARD 3 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2021
1	Dirk Hagendoorn	Yes
2	Edward Jeneke	Yes
3	Susan Hartzenberg	Yes
4	Hendrick Arendse	Yes
5	Ferdenand Van Wyk	Yes
6	Jeflin Smith	Yes
7	Christine Jacobs	Yes
8	Karel Fortuin	Yes
9	Andries Hektoor	Yes
10	Colleen Mckrige	Yes

Table 53: Ward 4 - Block meetings held in 2021-2022

WARD 4 - BLOCK MEETINGS HELD IN 2020-2021				
Block	Committee Member	1st Quarter 2021	2nd Quarter 2021	3rd Quarter Jan – March 2022
1	Roseline Lekota	Yes	Yes	None
2	Vacant	Yes	Yes	None
3	Ntobeko Msweli	Yes	Yes	None
4	Juan H Micheals	Yes	Yes	None
5	Catherine Kortje	Yes	Yes	None
6	Lilian Pawuli	Yes	Yes	None
7	Anneline Dampies	Yes	Yes	None
8	Salmon Marais	Yes	Yes	None
9	Paulina Paulse	Yes	Yes	None
10	Alan Lombard	Yes	Yes	None

WARD 4 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2021
1	Azalma Ross	Yes
2	William Kortje	Yes
3	Mbangi Ngwenya	Yes
4	Sina Conradie	Yes
5	Brendolene Siegelaar	Yes
6	Lilian Pawuli	Yes
7	Annaline Dampies	Yes
8	Dora Willemse	Yes
9	Paulina Paulse	Yes
10	Nashdean Hansen	Yes

Table 54: Ward 5 - Block meetings held in 2021-2022

WARD 5 - BLOCK MEETINGS HELD IN 2021				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	Vacant	Yes	Yes	None
2	Henrietta Knapp	Yes	Yes	None
3	William Brian Isaacs	Yes	Yes	None
4	Evon Arendorf	Yes	Yes	None
5	Pearston Hull	Yes	Yes	None
6	Claudius de Vries	Yes	Yes	None
7	Hendrik Pyl	Yes	Yes	None
8	Willem Geduld	Yes	Yes	None
9	Jan Jacobs	Yes	Yes	None
10	Frans Brits	Yes	Yes	None

WARD 5 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2021
1	Emilie-Mai Schiefner	Yes
2	Johanna Magdalena Le Roux	Yes
3	Johannes Nataniel Joseph	Yes
4	Maria Lee	Yes
5	Charlotte Davids	Yes
6	Claudius Quartus De Vries	Yes
7	Isak Muller	Yes
8	Lauren Davids	Yes
9	Jan Jacobs	Yes
10	Frans Brits	Yes

Table 55: Ward 6 - Block meetings held in 2021-2022

WARD 6 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2021
1	Israel van Stade	Yes	Yes	None
2	Godfrey Paulsen	Yes	Yes	None
3	Betty Faroa	Yes	Yes	None
4	Martha Petoors	Yes	Yes	None
5	Slameace Adonins	Yes	Yes	None
6	Elizabeth George	Yes	Yes	None
7	Gert Olckers	Yes	Yes	None
8	Muriel Pietersen	Yes	Yes	None
9	Elzaan Verneel	Yes	Yes	None
10	Sarah van Wyk	Yes	Yes	None

WARD 6 - BLOCK MEETINGS HELD IN 2021-2022		
Block	*Committee Member*	*4th Quarter: Apr –Jun 2021*
1	*Trunel Cookson*	*Yes*
2	*Cheryl Carelse*	*Yes*
3	*Francis Soldaat*	*Yes*
4	*Martha Petoors*	*Yes*
5	*Slamease Adonis*	*Yes*
6	*Muriel Pietsen*	*Yes*
7	*Gert Olckers*	*Yes*
8	*ElizaBETh George*	*Yes*
9	*Elzaal Verneel*	*Yes*
10	*Christopher Hunoldt*	*Yes*

Table 56: Ward 7 - Block meetings held in 2021-2022

WARD 7 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	Stephanie Terblanche	Yes	Yes	None
2	Ryno van Zyl	Yes	Yes	None
3	Jacobus de Kock	Yes	Yes	None
4	Jaques Swanepoel	Yes	Yes	None
5	H Fluks	Yes	Yes	None
6	Catheleen Plaatjies	Yes	Yes	None
7	Wilna Swanepoel	Yes	Yes	None
8	Abe Blaauw	Yes	Yes	None
9	Dennis Jonker	Yes	Yes	None
10	Jan Oncke	Yes	Yes	None

WARD 7 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2021
1	G. Delderfield	Yes
2	R. Van Zyl	Yes
3	A. Wiilemse	Yes
4	O. Kiewietz	Yes
5	Q. Terblanche	Yes
6	C. Plaatjies	Yes
7	D. Bottrie	Yes
8	A.Blaauw	Yes
9	J. Oncke	Yes
10	D. Jonkers	None

Table 57: Ward 8 - Block meetings held in 2021-2022

WARD 8 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	M Jaftha	Yes	Yes	None
2	Johanelle Crous	Yes	Yes	None
3	Gabriella Goncalves	Yes	Yes	None
4	F Klue	Yes	Yes	None
5	A Filander	Yes	Yes	None
6	Mintoor Booysen	Yes	Yes	None
7	Frederick Erasmus	Yes	Yes	None
8	Bettie Swarts	Yes	Yes	None
9	Theresa Slingers	Yes	Yes	None
10	Krisjan Snyders	Yes	Yes	None

WARD 8 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2021
1	Johannes Crous	Yes
2	Daniela Gagiano	None
3	Michelle Japhta	Yes
4	Francien Klue	Yes
5	Serra Nobel	None
6	Lambertus Smith	Yes
7	Frederick Erasmus	Yes
8	Bettie Swarts	Yes
9	Ledna De Lot	Yes
10	Thereesa Slingers	Yes

Table 58: Ward 9 - Block meetings held in 2021-2022

WARD 9 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	Priven September	Yes	Yes	None
2	Sonia Douwrie	Yes	Yes	None
3	Gert Maarman	Yes	Yes	None
4	Henry Abrahams	Yes	Yes	None
5	Leandrie Filander	Yes	Yes	None
6	N van Eck	Yes	Yes	None
7	Edean Solomons	Yes	Yes	None
8	Magdalena le Roux	Yes	Yes	None
9	Lilian du Toit	Yes	Yes	None
10	Ashley Gertse	Yes	Yes	None

WARD 9 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2022
1	David Geduld	Yes
2	Sonia Douwrie	Yes
3	Henry Abrahams	Yes
4	Pieter January	Yes
5	Chantelle Fortuin	Yes
6	Nicole Van Eck	Yes
7	Stoffelina Buis	Yes
8	Nicolaas Nel	Yes
9	Pantsy Du Toit	Yes
10	Ashley Gertse	Yes

Table 59: Ward 10 - Block meetings held in 2021-2022

WARD 10 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	Zwelidumile Magazi	Yes	Yes	None
2	Phumla Tokwe	Yes	Yes	None
3	Nomawonga Mase	Yes	Yes	None
4	Nomapostile Ntlalombi	Yes	Yes	None
5	Miriam Taho	Yes	Yes	None
6	Fikile Matoti	Yes	Yes	None
7	Mphati Ntayithethwa	Yes	Yes	None
8	Thenjiswa Zenzile	Yes	Yes	None
9	Lucy Plessie	Yes	Yes	None
10	Vacant	Yes	Yes	None

WARD 10 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2022
1	Ntshokoleng Kumeke	Yes
2	Sakhumzi November	Yes
3	Siyabonga Nkomonye	Yes
4	Nomapostile Ntlalombi	Yes
5	Vuyolwethu Mrubata	Yes
6	Khaka Mpiko	Yes
7	Mbuyiselo Selani	Yes
8	Billy-boy Xabela	Yes
9	Aphiwe Matroos	Yes
10	Nomahlubi Mzini	Yes

Table 60: Ward 11 - Block meetings held in 2021-2022

WARD 11 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	Hendrik Tredoux	Yes	Yes	None
2	F Tredoux	Yes	Yes	None
3	Sarah Doms	Yes	Yes	None
4	A Baartman	Yes	Yes	None
5	Penny Retief	Yes	Yes	None
6	Abraham Jacobs	Yes	Yes	None
7	B Saayman	Yes	Yes	None
8	Roslynn Fuller	Yes	Yes	None
9	Hansie Volschenk	Yes	Yes	None
10	Piet Engelbreg	Yes	Yes	None

WARD 11 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2022
1	Moss Baartman	None
2	Piet Engelbreg	Yes
3	Sarah Doms	None
4	Armando Baartman	None
5	Roslyn Fuller	Yes
6	Abraham Jacobs	Yes
7	Francois Tradoux	Yes
8	Vincent abrahams	Yes
9	ElizaBETh J Du Toit	Yes
10	Lincoln Padiachy	None

Table 61: Ward 12 - Block meetings held in 2021-2022

WARD 12 - BLOCK MEETINGS HELD IN 2021-2022				
Block	Committee Member	1st Quarter Jul –Sept 2021	2nd Quarter Oct – Dec 2021	3rd Quarter Jan – March 2022
1	Spaas Herder	Yes	Yes	None
2	Jan Hoffman	Yes	Yes	None
3	Dawid de Koker	Yes	Yes	None
4	Elroy Matthys	Yes	Yes	None
5	Alfredauw Wewers	Yes	Yes	None
6	Maria Soldaat	Yes	Yes	None
7	Koert Ewertson	Yes	Yes	None
8	Andre Louw	Yes	Yes	None
9	Martin Booysen	Yes	Yes	None
10	Cupido Appollis	Yes	Yes	None

WARD 12 - BLOCK MEETINGS HELD IN 2021-2022		
Block	Committee Member	4th Quarter: Apr –Jun 2022
1	A. Pekeur	Yes
2	J. Hoffman	Yes
3	D. De. Koker	Yes
4	C. Pekeur	None
5	A. Wewers	Yes
6	M. Soldaat	Yes
7	H. Julies	Yes
8	A. Klein	Yes
9	M. Booysen	Yes
10	C. Appollis	Yes

COMMENTS ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD

Particularly challenging of the past year, was fulfilling the mandate of public participation in an environment of social distancing and loadshedding. Hearing our community-voice, improving access, and gaining resident's full participation in the affairs of this Municipality, will always be a set goal of this Municipality.

However, many strides have been made to ensure meaningful public participation during the period under review. Communities was informed of the municipality budget projections and financial viability to deliver services and provide a platform whereby communities could give inputs on their needs and the challenges they faced.

All twelve wards of Langeberg Municipality have managed to have ward IDP budget meetings even in the most remote and rural areas. Furthermore, all twelve wards have conducted community feedback meeting to report on progress made in terms of service delivery and capital projects. The process was compliment with ward committee geographical feedback meetings and initiatives in all twelve wards. Out of the 120 ward committee members only twelve ward committee members could not manage to hold their block meetings or could not provide the necessary evidence in this regard. Thus, shows that a 90 % successful community outreach and participation in the twelve wards could be realised.

2.5 IDP PARTICIPATION AND ALIGNMENT

Table 62: IDP Participation and Alignment Criteria

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

COMPONENT D: CORPORATE GOVERNANCE

In Langeberg Municipality, the principals of good governance as set out in the King IV Report, are embraced and implemented within the municipality. These principals relate amongst others to ethical governance, the implementation of controls to prevent fraud and corruption and the management of risks.

2.6 RISK MANAGEMENT

The MFMA No. 56 of 2003 Section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

By managing its risks, Langeberg Municipality maximises value by setting clear and realistic objectives, develop appropriate strategies, understands the intrinsic and associated risks of its actions and directs resources towards managing such risks on the basis of cost benefit principles.

Langeberg Municipality bases its risk management on pre-identified and regularly reviewed operational and strategic risks. A risk register has been compiled, together with mitigating measures. An adopted Risk Management Policy regulates the implementation of risk management processes and procedures throughout the 2021-2022financial year.

Table 63: Langeberg Municipality's Strategic Risks in 2021-2022

NO	**LANGEBERG MUNICIPALITY'S TOP 5 RISKS IN** 2021-2022
1	The municipality is approaching a shortage of cemetery space in all towns.
2	Power failures in the municipal area.
3	Underspending of capital budget.
4	Vandalism of municipal properties.
5	Compromised water and wastewater quality.

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The Langeberg Municipality has adopted a fraud prevention policy to guide all employees and even external stakeholders as a point of reference for their conduct in relation to the Municipality. This policy promotes ethical conduct and intends to assist in preventing, detecting, investigating and sanctioning fraud and corruption.

A fraud prevention plan & strategy is also in place for the Municipality to provide a framework on the reporting, handling and investigating of fraud allocations. Additionally, it outlines the activities to be undertaken to enhance employee awareness. As part of the Municipality's risk management processes, fraud risks are also considered to identify where the exposures to fraud exist within the Municipality's current operating system and procedures.

Appropriate prevention, detective and corrective controls are developed and implemented based on identified fraud exposure through review and update of systems, policies and procedures of the Municipality. The Municipality has a zero tolerance towards fraud and corruption and therefore all reported allegations are followed up on or investigated to apply the necessary sanctions and remedies, if applicable. The responsibility to drive employee awareness on fraud and corruption and other related fraud prevention activities resides with the Internal Audit Activity.
The FARMCO and A&PC evaluates the effectiveness of the implementation of fraud prevention related documents and reported fraud considerations to be reported in their quarterly meetings.
- Codes of conduct are in place for municipal employees, service providers and Councillors.
- Declaration of interests are required to made by service providers, relevant officials and Councillors.

KEY RISK AREAS AND PROCESSES

The inherent risk of fraud has been included in the Municipality's risk register and the Municipality's anti-corruption and fraud preventative measures include:

- Continuous promotion of ethical culture through awareness and ongoing training;
- Implementation of risk management policy and other related risk management documentation, fraud prevention policy, fraud prevention plan & strategy;
- Considering and incorporating fraud prevention considerations in other municipal policies, such as supply chain management policy and recruitment & selection policy;
- Provision of adequate and effective security measures at municipal buildings or facilities where required;
- Procedures of employee vetting before employment; and
- The Municipality is promoting the use of the National and Provincial hotlines to report fraud and corruption allegations anonymously.

In each instance where fraud is detected, the matter should be reported to the A&PC with recommendations as to how the adequacy of the applicable current control environment will be enhanced. The A&PC assesses the adequacy of the recommendations and make further recommendations where applicable. These recommendations forms part of the Internal Audit Activity's follow up process on audit findings and progress is reported quarterly to the A&PC.

No details are stipulated on this due to the sensitivity of information relating to investigations and therefore by disclosing any particulars on A&PC recommendations, the confidentiality that is required in this regard may be compromised.
The municipality's anti-corruption and fraud preventative measures include:

- Continuous promotion of an ethical culture;
- On-going staff training;
- Implementation of a policy on fraud prevention and anti-corruption;
- Provision of effective security measures at municipal buildings;
- Procedures of employee vetting before appointment; and,
- An approved risk-based Internal Audit Strategic Plan; a functional internal auditing unit, Risk Management Committee; and Audit and Performance Committee

During the 2021-2022financial year, the Audit & Performance Committee had five (5) members and convened 6 meetings for the purpose of providing oversight of internal controls, financial reporting, compliance with regulatory matters and approving the risk-based Internal Audit Strategic Plan.

The municipality displays a culture of zero-tolerance towards fraud and corruption and takes immediate steps against fraudulent and corrupt actions.

2.8 SUPPLY CHAIN MANGEMENT

The MFMA No. 56 of 2003, Sections 110-119, the SCM Regulations 2005 and relevant MFMA Circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer the best value for money and minimize the opportunities for fraud and corruption.
The municipality adopted a SCM Policy, based on the model prescribed by National Treasury. Implementation of the policy ensures that legal requirements are met. Certain areas of underperformance were highlighted as risks and remedial action was taken and implemented.

The municipality has Bid Specification, Bid Evaluation and Bid Adjudication Committees to ensure that fair and just supply chain processes and outcomes are achieved.

The following staff served on the Bid Adjudication Committee in 2021-2022:

Table 64: Bid Adjudication Committee in 2021-2022

LANGEBERG MUNICIPALITY'S BID ADJUDICATION COMMITTEE IN 2021-2022	
Name	Position
Mr M Shude	Chief Financial Officer (Chairperson)
Mr A W J Everson	Director: Corporate Services
Mr M Mgajo	Director: Community Services
Mr M Johnson	Director: Engineering Services
Mrs C O Matthys	Director: Strategy & Social Development
Mr S Ngcongolo	Manager: SCM
Mrs L Jass-Holmes	Practitioner: SCM (Secundi)

2.9 POLICIES AND BY-LAWS

The Municipal Systems Act, 32 of 2000, Section 11(3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the boundaries of the legislation. The table below provides the policies and by-laws which have been passed by the municipality in 2020-2021.

Table 65: Policies and Bylaws passed in 2021-2022

	POLICY / BYLAW	COUNCIL RESOLUTION
A4181	IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT (SCM) POLICY FOR 2020 / 2021 FINANCIAL YEAR	<u>THIS ITEM SERVED BEFORE AN ORDINARY MEETING OF COUNCIL ON 27 JULY 2021</u> <u>UNANIMOUSLY RESOLVED</u> THAT THE CONTENT OF THE REPORT BE NOTED. *DAT KENNIS GENEEM WORD VAN DIE INHOUD VAN DIE VERSLAG.*
A4083	RESUBMISSION 2: LANGEBERG INFORMAL TRADING BY-LAW AND INFORMAL TRADING AREAS	<u>THIS ITEM SERVED BEFORE AN ORDINARY MEETING OF COUNCIL ON 31 AUGUST 2021</u> <u>UNANIMOUSLY RESOLVED</u>

	POLICY / BYLAW	COUNCIL RESOLUTION
		1. THAT COUNCIL APPROVE THE LIST OF INFORMAL TRADING AREA LISTED IN THE BY LAW 2. THAT THE LANGEBERG MUNICIPALITY: INFORMAL TRADING BY-LAW BE APPROVED WITH THE AMENDMENTS AND BE ADVERTISED IN THE PROVINCIAL GAZETTE
A4184	BUSINESS CONTINUITY COMMITTEE: BUSINESS CONTINUITY MANAGEMENT POLICY AND BUSINESS CONTINUITY IMPLEMENTATION PLAN – 2021 - 2022	<u>THIS ITEM SERVED BEFORE AN ORDINARY MEETING OF COUNCIL ON 31 AUGUST 2021</u> <u>UNANIMOUSLY RESOLVED</u> 1. THAT THE BUSINESS CONTINUITY MANAGEMENT POLICY FOR 2021/22 BE APPROVED BY COUNCIL. 2. THAT THE APPROVED BUSINESS CONTINUITY IMPLEMENTATION PLAN FOR 2021/22 BE NOTED BY COUNCIL
A4187	FRAUD & RISK MANAGEMENT COMMITTEE: FRAUD PREVENTION POLICY, FRAUD PREVENTION PLAN & STRATEGY, FRAUD & RISK MANAGEMENT COMMITTEE CHARTER, RISK MANAGEMENT POLICY, RISK MANAGEMENT STRATEGY, RISK IDENTIFICATION & ASSESSMENT METHODOLOGY, AND RISK MANAGEMENT ANNUAL OPERATIONAL PLAN – 2021 - 2022	<u>THIS ITEM SERVED BEFORE AN ORDINARY MEETING OF COUNCIL ON 31 AUGUST 2021</u> <u>UNANIMOUSLY RESOLVED</u> 1. THAT THE FRAUD PREVENTION POLICY, FRAUD & RISK MANAGEMENT COMMITTEE CHARTER AND RISK MANAGEMENT POLICY FOR 2021/22 BE APPROVED BY COUNCIL. 2. THAT THE APPROVED FRAUD PREVENTION PLAN & STRATEGY, RISK MANAGEMENT STRATEGY, RISK IDENTIFICATION & ASSESSMENT METHODOLOGY AND RISK MANAGEMENT ANNUAL OPERATIONAL PLAN FOR 2021/22 BE NOTED BY COUNCIL.
A4168	RESUBMISSION OF LANGEBERG MUNICIPALITY: INTEGRATED WASTE MANAGEMENT BY-LAW	<u>THIS ITEM SERVED BEFORE AN ORDINARY MEETING OF COUNCIL ON 22 FEBRUARY 2022</u> <u>UNANIMOUSLY RESOLVED</u> 1. THAT COUNCIL APPROVE THE DRAFT LANGEBERG MUNICIPALITY INTEGRATED WASTE MANAGEMENT BY-LAW. 2. THAT THE LANGEBERG MUNICIPALITY INTEGRATED WASTE MANAGEMENT BY-LAW BE APPROVED AND SUBMITTED FOR PROMULGATION.

2.10 WEBSITE

The municipality's website address is http://www.langeberg.gov.za available to accessed via mobile phones or computers. Free access is available at all muncipal libraries.

The municipal website is updated on a daily basis. All current events, news articles, as well as required legislative documents (including budgets, tenders and vacancies) are updated on the website daily. An average of 12 808 unique visitors browsed the municipal website on a monthly basis during the 2020-2021 year, and an average of 14 387 per month in 2021-2022.

The table below reflects the documents which are required to be published on the municipality's website and the municipality's level of compliance with such requirements.

Table 66: Municipal Website: Content and Currency of Material

MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL	
Documents published on the Municipality's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (2020-2021)	Yes
The annual report (2021-2022) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes
All service delivery agreements	No
All long-term borrowing contracts	No
All supply chain management contracts above a prescribed value (give value)	Yes
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2021-2022	Yes
Contracts agreed in 2021-2022 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No
Public-private partnership agreements referred to in section 120 made	No
All quarterly reports tabled in the council in terms of section 52 (d)	Yes
Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.	

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality did not commission any Household Satisfaction Surveys in 2021-2022as complaints and inputs, collected from Ward Block Meetings, as well as on the website and short-message service have however been regarded as community feedback and such data was fully incorporated in the 2021-2022IDP.

Table 67: Public Satisfaction Survey

SATISFACTION SURVEYS UNDERTAKEN DURING: YEAR -1 AND YEAR 0				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:				
(a) Municipality				
(b) Municipal Service Delivery	Telephonic	Daily	13 248	69,9%
(c) Mayor				
Satisfaction with:				
(a) Refuse Collection	Telephonic	Daily	503	65,2%
(b) Road Maintenance	Telephonic	Daily	6 806	70,2%
(c) Electricity Supply	Telephonic	Daily	4 958	76,7%
(d) Water Supply	Telephonic	Daily	6 806	70,2%
(e) Information supplied by municipality to the public	Email (General mail to SMT, Councillors)	Monthly		
(f) Opportunities for consultation on municipal affairs				
** The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory*				

CHAPTER 3
SERVICE DELIVERY PERFORMANCE

Langeberg Municipality 2021/22: Top Layer KPI Report

SO1: Housing: Effective approach to integrated human settlements and improved living conditions of all households

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL2	Vote 6 - Community Services	Basic Service Delivery	Submit quarterly reports on the progress with the implementation of the housing delivery plan to the Portfolio committee	Number of reports submitted	12	Proof of submission of the report	Accumulative	4	3	O	It was the first time reporting this KPI therefore, relevant department could not report in quarter 1 as they were reporting monthly in the previous financial year.	
TL3	Vote 6 - Community Services	Basic Service Delivery	Submit 50 completed signed offer to purchase contracts to the attorneys for registration of title deeds by 30 June 2022	Number of completed signed offer to purchase contracts registered	150	Number of completed signed offer to purchase contracts registered	Accumulative	50	0	R		Appointment of Conveyers completed. Province considering appointing conveyers for all municipalities.
TL16	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the electrification of housing projects and electrification of kenana by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x 100}	% of budget spent	0.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	101.53%	G2		

SO2: Basic Service Delivery: Maintain infrastructure to provide basic services to all citizens

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL4	Vote 6 - Community Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the replacement of hall roofs, upgrade of the sport facilities, fire station and construction of netball courts by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x	% of budget spent	0.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	61.84%	R		Conclude specifications before project approval on the budget. Roll over application will be submitted to council for consideration.
TL5	Vote 6 - Community Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the development of Ashton silo's cemetery expansion by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x 100}	% of budget spent	0.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	22.38%	R		Conclude specifications before approval on the budget. Roll over application will be submitted to council for consideration.
TL10	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the upgrade of Roads and Stormwater in Robertson by 30 June 2022 {(Actual expenditure / Approved budget allocation) x 100}	% of budget spent	95.00%	Monthly section 71 reports submitted and annual financial statements	Last Value	95.00%	100.53%	G2		
TL11	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the upgrade of the bus route in August Street, Nkqubela by June 2022 {(Actual expenditure / Approved budget allocation) x 100}	% of budget spent	0.00%	Monthly section 71 reports submitted and annual financial statements	Last Value	95.00%	0.00%	R		The tender has been awarded, contractor on site and will be completed in the new financial year. The municipality will apply for roll over from National Treasury
TL12	Vote 5 - Engineering Services	Basic Service Delivery	Limit unaccounted electricity to less than 7.5% as at 30 June 2022 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold (incl Free basic electricity)) / Number of Electricity Units Purchased and/or Generated) x 100}	% unaccounted electricity captured in the report	7.50%	Electricity losses report generated from an Excel database maintained for the calculation of the electricity losses	Reverse Stand-Alone	7.50%	6.00%	B		

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL13	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the replacement and repair of electricity network, street lights, prepaid meters, safety and test equipment and new connections by 30 June 2022 {(Total actual expenditure for the project / Approved budget alloca	% of budget spent	90.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	113.02%	G2		
TL14	Vote 5 - Engineering Services	Basic Service Delivery	Achieve 95% of water samples comply with SANS241 micro biological indicators on a monthly basis {(Number of water samples that comply with SANS241 indicators/Number of water samples tested) x 100}	% of water samples compliant	95.00%	Monthly Lab results	Last Value	95.00%	100.00%	G2		
TL15	Vote 5 - Engineering Services	Basic Service Delivery	Limit unaccounted water to less than 15% as at 30 June 2022 {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold (incl free basic water) / Number of Kiloliters Water Purchased or Purified) x 100}	% unaccounted water captured in the report	15.00%	Water Losses Excel database maintained by the Manager: Civil Engineering Services	Reverse Last Value	15.00%	9.32%	B		
TL19	Vote 5 - Engineering Services	Basic Service Delivery	Develop an Integrated Waste Management Plan and submit to Council for approval by 31 March 2022	IWMP developed and submitted to Council for approval	1	IWMP and Agenda of the Council meeting during which the IWMP was discussed	Last Value	1	1	G		
TL20	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the upgrade of filters in Montagu WTW by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x 100}	% of budget spent	95.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	100.18%	G2		
TL21	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the replacement of 11Kv Oil Insulated Switchgear by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x 100}	% of budget spent	0.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	71.24%	R		The project was completed and the remaining amount it's the savings incurred
TL22	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the material recovery facility by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x 100}	% of budget spent	0.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	70.67%	R		The tender for construction has been advertised and construction will take place in the new financial year. Roll over application will be submitted to council for consideration.

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL23	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the installation new pipeline reservoir at Robertson Heights by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x 100}	% of budget spent	0.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	100.00%	G2		
TL24	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted for the upgrade of pumpstation waterworks in Robertson by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x 100}	% of budget spent	0.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	100.00%	G2		
TL25	Vote 5 - Engineering Services	Basic Service Delivery	Spend 95% of the total amount budgeted to replace 66Kv Transformers at Robertson Main Substation by 30 June 2022 {(Total actual expenditure for the project/Total amount budgeted for the project) x 100}	% of budget spent	95.00%	Monthly CAPEX report received from the Finance Department	Last Value	95.00%	100.00%	G2		

SO3: Local Economic Development: Create an enabling environment for economic growth and decent employment

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL44	Vote 3 - Strategy & Social Development	Local Economic Development	Create job opportunities through the Expanded Public Works Programme (EPWP) by 30 June 2022	Number of job opportunities created through EPWP	400	Signed appointment contracts	Accumulative	400	689	B		

SO4: An efficient, effective, responsive and accountable administration

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL1	Vote 6 - Community Services	Basic Service Delivery	Review the Disaster Management Plan and submit for assessment to the District by 31 March 2022	Plan reviewed and submitted	1	Submission to the District and Agenda of the Council meeting during which report was discussed	Carry Over	1	1	G		
TL6	Vote 4 - Corporate Services	Municipal Transformation and Institutional Development	Percentage of municipality's personnel budget actually spent on implementing its workplace skills plan measured as at 30 June 2022 ((Total Actual Training Expenditure/Total Personnel Budget)x100	% of municipality's personnel budget actually spent on implementing its workplace skills plan	1.00%	PROMUN financial system Annual Budget Variance report (Refer to Promun skills levy vote number)	Last Value	1.00%	0.98%	O	The remaining amount was not enough to conduct training	
TL8	Vote 4 - Corporate Services	Municipal Transformation and Institutional Development	Number of people from the EE target groups employed by 30 June 2022 in the 3 highest levels of management in compliance with the approved EE plan	Number of people from the EE target groups employed in the highest 3 levels of management by 30 June 2022	1	Appointment letter and approval dates for the filling of the vacancy	Accumulative	1	3	B		
TL9	Vote 4 - Corporate Services	Municipal Transformation and Institutional Development	Review the macro organisational structure and submit to the Mayor and the MM for approval by 30 June 2022	Micro organisational structure reviewed and submitted for approval	1	Complete signed off structure sheets	Last Value	1	1	G		
TL17	Vote 5 - Engineering Services	Municipal Transformation and Institutional Development	Complete the SDF and submit to Council for approval by 31 March 2022	Number of reviewed SDF's submitted to council	0	Approved SDF and Agenda of the Council meeting during which SDF was discussed	Last Value	1	0	R	Tender 28/2021 was advertised on 29 May 2021 with closing date 25 June 2021. The tender specifications was signed off by all its members. The BAC however, recommended to the Municipal Manager on 4 October 2021, not to approve the preferred bidder but to cancel tender 28/2021. The tender was cancelled on 7 October 2022.	Tender 71/2021 was re-advertised on 18 February 2022 with closing date 18 March 2022. The Municipal Manager on 1 June 2022 approved the recommendation of the BAC to appoint a Service Provider. No appeals were received and the process to re-write the SDF has already commenced. Inception report was received on 3 August 2022. SDF to be submitted to Council for approval by March 2023.

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL34	Vote 1 - Financial Services	Municipal Financial Viability and Management	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2022 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant)	% of debt coverage	45.00%	Annual financial statements	Reverse Last Value	25.00%	3.92%	B		
TL35	Vote 1 - Financial Services	Municipal Financial Viability and Management	Financial viability measured in terms of the outstanding service debtors as at 30 June 2022 (Total outstanding service debtors, including property rates/revenue received for services, including property rates and rental from fixed assets)x 100)	% of outstanding service debtors	12.00%	Annual financial statements	Reverse Last Value	12.00%	8.44%	B		
TL36	Vote 1 - Financial Services	Municipal Financial Viability and Management	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2022 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months' operational expenditure covered by available cash	2	Annual financial statements	Last Value	2.20	5.06	B		
TL39	Vote 1 - Financial Services	Municipal Financial Viability and Management	Achieve a debtor payment percentage of 95% as at 30 June 2022 {(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue) x 100}	Payment % achieved	95.00%	Annual financial statements	Last Values	95.00%	95.00%	G		

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL40	Vote 2 - Executive & Council	Good Governance and Public Participation	Conduct two (2) formal evaluations of directors in terms of their signed agreements	Number of formal evaluations conducted	2	Evaluation report and signed scoring sheets	Accumulative	2	2	G		
TL41	Vote 2 - Executive & Council	Basic Service Delivery	The percentage of the municipal capital budget spent on projects as at 30 June 2022 {(Actual amount spent on capital projects excluding orders/Total amount budgeted for capital projects) x 100}	% of capital budget spent	90.00%	Monthly section 71 reports submitted and annual financial statements	Last Value	95.00%	69.99%	R	Performance sitting at 83.08% including order that were still being process	Procurement plans and performance information will be discussed at SMT meetings to monitor performance.
TL42	Vote 2 - Executive & Council	Good Governance and Public Participation	Develop an Audit Action Plan by 31 January 2022 from the final management report issued by the AG and submit to the MM and Audit Committee for approval	Approved Audit Action Plan	1	Approved Audit Action Plan by MM and AC, minutes of the meeting of AC	Last Value	1	1	G		
TL43	Vote 2 - Executive & Council	Good Governance and Public Participation	Develop a Risk Based Audit Plan and submit to the MM and Audit Committee by 30 June 2022	Risk Based Audit Plan developed and submitted to the MM and Audit Committee	1	Submission of the Risk Based Audit Plan to MM and Minutes of Audit Committee meeting during which risk based audit plan was discussed	Last Value	1	1	G		
TL45	Vote 3 - Strategy & Social Development	Good Governance and Public Participation	Review IDP and submit to Council for consideration by 31 March 2022	Draft IDP and consideration by Council	1	Minutes of council meeting during which IDP was discussed	Carry Over	1	1	G		
TL46	Vote 3 - Strategy & Social Development	Good Governance and Public Participation	Submit the Mid-Year Performance Report in terms of Section 72 of the MFMA to Council by 31 January 2022	Number of reports submitted to Council	1	Report and minutes of Council meetings during which the report was discussed	Carry Over	1	1	G		
TL47	Vote 3 - Strategy & Social Development	Good Governance and Public Participation	Submit the draft Annual Report to Council by 31 January 2022	Number of reports submitted to Council	1	Draft Annual Report document and Minutes of council meeting during which report was discussed	Carry Over	1	1	G		
TL48	Vote 3 - Strategy & Social Development	Good Governance and Public Participation	Submit the Oversight Report on the Annual Report to Council by 31 March 2022	Number of reports submitted to Council	1	Oversight Report document and Minutes of council meeting during which report was discussed	Carry Over	1	1	G		
TL49	Vote 3 - Strategy & Social Development	Municipal Transformation and Institutional Development	Spend 95% of the total amount budgeted to upgrade ICT infrastructure and General ICT needs by 30 June 2022 {(Actual expenditure/ Approved budget allocation) x 100}	% of budget spent	95.00%	Monthly section 71 reports submitted and annual financial statements	Last Value	95.00%	64.26%	R	Due to COVID19 service provider could not import goods	Ongoing communication with the service provider, Roll over application will be submitted to council for consideration.

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending			June 2022	
								Target	Actual	R	Performance Comment	Corrective Measures
TL50	Vote 3 - Strategy & Social Development	Good Governance and Public Participation	Submit the Top Layer SDBIP to the Mayor for approval within 14 days after the annual budget has been approved	Number of Approved Top Layer SDBIP's submitted to the Mayor within 14 days after the annual budget has been approved	1	Acknowledgement of receipt from the Mayor and approved Top layer SDBIP	Carry Over	1	1	G		

SO5: Sound Financial Management: Adherence to all laws and regulations applicable to LG

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL18	Vote 5 - Engineering Services	Basic Service Delivery	Achieve 80% of effluent samples comply with permit values on a monthly basis {(Number of effluent samples that comply with permit values/Number of effluent samples tested) x 100}	% of effluent samples compliant	75.00%	Monthly Lab results	Stand-Alone	80.00%	60.93%	O	Due to the shortage of chlorine gas in the country we struggled to meet the biological requirement	Chlorine dosing at sewer plants done by means of Chlorine floaters as an interim measure until such time gas becomes readily available again
TL26	Vote 1 - Financial Services	Basic Service Delivery	Number of formal residential properties that receive piped water that is connected to the municipal water infrastructure network and which are billed for water or have pre-paid meters as at 30 June 2022	Number of residential properties which are billed for water or have pre paid meters	15 000	MUN837 report from the Promun financial system	Last Value	14 500	15 055	G2		
TL27	Vote 1 - Financial Services	Basic Service Delivery	Number of formal residential properties connected to the municipal electrical infrastructure network and which are billed for electricity or have pre paid meters as (Excluding Eskom areas) at 30 June 2022	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas)	19 000	MUN837 report from the Promun financial system	Last Value	16 800	18 568	G2		
TL28	Vote 1 - Financial Services	Basic Service Delivery	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and which are billed for sanitation/sewerage as at 30 June 2022	Number of residential properties which are billed for sanitation/sewerage	15 000	MUN837 report from the Promun financial system	Last Value	14 500	15 337	G2		

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL29	Vote 1 - Financial Services	Basic Service Delivery	Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at 30 June 2022	Number of residential properties which are billed for refuse removal	15 000	MUN837 report from the Promun financial system	Last Value	14 500	15 403	G2		
TL30	Vote 1 - Financial Services	Basic Service Delivery	Provide free basic water to indigent households as at 30 June 2022	Number of indigent households receiving free basic water	7 000	Mun837 report from the Promun financial system	Reverse Last Value	7 000	5 688	B		
TL31	Vote 1 - Financial Services	Basic Service Delivery	Provide free basic electricity to indigent households as at 30 June 2022	Number of indigent households receiving free basic electricity	7 000	Mun837 report from the Promun financial system	Reverse Last Value	7 000	5 848	B		
TL32	Vote 1 - Financial Services	Basic Service Delivery	Provide free basic sanitation to indigent households as at 30 June 2022	Number of indigent households receiving free basic sanitation services	7 000	Mun837 report from the Promun financial system	Reverse Last Value	7 000	5 703	B		
TL33	Vote 1 - Financial Services	Basic Service Delivery	Provide free basic refuse removal to indigent households as at 30 June 2022	Number of indigent households receiving free basic refuse removal services	7 000	Mun837 report from the Promun financial system	Reverse Last Value	7 000	5 709	B		
TL37	Vote 1 - Financial Services	Good Governance and Public Participation	Submit the final annual budget to Council by 31 May 2022	Final budget submitted to Council	1	Minutes of council meeting during which the Budget was submitted for approval	Carry Over	1	1	G		
TL38	Vote 1 - Financial Services	Good Governance and Public Participation	Submit monthly reports in terms of Section 71 of the MFMA to Council	Number of reports submitted to Council	12	Minutes of council meeting during which report was discussed	Accumulative	12	12	G		

SO6: Effective stakeholder engagements to promote civic education

KPI Ref	Responsible Directorate	National KPA	KPI	Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Year to Date Values for Quarter ending June 2022				
								Target	Actual	R	Performance Comment	Corrective Measures
TL7	Vote 4 - Corporate Services	Good Governance and Public Participation	Arrange and attend the monthly meetings of ward committees	Number of monthly ward committee meetings held	120	Minutes of Ward Committee meetings	Accumulative	48	36	O	The decision was taken by the Speaker to stop ward committee meetings until elections.	
TL51	Vote 3 - Strategy & Social Development	Good Governance and Public Participation	Obtain inputs for the IDP and budget process from all wards by 30 April 2022	Proof of inputs received	4	Proof of inputs received via different sources	Accumulative	24	24	G		

CHAPTER 4
ORGANISATIONAL DEVELOPMENT PERFORMANCE

LANGEBERG
MUNISIPALITEIT MUNICIPALITY MASIPALA

COMPONENT A: INTRODUCTION TO THE MUNCIPAL PERSONNEL

A system-wide process of data collection, diagnosis, action planning, intervention, and evaluation aimed at
(1) enhancing congruence among organisational structure, process, strategy, people and culture;
(2) developing new and creative organisational solutions; and
(3) developing the organisation's self-renewing capacity.

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resources department endeavours to enhance excellence within the Municipality by promoting an ethical and professional working environment and empowering a loyal and diverse workforce toward maximizing personal potential, competency and productivity. It aims to be a trendsetter in the continuous improvement and alignment of individual and organizational effectiveness. They strive to that people are at the centre of development. The following measures is implemented to improve performance:

- To provide human resources consultation, comprehensive solutions and support to the various departments enabling optimum functionality and a committed, competent workforce.
- To supply the tools, training and motivation to the various sections enabling them to meet and exceed department tasks and service delivery.
- To be a model of excellence resulting in a motivated and representative Municipal workforce with high ethical standards, accountability, loyalty and dignity.
- To lead the organisation in establishing and maintaining optimal and transparent corporate governance and in applying the Batho Pele Principles.
- To recruit and retain a high-performing, culturally compatible and diverse workforce, and to position the Langeberg Municipality as an employer of choice.
- To provide the workforce with equal opportunity for learning and personal growth.
- To recognize and encourage the value of diversity within the workplace, and to provide a safe, fair and healthy working environment.
- To encourage a collaborative, creative and innovative philosophy within the workplace.
- To ensure the implementation of value-added policies and practices whilst maintaining compliance with legislation.

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

The tables below provide the employee totals, vacancy rate and staff turnover for 2021-2022. Although 155 posts were vacant, only 79 of those posts were budgeted for.

The Municipality had a total of 11 staff members with disabilities in 2021-2022. There was a total of 7 Financial Management Interns.

Table 68: Employee Totals for 2021-2022

Employee Totals for 2021-2022				
Description	2021-2022			
	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	55	48	7	13%
Waste Water (Sanitation)	40	34	6	15%
Electricity	67	51	16	24%
Waste Management	100	81	19	19%
Housing	10	8	2	20%
Waste Water (Stormwater Drainage)	34	30	4	12%
Roads	34	30	4	12%
Planning	15	11	4	27%
Local Economic Development	7	6	1	14%
Planning (Strategic & Regulatory)	14	11	3	21%
Community & Social Services	42	33	9	21%
Environmental Protection	76	66	10	13%
Security and Safety	69	53	16	23%
Sport and Recreation	0	0	0	
Finance	91	79	12	13%
Corporate	68	55	13	19%
Other	131	102	29	22%
Totals	853	698	155	

Table 69: Employee Vacancy Rate for 2021-2022

Employee Vacancy Rate: 2021-2022			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0,00
CFO	1	0	0,00
Other S57 Managers (excluding Finance Posts)	4	0	0,00
Other S57 Managers (Finance posts)	0	0	0,00
Fire fighters	16	6	37,50
Senior management: Levels 13-15 (excluding Finance Posts)	25	2	8,00
Senior management: Levels 13-15 (Finance posts)	4	0	0,00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	85	15	17,65
Highly skilled supervision: levels 9-12 (Finance posts)	12	3	25,00
Total	148	26	17,57

Graph 04 : Vacancy Rate

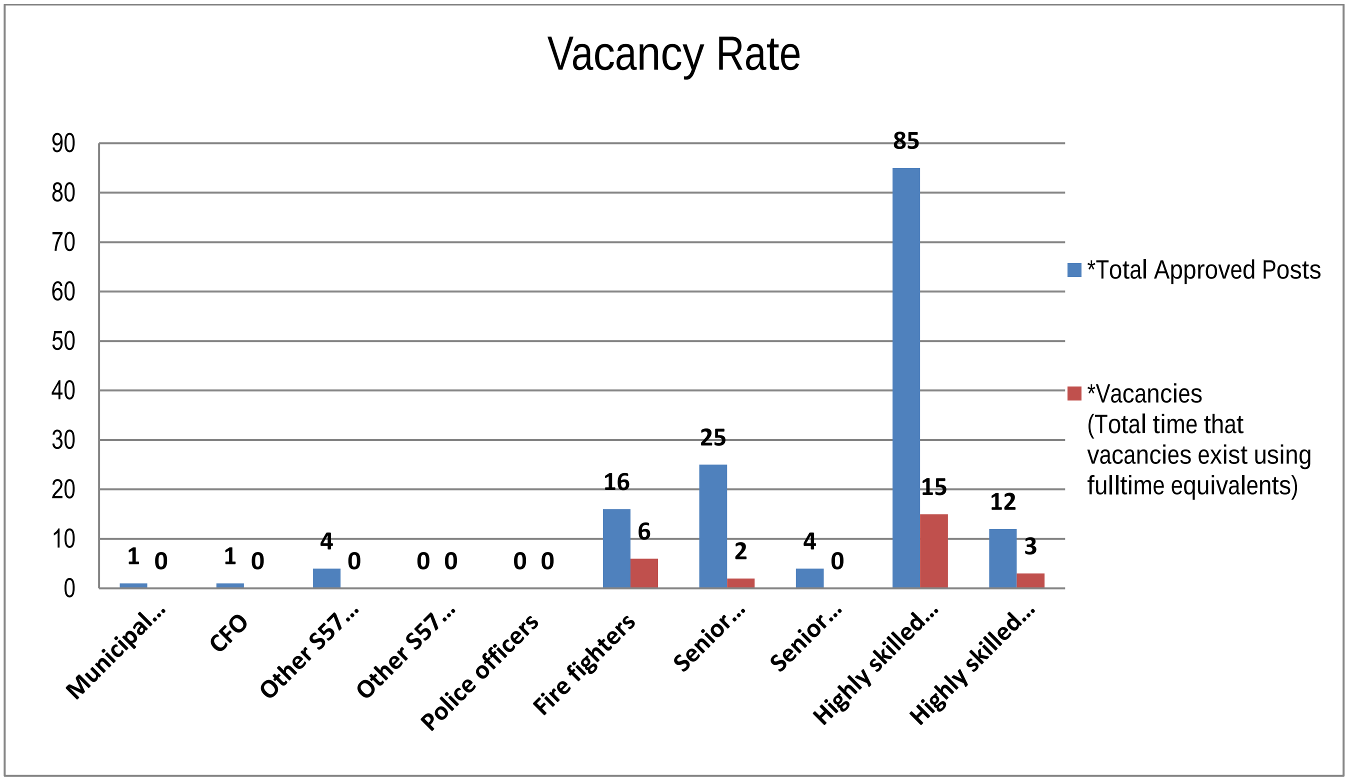


Table 70 : Employee Turn-over Rate for 2021-2022

Employee Turn-over Rate for 2021 - 2022			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2019-2020	734	42	5.7%
2020-2021	722	47	6.5%
2021-2022	703	47	6.6%

The section 57 vacancies and posts of senior management and highly skilled supervision have remained filled.

The following measures must be implemented to successfully attract and retain staff

- Identifying future critical positions and leadership roles from the Workforce Plan.
- Verifying processes and systems which will attract a sustainable pool of talent for current objectives and future organisation needs.
- Managing the retention of talent.
- Linking high potential employees with key future roles in the Organisation.
- Pinpointing, through assessment, optimal development opportunities for talent.
- Accomplishing consistently high levels of performance from employees.
- Ensuring relevant roles for all stakeholders in the development and management of talent.
- Monitoring and reporting on Talent Management key result areas and indicators.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

The Municipal System Act, 32 of 2000, S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration in accordance with the Employment Equity Act, 55 of 1998.
This section reports on all the measures necessary for the effective and efficient management of the Municipality's workforce and includes the regulatory environment and policy development, injuries and sickness, discipline, performance and rewards.

4.2 WORKFORCE POLICIES

The Municipality is keen on providing a stable, regulated working environment to its staff and regard policy development important and of high priority. The municipality is in the process of reviewing its Human Resource policies as indicated in the table.

Table 71: Human Resource Policies and Plans

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Adopted by council or comment on failure to adopt
1	Affirmative Action		100	Yes
2	Attraction and Retention		100	
3	Code of Conduct for employees	100		No
4	Delegations, Authorisation & Responsibility	100		
5	Disciplinary Code and Procedures	100		No
6	Essential Services	100		
7	Employee Assistance / Wellness	100		
8	Employment Equity		100	Yes
9	Exit Management		100	No
10	Grievance Procedures	100		No
11	HIV/Aids	100		Yes
12	Human Resource and Development	100		Yes
13	Information Technology	100		
14	Job Evaluation		100	No
15	Leave	100		Yes
16	Occupational Health and Safety	100		Yes
17	Official Housing			
18	Official Journeys			
19	Official transport to attend Funerals	100		
20	Official Working Hours and Overtime	100		No
21	Organisational Rights	100		
22	Payroll Deductions	100		
23	Performance Management and Development			
24	Recruitment, Selection and Appointments		100	Yes
25	Remuneration Scales and Allowances	100		
26	Resettlement	100		
27	Sexual Harassment	100		
28	Skills Development		100	Yes
29	Smoking	100		
30	Special Skills		100	
31	Work Organisation	100		Yes
32	Uniforms and Protective Clothing	100		
33	Other:			

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Table 72: Number of Injuries and Cost on Duty

Number and Cost of Injuries on Duty				
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days
Required basic medical attention only	60	5	8%	12
Temporary total disablement	0	0	0	0
Permanent disablement	0	0	0	0
Fatal	0	0	0	0
Total	60	5	8%	12

Langeberg Municipality has an established Safety Committee where all working injuries are discussed and if needed measures been put in place to reduce working injuries. Sick leave is still a major concern and during the Covid-19 pandemic there was an increase in sick leave at the municipality. Personal records are maintained of the number of instances of sick leave.

Table 73: Number and Period of Suspensions

Nature of Misconduct	Date of Suspension	Details of Disciplinary action taken or Status of case and reasons why not finalised	Date Finalised
Dishonesty and Non-Compliance with SCM Policy.	28 June 2021	Employee resigned prior to disciplinary hearing.	15 September 2021
Fraudulent Medical Certificate.	15 September 2021	Employee resigned prior to disciplinary action being taken.	30 September 2021

Table 74: Disciplinary Action taken on cases of Financial Misconduct

Nature of alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
Dishonesty and Non-Compliance with SCM Policy R 54 643,00	Employee resigned prior to disciplinary hearing. The loss of R 54 643.00 was recovered from the employee who was guilty of financial misconduct.	15 September 2021

4.4 PERFORMANCE REWARDS

The performance evaluation for Section 57 Managers forms the basis for rewarding outstanding performance. Performance bonuses are paid in line with the suggested calculator and provisions of the Local Government Municipal Performance Regulations for Municipal Managers and Managers, directly Accountable to the Municipal Manager of 2006.

Table 75: Performance Rewards by Gender

Performance Rewards by Gender			
Designations	Beneficiary profile		
	Gender	Total number of employees in group	Number of beneficiaries
MM and S57 Directors	Female	1	1
	Male	5	5
Total		50	21

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

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

Table 76: Capacity Building

Capacity Building:	2022	2023	2024
Align Training & Skills Development Policy with HR Strategy and Vision of HR Dept. Include section on Recognition of Prior Learning in Policy.	✓	✓	✓
Review T&S Development Policy annually (align with HR Strategy).	✓	✓	✓
Personal Development Plan in place for all staff.	✓	✓	✓
Monitor and assess effectiveness of training.	✓	✓	✓
Collaborate with other high-performing Municipalities and share information (benchmarking) on Training and Development statistics.	✓	✓	✓
Integration between Performance Management and Training.	✓	✓	✓
Review of Performance Management Policy.		✓	
Awareness campaign / drive.	✓	✓	✓
Regular reviews of performance and agreement on training and development needs.	✓	✓	✓
Review of individual performance bi-annually	✓	✓	✓
Moderation and awarding of performance annually	✓	✓	✓

4.5 SKILLS DEVELOPMENT AND TRAINING

The Municipality has an approved organisational structure which was revised on 13 November 2020. The organisational structure of the Municipality provides for five (5) section 56 positions and one (1) section 57 position. None of section 56/57 positions is vacant. The overall vacancy rate of the Municipality for 2020-2021 was 13.6% (Budgeted posts). Senior Management is capacitated and complies with the minimum requirements in terms of the National Qualifications Framework.

As required by the Skills Development Act No. 97 of 1998 and the Sector Education Training Authorities Grant

Table 77: Skills Matrix

Skills Matrix				
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 2022	
			Learnerships	Skills programmes & other short courses
		No.	Actual: End of Year 0	Actual: End of Year 0
MM and s57	Female		0	0
	Male		0	0
Councillors, senior officials and managers	Female		0	8
	Male		0	1
Technicians and associate professionals*	Female		0	8
	Male		0	36
Professionals	Female		0	26
	Male		13	1
Sub total	Female			65
	Male		13	4
Total		0	26	149

Regulations, 2012, the Municipality submitted its Workplace Skills Plan for staff training and development on 26 April 2021. The Municipality has a functional Training Committee.

For the year under review, the Municipality trained 191 employees, compared to 373 employees in 2020-2021.

4.6 FINANCIAL COMPETENCY DEVELOPMENT PROGRESS

In terms of Section 83 (1) of the Municipal Finance Management Act (MFMA), 56 of 2003, the accounting officer, senior managers, chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are important for 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.

4.7 Skills Development Budget and Expenditure

The Municipality offers learnerships and bursaries to staff to enhance organisational capacity and to further personal growth and career development. Organisational and staff development continued to be a targeted focus in 2021-2022.

The Langeberg Municipality has an approved 2021-2022 Workplace Skills Plan (WPS) that was negatively impacted implementation by the COVID-19 Regulations during this period.

No learners were recorded to have received training through learnerships in 2021-2022, compared to 45 learners in the 2020-2021 financial year.

Table 78: Financial Competency Development Progress Report

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	0	0	0	0	0	0
Chief financial officer	0	0	0	0	0	0
Senior managers	0	0	0	0	0	0
Any other financial officials	0	0	0	0	0	0
Supply Chain Management Officials						
Heads of supply chain management units	0	0	0	0	0	0
Supply chain management senior managers	0	0	0	1	1	1
TOTAL	0	0	0	1	1	1
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						T 4.5.2

Table 79: Training and Development

Training and Development:	2022	2023	2024
Management and Leadership: Leadership Development, Middle Management Development Programme, People Management, Emotional Intelligence, Diversity Management, Mentoring & Coaching, Monitoring & Evaluation, Strategic Planning & Change Management, Women in management, Negotiation Skills.	✓	✓	✓
Financial Viability: Municipal Minimum Competency Levels (24-unit standards) / Municipal Financial Management Programme (15-unit standards, accredited training), Risk Management.	✓	✓	✓
Community Based Participation and Planning: Integrated Community Development Programme (ICDP), SMME Development, Local Economic Development, HIV/AIDS Management.		✓	
Infrastructure and Service Delivery: Artisan / Apprenticeship Development (Bricklayer, Electrical and Plumber).	✓		✓
Adult Education and Training (AET): Adult Education and Training – Pre-AET Level 4, National Certificate / Grade 12.	✓	✓	✓
Conduct an annual training needs assessment to ensure training is designed to improve organisational and individual performance.	✓	✓	✓
Develop a leadership succession plan, including a leadership gap analysis.		✓	
Establish a leadership development programme for all supervisors, managers and executives to invest in the continuous development of leadership.		✓	
Provide coaching and consultative support to management on leadership development and people management issues.			✓

The municipality received funding from the LGSETA for learnership and we apply every year to receive this funding. Funding was also received to train for employees to become Electricians through an apprenticeship programme. The municipality also make provision in their own budget for training funding.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Workforce expenditure is controlled against the approved establishment, the budget and anticipated vacancy rates arising from turnover. The Municipality seeks to obtain value for money from the workforce by monitoring absenteeism and staff performance.

The municipality ensure that before post get advertised, that the post is budgeted for. The staff establishment gets reviewed regularly to ensure that the workforce is able to provide service delivery to the communities.

No employees was appointed to posts that are not approved.

Table 80: Employees whose salary levels exceed the grade determined by job evaluation

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Artisan: Electrician	2	T10	245100-318108	Personal to incumbent
Chief Clerk	1	T8	193356-250980	Personal to incumbent
Snr Supervisor	1	T8	193356-250980	Personal to incumbent
Executive PA	1	T7	171792-222924	Personal to incumbent
Principal Clerk	3	T7	171792-222924	Personal to incumbent
Supervisor	6	T7	171792-222924	Personal to incumbent
Driver Operator	1	T6	171792-222924	Personal to incumbent
Library Assistant	1	T6	171792-222924	Personal to incumbent
Personal Assistant	1	T6	142032-184392	Personal to incumbent
Snr Clerk	11	T6	142032-184392	Personal to incumbent
Snr Storeman	1	T6	142032-184392	Personal to incumbent
Teamleader	1	T6	142032-184392	Personal to incumbent
Cashier	3	T5	120936-156228	Personal to incumbent
Clerk	2	T5	120936-156228	Personal to incumbent
Driver Operator	4	T5	120936-156228	Personal to incumbent
Security Officer	14	T5	120936-156228	Personal to incumbent
Storeman	1	T5	120936-156228	Personal to incumbent
Operator Compactor	1	T4	110052-138768	Personal to incumbent
General Assistant	2	T3	107448-126876	Personal to incumbent

4.8 DISCLOSURES OF FINANCIAL INTERESTS

Langeberg Municipality ensures that all applicable employees and Councillors declare their financial interests once a year as required by PM Regulations 805 of 2006.

Table 81: Disclosure of Financial interest

Disclosures of Financial Interests		
Period 1 July to 30 June of 2021-2022		
Position	Name	Description of Financial interests*
(Executive) Mayor	SW van Eeden	Shares in LA Concorde LTD, Distell Group, Remgro, Reinet Investments, Firstrand, Hosken Pax, British America, RMB Holdings
Member of MayCo / Exco	C Steyn	Nil
	JCJ Coetzee	Nil
	DAT Felix	Nil
	JS Steenkamp	JS Steenkamp Family Trust, Bauhaus Property Consulting
	P Hess	Robertson Small Scale Farmers
	RC Henn	Residential Property which generate an income
Councillor	NJ Beginsel	Nil
	TVE Coetzee	B&B
	M Gertse	NPO at CLA
	CJ Grootboom	Welkom Zizani (BEE)
	L Gxowa	Nil
	DB Janse	Nil
	JJJS Januarie	Nil
	GD Joubert	Joubert Family Trust, Properties and Guest House
	LL Kahla	Nil
	JS Mafilika	Nil
	A Ndongeni	Nil
	MG Oostendorff-Kraukamp	Nil
	CJ Pokwas	Nil
	DJ September	NPO at Langeberg Children Group
	Y Siegel	Nil
	OC Simpson	Nil
Municipal Manager	ASA de Klerk	Annuity at SANLAM
Chief Financial	M Shude	Mzondi Industries, 34% shares, Financial Advisor
Deputy MM and (Executive) Directors	AWJ Everson	Nil
	CO Matthys	Nil
	M Mgajo	Phutumu Ntati Comunal
	M Johnson	Properties
Other S57 Officials		
** Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A*		

CHAPTER 5
FINANCIAL PERFORMANCE

LANGEBERG
MUNISIPALITEIT MUNICIPALITY MASIPALA

LANGEBERG

MUNISIPALITEIT **MUNICIPALITY** MASIPALA

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2022

AUDITOR GENERAL SOUTH AFRICA

Auditing to build public confidence

30 November 2022

LANGEBERG LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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The reports and statements set out below comprise the Annual Financial Statements presented to the council:

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AUDITOR GENERAL SOUTH AFRICA
Auditing to build public confidence
30 November 2022

General Information

MEMBERS OF THE EXECUTIVE MAYORAL COMMITTEE AS AT 30 JUNE 2022

For the period 01 July 2021 to 31 October 2021:		For the period 01 November 2021 to 30 June 2022:	
SW van Eeden	Executive Mayor	SW van Eeden	Executive Mayor
Cllr DB Janse	Corporate Services	Cllr C Steyn	Corporate Services
Cllr JD Burger	Strategy & Social Development	Cllr JG Steenkamp	Strategy & Social Development
Cllr EMJ Scheffers	Financial Services	Cllr DAT Felix	Financial Services
Cllr GD Joubert	Engineering Services	Cllr JCJ Coetzee	Engineering Services
Cllr GD Joubert	Community Services	Cllr RC Henn	Community Services

AUDITORS

Auditor-General of South Africa
19 Park Lane, Milnerton, Cape Town, 7441
Western Cape

BANKERS

ABSA
180 Commissioner Street, Johannesburg, 2001

REGISTERED OFFICE

28 Main Road
Ashton, Western Cape, 6715

REGISTRATION NUMBER

WC026

ACTING MUNICIPAL MANAGER

M Mgajo

CHIEF FINANCIAL OFFICER

M Shude

AUDITOR GENERAL
SOUTH AFRICA
Auditing to build public confidence
30 November 2022

General Information (Continued)

LEGAL FORM

Category B Municipality which operates in accordance with Chapter 7 of the Constitution of South Africa.

The Objects of Local Government are:
to provide democratic and accountable government for local communities;
to ensure the provision of services to communities in a sustainable manner;
to promote social and economic development;
to promote a safe and healthy environment; and
to encourage the involvement of communities and community organisations in the matters of local government
The Municipality must strive, within its financial and administrative capacity, to achieve the objects as set out

JURISDICTION

Greater Langeberg area which includes:

Ashton
Bonnievale
McGregor
Montagu
Robertson

LEGISLATION GOVERNING THE MUNICIPALITY'S OPERATIONS

Basic Conditions of Employment Act (Act no 75 of 1997)
Collective Agreements (Act no 66 of 1995)
Disaster Management Act (Act no 57 of 2002)
Division of Revenue Act (Act no 1 of 2005)
Electricity Act (Act no 41 of 1987)
Employment Equity Act (Act no 55 of 1998)
Housing Act (Act no 107 of 1997)
Municipal Budget and Reporting Regulations, 2009
Municipal Finance Management Act (Act no 56 of 2003)
Municipal Planning and Performance Management Regulations, 2006
Municipal Property Rates Act (Act no 6 of 2004)
Municipal Regulations on Standard Chart of Accounts
Municipal Structures Act (Act no 117 of 1998)
Municipal Systems Act (Act no 32 of 2000)
Municipal Systems Amendment Act (Act no 7 of 2011)
SALGBC Leave Regulations, 2019
Skills Development Levies Act (Act no 9 of 1999)
Supply Chain Management Regulations, 2005
Income Tax Act (Act 58 of 1962)
Unemployment Insurance Act (Act no 30 of 1966)
Value Added Tax Act (Act no 89 of 1991)
Water Services Act (Act no 108 of 1997)

Approval of Annual Financial Statements

MEMBERS OF THE LANGEBERG LOCAL MUNICIPALITY

Executive Mayor	Ald SW van Eeden
Deputy Executive Mayor	Cllr JG Steenkamp
Speaker	Cllr P Hess

Ward	**Councillor**
1	Cllr C Steyn
2	Cllr L Gxowa
3	Cllr P Hess
4	Cllr JJS January
5	Cllr MG Oostendorff-Kraukamp
6	Cllr DB Janse
7	Cllr DAT Felix
8	Ald SW Van Eeden
9	Cllr Y Siegel
10	Cllr A Ndongeni
11	Cllr JCJ Coetzee
12	Cllr CJ Pokwas
Proportional	Cllr OC Simpson
Proportional	Cllr JS Mafilika
Proportional	Cllr LL Kahla
Proportional	Cllr GD Joubert
Proportional	Cllr JG Steenkamp
Proportional	Cllr RC Henn
Proportional	Cllr TV Coetzee
Proportional	Cllr NJ Beginsel
Proportional	Cllr CJ Grootboom
Proportional	Cllr D September
Proportional	Cllr M Gertse

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LANGEBERG LOCAL MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Approval of Annual Financial Statements

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

The annual financial statements were prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) as well as relevant interpretations, guidelines and directives issued by the Accounting Standards Board.The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

I have reviewed the municipality's cash flow forecast for the year to 30 June 2023 and, in the light of this review and the current financial position, I am satisfied that the municipality has access to adequate resources to continue in operational existence for the foreseeable future. The annual financial statements are prepared on the basis that the municipality is a going concern and that the Langeberg Local Municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

Although, I am primarily responsible for the financial affairs of the municipality, this is supported by the municipality's external auditors. I would like to bring to your attention the following material matters to your attention :

I certify that the salaries, allowances and benefits of councillors as disclosed in note 35 to these annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998 and the Minister of Provincial and Local Government's determination in accordance with the Act.

The external auditor, being the Auditor General of South Africa, is responsible for independently reviewing and reporting on the municipality annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 7.

The annual financial statements for the year ended 30 June 2022, which have been prepared on the going concern basis, were approved on 31 August 2022.

31 August 2022

M Mgajo **Date**

Acting Accounting Officer

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30 November 2022

Report of the Auditor General

- Insert Audit Report -

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LANGEBERG LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2022

	Note	2022 R	2021 Restated R
ASSETS			
Current Assets		**456 700 271**	**365 651 403**
Inventories	2.	19 074 281	15 465 679
Receivables from Exchange Transactions	3.	56 813 048	50 823 698
Statutory Receivables from Exchange Transactions	4.	2 586 256	1 155 500
Receivables from Non-exchange Transactions	5.	11 538 165	10 120 496
Statutory Receivables from Non-Exchange Transactions	6.	8 189 431	4 891 378
Cash and Cash Equivalents	7.	358 389 829	283 054 845
Lease Receivables	14.	109 261	139 807
Non-Current Assets		**852 786 906**	**806 226 689**
Property, Plant and Equipment	8.	822 753 869	775 625 855
Intangible Assets	9.	1 036 964	1 017 125
Investment Property	10.	28 183 133	28 511 536
Heritage Assets	11.	275 448	275 448
Non-current Investments	13.	137 205	135 546
Long-term Receivables	15.	400 287	661 179
Total Assets		**1 309 487 177**	**1 171 878 092**
LIABILITIES			
Current Liabilities		**194 037 615**	**173 755 500**
Consumer Deposits	16.	15 783 208	14 280 417
Payables from Exchange Transactions	17.	92 291 577	77 219 471
Unspent Conditional Grants and Receipts	18.	28 591 429	28 796 545
Lease Payables	19.	195 098	811 759
Borrowings	20.	4 062 325	4 059 825
Employee Benefit Liabilities	21.	24 056 510	22 672 088
Provisions	22.	29 057 468	25 915 395
Non-Current Liabilities		**157 112 879**	**144 089 726**
Lease Payables	19.	69 785	232 750
Borrowings	20.	31 912 840	35 847 706
Employee Benefit Liabilities	21.	60 995 000	61 444 000
Provisions	22.	64 135 254	46 565 270
Total Liabilities		**351 150 494**	**317 845 226**
Total Assets and Liabilities		**958 336 683**	**854 032 867**
NET ASSETS		**958 336 682**	**854 032 867**
Reserves	23.	62 920 999	62 920 999
Accumulated Surplus / (Deficit)	24.	895 415 683	791 111 868
Total Net Assets		**958 336 682**	**854 032 867**

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LANGEBERG LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

	Note	Actual 2022 R	Actual 2021 Restated R
REVENUE			
Revenue from Non-exchange Transactions		**285 347 816**	**217 671 857**
Property Rates	**25.**	92 757 614	59 485 886
Fines, Penalties and Forfeits	**26.**	10 710 360	7 537 290
Transfers and Subsidies	**28.**	177 815 768	146 587 651
Availability Charges	**29.**	2 979 461	3 420 436
Finance Income	**33.**	1 084 613	640 594
Revenue from Exchange Transactions		**678 007 882**	**594 371 169**
Licences and Permits	**27.**	2 132 063	2 157 771
Service Charges	**29.**	637 465 642	553 025 385
Sales of Goods and Rendering of Services	**30.**	6 038 475	5 916 600
Income from Agency Services	**31.**	5 106 265	5 166 816
Rental from Fixed Assets	**32.**	3 365 264	2 902 788
Finance Income	**33.**	18 309 708	12 708 522
Operational Revenue	**34.**	5 219 599	12 152 544
Gains on Disposal of Property, Plant and Equipment	**49.**	370 866	340 743
Total Revenue		**963 355 698**	**812 043 026**
EXPENDITURE		**859 084 717**	**777 701 921**
Employee Related Costs	**35.**	216 975 370	210 547 287
Remuneration of Councillors	**36.**	10 750 827	10 701 102
Depreciation and Amortisation	**37.**	36 769 399	33 018 166
Bad Debt Written Off	**38.**	25 808 416	10 679 186
Impairment Losses	**39.**	13 270 054	10 118 569
Finance Cost	**41.**	16 187 928	14 801 448
Bulk Purchases	**42.**	428 148 787	370 850 118
Contracted Services	**43.**	29 095 310	28 012 896
Inventory Consumed	**44.**	39 148 949	48 399 138
Transfers and Subsidies Paid	**45.**	2 501 004	2 131 699
Operating Leases	**46.**	277 912	-
Operational Costs	**47.**	40 150 761	38 442 312
Total Expenditure		**859 084 717**	**777 701 921**
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR		**104 270 981**	**34 341 105**
OTHER REVENUE / EXPENDITURE INCURRED			
Other Operations:			
Inventory Gains/(Losses)	**40.**	30 840	6 107
Gains on Other Fair Value Adjustments	**48.**	4 289	63 047
Losses on Fair Value Adjustment	**48.**	(2 295)	-
TOTAL OTHER REVENUE / EXPENDITURE INCURRED		**32 834**	**69 154**
SURPLUS / (DEFICIT) FOR THE YEAR		**104 303 815**	**34 410 259**

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LANGEBERG LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022

	Total Funds & Reserves	Accumulated Surplus/ (Deficit)	Total Net Assets
	R	R	R
2021			
Balance at 30 June 2020	62 920 999	756 702 379	819 623 378
Restated Balance	**62 920 999**	**756 702 379**	**819 623 378**
Surplus / (Deficit) for the year	-	34 410 259	34 410 259
Surplus / (Deficit) as per prior 2020/21 AFS		*791 112 638*	*791 112 638*
Rounding Difference		*(771)*	*(771)*
Revenue & Expenditure Correction of Error (Note 48.)			
Balance at 30 June 2021	**62 920 999**	**791 111 867**	**854 032 866**
2022			
Restated Balance	**62 920 999**	**791 111 867**	**854 032 866**
Surplus / (Deficit) for the year	-	104 303 815	104 303 815
Balance at 30 June 2022	**62 920 999**	**895 415 682**	**958 336 681**

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LANGEBERG LOCAL MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

	Note	Actual 2022	2021 Restated
		R	R
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Taxation		89 459 561	59 485 886
Service Charges		589 267 558	563 592 159
Sale of goods and services		32 602 572	20 274 599
Grants		176 259 599	168 263 672
Finance Income		19 394 321	13 349 117
Payments			
Employees		(232 989 775)	(216 847 983)
Transfer and grants		(2 501 004)	(2 131 698)
Suppliers Paid		(515 013 761)	(460 277 865)
Finance Costs		(3 689 144)	(5 155 901)
NET CASH FLOWS FROM OPERATING ACTIVITIES	**52.**	**152 789 927**	**140 551 986**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property , plant and equipment	**8.**	(74 890 670)	(56 775 969)
Proceeds from sale of property,plant and equipment		403 540	1 507 511
Purchase of other intangible assets		(19 839)	-
Proceeds from investments		335	
Decrease/(increase) in long term receivables		260 892	(64 208)
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(74 245 742)**	**(55 332 666)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in consumer deposits		1 502 791	1 554 208
Increase/Repayment of borrowings		(3 932 366)	(3 938 992)
Finance lease payments		(779 626)	(753 296)
NET CASH FLOWS FROM FINANCING ACTIVITIES		**(3 209 201)**	**(3 138 080)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**75 334 984**	**82 081 240**
Cash and Cash Equivalents at Beginning of Period		**283 054 845**	**200 973 606**
Cash and Cash Equivalents at End of Period	**7.**	**358 389 829**	**283 054 846**

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD 01 JULY 2021 TO 30 JUNE 2022

30 June 2022

Reasons have been provided for all variance above +-10%

Description	Original Budget	Adjustments	Final Budget	Actual Outcome	Difference between final budget and actual	Difference between final budget and actual	Reasons for variances
	R	R	R	R	R	%	
FINANCIAL POSITION							
Current Assets							
Cash	77 812 255,00	18 404 863	96 217 118	91 804 779	(4 412 339)	-5%	N/A
Call investment deposits	-	-	-	266 585 050	266 585 050	100%	Additional funds invested at year end on short term due to CAPEX underspending.
Consumer debtors	86 059 888	(30 637 455)	55 422 433	62 159 470	6 737 037	12%	Impact of Covid on collection rate not as severe as anticipated. Less impairment on debtors as anticipated.
Other debtors	17 052 611	2 696 779	19 749 390	16 967 430	(2 781 960)	-14%	Due to provision for impairment on fines.
Current portion of long-term receivables	608 969	(652 348)	(43 379)	-	43 379	-100%	There was an error in the adjustment budget which led to a negative amount.
Inventory	40 895 223	(25 916 235)	14 978 988	19 074 281	4 095 293	27%	Housing sites handed over to beneficiaries were less than anticipated. Moreover, underspending on CAPEX resulted in high inventory levels.
Lease Receivables	-	-	-	109 261	109 261	100%	No lease receivables anticipated during the budget process.
Non-Current Assets			-				
Long-term receivables	1 178 534	17 755 368	18 933 902	400 287	(18 533 615)	-98%	More debt impairment was processed on long-term receivables than anticipated.
Investments	72 499	63 048	135 547	137 205	1 658	1%	N/A
Investment property	27 931 363	580 173	28 511 536	28 183 133	(328 403)	-1%	N/A
Property, plant and equipment	877 202 187	(27 257 739)	849 944 448	822 753 869	(27 190 579)	-3%	N/A
Intangible	11 017 125	(10 000 000)	1 017 125	1 036 964	19 839	2%	N/A
Other non-current assets	275 448	-	275 448	275 448	-	0%	N/A
Total Assets	**1 140 106 102**	**(54 963 546)**	**1 085 142 556**	**1 309 487 177**	**224 344 621**		
Current Liabilities							
Borrowing	10 097 298	(5 225 713)	4 871 585	4 257 423	(614 162)	-13%	The decrease in borrowings is due to a planned loan for vehicles that was budgeted for which has not yet been finalised.
Consumer deposits	12 726 209	1 554 209	14 280 418	15 783 208	1 502 790	11%	Increase in consumer deposits is due to additional Municipal accounts that were opened during the FY than anticipated.
Trade and other payables	90 774 639	9 883 480	100 658 119	120 883 006	20 224 887	20%	Increase in unspent grants due to delay caused by the National Treasury Instruction to halt all Supply Chain Management processes and late June invoices received after financial year end.
Provisions	40 831 361	7 653 972	48 485 333	53 113 978	4 628 645	10%	This is due to an increase in the estimated costs per square meter of rehabilitating the Municipal Landfill Sites.
Non-Current Liabilities			-				
Borrowing	46 422 037	7 225 670	53 647 707	31 982 625	(21 665 082)	-40%	The decrease in borrowings is due to a planned loan for vehicles that was budgeted for which has not yet been finalised.
Provisions	100 856 286	6 195 755	107 052 041	125 130 254	18 078 213	17%	This is due to an increase in the estimated costs per square meter of rehabilitating the Municipal Landfill Sites.
Total Liabilities	**301 707 830**	**27 287 373**	**328 995 203**	**351 150 494**	**22 155 291**		
Total Assets and Liabilities	**838 398 272**	**(82 250 919)**	**756 147 353**	**958 336 683**	**202 189 330**		
Net Assets (Equity)							
Reserves	62 921 000	(1)	62 920 999	62 920 999	-	0%	N/A
Accumulated Surplus / (Deficit)	775 477 272	62 579 095	838 056 367	895 415 683	57 359 316	7%	N/A
Total Net Assets	**838 398 272**	**62 579 094**	**900 977 366**	**958 336 682**	**57 359 316**		

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD 01 JULY 2021 TO 30 JUNE 2022

30 June 2022

Description	Original Budget	Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Original Budget	Reasons for variances
	R	R	R	R	R	%	
FINANCIAL PERFORMANCE							
Revenue							
Property Rates	86 145 806	3 854 194	90 000 000	92 757 614	2 757 614	3%	N/A
Service charges	615 623 854		615 623 854	640 445 103	24 821 249	4%	N/A
Rental of facilities and equipment	2 515 407		2 515 407	3 365 264	849 857	34%	Conservative Budgeting was done due to Covid Restrictions.
Interest earned - external investments	15 599 000	(1 500 000)	14 099 000	15 636 549	1 537 549	11%	More interest rates on investments than anticipated due to lifting of Covid-19 restrictions.
Interest earned - outstanding debtors	3 316 886		3 316 886	3 757 772	440 886	13%	Conservative Budgeting was done due to Covid Restrictions.
Dividends received	-		-	-	-	0%	N/A
Fines, penalties and forfeits	8 394 316		8 394 316	10 710 360	2 316 044	28%	There are more traffic infringements than anticipated as a result COVID-19 restrictions lifted.
Licences and permits	764 842		764 842	2 132 063	1 367 221	179%	Conservative Budgeting was done due to extension granted as result of the lockdown restrictions.
Agency services	5 810 659		5 810 659	5 106 265	(704 394)	-12%	Less revenue collected on behalf of the department consequent to extension granted as result of the lockdown restrictions.
Transfers and subsidies	111 025 262	21 475 145	132 500 407	177 815 768	45 315 361	34%	Projects that were not completed in the prior year were rolled over as approved by Treasury and implemented in the 2021/2022 year, which resulted in the revenue being recognised in the 2021/2022 year.
Other revenue	5 218 992	-	5 218 992	11 290 908	6 071 916	116%	Conservative Budgeting was done due to Covid Restrictions. Contribution income from provision on landfill sites rehabilitation
Gains	-		-	370 866	370 866	100%	Land sales were not anticipated in previous high lockdown levels.
Total Revenue	**854 415 024**	**23 829 339**	**878 244 363**	**963 388 532**	**85 144 169**		
Expenditure							
Employee Related Costs	252 109 933	(4 693 878)	247 416 055	216 975 370	(30 440 685)	-12%	The variance is caused by budgeted vacant posts that could not yet be filled. There are also employees who resigned and their positions are not filled as at 30 June 2022.
Remuneration of Councillors	11 568 404		11 568 404	10 750 827	(817 577)	-7%	N/A
Debt impairment	19 740 167		19 740 167	39 017 825	19 277 658	98%	Implementation of new indigent cycle, resulting in increased debt impairment or debt write-off.
Depreciation & asset impairment	34 314 395		34 314 395	36 830 044	2 515 649	7%	N/A
Finance charges	9 018 341	(1 447 916)	7 570 425	16 187 928	8 617 503	114%	Increase in actual Finance costs due to unwinding of Provision for landfill sites.
Bulk purchases	430 117 460		430 117 460	428 148 787	(1 968 673)	0%	N/A
Inventory consumed	20 782 452	16 505 087	37 287 539	39 148 949	1 861 410	5%	N/A
Contracted services	45 488 812	4 757 134	50 245 946	29 095 310	(21 150 636)	-42%	Due to unspending on slow moving CAPEX projects.
Transfers and subsidies	2 530 731	1 257 847	3 788 578	2 501 004	(1 287 574)	-34%	Reduction in actual costs due to implementation of cost containment measures.
Other expenditure	54 793 956	3 007 094	57 801 050	40 428 673	(17 372 377)	-30%	Reduction in actual costs due to implementation of cost containment measures.
Total Expenditure	**880 464 651**	**19 385 368,00**	**899 850 019**	**859 084 717**	**(40 765 302)**		
Surplus/(Deficit for the Year	**(26 049 627)**	**4 443 971**	**(21 605 656)**	**104 303 815**	**125 909 471**		

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD 01 JULY 2021 TO 30 JUNE 2022

30 June 2022

Description	Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Original Budget	Reasons for variances
	R	R	R	R	R	R	
CASH FLOW							
Cash Flows from/(used in) Operating Activities							
Receipts							
Property Rates	82 699 974	(8 193 723)	74 506 251	89 459 561	14 953 310	20%	Collection rate improved despite COVID-19 restrictions indicating that the municipality's quality of credit control is strong as the municipality ensures that billed revenue is collected from consumers.
Transfers and Subsidies	161 161 016	39 316 884	200 477 900	176 259 599	(24 218 301)	-12%	Budget amount includes rollover of unspent grants that have already been in the 2020/21 financial year whilst the actual amount only includes the receipts for the 2021/22 allocation.
Service Charges	590 998 901	15 809 186	606 808 087	589 267 558	(17 540 529)	-3%	N/A
Interest	15 599 000	-	15 599 000	19 394 321	3 795 321	24%	More interest rates on investments than anticipated due to lifting of Covid-19 restrictions.
Other Receipts	22 704 216	820 685	23 524 901	32 602 572	9 077 671	39%	Conservative Budgeting was done due to Covid Restrictions.
Payments							
Suppliers and employees	(757 803 801)	(30 168 725)	(787 972 526)	(748 003 536)	(39 968 990)	-5%	N/A
Finance charges	(9 018 341)	-	(9 018 341)	(3 689 144)	(5 329 197)	-59%	Ths is due to a planned loan for vehicles that was budgeted for which has not yet been finalised.
Transfers and Grants	(2 530 731)	-	(2 530 731)	(2 501 004)	(29 727)	-1%	N/A
NET CASH FROM/(USED) OPERATING ACTIVITIES	**103 810 234**	**17 584 307**	**121 394 541**	**152 789 927**	**(59 260 442)**		
Cash Flows from/(used in) Investing Activities							
Receipts							
Proceeds on disposal of PPE	-	-	-	403 540	(403 540)	-100%	Land sales were not anticipated in previous high lockdown levels.
Decrease (increase) in non-current receivables	-	-	-	260 892	260 892	100%	Receivable was anticipated.
Decrease (increase) in non-current investments	-	-	-	335	335	100%	Investments were not taken into account in the approved budget.
Payments							
Capital assets	(101 758 738)	(6 874 277)	(108 633 015)	(74 910 509)	(33 722 506)	-31%	Underspending in the Capital Budget.
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(101 758 738)**	**(6 874 277)**	**(108 633 015)**	**(74 245 742)**	**34 387 273**		
CASH FLOWS FROM FINANCING ACTIVITIES							
Short term loans	-	-	-	-	-	0%	N/A
Borrowing long term/refinancing	17 800 000	-	17 800 000	-	(17 800 000)	100%	Ths is due to a planned loan for vehicles that was budgeted for which has not yet been finalised.
Increase (decrease) in consumer deposits	-	-	-	1 502 791	1 502 791	100%	Increase in consumer deposit is due to additional Municipal accounts that were opened during the FY.
Repayment of borrowing	(6 924 992)	2 861 042	(4 063 950)	(3 932 366)	(131 584)	-3%	N/A
	-		-	(779 626)	(779 626)	100%	Finance leases were not taken into account in the approved budget.
NET CASH FROM/(USED) FINANCING ACTIVITIES	**10 875 008**	**2 861 042**	**13 736 050**	**(3 209 201)**	**(16 945 251)**		
Cash and Cash Equivalents at Beginning of the Year	**96 012 975**	**187 041 870**	**283 054 845**	**283 054 845**	**-**		
Cash and Cash Equivalents at End of the Year	**108 939 479**	**200 612 942**	**309 552 421**	**358 389 829**	**48 837 408**		

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30 November 2022

1. BASIS OF PRESENTATION

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP), as approved by the Minister of Finance, including any interpretations, guidelines and directives issued by the Accounting Standards Board and in accordance with the requirements of Section 122(3) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

The Statement of Financial Performance has been prepared to classify expenses by nature, whilst revenue is classified in a manner appropriate to the municipality's operations. The Cash Flow Statement has been prepared using the Direct Method.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Presentation Currency

Amounts reflected in the financial statements are in South African Rand (which is the functional currency of the municipality) and at actual values. Financial values are rounded to the nearest Rand. No foreign exchange transactions are included in the statements.

1.2 Critical Judgements, Estimations and Assumptions

In the application of the municipality's Accounting Policies, which are described below, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in Annual Financial Statements:

1.2.1 Revenue Recognition

Accounting Policy on Revenue from Non-Exchange Transactions and Accounting Policy on Revenue from Exchange Transactions describes the conditions under which revenue will be recognised by management of the municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and GRAP 23: Revenue from Non-Exchange Transactions. Specifically, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been performed. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

1.2.2 Provision for Landfill Sites

The provision for rehabilitation of the landfill site is recognised as and when the environmental liability arises. The provision is calculated by a qualified environmental engineer. The provision represents the best estimate or net present value of the expected future cash flows to rehabilitate the landfill site at year-end. To the extent that the obligations relate to an asset, it is capitalised as part of the cost of those assets.Any subsequent changes to an obligation that did not relate to the initial related asset are charged to the Statement of Financial Performance.

a) Professional engineers were utilised to determine the cost of rehabilitation of landfill sites as well as the remaining useful life of each specific landfill site.

b) Interest rates (investment rate) linked to prime was used to calculate the effect of time value of money.

1.2.3 Provision for Staff Leave

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year-end and also on the total remuneration package of the employee.

Accumulated leave is carried forward and can be used in future periods if the current period's entitlement is not used in full. All unused leave will be paid out to the specific employee at the end of that employee's employment term.

Accumulated leave is vesting.

1.2.4 Impairment of Statutory Receivables

Accounting Policy 5.3 on Impairment of Statutory Receivables describes the process followed to determine the value at which Statutory Receivables should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment 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 of the municipality is satisfied that impairment of Statutory Receivables recorded during the year is appropriate.

The impairment loss is measured 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 loss is recognised in surplus or deficit.

In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk-free rate and any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable are 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.

1.2.5 Provision for Performance Bonuses

The provision for performance bonuses represents the best estimate of the obligation at year-end and is based on historic patterns of payment of performance bonuses. Performance bonuses are subject to an evaluation by Council.

1.2.6 Useful lives of Property, Plant and Equipment, Intangible Assets and Investment Property

Property, Plant and Equipment

The useful lives of property, plant and equipment are based on management's estimation. Infrastructure's useful lives are based on technical estimates of the practical useful lives for the different infrastructure types, given engineering technical knowledge of the infrastructure types and service requirements. For other assets and buildings, management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

Management referred to the following when making assumptions regarding useful lives and residual values of property, plant and equipment:

- The useful life of movable assets was determined using the age of similar assets available for sale in the active market. Discussions with people within the specific industry were also held to determine useful lives.
- Local Government Industry Guides was used to assist with the deemed cost and useful life of infrastructure assets.
  The municipality referred to buildings in other municipal areas to determine the useful life of buildings.
  The municipality also consulted with engineers to support the useful life of buildings, with specific reference to the structural design of buildings.

For deemed cost applied to other assets as per adoption of Directive 7, management used the depreciated replacement cost method which was based on assumptions about the remaining duration of the assets.

The cost for depreciated replacement cost was determined by using either one of the following:

- Cost of items with a similar nature currently in the municipality’s asset register.
- Cost of items with a similar nature in other municipalities’ asset registers, given that the other municipality has the same geographical setting as the municipality and that the other municipality’s asset register is considered to be accurate.
- Cost as supplied by suppliers.

For deemed cost applied to land and buildings as per adoption of Directive 7, management made use of on independent valuator. The valuator’s valuation was based on assumptions about the market’s buying and selling trends and the remaining duration of the assets.

The useful lives of intangible assets are based on management’s estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate.

Reference was made to intangibles used within the municipality and other municipalities to determine the useful life of the assets.

For deemed cost applied to intangible assets as per adoption of Directive 7, management used the depreciation cost method which was based on assumptions about the remaining duration of the assets.

Investment Property

The useful lives of investment property are based on management’s estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management’s judgement whether the assets will be sold or used to the end of their economic lives, and in what condition they will be at that time.

Management referred to the following when making assumptions regarding useful lives and valuation of investment property:

- The municipality referred to buildings in other municipal areas to determine the useful life of buildings.
- The municipality also consulted with professional engineers and qualified valuators to support the useful life of buildings.

For deemed cost applied to Investment Property as per adoption of Directive 7, management made use of an independent valuer. The valuer's valuation was based on assumptions about the market’s buying and selling trends and the remaining duration of the assets.

1.2.7 Pre-paid Electricity Estimation

Pre-paid electricity is only recognised as income once the electricity is consumed. The prepaid electricity balance (included under payables) represents the best estimate of electricity sold at year-end, which is still unused. The average pre-paid electricity sold per day during the year under review is used and the estimate is calculated using between 5 and 10 days’ worth of unused electricity.

1.2.8 Post-retirement medical obligations, long service awards and ex gratia gratuities

The cost of post-retirement medical obligations, long service awards and ex-gratia gratuities are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Major assumptions used are disclosed in note 17 of the Annual Financial Statements. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

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1.2.9 Provisions and Contingent Liabilities

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities. Provisions are discounted where the time value effect is material.

1.2.10 Componentisation of Infrastructure Assets

The municipality assesses whether it is a party to any principal-agent arrangements by considering the principles contained in GRAP 109. When the municipality is a 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.

1.2.11 Impairment of Loans and Receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

The impairment for loans and receivables is considered first for individually significant loans and receivables and then calculated on a portfolio basis for the remaining balance, including those individually significant loans and receivables for which no indicators of impairment were found. For amounts due to the municipality, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

On loans and receivables, 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 loan's or receivable carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition (if practically determinable). Where the effective interest rate at initial recognition is not practically determinable, the government bond rate is used as the risk-free rate and adjusted for any risks specific to the loans and receivables.

1.3 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 Conceptual Framework for General Purpose Financial Reporting states that users are assumed to have a reasonable knowledge of the municipality's activities and the environment in which it operates, to be able and prepared to read annual financial statements and to review and analyse the information presented 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.

Materiality is determined as 1% of total operating expenditure. This materiality is from management’s perspective and does not correlate with the auditor’s materiality.

1.4 Going Concern Assumption

The Annual Financial Statements have been prepared on a Going Concern Assumption.

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1.5 COMPARATIVE INFORMATION

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification are disclosed. Where accounting errors 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 Municipal Regulations on Standard Chart of Accounts (mSCOA) came into effect on 1 July 2017. The mSCOA Charts are updated annually by National Treasury. The municipality has realigned items in the financial statements with the Item Segment of mSCOA Version 6.4, on which the municipality was required to transact for periods after 1 July 2020. The result of this process was a reclassification and naming of items in the annual financial statements.

2. BUDGET INFORMATION

The presentation of budget information is prepared in accordance with GRAP 24, and are consistent with the Accounting Policies

The approved budget covers the period from 1 July 2021 to 30 June 2022.

3. INVENTORIES

3.1 Recognition and Initial Measurement

Inventories comprise current assets held-for-sale, current assets for consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the Inventories to their current location and condition. Where Inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Water inventory is measured by multiplying the cost per kilolitre of purified water by the amount of water in storage.

Where Inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

Direct costs relating to properties that will be sold as Inventory are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

3.2 Subsequent Measurement

Inventories, consisting of consumable stores, finished goods, housing stock, land, materials and supplies, water and work-in-progress, are measured 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. 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.

In general, the basis of allocating cost to inventory items is the weighted average method or first-in-first-out method. The first- in-out-method is applied to maintenance material inventory items. The weighted average method is applied to compost, low- cost housing, water for distribution and the remaining inventory items which are not maintenance related .

Water inventory is measured annually at the reporting date by way of dip readings and the calculated volume in the distribution network.

4. FINANCIAL INSTRUMENTS

The municipality has various types of Financial Instruments and these can be broadly categorised as Financial Assets, Financial Liabilities or Residual Interests in accordance with the substance of the contractual agreement.

Initial Recognition
Financial Assets and Financial Liabilities are recognised when it becomes party to the contractual provisions of the instrument.

The municipality does not offset a Financial Asset and a Financial Liability unless a legally enforceable right to set off the recognised amounts currently exist and the municipality intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.1 Financial Assets – Classification

The municipality has the following types of Financial Assets:

Type of Financial Asset	Classification in terms of GRAP 104
Investments – Listed Shares	Financial Assets at Fair Value
Investments – Unlisted Shares	Financial Assets at Amortised Cost
Long-term Receivables	Financial Assets at Amortised Cost
Receivables from Exchange Transactions	Financial Assets at Amortised Cost
Receivables from Non-exchange Transactions	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Fixed Deposits	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Call Deposits	Financial Assets at Amortised Cost
Bank, Cash and Cash Equivalents – Cash	Financial Assets at Amortised Cost

Trade and Other Receivables exclude Value Added Taxation, Prepayments and Operating Lease Receivables are classified as Financial Assets at Amortised Cost.

Cash includes cash-on-hand (including petty cash) and cash with banks (including call deposits). For the purposes of the Cash Flow Statement, Cash and Cash Equivalents comprise cash-on-hand and deposits held on call with banks, net of bank overdrafts.

4.2 Financial Liabilities – Classification

The municipality has the following types of Financial Liabilities:

Type of Financial Liability	Classification in terms of GRAP 104
Borrowings	Financial Liabilities at Amortised Cost
Payables from Exchange Transactions	Financial Liabilities at Amortised Cost
Payables from Non-exchange Transactions	Financial Liabilities at Amortised Cost
Unspent Conditional Grants	Financial Liabilities at Amortised Cost
Bank Overdraft	Financial Liabilities at Amortised Cost

Bank Overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

4.3 Initial and Subsequent Measurement

4.3.1 Financial Assets:

Financial Assets measured at Amortised Cost

Financial Assets at Amortised Cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the Financial Asset. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an Effective Yield Basis.

Financial Assets measured at Cost

Financial Assets at Cost are initially measured at the transaction amount and transaction costs that are directly attributable to the acquisition or issue of the Financial Asset. Subsequently, these assets are measured at cost less any impairment.

Financial Assets measured at Fair Value

Financial Assets at Fair Value are initially measured at fair value, excluding directly attributable transaction costs. They are subsequently measured at fair value with unrealised gains or losses recognised directly in Surplus or Deficit.

4.3.2 Financial Liabilities:

Financial Liabilities measured at Fair Value

Financial Liabilities at Fair Value are stated at fair value, with any resulted gain or loss recognised in Surplus or Deficit.

Financial Liabilities held at Amortised Cost

Any other Financial Liabilities are classified as Other Financial Liabilities (All Payables, Loans and Borrowings are classified as Other Liabilities) and are initially measured at fair value, net of transaction costs. Trade and Other Payables, Interest-bearing Debt including Finance Lease Liabilities, Non-interest-bearing Debt and Bank Borrowings are subsequently measured at amortised cost using the Effective Interest Rate Method. Interest expense is recognised in Surplus or Deficit by applying the effective interest rate.

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.

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4.4 Impairment of Financial Assets

Financial Assets, other than those at fair value, are assessed for indicators of impairment at the end of each reporting period. Financial Assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised through the use of an allowance account.

4.4.1 Financial Assets at Amortised Cost

A provision for impairment of Accounts 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 provision is made whereby the recoverability of accounts receivable is assessed individually and then collectively after grouping the assets in financial assets with similar credit risk characteristics. The amount of the provision is the difference between the Financial Asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Future cash flows in a group of Financial Assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Cash flows relating to short-term receivables are not discounted where the effect of discounting is immaterial.

4.4.2 Financial Assets at Cost

If there is objective evidence that an impairment loss has been incurred on an investment in a Residual Interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the Financial Asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

4.5 Derecognition of 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 Asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non-recoverability.

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 Asset, the municipality continues to recognise the Financial Asset and also recognises a collateralised borrowing for the proceeds received.

4.6 Derecognition of Financial Liabilities

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

The municipality recognises the difference between the carrying amount of the 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, in Surplus or Deficit.

5. STATUTORY RECEIVABLES

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.

Statutory receivables arise from the following legislation:

- Property Rates - Municipal Property Rates Act (6 of 2004)
- Fines - Criminal procedures Act (51 of 1977)

5.1 Recognition and Initial Measurement

The municipality recognises statutory receivables as follows:

a) If the transaction is an exchange transaction, using the policy on revenue from exchange transactions.
b) If the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers)
c) 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.

The municipality recognises Statutory Receivables when they arise.

Statutory Receivables are initially measured at their transaction amount. The transaction amount would be the amount that is determined on initial measurement in accordance with the relevant Standard of GRAP.

The transaction amounts of the Statutory Receivables of the municipality are determined as follows:

- Assessment Rates are levied in terms of the stipulations contained in the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) at rates determined each year by Council.
- Fines - Criminal procedures Act (51 of 1977)

5.2 Subsequent Measurement

Statutory Receivables are measured 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.

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5.3 Impairment

The municipality assesses at each reporting date whether there is any indication that a statutory receivable 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 debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial reorganisation.
- 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 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 is reduced, through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance. In estimating the future cash flows, the municipality 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, the municipality discounts the estimated future cash flows using a rate that reflects the current risk-free rate and any risks specific to the statutory receivable for which the future cash flow estimates have not been adjusted.

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 amount of any adjustment is recognised in the Statement of Financial Performance.

5.4 Derecognition

The municipality derecognises a statutory receivable when:

a)The rights to the cash flows from the receivable are settled, expire or are waived.
b)The municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable.
c)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 municipality:
d) derecognises the receivable; and
e) recognises separately any rights and obligations created or retained in the transfer.

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6. CONSTRUCTION CONTRACTS

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by either the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs or surveys of work done or completion of a physical proportion of the contract work.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

7. PROPERTY, PLANT AND EQUIPMENT

7.1 Initial Recognition

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 year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only 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.

Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. 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.

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.

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.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the assets acquired is initially measure 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.

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.

Where an asset is acquired through a non-exchange transaction, any transaction cost incurred is recognised as part of the cost of the asset.

7.2 Subsequent Measurement - Cost Model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Land is not depreciated as it is deemed to have an 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.

7.3 Depreciation and Impairment

Depreciation on assets other than land is calculated on cost, using the Straight-line Method, to allocate their cost or revalued amounts to their residual values over the estimated useful lives of the assets. 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.

The depreciation rates are based on the following estimated useful lives:

	Asset Class	Years		Asset Class	Years
	Buildings			**Community**	
	Improvements	1 - 105		Community Facilities	5 - 50
				Recreational Facilities	7 - 100
	Infrastructure			Security	5
	Electricity	1 - 80		Halls	1 - 105
	Roads and Paving	1 - 100		Libraries	1 - 100
	Sewerage / Solid Waste	1 - 100		Parks and gardens	1 - 100
	Water	1 - 125		Other assets	7 - 100
	Housing	1 - 105			
				Other	
				Computer Equipment	2 - 20
				Specialised vehicles	10 - 20
				Furniture and Fittings	1 - 100
				Transport Assets	4 - 45
				Office Equipment	2 - 22
				Plant and Equipment	1 - 40
				Other Assets	2 - 22
				Quarries	25
				Landfill sites	1-15

Changes to the useful life of assets are reviewed if there is an indication that a change may have occurred in the estimated useful life. If the expectation differs from the previous estimates, the change is accounted for in accordance with GRAP 3 either prospectively as a change in the accounting estimate or retrospectively as a prior period error depending on the specific circumstances.

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable service amount is estimated. The impairment charged to the Statement of Financial Performance is the difference between the carrying value and the recoverable service amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

7.4 Land

Land is stated at historical cost and is not depreciated as it is deemed to have an indefinite useful life.

7.5 Derecognition

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. Gains are not classified as Revenue.

8. INTANGIBLE ASSETS

8.1 Initial Recognition

Identifiable non-monetary assets without physical substance are classified and recognised as Intangible Assets.

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.

The cost of an Intangible Asset acquired in exchange for 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. If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

8.2 Amortisation and Impairment

Amortisation is charged on a Straight-line Method over the Intangible Assets' useful lives. The residual value of Intangible Assets with finite useful lives is zero, unless an active market exists. Where Intangible Assets are deemed to have indefinite useful lives, such Intangible Assets are not amortised. However, such Intangible Assets are subject to an annual impairment test.

The amortisation rates are based on the following estimated useful lives:

	Asset Class	Years		Asset Class	Years
	Computer Software Purchased	Indefinite		Servitudes	Indefinite

Changes to the useful life of assets are reviewed if there is an indication that a change may have occurred in the estimated useful life. If the expectation differs from the previous estimates, the change is accounted for in accordance with GRAP 3 either prospectively as a change in the accounting estimate or retrospectively as a prior period error depending on the specific circumstances.

8.3 Derecognition

Intangible assets 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 intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance. Gains are not classified as Revenue.

9. INVESTMENT PROPERTY

9.1 Initial Recognition

Investment property is recognised as an asset when and only when:

- It is probable that the future economic benefits or service potential that are 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 includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations. Property with a currently undetermined use is also classified as investment property.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition. The cost of self-constructed investment property is measured at cost. Where an asset is acquired through a non-exchange transaction, any transaction cost incurred are recognised as part of the cost of the asset.

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.

Repairs and Maintenance are expenses incurred through servicing equipment or repairing of existing assets. These expenses are not recognised in the carrying value of the asset, but directly recognised in Surplus or Deficit and measured at cost against the attributing segments of the Municipal Standard Chart of Accounts (mSCOA).

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9.2 Subsequent Measurement - Cost Model

Subsequent to initial recognition, items of investment property are measured at cost less accumulated depreciation and accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.Depreciation is calculated on cost, using the Straight-line Method over the useful life of the property, which is estimated at 1 - 100 years. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately.

The gain or loss arising on the disposal of an Investment Property is recognised in Surplus or Deficit.

9.3 Derecognition

Investment property is derecognised when it is disposed or when there are no further economic benefits expected from the use of the investment property. The gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

The annual depreciation rates are based on the following estimated useful lives:

	Asset Class	Years		Asset Class	Years
	Buildings	1-100		Land	Indefinite

10. HERITAGE ASSETS

Heritage Assets are not depreciated owing to uncertainty regarding to their estimated useful lives. The municipality assess at each reporting date if there is an indication of impairment.

10.1 Initial Recognition

Heritage Assets are initially recognised at cost.

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 municipality, and the cost or fair value of the asset can be measured reliably.

A heritage asset that qualifies for recognition as an asset is measured at its cost. Where a heritage asset is acquired through a non-exchange transaction, its cost is deemed to be its fair value as at the date of acquisition.

10.2 Subsequent Measurement

Subsequently all Heritage Assets are measured at cost, less accumulated impairment losses.

Heritage assets are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's or recoverable service amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value or recoverable service amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

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10.3 Derecognition

Heritage assets are derecognised when it is disposed or when there are no further economic benefits expected from the use of the heritage asset. The gain or loss arising on the disposal or retirement of a heritage asset is determined as the difference between the sales proceeds and the carrying value of the heritage asset and is recognised in the Statement of Financial Performance.

11. LIVING AND NON-LIVING RESOURCES

Living Resources are defined as living organisms such as animals and plants that are used or held for the delivery or provision of goods and services, research, conservation, recreation, agricultural activities, education and training and rehabilitation or breeding processes.

Agricultural Assets are excluded from the scope of this Standard and are accounted for by the municipality in accordance with GRAP 27 (Agricultural Assets).

Living Resources are assets that undergo biological transformation and are those organisms that can grow, reproduce and degenerate. These assets include fruit trees, cattle and seed-bearing plants.

Non-living Resources are those resources, other than living resources, that occur naturally and have not been extracted from their source. These assets includes minerals, oils, etc.

Agricultural Assets are assets that are produced from living resources through agricultural activity and biological transformation through growth, degeneration and procreation. These assets are fruit from fruit-bearing plants, eggs from feathered animals and seeds from seed-bearing plants.

11.1 Initial Recognition and Measurement

A Living Resource shall be 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 municipality, and when the cost or fair value of the asset can be measured reliably.

A Living Resource that qualifies for recognition as an asset shall be recognised at its cost.

Where a Living Resource is acquired through a non-exchange transaction, its cost shall be recognised at its fair value as at the date of the acquisition.

12. IMPAIRMENT OF ASSETS

The municipality classifies all assets held with the primary objective of generating a commercial return as Cash Generating Assets. All other assets are classified as Non-cash Generating Assets.

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12.1 Impairment of Cash Generating Assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

An impairment loss is recognised for cash generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

12.2 Impairment of Non-cash Generating Assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the non-cash generating unit to which the asset belongs is determined. An impairment loss is recognised immediately in surplus or deficit.

The recoverable service amount of a non-cash generating asset is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in Surplus or Deficit.

An impairment loss is recognised for non-cash generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

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13. CONSUMER DEPOSITS

Consumer deposits are partial security for a future payment of an account. All consumers are therefore required to pay a deposit equal to two months of consumption of electricity and water services. Deposits are considered a liability as the deposit is only refunded once the service is terminated. No interest is paid on deposits.

14. PROVISIONS

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate of future outflows of resources. Where the effect is material, non-current provisions are discounted to their present value using a pre-tax discount rate that reflects the market’s current assessment of the time value of money, adjusted for risks specific to the liability.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

- The municipality has a detailed formal plan for the restructuring identifying at least:
  - the business or
  - the principal
  - the location,
  - the expenditures
  - when the plan

- The municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date.

If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision is derecognised.

15. LEASES

15.1 The Municipality as Lessee

15.1.1 Finance Leases

Property, plant and equipment or intangible assets subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Corresponding liabilities are recognised at equal amounts. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments to the fair value of the asset, plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant and equipment, investment property or intangibles assets. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables.

15.1.2 Operating Leases

The municipality recognises operating lease rentals as an expense in Surplus or Deficit on a Straight-line Basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. Any lease incentives are included as part of the net consideration agreed.

15.2 The Municipality as Lessor

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on a straight-line basis over the term of the relevant lease. The difference between the straight-lined revenue and actual payments received will give rise to an asset or liability. The municipality recognises the aggregate cost of incentives as a reduction of rental revenue over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern over which the benefit of the leased asset is diminished.

16. BORROWING COSTS

All borrowing costs are treated as an expense in the period in which they are incurred.

17. EMPLOYEE BENEFIT LIABILITIES

17.1 Short-term Employee Benefits

When an employee has rendered service to the municipality during a reporting period, the municipality recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- As a liability (accrued expense), after deducting any amount already paid.
  If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

- As an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

17.1.1 Provision for Staff Leave

Staff leave is accrued to employees according to collective agreements. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave or when employment is terminated.

17.1.2 Staff Bonuses Accrued

Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year-end is based on bonus accrued at year-end for each employee.

17.1.3 Provision for Performance Bonuses

A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is recognised as it accrues to Section 57 employees. The performance bonus provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

17.2 Post-employment Benefits

The municipality provides retirement benefits for its employees and councillors, and has both defined benefit and defined contribution post-employment plans.

17.2.1 Defined Contribution Plans

In measuring its defined benefit liability, the municipality recognises past service cost as an expense in the reporting period in which the plan is amended. For defined contribution plans, the municipality pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

17.2.2 Defined Benefit Plans

Post-retirement Health Care Benefits

The municipality provides post-retirement medical benefits by subsidising the medical aid contributions of certain retired staff according to the rules of the medical aid funds. Council pays 60% as a contribution and the remaining 40% is paid by the members. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The present value of the defined benefit liability is actuarially determined in accordance with GRAP 25 – Employee benefits (using a discount rate applicable to high-quality government bonds). The plan is unfunded.

These contributions are charged to the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The interest cost of the defined benefit obligation is recognised as finance cost in the Statement of Financial Performance, as it meets the definition of Interest Cost in GRAP 25. The liability was calculated by means of the projected unit credit actuarial valuation method.

The liability in respect of current pensioners is regarded as fully accrued and is therefore not split between a past (or accrued) and future in-service element.
The liability is recognised at the fair value of the obligation. Payments made by the municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

Past-service costs are recognised immediately in Surplus or Deficit.

Long-service Allowance

Long service awards are provided to employees who achieve certain predetermined milestones of service within the municipality. The municipality's obligation under these plans is valued by independent qualified actuaries periodically and the corresponding liability is raised.

Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as finance cost upon valuation, as it meets the definition of interest cost in GRAP 25.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

Ex-Gratia Pension Benefits

Ex-gratia gratuities are provided to employees that were not previously members of a pension fund. The municipality's obligation under these plans is valued by independent qualified actuaries and the corresponding liability is raised. Payments made by the municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as financial cost upon valuation as it meets the definition of interest cost in GRAP 25.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

18. NET ASSETS

Included in the Net Assets of the municipality are the following items that are maintained in terms of specific requirements:

18.1 Accumulated Surplus

Included in the Accumulated Surplus of the municipality are the following Reserves that are maintained in terms of specific requirements.

18.1.1 Capital Replacement Reserve (CRR)

In order to finance the provision 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 delegated powers.

The following provisions are set for the creation and utilisation of the CRR:

- The cash funds that back up the CRR are invested until utilised. The cash may only be invested in accordance with the Investment Policy of the municipality.
- The CRR may only be utilised for the purpose of purchasing items of Property, Plant and Equipment and may not be used for the maintenance of these items.
- Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from the CRR and the Accumulated Surplus/(Deficit) is credited by a corresponding amount.
- If a profit is made on the sale of assets other than land, the profit on these assets is reflected in Surplus or Deficit and is then transferred, via the Statement of Changes in Net Assets, to the CRR, provided that it is cash backed. Profit on the sale of land is not transferred to the CRR as it is regarded as revenue.

19. REVENUE RECOGNITION

19.1 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.

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

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Revenue from property rates is recognised when the legal entitlement to this revenue arises. At the time of initial recognition, the full amount of revenue is recognised. If the municipality does not enforce its obligation to collect the revenue, this would be considered as a subsequent event. Collection charges are recognised when such amounts are legally enforceable. Rebates and discounts are offset against the related revenue, in terms of IGRAP 1, as there is no intention of collecting this revenue.

Fine Revenue constitutes both spot fines and summonses. Fine revenue is recognised when the spot fine or summons is issued. In cases where fines and summonses are issued by another government institute, revenue will only be recognised by the municipality when the receivable meets the definition of an asset. All unpaid receivables relating to traffic fines as at 30 June 2021 was written off in the 2021/2022 financial year.

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 qualify 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, it is recognised as an unspent public contribution (liability).

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualify for recognition and become available for use by the municipality.

All unclaimed deposits are initially recognised as a liability until 36 months expires when all unclaimed deposits into the municipality’s bank account will be treated as revenue. This policy is in line with the prescribed debt principle as enforced by the law.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the MFMA (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Revenue is measured at the fair value of the consideration received or receivable.

When, as a result of a non-exchange transaction, a municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability.

Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the present obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue.

When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability will be recognised as revenue.

Services in-kind that are significant to the municipality's operations are recognised as assets and the related revenue when:

- It is probable that the future economic benefits or service potential will flow to the Municipality and
- The fair value of the assets can be measured reliably.

If the services in-kind are not significant to the municipality's operations or does not satisfy the above-mentioned criteria, the municipality only discloses the nature and type of services in-kind received during the reporting period. When the criteria for recognition is satisfied, services in-kind are measured on initial recognition at their fair value as at the date of acquisition. Services in-kind include services provided by individuals to the municipality and the right to use assets in a non-exchange transaction. These services meet the definition of an asset because the municipality controls the resource from which future economic benefits or service potential is expected to flow to the municipality. The assets are immediately consumed and a transaction of equal value is also recognised to reflect the consumption of these services in-kind, resulting in a decrease of the asset and an increase in an expense. The municipality therefore recognises an expense and related revenue for the consumption of services in-kind.

19.1.1 Rates and Taxes

Revenue from property rates is recognised when the legal entitlement to this revenue arises. At the time of initial recognition,the full amount of revenue is recognised. If the municipality does not enforce its obligation to collect the revenue, this would be considered as a subsequent event. Collection charges are recognised when such amounts are legally enforceable. Rebates and discounts are offset against the related revenue, in terms of IGRAP 1, as there is no intention of collecting this revenue.

19.1.2 Fines

Fine Revenue constitutes both spot fines and summonses. Fine revenue is recognised when the spot fine or summons is issued. In cases where fines and summonses are issued by another government institute, revenue will only be recognised by the municipality when the receivable meets the definition of an asset.

19.1.3 Government Grants and Receipts

Equitable share allocations are recognised in revenue at the start of the financial year if no time-based restrictions exist.

Conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, are recognised in Surplus or Deficit in the period in which they become receivable.

Interest earned on investments 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 Surplus or Deficit.

19.1.4 Public Contributions

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 qualify 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, it is recognised as an unspent public contribution (liability).

19.1.5 Other Donations and Contributions

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are available for use.

19.1.6 Rentals Received

Revenue from the rental of facilities and equipment is recognised on a Straight-line Basis over the term of the lease agreement.

19.1.7 Tariff Charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

19.2 Revenue from Exchange Transactions

19.2.1 Service Charges

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated
- 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 costs incurred or to be incurred in respect of the transaction can be measured reliably.

At the time of initial recognition, the full amount of revenue is recognised where the municipality has an enforceable legal obligation to collect, unless the individual collectability is considered to be improbable. If the municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

Service charges relating to electricity and water are based on consumption and a basic charge as per Council resolution. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale. It is estimated that pre-paid electricity is consumed within 5 to 7 days after the date of purchase. The pre-paid electricity sold, but not consumed yet at year-end is disclosed under Payables from Exchange Transactions in the Statement of Financial Position.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage and are levied monthly based on the recorded number of refuse points per property.

Service charges relating to sanitation (sewerage) are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage. In the case of residential property, a fixed monthly tariff is levied and in the case of commercial property, a tariff is levied based on the number of sewerage connection on the property. Service charges based on a basic charge as per Council resolution.

Interest revenue is recognised using the effective interest rate method.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Dividends are recognised on the date that the municipality becomes entitled to receive the dividend.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff. This includes the issuing of licences and permits.

The amount of revenue arising on a transaction is usually determined by agreement between the municipality and the purchaser or user of the asset or service. It is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the municipality.

In most cases, the consideration is in the form of cash or cash equivalents and the amount of revenue is the amount of cash or cash equivalents received or receivable. However, when the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The imputed rate of interest is the more clearly determinable of either:

- The prevailing rate for a similar instrument of an issuer with a similar credit rating or
- A rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services.

The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

19.2.2 Prepaid Electricity

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale. It is estimated that pre-paid electricity is consumed within 5 to 7 days after the date of purchase. The pre-paid electricity sold, but not consumed yet at year-end is disclosed under Payables from Exchange Transactions in the Statement of Financial Position.

19.2.3 Rentals Received

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

19.2.4 Dividends

Dividends are recognised on the date that the municipality becomes entitled to receive the dividend.

19.2.5 Interest Earned

Interest revenue is recognised using the effective interest rate method.

Interest earned on the following investments is not recognised in Surplus or Deficit:

- Interest earned on Trust Funds is allocated directly to the fund.
- Interest earned on unutilised Conditional Grants is allocated directly to the Creditor: Unutilised Conditional Grants, if the grant conditions indicate that interest is payable to the funder.

19.2.6 Dividends

Dividends are recognised on the date that the municipality becomes entitled to receive the dividend in accordance with the substance of the relevant agreement, where applicable.

19.2.7 Royalties

Royalties are recognised on an Accrual Basis in accordance with the substance of the relevant agreement. Royalties determined on a time basis are recognised on a Straight-line Basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

19.2.8 Tariff Charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

20. GRANTS-IN-AID

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

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

These transfers are recognised in Surplus or Deficit as expenses in the period that the events giving rise to the transfer occurred.

21. ACCOUNTING BY PRINCIPALS AND AGENTS

21.1 Identifying whether an entity is a principal or an agent

When the municipality is a 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 the municipality is the principal or the agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or its own benefit.

21.2 Binding arrangement

The municipality assesses whether it is the agent or the 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 the principal or the agent.
Assessing which entity benefits from the transactions with third parties
The municipality is the 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.

The municipality is an agent for the Western Cape Provincial Department and receives a commission of 12% per signed agreement.

21.3 Recognition

The municipality, as the agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

22. SEGMENT REPORTING

A segment is an activity of a municipality:

a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
b) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
c) 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.

22.1 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 municipality'sfinancial 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 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 municipality's financial statements.

23. UNAUTHORISED EXPENDITURE

Unauthorised Expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state, and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No 56 of 2003).

All expenditure relating to Unauthorised Expenditure is accounted for as an expense in Surplus or Deficit 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 Surplus or Deficit.

24. 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), the Public Office Bearers Act (Act No 20 of 1998), or is in contravention of the Municipality or Municipal Entities' Supply Chain Management Policies. Irregular Expenditure excludes Unauthorised Expenditure.

Irregular Expenditure is accounted for as an expense in Surplus or Deficit in the period it occurred and where recovered, it is subsequently accounted for as revenue in Surplus or Deficit.

25. 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 accounted for as expenditure in Surplus or Deficit 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 Surplus or Deficit.

26. COMMITMENTS

- Items are classified as capital commitments when the municipality has committed itself to future transactions that will normally result in the outflow of cash.
- Disclosures are required in respect of unrecognised contractual future capital commitments relating to property, plant and equipment, investment property, intangible assets and heritage assets, as applicable. Refer to note - Commitments.
- Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements if both the following criteria are met:

  - Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services).

  - Contracts should relate to something other than the routine, steady, state business of the municipality – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.
- Capital commitments disclosed in the financial statements represent the balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

27. RELATED PARTIES

The objective of this Standard is to ensure that a reporting entity's annual financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

An entity that prepares and presents financial statements under the accrual basis of accounting (in this Standard referred to as the reporting entity) shall apply this Standard in:

a) Identifying related party relationships and transactions;
b) Identifying outstanding balances, including commitments, between an entity and its related parties;
c) Identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
d) Determining the disclosures to be made about those items

This Standard requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of the reporting entity in accordance with the Standard of GRAP on Consolidated and Separate Financial Statements. This Standard also applies to individual annual financial statements.

Disclosure of related party transactions, outstanding balances, including commitments, and relationships with related parties may affect users' assessments of the financial position and performance of the reporting entity and its ability to deliver agreed services, including assessments of the risks and opportunities facing the entity. This disclosure also ensures that the reporting entity is transparent about its dealings with related parties.

The Standard states that 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. As a minimum, the following are regarded as related parties of the reporting entity:

A person or a close member of that person's family is related to the reporting entity if that person:

a) has control or joint control over the reporting entity;
b) has significant influence over the reporting eis a member of the management of the entity or its controlling entity.
c) is a member of the management of the entity or its controlling entity.

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An entity is related to the reporting entity if any of the following conditions apply:

a) the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);

One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);

a) both entities are joint ventures of the same third party;
b) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
c) the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity

Related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;

a) the entity is controlled or jointly controlled by a person identified in (a); and
b) a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

The Standard furthermore states that 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.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

28. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality. A contingent liability could also be a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the probability of an outflow of resources embodying economic benefits or service potential is remote. A contingent asset is disclosed where the inflow of economic benefits or service potential is probable.

29. EVENTS AFTER THE REPORTING DATE

Events after the 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:

The events after the reporting date that are classified as Non-adjusting Events after the Reporting Date have been disclosed in Notes to the Annual Financial Statements.

- Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date).
- Those are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

If non-adjusting events after the reporting date are material, the municipality discloses the nature and an estimate of the financial effect.

30. VALUE ADDED TAX

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

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31. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Standard of GRAP / Nature of Impending Changes / Expected Impact		Effective Date	Expected impact
• **Guideline**	**GRAP 25 – Employee Benefits**	Not yet determined	Unlikely impact will be material
• **Guideline**	**The Application of Materiality to Financial Statements** No changes expected	Not yet determined	Unlikely impact will be material
• **IGRAP 21**	**The effect of Past Decisions on Materiality** No changes expected	01 April 2023	Unlikely impact will be material
• **Guideline**	**Accounting for Landfill Sites** None, Standard not applicable to Municipality	Not yet determined	Unlikely impact will be material
• **Guideline**	**GRAP 104 - Financial Instruments**	01 April 2025	Unlikely impact will be material
• **GRAP 1**	**Presentation of Financial Statements**	01 April 2023	Unlikely impact will be material
• **GRAP**	**Improvements to Standards of GRAP 2020**	01 April 2023	Unlikely impact will be material
• **GRAP 7**	**The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction**	01 April 2023	Unlikely impact will be material

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	2022	2021
	R	R

1. GENERAL INFORMATION

Langeberg Local Municipality is a local government institution in Ashton, Western Cape, and is one of five local municipalities under the jurisdiction of the Cape Winelands District Municipality. The address of its registered office and principal place of business are disclosed under "General Information" included in the Annual Financial Statements and in the introduction of the Annual Report. The principal activities of the municipality are disclosed in the Annual Report and are prescribed by the Municipal Finance Management Act (MFMA, Act no 56 of 2003).

2. INVENTORIES

	2022 R	2021 R
Consumables	3 807 715	5 243 136
Finished Goods	1 275 323	830 350
Housing Stock	4 859 205	609 401
Land	2 714 025	1 982 546
Materials and Supplies	6 236 040	6 620 903
Water - At Cost	181 973	179 343
Total Inventories	**19 074 281**	**15 465 679**

The cost of Inventories recognised as an expense amounted to R39 148 949 (2021: R48 399 138)

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2022			
Service Debtors:	82 169 131	27 379 741	54 789 390
Electricity	36 358 469	4 092 097	32 266 372
Refuse	10 443 726	5 876 881	4 566 845
Sewerage	12 385 801	7 506 608	4 879 193
Merchandising, Jobbing and Contracts	4 412	-	4 412
Other Service Charges	7 380 836	2 130 514	5 250 322
Water	15 595 887	7 773 641	7 822 246
Other Receivables	1 271 512	730 483	541 029
Other Debtors	44 536	-	44 536
Prepayments and Advances	1 437 718	-	1 437 718
Control, Clearing and Interface Accounts	375	-	375
Total Receivables from Exchange Transactions	**84 923 272**	**28 110 224**	**56 813 048**

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2021			
Service Debtors:	70 670 417	21 977 025	48 693 392
Electricity	26 834 541	2 425 422	24 409 119
Refuse	8 114 899	5 055 275	3 059 624
Sewerage	9 863 896	6 532 607	3 331 289
Merchandising, Jobbing and Contracts	5 272	-	5 272
Other Service Charges	13 581 705	1 576 586	12 005 119
Water	12 270 104	6 387 135	5 882 969
Other Receivables	1 021 753	697 429	324 324
Other Debtors	40 391	-	40 391
Prepayments and Advances	1 765 216	-	1 765 216
Control, Clearing and Interface Accounts	375		375
Total Receivables from Exchange Transactions	**73 498 152**	**22 674 454**	**50 823 698**

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3.1 Ageing of Receivables from Exchange Transactions

As at 30 June 2022

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Electricity:					
Gross Balances	29 980 666	1 500 972	795 542	4 081 289	36 358 469
Less: Provision for Impairment	-	-	-	4 092 097	4 092 097
Net Balances	**29 980 666**	**1 500 972**	**795 542**	**(10 808)**	**32 266 372**
Refuse:					
Gross Balances	2 923 421	761 327	684 970	6 074 007	10 443 726
Less: Provision for Impairment	-	-	-	5 876 881	5 876 881
Net Balances	**2 923 421**	**761 327**	**684 970**	**197 126**	**4 566 845**
Sewerage:					
Gross Balances	3 174 427	860 324	776 571	7 574 479	12 385 801
Less: Provision for Impairment	-	-	-	7 506 608	7 506 608
Net Balances	**3 174 427**	**860 324**	**776 571**	**67 871**	**4 879 193**
Merchandising, Jobbing and Contracts					
Gross Balances	4 412	-	-	-	4 412
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**4 412**	**-**	**-**	**-**	**4 412**
Other Service Charges:					
Gross Balances	3 648 982	128 855	106 302	3 496 697	7 380 836
Less: Provision for Impairment	-	-	-	2 130 514	2 130 514
Net Balances	**3 648 982**	**128 855**	**106 302**	**1 366 183**	**5 250 322**
Water:					
Gross Balances	5 518 997	1 213 346	1 027 472	7 836 073	15 595 887
Less: Provision for Impairment	-	-	-	7 773 641	7 773 641
Net Balances	**5 518 997**	**1 213 346**	**1 027 472**	**62 432**	**7 822 246**
Other Receivables:					
Gross Balances	1 271 512	-	-	-	1 271 512
Less: Provision for Impairment	730 483	-	-	-	730 483
Net Balances	**541 029**	**-**	**-**	**-**	**541 029**
Other Debtors:					
Gross Balances	44 536	-	-	-	44 536
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**44 536**	**-**	**-**	**-**	**44 536**
Prepayments and Advances:					
Gross Balances	1 437 718	-	-	-	1 437 718
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**1 437 718**	**-**	**-**	**-**	**1 437 718**

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Control, Clearing and Interface Accounts:					
Gross Balances	375	-	-	-	375
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**375**	**-**	**-**	**-**	**375**

	Current	Past Due			Total
	0 - 30 days	*31 - 60 Days*	*61 - 90 Days*	*+ 90 Days*	
All Receivables:					
Gross Balances	48 005 046	4 464 824	3 390 857	29 062 545	84 923 272
Less: Provision for Impairment	730 483	-	-	27 379 741	28 110 224
Net Balances	**47 274 563**	**4 464 824**	**3 390 857**	**1 682 804**	**56 813 048**

As at 30 June 2021

	Current	Past Due			Total
	0 - 30 days	*31 - 60 Days*	*61 - 90 Days*	*+ 90 Days*	
Electricity:					
Gross Balances	23 597 217	348 913	178 344	2 710 067	26 834 541
Less: Provision for Impairment	-	-	-	2 425 422	2 425 422
Net Balances	**23 597 217**	**348 913**	**178 344**	**284 645**	**24 409 119**
Refuse:					
Gross Balances	2 181 189	383 240	325 259	5 225 211	8 114 899
Less: Provision for Impairment	-	-	-	5 055 275	5 055 275
Net Balances	**2 181 189**	**383 240**	**325 259**	**169 936**	**3 059 624**
Sewerage:					
Gross Balances	2 473 755	455 419	372 539	6 562 183	9 863 896
Less: Provision for Impairment	-	-	-	6 532 607	6 532 607
Net Balances	**2 473 755**	**455 419**	**372 539**	**29 576**	**3 331 289**
Merchandising, Jobbing and Contracts:					
Gross Balances	5 272	-	-	-	5 272
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**5 272**	**-**	**-**	**-**	**5 272**
Other Service Charges:					
Gross Balances	4 866 116	2 592 781	2 375 504	3 747 304	13 581 705
Less: Provision for Impairment	-	-	-	1 576 586	1 576 586
Net Balances	**4 866 116**	**2 592 781**	**2 375 504**	**2 170 718**	**12 005 119**
Water:					
Gross Balances	4 316 666	827 937	603 698	6 521 803	12 270 104
Less: Provision for Impairment	-	-	-	6 387 135	6 387 135
Net Balances	**4 316 666**	**827 937**	**603 698**	**134 668**	**5 882 969**
Other Receivables:					
Gross Balances	1 021 753	-	-	-	1 021 753
Less: Provision for Impairment	697 429	-	-	-	697 429
Net Balances	**324 324**	**-**	**-**	**-**	**324 324**

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Other Debtors:					
Gross Balances	40 391	-	-	-	40 391
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**40 391**	**-**	**-**	**-**	**40 391**
Prepayments and Advances:					
Gross Balances	1 765 216	-	-	-	1 765 216
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**1 765 216**	**-**	**-**	**-**	**1 765 216**
Control, Clearing and Interface Accounts:					
Gross Balances	375	-	-	-	375
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**375**	**-**	**-**	**-**	**375**
All Receivables:					
Gross Balances	40 267 950	4 608 290	3 855 344	24 766 568	73 498 152
Less: Provision for Impairment	697 429	-	-	21 977 025	22 674 454
Net Balances	**39 570 521**	**4 608 290**	**3 855 344**	**2 789 543**	**50 823 698**

In determining the recoverability of Receivables, the municipality has placed strong emphasis on verifying the indigent status of consumers. Provision for impairment of Receivables has been made for all consumer balances outstanding based on the payment ratio over 12 months per service type. No further credit provision is required in excess of the Provision for Impairment.

No provision has been made in respect of government debt as these amounts are considered to be fully recoverable. The municipality holds collateral over these balances in the form of Consumer Deposits / Guarantees, which are not covering the total outstanding debt and vacant property respectively.

4. STATUTORY RECEIVABLES FROM EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2022			
VAT Receivable	2 586 256	-	2 586 256
Total Statutory Receivables from Exchange Transactions	**2 586 256**	**-**	**2 586 256**

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2021			
VAT Receivable	1 155 500	-	1 155 500
Total Statutory Receivables from Exchange Transactions	**1 155 500**	**-**	**1 155 500**

VAT is claimable on the payment basis.

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5. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

As at 30 June 2022	Gross Balances R	Provision for Impairment R	Net Balances R
Accrued Income	3 341	-	3 341
Accrued Interest	-	-	-
Administration Cost	258 078	-	258 078
Availability Charges	8 428 722	7 645 518	783 205
Insurance Claims	240 711	-	240 711
Other	1 847 985	-	1 847 985
Security Deposits	8 158 511	-	8 158 511
Provincial Government Housing Loans - at amortised cost	187 324	-	187 324
Staff Bursaries and other advances - at amortised cost	59 011	-	59 011
Total Receivables from Non-exchange Transactions	**19 183 683**	**7 645 518**	**11 538 165**

As at 30 June 2021	Gross Balances R	Provision for Impairment R	Net Balances R
Accrued Income	3 341	-	3 341
Accrued Interest	827 027	-	827 027
Administration Cost	258 078	-	258 078
Availability Charges	7 780 913	7 051 453	729 460
Insurance Claims	236 940	-	236 940
Other	222 714	-	222 714
Security Deposits	6 907 975	-	6 907 975
Provincial Government Housing Loans - at amortised cost	655 889	-	655 889
Staff Bursaries and other advances - at amortised cost	279 072	-	279 072
Total Receivables from Non-exchange Transactions	**17 171 949**	**7 051 453**	**10 120 496**

2022 R | 2021 R

5.1 Ageing of Receivables from Non-exchange Transactions

As at 30 June 2022

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Insurance Claims:					
Gross Balances	240 711	-	-	-	240 711
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**240 711**	**-**	**-**	**-**	**240 711**
Other Receivables:					
Gross Balances	2 874 293	124 844	117 781	7 687 357	10 804 274
Less: Provision for Impairment	-			7 645 518	7 645 518
Net Balances	**2 874 293**	**124 844**	**117 781**	**41 839**	**3 158 756**
Accrued Income:					
Gross Balances	3 341	-	-	-	3 341
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**3 341**	**-**	**-**	**-**	**3 341**

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	Current 0 - 30 days	Past Due 31 - 60 Days	61 - 90 Days	+ 90 Days	Total
Security Deposits:					
Gross Balances	8 158 511	-	-	-	8 158 511
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**8 158 511**	**-**	**-**	**-**	**8 158 511**

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:					
Gross Balances	11 253 702	124 844	117 781	7 687 357	19 183 683
Less: Provision for Impairment	-	-	-	7 645 518	7 645 518
Net Balances	**11 253 702**	**124 844**	**117 781**	**41 839**	**11 538 165**

As at 30 June 2021

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
Insurance Claims:					
Gross Balances	229 461	-	-	-	229 461
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**229 461**	**-**	**-**	**-**	**229 461**
Other Receivables:					
Gross Balances	2 499 528	114 109	104 382	7 313 153	10 031 172
Less: Provision for Impairment	-	-	-	7 051 453	7 051 453
Net Balances	**2 499 528**	**114 109**	**104 382**	**261 700**	**2 979 719**
Accrued Income:					
Gross Balances	3 341	-	-	-	3 341
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**3 341**	**-**	**-**	**-**	**3 341**
Security Deposits:					
Gross Balances	6 907 975	-	-	-	6 907 975
Less: Provision for Impairment	-	-	-	-	-
Net Balances	**6 907 975**	**-**	**-**	**-**	**6 907 975**

	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:					
Gross Balances	9 640 305	114 109	104 382	7 313 153	17 171 949
Less: Provision for Impairment	-	-	-	7 051 453	7 051 453
Net Balances	**9 640 305**	**114 109**	**104 382**	**261 700**	**10 120 496**

The Provision for Impairment on Receivables exists predominantly due to the possibility that these debts will not be recovered. The Provision for Impairment was calculated after grouping all the financial assets of similar nature and risk ratings and assessing the recoverability.

No Provision for Impairment has been made in respect of government debt as these amounts are considered to be fully recoverable. The municipality holds collateral over these balances in the form of Rates Assessment Deposits / Guarantees, which are not covering the total outstanding debt and vacant property respectively.

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6. STATUTORY RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2022			
Property Rates	24 126 424	16 756 344	7 370 080
Fines	8 122 018	7 302 667	819 351
Total Statutory Receivables from Non-Exchange Transactions	**32 248 442**	**24 059 011**	**8 189 431**

	Gross Balances R	Provision for Impairment R	Net Balances R
As at 30 June 2021			
Property Rates	15 749 612	11 334 469	4 415 143
Fines	6 021 203	5 544 968	476 235
Total Statutory Receivables from Non-Exchange Transactions	**21 770 815**	**16 879 437**	**4 891 378**

6.1 Ageing of Statutory Receivables from Non-Exchange Transactions

As at 30 June 2022

	Current	Past Due			Total
	0 - 30 days	*31 - 60 Days*	*61 - 90 Days*	*+ 90 Days*	
Property Rates:					
Gross Balances	5 087 404	738 812	646 639	17 653 568	24 126 424
Less: Provision for Impairment	-	-	-	16 756 344	16 756 344
Net Balances	**5 087 404**	**738 812**	**646 639**	**897 224**	**7 370 080**
Fines:					
Gross Balances	8 122 018	-	-	-	8 122 018
Less: Provision for Impairment	7 302 667	-	-	-	7 302 667
Net Balances	**819 351**	**-**	**-**		**819 351**

	Current	Past Due			Total
	0 - 30 days	*31 - 60 Days*	*61 - 90 Days*	*+ 90 Days*	
All Receivables:					
Gross Balances	13 209 422	738 812	646 639	17 653 568	32 248 442
Less: Provision for Impairment	7 302 667	-	-	16 756 344	24 059 011
Net Balances	**5 906 755**	**738 812**	**646 639**	**897 224**	**8 189 431**

As at 30 June 2021

	Current	Past Due			Total
	0 - 30 days	*31 - 60 Days*	*61 - 90 Days*	*+ 90 Days*	
Property Rates:					
Gross Balances	2 996 622	293 321	265 410	12 194 259	15 749 612
Less: Provision for Impairment	-	-	-	11 334 469	11 334 469
Net Balances	**2 996 622**	**293 321**	**265 410**	**859 790**	**4 415 143**
Fines:					
Gross Balances	6 021 203	-	-	-	6 021 203
Less: Provision for Impairment	5 544 968	-	-	-	5 544 968
Net Balances	**476 235**	**-**	**-**		**476 235**

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	Current	Past Due			Total
	0 - 30 days	31 - 60 Days	61 - 90 Days	+ 90 Days	
All Receivables:					
Gross Balances	9 017 825	293 321	265 410	12 194 259	21 770 815
Less: Provision for Impairment	5 544 968	-	-	11 334 469	16 879 437
Net Balances	**3 472 857**	**293 321**	**265 410**	**859 790**	**4 891 378**

7. CASH AND CASH EQUIVALENTS

Current Investments	266 585 050	145 062 763
Bank Accounts	91 795 579	137 982 882
Cash on Hand	9 200	9 200
Total Bank, Cash and Cash	**358 389 829**	**283 054 845**

For the purposes of the Statement of Financial Position and the Cash Flow Statement, Cash and Cash Equivalents include Cash-on-Hand, Cash in Banks and Investments in Money Market Instruments, net of outstanding Bank Overdrafts.

7.1 Current Investment Deposits

Call Deposits	266 585 050	145 062 763
Total Current Investment Deposits	**266 585 050**	**145 062 763**

Call Deposits are investments with a maturity period of less than 3 months. The average interest rate for the year was 3.72% (2021:4.28 %).

7.2 Bank Accounts

Cash in Bank	91 795 579	137 982 882

The Municipality has the following operational bank accounts:

Primary Bank Account		
Cash book balance at beginning of year	137 982 882	96 001 974
Cash book balance at end of year	91 795 579	137 982 882

7.3 Cash and Cash Equivalents

Cash Floats and Advances	9 200	9 200
Total Cash on hand in Cash Floats, Advances and Equivalents	**9 200**	**9 200**

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8. PROPERTY, PLANT AND EQUIPMENT

30 June 2022

Reconciliation of Carrying Value Description	Land and Buildings	Infrastructure	Community	Other	Transport Assets	Leased Assets	Total
		R	R	R	R	R	R
Carrying values at 01 July 2021	**98 314 103**	**572 634 202**	**56 989 082**	**21 076 124**	**25 477 285**	**1 135 059**	**775 625 855**
Cost	108 704 688	831 984 572	87 463 666	50 693 266	50 964 997	4 269 936	1 134 081 125
Accumulated Impairment Losses	(511 737)	(16 900 962)	(4 242)	(86 378)	(10 910)	-	(17 514 229)
Accumulated Depreciation	(9 878 848)	(242 449 408)	(30 470 342)	(29 530 764)	(25 476 802)	(3 134 877)	(340 941 041)
Acquisition of Assets	858 887	71 972 817	3 812 843	7 070 054	3 422 124		87 136 725
- Capital Under Construction	46 500	94 925	171 280	-	-	-	312 705
Depreciation	(631 260)	(25 703 428)	(2 753 740)	(4 133 319)	(2 726 181)	(748 884)	(36 696 812)
Carrying value of Disposals:		68 492	-	(36 965)	(15 742)	(48 459)	(32 674)
- Cost		(4 595 097)	-	(74 954)	(18 696)	(2 094 981)	(6 783 728)
- Accumulated Impairment Losses		3 691 936	-	-	-	-	3 691 936
- Accumulated Depreciation		971 653	-	37 989	2 954	2 046 522	3 059 118
Impairment Losses	-	-	-	(58 452)	(2 192)	-	(60 644)
Other Movements	244 420	(1 582 407)	750 294	(2 943 593)	-	35 261	(3 531 286)
- Cost	244 420	(1 582 407)	656 079	(2 978 854)	-	35 261	(3 625 501)
- Transfers Received	1 438 104	52 415 666	5 217 500	3 673 740	3 422 124	35 261	66 202 395
- Transfers Made	(1 193 684)	(53 998 073)	(4 561 421)	(6 652 594)	(3 422 124)		(69 827 896)
- Accumulated Depreciation		-	94 215	-	-	-	94 215
Carrying values at 30 June 2022	**98 832 650**	**617 484 601**	**58 969 759**	**20 938 588**	**26 155 294**	**372 976**	**822 753 869**
Cost	109 854 495	897 874 810	92 103 868	54 709 512	54 368 425	2 210 216	1 211 121 326
Accumulated Impairment Losses	(511 737)	(13 209 026)	(4 242)	(144 830)	(13 102)	-	(13 882 937)
Accumulated Depreciation	(10 510 108)	(267 181 183)	(33 129 867)	(33 626 094)	(28 200 029)	(1 837 240)	(374 484 520)

8. PROPERTY, PLANT AND EQUIPMENT

30 June 2021

Reconciliation of Carrying Value Description	**Land and Buildings**	**Infrastructure**	**Community**	**Other**	**Transport Assets**	**Leased Assets**	**Total**
		R	**R**	**R**	**R**	**R**	**R**
Carrying values at 01 July 2020	**98 839 653**	**544 443 471**	**55 903 464**	**19 831 714**	**27 571 827**	**1 971 255**	**748 561 384**
Cost	108 603 586	778 434 400	83 768 799	46 806 041	51 681 959	4 022 165	1 073 316 950
Accumulated Impairment Losses	(511 737)	(13 210 278)	(4 242)	(128 946)	(83 303)	-	(13 938 506)
Accumulated Depreciation	(9 252 196)	(220 780 651)	(27 861 093)	(26 845 381)	(24 026 829)	(2 050 910)	(310 817 060)
	-						
Acquisition of Assets	220 000	53 575 667	5 064 716	4 235 191	744 106	247 771	64 087 451
Depreciation	(626 652)	(22 466 827)	(2 609 249)	(3 560 998)	(2 610 400)	(1 083 967)	(32 958 093)
Carrying value of Disposals:		(622 737)	-	(206 031)	(338 000)	-	(1 166 768)
- Cost		(1 414 447)	-	(1 198 024)	(1 570 820)	-	(4 183 291)
- Accumulated Impairment Losses	-	1 252	-	116 378	72 393	-	190 023
- Accumulated Depreciation	-	790 458	-	875 615	1 160 427	-	2 826 500
	-						
Impairment Losses	-	(3 691 936)	-	(73 810)	-	-	(3 765 746)
Other Movements	(118 898)	1 396 564	(1 369 849)	850 058	109 752	-	867 627
- Cost	(118 898)	1 388 952	(1 369 849)	850 058	109 752	-	860 015
- Transfers Received	95 603	102 464 221	3 202 368	5 390 721	878 609		112 031 522
- Transfers Made	(214 501)	(101 075 269)	(4 572 217)	(4 540 663)	(768 857)		(111 171 507)
- Accumulated Depreciation	-	7 612	-	-	-	-	7 612
	-						
Carrying values at 30 June 2021	**98 314 103**	**572 634 202**	**56 989 082**	**21 076 124**	**25 477 285**	**1 135 059**	**775 625 855**
Cost	108 704 688	831 984 572	87 463 666	50 693 266	50 964 997	4 269 936	1 134 081 125
Accumulated Impairment Losses	(511 737)	(16 900 962)	(4 242)	(86 378)	(10 910)	-	(17 514 229)
Accumulated Depreciation	(9 878 848)	(242 449 408)	(30 470 342)	(29 530 764)	(25 476 802)	(3 134 877)	(340 941 041)

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	2022 R	2021 R

8. (Continued)

8.1 Assets pledged as security

Leased Assets are pledged as security for the finance liability.

8.2 Impairment of Property, Plant and Equipment

Impairment Losses on Property, Plant and Equipment to the amount of R60 644 (2021: R3 765 746) has been recognised in operating surplus and are included in Impairment Losses in the Statement of Financial Performance as indicated in Note 39

	2022	2021
Infrastructure	-	3 691 936
Other Assets	58 452	73 810
Transport Assets	2 192	-
Total Impairment of Property, Plant and Equipment	**60 644**	**3 765 746**

8.3 Work-in-Progress

The municipality has incurred expenditure on capital projects which were not completed at year-end. The details of the carrying amounts of expenditure included in each class of assets are listed below:

June 2022	**Infrastructure**	**Community**	**Building**	**Total**
Opening Balance	18 907 185	540 153	275 706	19 723 044
Additions	54 996 200	269 460	3 459 776	58 725 436
Completed Assets	(26 561 017)	(5 913)	(2 015 236)	(28 582 166)
Closing Balance	**47 342 368**	**803 700**	**1 720 246**	**49 866 314**

June 2021	**Infrastructure**	**Community**	**Building**	**Total**
Opening Balance	50 951 456	15 813	25 825	50 993 094
Additions	45 467 799	830 009	1 313 783	47 611 592
Completed Assets	(77 512 070)	(305 669)	(1 063 902)	(78 881 641)
Closing Balance	**18 907 185**	**540 153**	**275 706**	**19 723 044**

8.4 Delayed Projects

Project Details (Unspent Balance)	**2022**	**2021**
Infrastructure Assets	27 868 932	15 942 953
2022: Due to delay caused by the National Treasury Instruction to halt all SCM processes.		
2021: Due to various suppliers delays, regulation and legislation technicalities.		
Community Asset	3 373 949	1 417 691
2022: Due to delay caused by the National Treasury Instruction to halt all SCM processes.		
2021: Due to various regulation and legislation technicalities the projects were delayed.		
Other Assets	2 286 519	10 894 906
2022: Due to delay caused by the National Treasury Instruction to halt all SCM processes.		
2021: Due to various regulation, legislation and Covid pandemic restraints.		
Total balance at year end	**33 529 399**	**28 255 550**

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8.5 Expenditure incurred for Repairs and Maintenance

The following specific costs included in the amount of repairs and maintenance were incurred by municipality during the reporting period:

	2022	**2021**
Electrical Infrastructure	2 352 626	3 037 051
- Contracted Services	217 015	754 054
- Inventory Consumed	2 135 611	2 282 997
Information and Communication	154	12 436
- Contracted Services	-	9 816
- Inventory Consumed	154	2 620
Roads Infrastructure	3 549 017	997 129
- Contracted Services	464 001	48 174
- Inventory Consumed	3 085 016	948 955
Sanitation Infrastructure	3 318 451	2 828 959
- Contracted Services	3 035 574	2 283 283
- Inventory Consumed	282 877	545 676
Solid Waste Disposal	112 479	109 195
- Contracted Services	79 252	96 758
- Inventory Consumed	33 227	12 437
Stormwater Infrastructure	381 286	475 825
- Contracted Services	228 573	246 636
- Inventory Consumed	152 713	229 189
Water Supply Infrastructure	6 371 065	6 278 151
- Contracted Services	5 468 985	5 200 222
- Inventory Consumed	902 080	1 077 929
Community Assets	1 462 672	1 291 525
- Contracted Services	716 297	564 234
- Inventory Consumed	746 375	727 291
Computer Equipment	885	-
- Inventory Consumed	885	-
Furniture and Office Equipment	563 497	1 057 815
- Contracted Services	393 435	903 993
- Inventory Consumed	170 062	153 822
Machinery and Equipment	360 748	336 800
- Contracted Services	257 808	198 455
- Inventory Consumed	102 940	138 345
Other Assets - Buildings	735 970	906 581
- Contracted Services	542 526	712 326
- Inventory Consumed	193 444	194 255
Transport Assets	4 239 852	5 045 225
- Contracted Services	2 524 370	3 248 739
- Inventory Consumed	1 714 665	1 795 298
- Other Operational Costs	817	1 188
Total Expenditure related to Repairs and Maintenance Projects	**23 448 702**	**22 376 692**

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9. INTANGIBLE ASSETS

	2022 R	2021 R
At Cost	**1 036 964**	**1 017 125**

The movement in Intangible Assets is reconciled as follows:

Intangible Assets

	2022 R	2021 R
Carrying values at 01 July 2021	**1 017 125**	**1 017 125**
Opening Balance - Computer Software	964 125	964 125
Opening Balance - Servitudes	53 000	53 000
Acquisitions:	19 839	-
Purchased	19 839	
Carrying values at 30 June 2022	**1 036 964**	**1 017 125**
Closing Balance - Computer Software	983 964	964 125
Closing Balance - Servitudes	53 000	53 000

9.1 Significant Intangible Assets

Material intangible assets included in the carrying value:

	2022 R	2021 R
Internal audit and risk management	507 307	507 307
Omron Scada software - vehicle testing	3 018	3 018
Other intangible assets	218 454	218 454
Servitude Bonnievale	53 000	53 000
Software Bytes NBD	100	100
Website costs	235 246	235 246
Sonicwall - Analytics	19 839	-
	1 036 964	**1 017 125**

9.2 Intangible Assets with Indefinite Useful Lives

The municipality regards all of its Intangible Assets as having indefinite useful lives.

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10. INVESTMENT PROPERTY

	2022 R	2021 R
At Cost less Accumulated Depreciation	**28 183 133**	**28 511 536**
The movement in Investment Property is reconciled as follows:		
Carrying values at 1 July 2021	**28 511 536**	**28 040 106**
Cost	30 541 705	30 218 581
Accumulated Depreciation	(2 030 169)	(1 970 096)
Accumulated Impairment Losses	-	(208 379)
Acquisitions during the Year	-	-
Cost	-	-
Depreciation during the Year	(72 587)	(60 073)
Impairment Losses during the Year	-	-
Disposals during the Year:	-	-
Reversal of Impairment Losses during the Year	-	-
Transfers during the Year:	(255 816)	323 124
At Cost	(280 000)	323 124
At Accumulated Depreciation	24 184	-
Other Changes:	-	208 379
At Accumulated Impairment	-	208 379
Carrying values at 30 June 2022	**28 183 133**	**28 511 536**
Cost	30 261 705	30 541 705
Accumulated Depreciation	(2 078 572)	(2 030 169)
Accumulated Impairment	-	-

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11. HERITAGE ASSETS

30 June 2022

Reconciliation of Carrying Value

Description	Significant Land and Buildings	Total
	R	R
Carrying values at 01 July 2021	**275 448**	**275 448**
Cost	664 448	664 448
Under Construction	-	-
Revaluation	-	-
Accumulated Impairment Losses	(389 000)	(389 000)
Acquisitions	-	-
Impairment Losses	-	-
Reversal of Impairment Loss	-	-
Carrying value of Disposals:	-	-
- Cost	-	-
- Revaluation	-	-
- Accumulated Impairment Losses	-	-
Carrying values at 30 June 2022	**275 448**	**275 448**
Cost	664 448	664 448
Under Construction	-	-
Revaluation	-	-
Accumulated Impairment Losses	(389 000)	(389 000)

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11. HERITAGE ASSETS

30 June 2021

Reconciliation of Carrying Value

Description	Significant Land and Buildings	Total
	R	R
Carrying values at 01 July 2020	**275 448**	**275 448**
Cost	664 448	664 448
Under Construction	-	-
Revaluation	-	-
Accumulated Impairment Losses	(389 000)	(389 000)
Acquisitions	-	-
Impairment Losses	-	-
Reversal of Impairment Loss	-	-
Carrying value of Disposals:	-	-
- Cost	-	-
- Revaluation	-	-
- Accumulated Impairment Losses	-	-
Carrying values at 30 June 2021	**275 448**	**275 448**
Cost	664 448	664 448
Under Construction	-	-
Revaluation	-	-
Accumulated Impairment Losses	(389 000)	(389 000)

Assets declared as heritage assets:

According to the South African Heritage Resources Agency, the following assets are declared as heritage sites. However,Langeberg Municipality classifies such assets as follows based on their use:

a) Montagu Municipal Offices - Administrative Use - Property, plant and equipment
b) Hofmeyer Hall - Community Hall - Property, Plant and equipment
c) McGregor Municipal Offices - Mixed Use - Investment property
d) Robertsons Old Library - Administrative Use - Property, Plant and equipment

	2022	2021
	R	R

12. LIVING AND NON-LIVING RESOURCES

GRAP 110 Living and Non-living Resources became effective on 1 April 2020 and, in accordance with the transitional provisions for the Standard provided in Directive 3, entities are not required to recognise and/or measure living resources for reporting periods beginning on or after a date within three years following the date of initial adoption of the Standard of GRAP subject to the provisions in Directive 3.

The municipality is taking advantage of the transitional provisions by not recognising or measuring its Living Resources in accordance with GRAP 110, and, therefore, no disclosures required by GRAP 110 has been made in respect of Living Resources.
No Living Resources are recognised and no preliminary amounts are presented at reporting date.
The municipality intends to fully apply the requirements of GRAP 110 by 30 June 2023.

The Municipality extracts the water from the following non-living resources:

NON-LIVING RESOURCES

DAM

As at 30 June 2022

TOWN	OWNER	VOLUME % 30 June 2022	VOLUME m³	LOCATION - (S)	LOCATION - (E)
Groter Brandvlei	Department of Water :	43%	194 780 000	Worcester	
Dassieshoekdam	Langeberg Mun	52%	433 333	33º45'26"	19º52'37"
Kooskokdam	Langeberg Mun	83%	86 000	33º45'00"	19º53'36"
Montagu Bo-Dam	Langeberg Mun	59%	139 000	33º48'00"	20º07'57"
Montagu Onderdam	Langeberg Mun	34%	116 400	33º47'45"	20º07'45"
McGregor Vaaldam	Langeberg Mun	100%	111 343	33º57'13"	19º49'06"
Mcgregor Rooidam	Langeberg Mun	92%	65 885	33º57'18"	19º49'17"
McGregor Drinkwaterdam	Langeberg Mun	97%	79 000	33º57'24"	19º49'13"
Ashton Stoordam	Langeberg Mun	50%	55 000	33º50'05"	20º01'59"

As at 30 June 2021

DAM

TOWN	OWNER	VOLUME % 30 June 2021	VOLUME m³	LOCATION - (S)	LOCATION - (E)
Groter Brandvlei	Department of Water Services	36%	164 000 000	Worcester	
Dassieshoekdam	Langeberg Mun	58%	480 000	33º45'26"	19º52'37"
Kooskokdam	Langeberg Mun	66%	68 200	33º45'00"	19º53'36"
Montagu Bo-Dam	Langeberg Mun	3%	8 000	33º48'00"	20º07'57"
Montagu Onderdam	Langeberg Mun	49%	168 200	33º47'45"	20º07'45"
McGregor Vaaldam	Langeberg Mun	86%	127 295	33º57'13"	19º49'06"
Mcgregor Rooidam	Langeberg Mun	79%	56 759	33º57'18"	19º49'17"
McGregor Drinkwaterdam	Langeberg Mun	88%	73 050	33º57'24"	19º49'13"
Ashton Stoordam	Langeberg Mun	80%	88 000	33º50'05"	20º01'59"

As at 30 June 2022

BOREHOLES

TOWN	BOREHOLE NUMBE	OWNER	YIELD/YEAR m³	LOCATION - (S)	LOCATION - (E)
Montagu	Old Borehole 1	Langeberg Mun	0	33º46'47"	20º06'45"
Montagu	New Borehole 1	Langeberg Mun	0	33º46'45"	20º06'36"
Montagu	Old Borehole 3	Langeberg Mun	0	33º46'46"	20º06'37"
Montagu	Old Borehole 4	Langeberg Mun	0	33º46'46"	20º06'33"
Montagu	New Borehole 5	Langeberg Mun	0	33º46'38"	20º07'53"

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As at 30 June 2021

BOREHOLES

TOWN	BOREHOLE NUMBE	OWNER	YIELD/YEAR m³	LOCATION - (S)	LOCATION - (E)
Montagu	Old Borehole 1	Langeberg Mun	47 300	33º46'47"	20º06'45"
Montagu	New Borehole 1	Langeberg Mun	21 020	33º46'45"	20º06'36"
Montagu	Old Borehole 3	Langeberg Mun	31 500	33º46'46"	20º06'37"
Montagu	Old Borehole 4	Langeberg Mun	26 200	33º46'46"	20º06'33"
Montagu	New Borehole 5	Langeberg Mun	985	33º46'38"	20º07'53"

RIVER ABSTRACTION NAME	LOCATION S	LOCATION E
Ashton Breede River Pump Station	33º52'08"	19º59'13"
Bonnievale Breede River Pump Station	33º56'27"	20º04'22"

The municipality adheres to the National Water Act with regards to the dams that the municipality is a custodian of.

	2022 R	2021 R
13. INVESTMENTS		
Non-current Investments	137 205	135 546
Total Investments	**137 205**	**135 546**
13.1 Non-current Investments		
Listed		
Listed Shares	137 205	135 546
Total Non-current Portion of	**137 205**	**135 546**
Total Investments		
Non-current Portion	137 205	135 546
Short-term Portion	-	-
Total Investments	**137 205**	**135 546**

Financial assets are recognised at the following hierarchy:

Level 1 - represents those assets which are measured using unadjusted quoted prices in active markets for identical assets.

Listed shares are held in public companies. No specific maturity dates and interest rates are applicable to those shares.

Listed investments represent 270 Sanlam shares, 685 Distell shares.
The market value per share at year end: Sanlam shares R 52.87 (2021: R61.37).
The market value per share at year end: Distell shares R 171.35 (2021: R 167.00)

Unlisted Investments comprise the following:
(i) Unlisted investments comprise 1309 Hosken Passenger Logistics & Retail Ltd shares held at fair value, available for sale.

Valuations of investments supplied by council are:

The market value per share at year end: Hosken Passenger Logistics & Retail Ltd R4.50 (2021: R3.50).

The share prices are publicly available and are not appended on valuations.

14. LEASE RECEIVABLES

	2022	2021
Current Lease Receivables	109 261	139 807
Non-current Lease Receivables	-	-
Total Lease Receivables	**109 261**	**139 807**

14.1.1 Leasing Arrangements

The Municipality as Lessor:

All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

14.1.2 Amounts receivable under Operating Leases

At the Reporting Date the following minimum lease payments were receivable under non-cancellable Operating Leases for Property, Plant and Equipment, which are receivable as follows:

Up to 1 year	1 116 261	2 139 748
2 to 5 years	1 068 441	2 093 252
More than 5 years	100 039	227 655
Total Operating Lease Arrangements	**2 284 741**	**4 460 655**

15. LONG-TERM RECEIVABLES

Non-Current Portion of Long Term Receivables	**400 287**	**661 179**
Receivable from exchange transactions	12 395	284 305
Receivable from non-exchange transactions	387 892	376 874
	400 287	**661 179**

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16. CONSUMER DEPOSITS

	2022 R	2021 R
Electricity	13 196 425	12 994 298
Water	381 745	147 917
Other Deposits:-	2 205 038	1 138 202
- Land Sales	1 606 048	906 484
- Posters	43 201	18 744
- Refuse	208 548	83 036
- Rental Properties	116 834	39 572
- Sewer	230 407	90 366
Total Consumer Deposits	**15 783 208**	**14 280 417**

17. PAYABLES FROM EXCHANGE TRANSACTIONS

	2022 R	2021 R
Other Payables	4 762 679	3 523 277
Retentions	6 449 823	5 757 785
Trade Creditors	68 181 899	56 801 484
Deposits	12 897 176	11 136 925
Total Payables from Exchange Transactions	**92 291 577**	**77 219 471**

18. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

	2022 R	2021 R
Total Unspent Conditional Grants and Receipts	**28 591 429**	**28 796 545**

The Unspent Conditional Grants and Receipts are invested in investment accounts until utilised.

Unspent conditional grants and receipts comprises of:

	2022 R	2021 R
Unspent conditional grants and receipts		
Municipal Infrastructure Grant (MIG)	196 824	-
Integrated National Electrification Grant	-	276 314
Neighbourhood Development Partnership Grant	10 000 000	399 442
Water Services Infrastructure Grant	10 141 338	21 093 000
Development of Sport and Recreation Facilities	1 295 420	800 000
SMME Booster Fund 2021	556 337	-
CWDM- Boundary Walls	32 199	32 199
Library Services-Replacement Funds	-	970 044
Municipal Library Support Fund	545 304	-
Human Settlements Development Grant (Beneficiaries)	-	292 344
Human Settlements Development Grant (Title Deed Restoration)	3 208 411	3 227 756
Western Cape Financial Management Capacity Building Grant	62 000	135 000
Municipal Electrical Master Plan Grant	427 391	770 000
Western Cape Financial Mangement Support Grant	550 000	-
Bakery Project Grant	168 875	168 875
CWDM - Community Safety	566 353	566 353
CDWM - EPWP Projects	19 730	-
CWDM Councillors laptops	65 217	65 217
Local Government Public Employment Support Grant	756 028	-
	28 591 427	**28 796 544**

See Note 28 for the reconciliation of Grants from Government and other sources.
The municipality complied with the conditions attached to all grants received to the extent of revenue recognised.
No grants were withheld.

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19. LEASE PAYABLES

	2022	2021
Current Lease Payables	195 098	811 759
Non-current Lease Payables	69 785	232 750
Total Lease Payables	**264 883**	**1 044 509**

19.1 Finance Lease Payables

	2022	2021
Finance Lease Liability	264 883	1 044 509
Total Non-current Lease Payables	**264 883**	**1 044 509**
Less: Current Portion transferred to Current Lease Payables:-	(195 098)	(811 759)
Finance Lease Liability	(195 098)	(811 759)
Non-Current Portion of Finance Lease Payables	**69 785**	**232 750**

19.1.1 Obligations under Leases

The Municipality as Lessee:

The obligations under Finance Leases are as follows:

Amounts payable under Finance leases:

2022	Amount Payable	Future Finance Obligation	Present Value of Annuity
Payable within one year	208 308	13 210	195 098
Payable within two to five years	72 859	3 074	69 785
Payable after five years	-	-	-
	281 167	**16 284**	**264 883**

2021	Amount Payable	Future Finance Obligation	Present Value of Annuity
Payable within one year	869 925	58 166	811 759
Payable within two to five years	243 424	10 674	232 750
Payable after five years	-	-	-
	1 113 349	**68 839**	**1 044 509**

The above finance leases have no escalation over the period of the lease. After the initial period the finance leases will continue indefinite until terminated by either party with a 30 day notice period. Hire purchases and leases are secured by property, plant and equipment. Leased assets are equipment which lease terms are approximately 1 to 36 months.

Defaults and breaches: No finance leases were in default during the financial year.
There are no finance leases which are subject to any restrictions.

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20. BORROWINGS

	2022	2021
Long-Term Borrowings	35 975 165	39 907 531
Annuity and Bullet Loans	35 975 165	39 907 531
Less: Current Portion transferred to Current Borrowings:-	(4 062 325)	(4 059 825)
Current Annuity Loans	(4 062 325)	(4 059 825)
Non-Current Portion of Borrowings	**31 912 840**	**35 847 706**

20.1 Summary of Arrangements

The municipality have the following annuity loans:

a) DBSA @ 9.54% average interest rate redeemed on 31 December 2020
b) DBSA @ 9.54% average interest rate redeemed on 31 December 2020
c) DBSA @ 7.51% average interest rate redeemable on 31 December 2024
d) DBSA @ 6.08% average interest rate redeemable on 31 March 2027
e) Standard Bank @ 10.52% redeemable on 30 June 2034

Average interest rate for 2022: 6.80% (2021: 6.17%) for DBSA loans. The Standard bank loan has a fixed interest rate.

Amounts payable under annuity

		2022	
	Amount Payable	Future Finance Obligation	Present Value of Annuity
Payable within one year	7 336 942	3 274 617	4 062 325
Payable within two to five years	25 680 466	10 100 959	15 579 507
Payable after five years	22 784 399	6 451 066	16 333 333
Present value of annuity loans obligations	**55 801 807**	**19 826 642**	**35 975 165**

		2021	
	Amount Payable	Future Finance Obligation	Present Value of Annuity
Payable within one year	7 563 436	3 503 610	4 059 825
Payable within two to five years	33 187 301	11 702 991	21 484 311
Payable after five years	22 784 399	8 421 003	14 363 396
Present value of annuity loans obligations	**63 535 136**	**23 627 605**	**39 907 532**

Assets pledged as security:

There are no assets pledged as security.

20.2 Obligations under Borrowings

	2022	2021
Non - Current Annuity Loans	31 912 840	35 847 706
Current Portion transferred to Current Liabilities:	4 062 325	4 059 825
Total Borrowings	**35 975 165**	**39 907 531**

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21. EMPLOYEE BENEFIT LIABILITIES

	2022	2021
Employee Benefit Liabilities	85 051 510	84 116 088
Post-retirement Health Care Benefits Liability	51 291 000	52 257 000
Long Service Awards Liability	13 991 000	13 212 000
Staff Bonus	6 845 214	6 485 354
Staff Leave	12 924 296	12 161 734
Less: Current Portion of Employee Benefit Liabilities	24 056 510	22 672 088
Post-retirement Health Care Benefits Liability	2 773 000	2 705 000
Long Service Awards Liability	1 514 000	1 320 000
Staff Bonus	6 845 214	6 485 354
Staff Leave	12 924 296	12 161 734
Non-Current Portion of Employee Benefit Liabilities	**60 995 000**	**61 444 000**

21.1 Current Portion of Employee Benefit Liabilities

The movement in Current Portion of Employee Benefit Liabilities is reconciled as follows:

	Post-retirement Health Care Benefits Liability	Long-term Service
30 June 2022		
Balance at end of year	**2 773 000**	**1 514 000**
30 June 2021		
Balance at end of year	**2 705 000**	**1 320 000**

Staff Bonus:

Opening Balance	6 485 354	6 320 450
Increases	10 385 805	10 846 902
Payments made	(10 025 945)	(10 681 998)
Balance at end of year	**6 845 214**	**6 485 354**

Leave Provision

Opening Balance	12 161 734	11 770 231
Increases	8 102 788	8 077 476
Payments Made	(7 340 226)	(7 685 973)
Balance at end of year	**12 924 296**	**12 161 734**

21.2 Post-retirement Health Care Benefits Liability

Opening Balance	52 256 999	45 051 000
Interest Cost	5 012 000	4 418 002
Current Service Cost	1 741 000	1 422 999
Actual Employer Benefit Payments	(2 652 676)	(2 543 326)
Actuarial Loss/ (Gain) recognised in the year	(5 066 323)	3 908 324
Balance at end of Year	51 291 000	52 256 999
Transfer to Current Provisions	2 773 000	2 705 000
Non-Current Portion Post-retirement Health Care Benefits Liability	**48 518 000**	**49 551 999**

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The members of the Post-employment Health Care Benefit Plan are made up as follows:	**2022**	**2021**
In-service Members (Employees)	211	201
In-service Non-members (Employees)	487	497
Continuation Members (Retirees, widowers and orphans)	70	70
Total Members	**768**	**768**

The liability in respect of past service has been estimated as follows:

In-service Members	15 014 000	15 917 000
In-service Non-members	6 163 000	5 917 000
Continuation Members	30 114 000	30 423 000
Total Liability	**51 291 000**	**52 257 000**

The municipality makes monthly contributions for health care arrangements to the following Medical Aid Schemes:

- Bonitas
- Keyhealth
- LA Health
- Hosmed
- SAMWU Medical Aid
- Discovery Health

The Current-Service Cost for the year ending 30 June 2022 is estimated at R1 741 000. It is estimated to be R1 793 000 for the ensuing year.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount Rate	11,74%	10,08%
Health Care Cost Inflation Rate	8,37%	6,19%
Net Effective Discount Rate	3,11%	3,66%
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

Movements in the present value of the Defined Benefit Obligation were as follows:

Opening Balance	52 257 000	45 051 000
Interest Cost	5 012 000	4 418 000
Current Service Cost	1 741 000	1 423 000
Expenditure for the year	(2 705 000)	(2 508 000)
Actuarial Losses / (Gains)	(5 014 000)	3 873 000
Total Recognised Benefit Liability	**51 291 000**	**52 257 000**

The amounts recognised in the Statement of Financial Performance are as follows:

Current service cost	1 741 000	1 423 000
Interest cost	5 012 000	4 418 000
Actuarial losses / (gains)	(5 014 000)	3 873 000
Total Post-retirement Benefit included in Employee Related Costs (Note 35.)	**1 739 000**	**9 714 000**

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Tables below summarises the results of the sensitivity analysis

Sensitivity Analysis on the Accrued Liability

Assumption	Change	Eligible Employees	Continuation Members	Total	% Change
Central assumptions		21 177 000	30 114 000	51 291 000	
Health care inflation rate	+1%	23 345 000	31 798 000	55 143 000	8%
Health care inflation rate	-1%	18 457 000	28 241 000	46 698 000	-9%
Discount rate	+1%	17 763 000	27 828 000	45 591 000	-11%
Discount rate	-1%	25 545 000	32 769 000	58 314 000	14%
Post-employment mortality	+1 year	20 670 000	29 110 000	49 780 000	-3%
Post-employment mortality	- 1 year	21 673 000	31 119 000	52 792 000	3%
Average retirement age	- 1 year	23 257 000	30 114 000	53 371 000	4%
Membership continuation	-10%	18 515 000	30 114 000	48 629 000	-5%

Sensitivity Analysis on Current-Service and Interest Costs for year ending 30 June 2022

Assumption	Change	Current-Service Cost	Interest Cost	Total	% Change
Central assumptions		1 741 000	5 012 000	6 753 000	
Health care inflation rate	+1%	1 997 000	5 499 000	7 496 000	11%
Health care inflation rate	-1%	1 445 000	4 475 000	5 920 000	-12%
Discount rate	+1%	1 425 000	4 871 000	6 296 000	-7%
Discount rate	-1%	2 151 000	5 160 000	7 311 000	8%
Post-employment mortality	- 1 year	1 784 000	5 170 000	6 954 000	3%
Average retirement age	- 1 year	1 943 000	5 204 000	7 147 000	6%
Membership continuation	-10%	1 528 000	4 742 000	6 270 000	-7%

Sensitivity Analysis on Current-Service and Interest Costs for year ending 30 June 2023

Assumption	Change	Current-Service Cost	Interest Cost	Total	% Change
Central assumptions		1 793 000	5 863 000	7 656 000	
Health care inflation rate	+1%	1 979 000	6 315 000	8 294 000	8%
Health care inflation rate	-1%	1 548 000	5 325 000	6 873 000	-10%
Discount rate	+1%	1 483 000	5 637 000	7 120 000	-7%
Discount rate	-1%	2 195 000	6 118 000	8 313 000	9%
Post-employment mortality	+1 year	1 752 000	5 686 000	7 438 000	-3%
Post-employment mortality	- 1 year	1 831 000	6 039 000	7 870 000	3%
Average retirement age	- 1 year	1 990 000	6 107 000	8 097 000	6%
Membership continuation	-10%	1 572 000	5 551 000	7 123 000	-7%

Refer to Note 57., "Multi-employer Retirement Benefit Information", to the Annual Financial Statements for more information regarding the municipality's other retirement funds that is Provincially and Nationally administered.

The principal assumptions used for the purposes of the actuarial valuations were as follows:	**2022**	**2021**
Discount Rate	11,74%	7,41%
Health Care Cost Inflation Rate	8,37%	2,57%
Net Effective Discount Rate	3,11%	4,72%
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

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	2022 R	2021 R
21.3 Long Service Awards Liability		
Opening Balance	13 212 000	12 156 000
Current Service Cost	1 179 000	1 045 000
Interest Cost	1 187 000	837 000
Actuarial Gain	(391 736)	980 195
Payments Made	(1 195 264)	(1 806 195)
Balance at end of Year	13 991 000	13 212 000
Transfer to Current Provisions	1 514 000	1 320 000
Total Long Service Awards Liability	**12 477 000**	**11 892 000**

The Current-Service Cost for the year ending 30 June 2022 is R 1,179,000. The Current-Service Cost for the ensuing year has been estimated to be R 1,373,000.

Long Service Award - The principal assumptions used for the purposes of the actuarial valuations were as follows:	**2022**	**2021**
Discount Rate	11,21%	9,44%
General salary inflation	7,38%	5,84%
Net Effective Discount Rate	3,56%	3,40%
Expected Rate of Salary Increase	7,00%	7,00%
(Plus Additional 0.5% for employees who earn a basic salary of R 9000 or less)		
(Three-year salary and wage collective agreement ends on 30 June 2024)		
Expected Retirement Age - Females	62	62
Expected Retirement Age - Males	62	62

Sensitivity Analysis on the Unfunded Accrued Liability

Assumption	Change	Liability	% Change
Central assumptions		13 991 000	
General earnings inflation rate	+1%	14 881 000	6%
General earnings inflation rate	-1%	13 186 000	-6%
Discount rate	+1%	13 163 000	-6%
Discount rate	-1%	14 921 000	7%
Average retirement age	+2 Years	16 141 000	15%
Average retirement age	-2 Years	12 325 000	-12%
Withdrawal rates	x2	11 270 000	-19%
Withdrawal rates	x0.5	15 887 000	14%

Sensitivity Analysis on Current-Service and Interest Costs for year ending 30 June 2022

Assumption	Change	Current-Service Cost	Interest Cost	Total	% Change
Central assumptions		1 179 000	1 187 000	2 366 000	
General earnings inflation rate	+1%	1 280 000	1 269 000	2 549 000	8%
General earnings inflation rate	-1%	1 089 000	1 113 000	2 202 000	-7%
Discount rate	+1%	1 097 000	1 228 000	2 325 000	-2%
Discount rate	-1%	1 273 000	1 137 000	2 410 000	2%
Average retirement age	+2 Years	1 310 000	1 376 000	2 686 000	14%
Average retirement age	-2 Years	1 062 000	1 041 000	2 103 000	-11%
Withdrawal rates	x2	846 000	940 000	1 786 000	-25%
Withdrawal rates	x0.5	1 433 000	1 358 000	2 791 000	18%

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Sensitivity Analysis on Current-Service and Interest Costs for year ending 30 June 2023

Assumption	Change	Current-Service Cost	Interest Cost	Total	% Change
Central assumptions		1 273 000	1 485 000	2 758 000	
General earnings inflation rate	+1%	1 380 000	1 585 000	2 965 000	8%
General earnings inflation rate	-1%	1 177 000	1 395 000	2 572 000	-7%
Discount rate	+1%	1 186 000	1 517 000	2 703 000	-2%
Discount rate	-1%	1 372 000	1 447 000	2 819 000	2%
Average retirement age	+2 Years	1 415 000	1 726 000	3 141 000	14%
Average retirement age	-2 Years	1 144 000	1 303 000	2 447 000	-11%
Withdrawal rates	x2	914 000	1 180 000	2 094 000	-24%
Withdrawal rates	x0.5	1 546 000	1 698 000	3 244 000	18%

22. PROVISIONS

	2022	2021
Current Provisions	29 057 468	25 915 395
Non-current Provisions	64 135 254	46 565 270
Total Provisions	**93 192 722**	**72 480 665**

22.1 Current Provisions

	2022	2021
Current Portion of Non-Current	29 057 468	25 915 395
Decommissioning, Restoration and Similar Liabilities: Landfill Sites	29 057 468	25 915 395
Total Provisions	**29 057 468**	**25 915 395**

	Decommissioning of Landfill Sites
	R
30 June 2022	
Opening Balance	25 915 395
Increases	3 142 072
Balance at end of year	**29 057 467**

	Decommissioning of Landfill Sites
	R
30 June 2021	
Opening Balance	21 053 680
Increases	4 861 715
Balance at end of year	**25 915 395**

22.2 Non-current Provisions

	2022	2021
Decommissioning, Restoration and Similar Liabilities: Landfill Sites	64 135 254	46 565 270
Total Non-current Provisions	**64 135 254**	**46 565 270**

Decommissioning of Landfill Sites:

	2022	2021
Opening Balance	46 565 270	44 118 303
Increase/Decrease in Asset	7 676 422	9 920 435
Contribution to Provision	6 735 850	(7 839 297)
Other Reductions	-	-
Reversals	(3 142 072)	(4 861 715)
Increases (Passage of Time/Discounted Rate)	6 299 784	5 227 544
	64 135 254	**46 565 270**

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LANDFILL SITES - USEFUL LIFE	Montagu	Bonnievale	McGregor	Ashton
	Landfill Site	Landfill Site	Transfer Station	Transfer Station
Remaining Useful Life 30 June 2022	-	7,09	-	1,75

	Montagu	Bonnievale	McGregor	Ashton
Area (m)	17 190	28 890	35 752	48 517
Actual estimated closure date	2015	2029	2015	2024
Estimated decommission date	2041	2061	2030	2024
CPI	5,11%	5,11%	5,11%	5,11%
Discount Rate	8,62%	10,17%	8,62%	11,29%

The landfill rehabilitation is created for the rehabilitation of the current operational sites which are evaluated at each year- end to reflect the best estimate at reporting date. The sites under consideration are the Montagu, Bonnievale, McGregor and Ashton landfill sites.

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	2022 R	2021 R
23. RESERVES		
Capital Replacement Reserve	62 920 999	62 920 999
Total Reserves	**62 920 999**	**62 920 999**
Reconciliation of the Capital Replacement Reserve:		
Opening Balance	62 920 999	62 920 999
Balance at end of year	**62 920 999**	**62 920 999**
24. ACCUMULATED SURPLUS		
Accumulated Surplus / (Deficit) due to the results of Operations	895 415 683	791 111 868
Accumulated Surplus / (Deficit)	791 111 871	756 701 614
Accumulated Surplus as per Financial Performance	104 303 815	34 410 259
Rounding Difference as per Trial Balance	(3)	(5)
Total Accumulated Surplus	**895 415 683**	**791 111 868**

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	2022 R	2021 R
25. PROPERTY RATES		
Total Property Rates	**92 757 614**	**59 485 886**

The above property rates includes

Property Rates are levied on the value of land and improvements, which valuation is performed every five years. The last valuation came into effect on 1 July 2014.

Approval in terms of Section 32(2) (b) (ii) of the Municipal Property Rates Act, 2004, (no 6 of 2004) was granted for the extension of the current valuation roll of Langeberg Municipality to six (6) financial years. The implementation of the valuation roll of Langeberg Municipality will be 1 July 2021.

Valuations
Rateable Land and Building

	2022	2021
Business and Commercial Property	1 861 185 660	1 500 878 077
Municipal Properties	571 204 361	315 272 628
Residential Properties	8 405 463 993	5 742 672 163
State-owned Properties	364 625 700	289 685 700
Agricultural Properties	7 943 784 250	6 497 282 578
Other Categories	513 791 981	327 743 400
Total Value	**19 660 055 945**	**14 673 534 546**

Interim valuations are processed on a continuous basis to take into account changes in individual property values due to alterations and subdivisions.

Tariffs	**2022**	**2021**
Residential	0.0067c	0.0068c
Commercial,Industrial & Government	0.0133c	0.0101c
Public Benefit Organisation	0.0017c	0.0014c
Agriculture	0.0017c	0.0014c

Rebates were granted on land with buildings used solely for dwellings purposes as follows:

In terms of the Rates Policy of the municipality the first R80 000.00 of the market value of a property is exempted from paying rates. The first R15 000 on the valuation is exempted in terms section 17(1)(h) of the Municipal Property Rates Act, the subsequent R65 000 is a discretionary rebate.

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been foregone by way of rebate or remission.

	2022	2021
26. FINES, PENALTIES AND FORFEITS		
Traffic Fines:	9 133 750	7 362 540
Other Fines:	1 576 610	174 750
Total Fines, Penalties and Forfeits	**10 710 360**	**7 537 290**
27. LICENCES AND PERMITS		
Hiking Trails	213 996	132 052
Road and Transport:	1 914 367	2 023 371
Trading	3 700	2 348
Total Licences and Permits	**2 132 063**	**2 157 771**

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28. TRANSFERS AND SUBSIDIES

	2022	2021
Capital Grants	50 933 753	28 839 951
Allocations In-kind	1 351 053	477 987
Monetary Allocations	49 582 700	28 361 964
Operational Grants	126 882 015	117 747 700
Monetary Allocations	126 882 015	117 747 700
Total Transfers and Subsidies Received	**177 815 768**	**146 587 651**

28.1 Summary of Grants:

28.1.1 Capital Grants

	Allocations In-kind		Monetary Allocations	
	2022	2021	2022	2021
Total Capital Grants Received	**1 351 053**	**477 987**	**49 582 700**	**28 361 964**

28.1.2 Operational Grants

	Allocations In-kind		Monetary Allocations	
	2022	2021	2022	2021
Total Operational Grants Received	**-**	**-**	**126 882 015**	**117 747 700**

28.2 Detailed Summaries

	2022	2021
Operating Grants		
Equitable Share	87 617 000	96 488 000
Expanded Public Works Programme	2 210 000	2 024 000
Local Government Financial	1 550 000	1 550 000
Municipal Infrastructure Grant	2 977 588	2 560 633
Integrated National Electrification Grant	376 957	3 611
Community Library Services Grant	3 042 000	3 539 000
Municipal Disaster Relief Grant	-	141 620
Western Cape Financial Management Capacity Building	188 000	165 000
Library Services Grant: MRF	7 219 494	5 792 504
Human Settlements Development Grant - Beneficiaries	13 923 409	2 406 869
CWDM: Community Safety	-	151 200
Neighbourhood Development Partnership Grant	-	1 690 051
LG SETA	575 289	608 621
Human Settlements Development Grant - Title Deed Restoration	19 346	88 591
Community Development Workers Grant	38 000	38 000
CWDM: EPWP Projects	480 270	500 000
Municipal Library Support Fund	758 696	-
Local Government Public Employment	643 972	-
Water Services Infrastructure Grant	4 037 173	-
Development of sport and recreation	304 580	-
Municipal Electrical Masterplan Grant	342 609	-
CDWM-Tourism Route Development	100 000	-
	126 404 383	**117 747 700**
Capital Grants		
Municipal Infrastructure Grant	19 850 588	17 070 885
Integrated National Electrification Programme Grant	2 513 043	24 075
Neighbourhood Development Partnership Grant	-	11 267 004
Private Enterprises	-	477 987
Water Services Infrastructure Grant	26 914 488	-
SMME Booster Fund	300 663	-
Library Services Grant: MRF	481 550	-
	50 060 332	**28 839 951**
Total Receipts for Government	**176 464 715**	**146 587 651**

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28.2.1 Equitable Share

	2022	2021
Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	87 617 000	96 488 000
Transferred to Revenue: Operating	(87 617 000)	(96 488 000)
Unspent Balance at the End of the Year	**-**	**-**

In terms of the Constitution, the grant is used to subsidies the provision of basic services to indigent community members. This grant is unconditional.

28.2.2 National: Expanded Public Works Programme Grant

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	2 210 000	2 024 000
Conditions Met - Transferred to Revenue: Operating	(2 210 000)	(2 024 000)
Unspent Balance at the End of the Year	**-**	**-**

The Expanded Public Works Programme Grant is used to be an incentive to the expand work creation efforts through the use of the labour intensive delivery methods.

28.2.3 National: Financial Management Grant

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	1 550 000	1 550 000
Conditions Met - Transferred to Revenue: Operating	(1 550 000)	(1 550 000)
Unspent Balance at the End of the Year	**-**	**-**

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial management reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (eg. salary cost of the Financial Management Interns).

28.2.4 National: Municipal Infrastructure Grant

Debtors - Transfers and Subsidies	-	(2 960 482)
Current Year Receipts	23 025 000	22 592 000
Conditions Met - Transferred to Revenue - Operating	(2 977 588)	(2 560 633)
Conditions Met - Transferred to Revenue - Capital	(19 850 588)	(17 070 885)
Unspent Balance at the End of the Year	**196 824**	**-**

The Municipal Infrastructure Grant (MIG) was used to upgrade infrastructure in previously disadvantaged areas.

28.2.5 National: Integrated National Electrification Grant

Unspent Balance at the Beginning of the Year	276 314	675 158
Current Year Receipts	2 890 000	-
Conditions Met - Transferred to Revenue - Operating	(376 957)	(3 611)
Conditions Met - Transferred to Revenue - Capital	(2 513 043)	(24 075)
Repayment	(276 314)	(371 158)
Unspent Balance at the End of the Year	**-**	**276 314**

Then National Electrification Grant is used to address the electrification backlog of all existing and planned residential dwellings (including the upgrading informal settlements, new and normalisation of existing dwellings)

28.2.6 National: Neighbourhood Development Partnership Grant

Balance unspent at the beginning of the year	399 441	144 191
Current-year receipts	10 000 000	20 000 000
Conditions met - Transferred to revenue: Operating	-	(1 690 051)
Conditions met - Transferred to revenue: Capital	-	(11 267 004)
Repayment	(399 441)	(6 787 695)
Unspent Balance at the End of the Year	**10 000 000**	**399 441**

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28.2.7 National: Water Services Infrastructure Grant

	2022	2021
Balance unspent at the beginning of the year	21 093 000	-
Current year receipts	20 000 000	21 093 000
Conditions Met - Transferred to Revenue - Operating	(4 037 173)	-
Conditions met - Transferred to revenue: Capital	(26 914 488)	
Unspent Balance at the End of the Year	**10 141 338**	**21 093 000**

28.2.8 Provincial: Development of sport and recreation facilities

Balance unspent at the beginning of the year	800 000	-
Current year receipts	800 000	800 000
Conditions Met - Transferred to Revenue - Capital	(304 580)	-
Unspent Balance at the End of the Year	**1 295 420**	**800 000**

28.2.9 Provincial: SMME Booster Fund 2021	-	-
Balance unspent at the beginning of the year	857 000	-
Current year receipts	(300 663)	-
Conditions Met - Transferred to Revenue - Capital	**556 337**	**-**
Unspent Balance at the End of the Year		

28.2.10 CWDM: Construction of Boundary Walls of Sports Fields

Balance unspent at the beginning of the year	32 199	32 199
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	-
Unspent Balance at the End of the Year	**32 199**	**32 199**

28.2.11 Provincial: Library Services Grant - MRF

Unspent Balance at the Beginning of the Year	970 044	382 548
Current Year Receipts	6 731 000	6 380 000
Conditions Met - Transferred to Revenue - Operating	(7 219 494)	(5 792 504)
Conditions Met - Transferred to Revenue - Capital	(481 550)	-
Unspent Balance at the End of the Year	**0**	**970 044**

The Community Library Services MRF grant is used to transform urban and rural community library infrastructure, facilities and service (primarily targeting previously disadvantaged communities) through a recapitalise programme at provincial level in support of local government and national initiatives.
Eg (Salaries and operational costs).

28.2.12 Provincial: Community Library Services Grant

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	3 042 000	3 539 000
Conditions Met - Transferred to Revenue - Operating	(3 042 000)	(3 539 000)
Unspent Balance at the End of the Year	**-**	**-**

The Community Library Services Grant us used to pay costs relating to library services. Eg: Employee related costs of library staff.

28.2.13 Provincial: Municipal Library Support Fund

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	1 304 000	-
Conditions Met - Transferred to Revenue	(758 696)	-
Unspent Balance at the End of the Year	**545 304**	**-**

28.2.14 Provincial: Municipal Maintanance and construction of Transport Infrastructure

	2022	2021
Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	-	-
Conditions Met - Transferred to Revenue	-	-
Unspent Balance at the End of the Year	**-**	**-**

28.2.15 Provincial: Department Human Settlement (Beneficiaries)

Balance unspent at the beginning of the year	292 344	208 344
Current year receipts	13 631 065	2 490 869
Conditions Met - Transferred to Revenue - Operating	(13 923 409)	(2 406 869)
Repayment	-	-
Unspent Balance at the End of the Year	**-**	**292 344**

This grant is for the building of low cost housing. The municipality is only the agent of the department of Human Settlement for the construction of low cost houses. No funds have been withheld. The municipality received more than what was appropropriated in the extraordinary Gazette 8531 dated 15 December 2021. Approval was granted by the transferring depaterment to spend the allocation of 2022/23 in the 2021/22 financial year.

28.2.16 Provincial: Department Human Settlement (Title Deed Restoration)

Balance unspent at the beginning of the year	3 227 757	3 316 348
Current year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	(19 346)	(88 591)
Unspent Balance at the End of the Year	**3 208 411**	**3 227 757**

28.2.17 Provincial: Western Cape Financial Management Capacity Building Grant

Unspent Balance at the Beginning of the Year	135 000	739 000
Current Year Receipts	250 000	300 000
Conditions Met - Transferred to Revenue - Operating	(188 000)	(165 000)
Repaid to Treasury Revenue Fund	(135 000)	(739 000)
Unspent Balance at the End of the Year	**62 000**	**135 000**

28.2.18 Provincial: Community Development Workers Grant

Balance unspent at the beginning of the year	-	-
Current year receipts	38 000	38 000
Conditions Met - Transferred to Revenue - Operating	(38 000)	(38 000)
Unspent Balance at the End of the Year	**-**	**-**

28.2.19 Provincial: Municipal Electrical Masterplan Grant

Balance unspent at the beginning of the year	770 000	-
Current year receipts	-	770 000
Conditions Met - Transferred to Revenue - Operating	(342 609)	-
Unspent Balance at the End of the Year	**427 391**	**770 000**

28.2.20 Provincial: Western Cape Financial Mangement Support Grant

Balance unspent at the beginning of the year	-	-
Current year receipts	550 000	-
Conditions Met - Transferred to Revenue - Operating	-	-
Unspent Balance at the End of the Year	**550 000**	**-**

Western Cape Financial Management Support Grant is used to provide financial assistance to municipalities to improve the overall financial governance within municipalities inclusive of optimising and administration of revenue, improving credibility and responsiveness of municipal budgets, improving of municipal audit outcomes and addressing institutional challenges.

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28.2.21 Provincial: Local Government Public Employment Support Grant

	2022	2021
Balance unspent at the beginning of the year	-	-
Current year receipts	1 400 000	-
Conditions Met - Transferred to Revenue - Operating	(643 972)	-
Unspent Balance at the End of the Year	**756 028**	**-**

28.2.22 Bakery Project

Balance unspent at the beginning of the year	168 875	168 875
Current-year receipts	-	-
Conditions Met - Transferred to Revenue - Operating	-	-
Conditions met - Transferred to revenue: Capital	-	-
Unspent Balance at the End of the Year	**168 875**	**168 875**

28.2.23 Community Safety

Balance unspent at the beginning of the year	566 353	477 553
Current year receipts	-	240 000
Conditions Met - Transferred to Revenue - Operating	-	(151 200)
Unspent Balance at the End of the Year	**566 353**	**566 353**

The grant was used to repair the water pipelines and to detect the water pipelines by CCTV cameras.

28.2.24 CDWM: EPWP Projects

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	500 000	500 000
Conditions Met - Transferred to Revenue - Operating	(480 270)	(500 000)
Unspent Balance at the End of the Year	**19 730**	**-**

28.2.25 CWDM: Tourism Route Development Project

Unspent Balance at the Beginning of the Year	-	-
Current Year Receipts	100 000	-
Conditions Met - Transferred to Revenue - Operating	(100 000)	-
Repaid to National Treasury Revenue Fund		
Unspent Balance at the End of the Year	**-**	**-**

28.2.26 Councillors Laptops

Balance unspent at the beginning of the year	65 217	-
Debtor raised - Transferred to non-exchange transactions	-	500 000
Laptops bought - Funds not yet received: Capital	-	(434 783)
Unspent Balance at the End of the Year	**65 217**	**65 217**

The grant was used to purchase the necessary electronic equipment for councillors. A Receivable from Non-Exchange transactions was raised for this amount in 2020.

28.2.27 SETA Grant

Unspent Balance at the Beginning of the Year	0	356789
Current Year Receipts	575 289	251832
Conditions Met - Transferred to Revenue - Operating	(575 289)	(608 621)
Unspent Balance at the End of the Year	**0**	**0**

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29. SERVICE CHARGES

	2022	2021
Availability Charges From Non-Exchange Transactions		
Electricity Availability Charges	1 463 204	1 329 482
Water Availability Charges	511 408	1 109 513
Sewerage and Sanitation Availability Charges	1 004 849	981 441
Total Non-Exchange Service Charges	**2 979 461**	**3 420 436**
Service Charges From Exchange Transactions		
Sale of Electricity	526 253 501	462 635 342
Sale of Water	53 774 639	45 260 081
Refuse Removal	27 726 338	21 508 056
Sewerage and Sanitation Charges	29 711 164	23 621 906
Total Exchange Service Charges	**637 465 642**	**553 025 385**
Total Service Charges	**640 445 103**	**556 445 821**

The above service charges includes free basic services and revenue foregone for the different services.The revenue foregone amounts to R 26,123,195 (2021: R 43,213,037).

The amounts disclosed above for revenue from Service Charges are in respect of services rendered which are billed to the consumers

30. SALES OF GOODS AND RENDERING OF SERVICES

	2022	2021
Advertisements	8 598	6 161
Building Plan Approval	1 274 620	1 126 684
Cemetery and Burial	497 063	459 879
Cleaning and Removal	65 150	-
Development Charges	2 425 511	1 955 485
Encroachment Fees	65 275	80 355
Entrance Fees	338 473	-
Fire Services	211 063	82 738
Legal Fees	-	314 935
Photocopies and Faxes	63 252	15 781
Removal of Restrictions	7 286	8 695
Sale of Goods	719 882	447 413
Scrap, Waste & Other Goods	51 338	1 187 334
Traffic Control	31 270	11 875
Valuation Services	279 694	219 265
Total Sales of Goods and Rendering of Services	**6 038 475**	**5 916 600**

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31. INCOME FROM AGENCY SERVICES

	2022	2021
Commission on Vehicle Registration	5 106 265	5 166 816
Total Income from Agency Services	**5 106 265**	**5 166 816**

The municipality is party to a principal / agent agreement.

The municipality is an agent on behalf of the Western Cape Provincial Department of Transport and Public Works in collecting motor vehicle licences at an agency fee of 12%, VAT inclusive.
There were no significant changes in the agreement which occurred during the reporting period.
No material risks were identified on the agreement for the municipality.
The municipality does not incur any expenses on behalf of the principal.
R718 889 (2021: R741 899), Revenue due to the Principal not paid over at year end is included in Payables from Exchange transactions.

	2022	2021
Amount of revenue retained by the municipality		
Income from Agency Fees	5 106 265	5 166 816
Amount of revenue received on behalf of the principle during the reporting period		
Motor vehicle licence fees	26 132 666	25 970 026
RTMC transaction fees	2 056 176	1 954 584

32. RENTAL FROM FIXED ASSETS

	2022	2021
Straight-lined Operating Lease		
Other Fixed Assets:	3 178 764	2 795 556
Property Plant and Equipment	3 178 764	2 795 556
Ad-hoc Rental Income from Other Fixed	186 500	107 232
Property Plant and Equipment	186 500	107 232
Total Rental of Facilities and	**3 365 264**	**2 902 788**

Rental income generated are at market related premiums. All rental income recognised is therefore market related.

33. FINANCE INCOME

	2022	2021
Non-exchange Receivables:		
Outstanding Billing Debtors	1 084 613	640 594
Total Non-exchange Finance Income	**1 084 613**	**640 594**
External Investments:		
Bank Account	5 827 676	3 917 938
Investments	9 808 873	6 524 900
	15 636 549	**10 442 838**

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	2022	2021
Outstanding Exchange Receivables:		
Long-term Debtors	15 415	6 593
Housing & Housing Selling Schemes	15 415	6 593
Outstanding Billing Debtors	2 657 744	2 259 091
Electricity	843 499	809 415
Property Rental Debtors	18 422	18 287
Service Charges	68 685	129 742
Waste Management	493 728	380 591
Waste Water Management	594 440	450 631
Water	638 970	470 425
	2 673 159	**2 265 684**
Total Exchange Finance Income	**18 309 708**	**12 708 522**
Total Finance Income	**19 394 321**	**13 349 116**

34. OPERATIONAL REVENUE

Administrative Handling Fees	247 490	61 227
Bad Debts Recovered	549 045	-
Commission	307 141	295 172
Incidental Cash Surpluses	17 751	25 807
Insurance Refund	3 719 999	4 486 594
Merchandising, Jobbing and Contracts	54 076	58 945
Registration Fees	227 732	333 247
Request for Information	5 974	7 865
Staff Recoveries	90 391	28 535
Contribution to Provision	-	6 855 152
Total Operational Revenue	**5 219 599**	**12 152 544**

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35. EMPLOYEE RELATED COSTS

	2022 R	2021 R
Salaries and Wages:		
Basic	145 450 495	132 990 000
Long Service Awards	1 225 776	1 045 001
Bonuses	702 840	616 319
Leave Payments	9 122 619	8 458 627
Overtime	10 372 920	8 440 636
Allowances:		
Acting and Post Related Allowances	145 797	227 745
Bonus Allowance	10 334 810	10 273 299
Cellular and Telephone	808 990	671 570
Fire Brigade	443 828	381 700
Housing Benefits	690 149	1 922 262
Standby Allowance	4 257 640	3 906 022
Travel or Motor Vehicle	5 302 269	4 649 811
Uniform/Special/Protective Clothing	39	78
Social Contributions:		
Bargaining Council	92 690	87 952
Group Life Insurance	182 236	181 485
Medical	7 335 428	7 177 093
Pension	23 312 068	22 008 419
Unemployment Insurance	911 836	1 197 750
Post-retirement Benefits:		
Current Service Cost	1 741 000	1 422 999
Actuarial Gains and Losses	(5 458 060)	4 888 519
Total Employee Related	**216 975 370**	**210 547 287**

35.1 Remuneration of Section 57 Employees:

Remuneration of the Municipal Manager: SA Mokweni *(Retired on the 31 August 2020)*

	2022 R	2021 R
Annual Remuneration	-	273 969
Performance Bonus	-	267 537
Car and Other Allowances	-	18 000
Cell Phone Allowance	-	9 818
Company Contributions to UIF and Pension Funds	-	46 433
Payments in lieu of leave	-	124 201
Total	**-**	**739 959**

Remuneration of the Municipal Manager: ASA de Klerk *(Resigned on the 30 June 2022)*

	2022 R	2021 R
Annual Remuneration	1 093 760	385 455
Performance Bonus	218 056	-
Car and Other Allowances	96 000	32 000
Cell Phone Allowance	58 909	-
Company Contributions to UIF and Pension Funds	196 877	70 117
Payments in lieu of leave	111 998	19 636
Total	**1 775 600**	**507 209**

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	2022	2021
***Remuneration of the Chief Financial Officer: B Brown** (Resigned on the 31 May 2020)*		
Annual Remuneration	-	-
Performance Bonus	-	189 331
Car and Other Allowances	-	-
Cell Phone Allowance	-	-
Payments in lieu of leave	-	-
Company Contributions to UIF and Pension Funds	-	-
Total	**-**	**189 331**
***Remuneration of the Chief Financial Officer: M Shude** (Appointed on the 01 October 2020)*		
Annual Remuneration	912 917	685 705
Performance Bonus	151 340	-
Car and Other Allowances	264 625	180 000
Cell Phone Allowance	44 746	33 559
Company Contributions to UIF and Pension Funds	-	17 452
Payments in lieu of leave	81 522	58 877
Total	**1 455 151**	**975 593**
Remuneration of the Director: Corporate Services - AWJ Everson		
Annual Remuneration	1 350 138	1 348 325
Performance Bonus	57 395	63 841
Car and Other Allowances	102 603	102 603
Cell Phone Allowance	44 746	44 746
Company Contributions to UIF and Pension Funds	243 025	244 838
Payments in lieu of leave	130 444	161 525
Total	**1 928 351**	**1 965 878**
Remuneration of Director: Infrastructure and Engineering - M Johnson		
Annual Remuneration	851 320	901 581
Cell Phone Allowance	44 746	44 746
Medical Aid contributions	53 003	49 072
Car and Other Allowances	176 666	176 666
Company Contributions to UIF and Pension Funds	176 904	189 538
Performance Bonus	113 210	117 403
Total	**1 415 850**	**1 479 007**
Remuneration of Director: Community Services - M Mgajo		
Annual Remuneration	1 101 092	1 099 279
Performance Bonus	70 282	145 525
Medical Aid Allowance	57 277	57 277
Car and Other Allowances	49 068	49 068
Cell Phone Allowance	44 746	44 746
Company Contributions to UIF and Pension Funds	198 197	200 010
Total	**1 520 662**	**1 595 905**
Remuneration of Director: Strategy and Social Development - CO Matthys		
Annual Remuneration	1 354 722	1 352 909
Performance Bonus	50 957	63 946
Car and Other Allowances	100 000	100 000
Cell Phone Allowance	44 746	44 746
Company Contributions to UIF, Medical and Pension Funds	243 850	245 663
Payments in lieu of leave	-	64 723
Total	**1 794 275**	**1 871 987**
Summary of Remuneration of Section 57 Employees:		
All Directors	**9 889 889**	**9 324 868**
Total Remuneration of Section 57 Employees	**9 889 889**	**9 324 868**

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36. REMUNERATION OF COUNCILLORS

	2022	2021
Executive Mayor	937 436	938 250
Deputy Executive Mayor	484 440	759 478
Speaker	760 196	759 478
Mayoral Committee Members	2 529 276	2 859 148
Total for All Other Councillors	6 039 478	5 384 748
Total Councillors' Remuneration	**10 750 827**	**10 701 102**

Remuneration of Councillors:

30 June 2022	Basic salary	Travel allowance	Other allowances	Pension and	Total
Executive mayor	669 554	96 440	40 880	130 563	937 436
Deputy executive mayor	388 181	70 000	26 259	0	484 440
Speaker	526 624	90 000	40 880	102 692	760 196
Executive mayoral committee members	2 125 594	153 032	147 683	102 967	2 529 276
Section 79 committee chairperson	662 903	36 842	88 050	24 577	812 372
Councillors	4 085 874	117 616	607 412	416 205	5 227 107
	8 458 730	**563 930**	**951 164**	**777 003**	**10 750 826**

30 June 2021	Basic salary	Travel allowance	Other allowances	Pension and	Total
Executive mayor	600 806	85 033	36 823	120 090	842 753
Deputy executive mayor	648 445	18 000	44 400	48 633	759 478
Speaker	61 575	11 407	8 426	12 007	93 415
Executive mayoral committee members	2 014 718	117 661	177 600	390 794	2 700 774
Section 79 committee chairperson	2 216 287	235 707	242 320	105 998	2 800 311
Councillors	2 439 377	99 094	503 581	462 319	3 504 372
	7 981 207	**566 902**	**1 013 150**	**1 139 842**	**10 701 102**

Initial(s) and Surname - Council Members	Designation 2022	Designation 2021	2022 Total	2021 Total
HM Jansen	-	-		17 945
Ald SW van Eeden	Mayor	Mayor	937 436	918 224
Cllr D Joubert	Deputy Mayor	Deputy Mayor	490 528	759 478
Cllr JD Burger	Member of Mayoral Committee	Member of Mayoral Committee	182 902	677 444
Cllr DB Janse	Member of Mayoral Committee	Member of Mayoral Committee	473 728	677 443
Cllr EMJ Scheffers	Member of Mayoral Committee	Member of Mayoral Committee	259 905	677 443
Cllr SW Strauss	Member of Mayoral Committee	Member of Mayoral Committee	-	-
Cllr SW van Zyl	Member of Mayoral Committee	Member of Mayoral Committee	259 905	677 443
NJ Beginsel	Member of Council and Section 79	Member of Council and Section 79	213 778	118 552
Cllr P Hess	Speaker	Speaker	760 196	712 840
Cllr J Kriel	Member of Council and Section 79	Member of Council and Section 79	147 326	407 417
Cllr DJW Kuhn	Member of Council and Section 79	Member of Council and Section 79	147 325	407 417

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			2022	**2021**
Cllr H Mangenengene	-	-	-	67 903
Cllr SD Beginsel	Member of Council and Section 79	Member of Council and Section 79	147 325	211 121
Cllr LM Swanepoel	Member of Council	Member of Council		339 423
Cllr JDF van Zyl	Member of Council	Member of Council	117 999	327 270
Cllr E Bosjan	Member of Council	Member of Council	117 999	327 270
S du PLessis	Member of Council	Member of Council	83 042	327 270
Cllr CJ Grootboom	Member of Council	Member of Council	332 043	327 270
Cllr JJS Januarie	Member of Council	Member of Council	332 432	327 270
Cllr JS Mafilika	Member of Council	Member of Council	332 156	327 270
Cllr LJ Prince	Member of Council and Section 79	Member of Council and Section 79	147 326	325 454
Cllr BH Nteta	Member of Council	Member of Council	117 999	327 270
Cllr AJ Shibili	Member of Council	Member of Council	117 999	327 270
Cllr OC Simpson	Member of Council	Member of Council	332 826	327 270
Cllr TM van der Merwe	Section 79	Member of Council and Section 79	150 992	395 264
Cllr EW Hohlo	Section 80	Member of Council and Section 79	147 326	364 861
Cllr LM Papa	Member of Council	-	117 999	-
Cllr SD Janse	Member of Council	-	17 277	-
Cllr L Gxowa	Member of Council	-	213 778	-
Cllr A Ndongeni	Member of Council	-	213 778	-
Cllr LL Kahla	Member of Council	-	213 922	-
Cllr C Steyn	Mayco Member	-	456 641	-
Cllr MG Oostendorff-	Member of Council	-	213 922	-
Cllr DAT Felix	Mayco Member	-	456 641	-
Cllr Y Siegel	Member of Council	-	213 922	-
Cllr JCJ Coetzee	Mayco Member	-	456 641	-
Cllr CJ Pokwas	Member of council	-	213 922	-
Cllr JG Steenkamp	Deputy Mayor	-	484 440	-
Cllr RC Henn	Speaker	-	456 641	-
Cllr TV Coetzee	Member of Council	-	213 778	-
Cllr D September	Section 79 MPAC	-	248 730	-
Cllr M Gertse	Member of Council	-	199 334	-
Cllr HF Arendse	Member of Council	-	8 966	
			10 750 826	**10 701 101**

In-kind Benefits

The Executive Mayor, Speaker and all the Mayoral committee members are full-time. The Mayor is provided with secretarial support and an office at the cost of the municipality.

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	2022	2021
37. DEPRECIATION AND AMORTISATION		
Depreciation: Property, Plant and Equipment	36 696 812	32 985 035
Depreciation: Investment Property	72 587	60 073
Total Depreciation and Amortisation	**36 769 399**	**33 018 166**

38. BAD DEBT WRITTEN OFF

Bad Debts Written Off	25 808 416	10 679 186
Total Bad Debts Written Off	**25 808 416**	**10 679 186**

Implementation of new indigent cycle, resulting in increased debt impairment or debt write-off

39. IMPAIRMENT LOSSES

Property, Plant and Equipment	60 645	3 765 746
Receivables from Exchange Transactions	4 883 349	5 387 292
Receivables from Non-Exchange Transactions	7 773 639	1 614 170
Reversal of Impairment	552 421	(648 639)
Total Impairment Losses	**13 270 054**	**10 118 569**

40. INVENTORY LOSSES

Inventory Gains\(Losses)	30 840	6 107
Total Inventory Gains\ (Losses)	**30 840**	**6 107**

41. Finance Cost

Interest Paid:	16 187 928	14 801 448
Borrowings	3 630 348	4 156 149
Finance Leases	58 796	162 753
Interest costs Non-Current Provisions	6 299 784	5 227 544
Employee Benefits Interest	6 199 000	5 255 002
Total Finance Cost	**16 187 928**	**14 801 448**

42. BULK PURCHASES

Electricity	422 441 810	364 560 122
Water	5 706 977	6 289 996
Total Bulk Purchases	**428 148 787**	**370 850 118**

43. CONTRACTED SERVICES

Outsourced Services	2 403 034	3 294 768
Consultants and Professional Services	5 043 492	3 557 491
Contractors	21 648 784	21 160 637
Total Contracted Services	**29 095 310**	**28 012 896**

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43.1 Outsourced Services

	2022	2021
Burial Services	195 590	181 548
Business and Advisory	965 046	2 621 374
Cleaning Services	-	38
Personnel and Labour	36 350	37 000
Security Services	1 123 108	418 508
Transport Services	82 940	36 300
	2 403 034	**3 294 768**

43.2 Consultants and Professional Services

Business and Advisory	2 537 196	2 126 754
Infrastructure and Planning	872 989	-
Laboratory Services	381 887	292 440
Legal Cost	1 251 420	1 138 297
	5 043 492	**3 557 491**

43.3 Contractors

Artists and Performers	118 036	125 500
Catering Services	10 860	5 420
Chipping	165 726	26 246
Electrical	2 672 682	3 504 528
Event Promoters	90 099	39 004
Fire Protection	13 800	-
Inspection Fees	707	40 652
Maintenance of Buildings and Facilities	927 420	1 272 280
Maintenance of Equipment	672 606	313 604
Maintenance of Computer Software	9 699 015	9 246 099
Management of Informal Settlements	2 237 340	2 185 755
Medical Services	42 879	60 174
Pest Control and Fumigation	1 800	-
Photographer	-	6 500
Plants, Flowers and Other Decorations	-	400
Prepaid Electricity Vendors	4 971 901	4 208 834
Preservation/Restoration/Dismantling/Cleaning Services	-	100 687
Safeguard and Security	23 913	23 196
Transportation	-	1 758
	21 648 784	**21 160 637**

44. INVENTORY CONSUMED

Consumables	11 969 598	2 913 088
Housing Stock	9 674 157	28 886 858
Materials and Supplies	17 505 194	16 599 192
Total Inventory Consumed	**39 148 949**	**48 399 138**

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45. TRANSFERS AND SUBSIDIES PAID

	2022	2021
Operational Grants	2 501 004	2 131 699
Allocations In-kind	63 653	43 578
Monetary Allocations	2 437 351	2 088 121
Total Transfers and Subsidies Paid	**2 501 004**	**2 131 699**

46. OPERATING LEASES

Other Assets	277 912	-
Total Operating Leases	**277 912**	**-**

47. OPERATIONAL COSTS

Included in Operational Expenses are the following:

Advertising, Publicity and Marketing	1 148 938	939 714
Bank Charges, Facility and Card Fees	881 854	845 330
Bursaries (Employees)	172 008	162 622
Cleaning Services	817	1 742
Commission	186 954	220 016
Communication	2 149 290	2 299 471
Contribution to Provisions	8 419 136	-
Courier and Delivery Services	3 167	688
Drivers Licences and Permits	14 658	12 340
External Audit Fees	4 538 801	4 624 676
External Computer Service	6 981 714	7 241 728
Full Time Union Representative	42 302	143 225
Hire Charges	1 425 146	550 034
Insurance Underwriting	3 573 663	4 276 862
Land Alienation Costs	93 355	-
Licences	574 370	597 930
Management Fee	125 000	-
Permits	-	330
Printing, Publications and Books	751 783	1 001 538
Professional Bodies, Membership and Subscription	2 439 549	2 403 981
Registration Fees	96 056	48 618
Remuneration to Ward Committees	539 015	567 500
Resettlement Cost	4 183	147 092
Roadworthy Test	5 338	9 112
Skills Development Fund Levy	1 920 266	1 484 033
System Access and Information Fees	118 890	91 668
Toll Gate Fees	5 230	-
Travel and Subsistence	224 636	317 636
Uniform and Protective Clothing	1 193 046	1 596 804
Wet Fuel	1 142 648	7 540 810
Witness Fees	-	420
Workmen's Compensation Fund	1 378 948	1 316 392
Total Operational Costs	**40 150 761**	**38 442 312**

47.1 Travel and Subsistence

Domestic	**84 380**	**217 344**
Non-employees	140 255	100 292
Total Travel and Susistence	**224 635**	**317 636**

No other extraordinary expenses were incurred.

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48. GAINS AND LOSSES ON OTHER OPERATIONS

	2022	2021
Fair Value Gains on Investments	4 289	63 047
Total Gains on Other Operations	**4 289**	**63 047**
Fair Value Losses on Investments	2 295	-
Total Losses on Other Operations	**2 295**	**-**

49. GAINS / LOSSES ON DISPOSAL OF CAPITAL ASSETS

Property, Plant and Equipment	370 866	340 743
Total Gains / (Losses) on Disposal of Capital Assets	**370 866**	**340 743**

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50. CORRECTION OF ANNUAL FINANCIAL STATEMENTS

50.1 Reclassification and Correction Error - Revenue

The prior year figures of Revenue Classes have been restated to correctly classify the nature of Revenue of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2020/21 Audited	Reclassification of Revenue	Correction of Error	Restated Amount 2020/2021
Property Rates	59 485 886	-	-	59 485 886
Fines, Penalties and Forfeits	7 537 290	-	-	7 537 290
Availability Charges	3 420 436	-	-	3 420 436
Transfers and Subsidies	146 587 651	-	-	146 587 651
Finance Cost - Non- Exchange	640 594	-	-	640 594
Licences and Permits - Exchange	2 157 771	-	-	2 157 771
Service Charges	553 025 385	-	-	553 025 385
Sales of Goods and Rendering of Services	5 916 600	-	-	5 916 600
Income from Agency Services	5 166 816	-	-	5 166 816
Rental from Fixed Assets	2 902 788	-	-	2 902 788
Finance Cost - Exchange	12 708 523	-	-	12 708 522
Operational Revenue (Note 3)	13 136 689	-	(984 145)	12 152 544
Gains on Disposal of PPE	340 743	-	-	340 743
Gains on Other Operations	63 047	-	-	63 047
	813 090 219	**-**	**(984 145)**	**812 106 073**

50.2 Reclassification and Correction of Error - Expenditure

The prior year figures of Expenditure Classes have been restated to correctly classify the nature of Expenditure of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2020/21 Audited	Reclassification of Expenditure	Correction of Error	Restated Amount 2020/21
Employee Related Costs (Note 1)	214 863 139	(4 418 002)	102 150	210 547 287
Remuneration of Councillors	10 701 102	-	-	10 701 102
Depreciation and Amortisation (Note 3)	33 045 108	-	(26 942)	33 018 166
Inventory losses	6 107	-	-	6 107
Bad Debt Written Off	10 679 186	-	-	10 679 186
Impairment Losses	10 118 569	-	-	10 118 569
Finance Cost (Note 1)	10 383 446	4 418 002	-	14 801 448
Bulk Purchases	370 850 118	-	-	370 850 118
Contracted Services	28 012 896	-	-	28 012 896
Inventory Consumed (Note 2)	48 885 829	-	(486 691)	48 399 138
Transfers and Subsidies Paid	2 131 699	-	-	2 131 699
Operational Costs	38 442 312	-	-	38 442 312
	778 119 511	**-**	**(411 483)**	**777 708 028**

Note 1: Reclassification of Employee Cost - Finance Cost, based on evaluation of the nature of transactions

Note 2: Incorrectly expensed, should have been recognised as Inventory, effected the movement of the inventory cash flow
Note 3: Capitalised restorations cost (asset) and increase in profits incorrectly recognised resulting in overstatement

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50.3 Reclassification of Statement of Financial Position

The prior year figures of Classes in the Statement of Financial Position have been restated to correctly classify the nature of Assets, Liabilities and Net Assets of the municipality.

The effect of the Correction of Error is as follows:

	Prior Year 2020/21 Audited	Reclassification of Financial Position	Correction of Error	Restated Amount 2020/21
Current Assets				
Inventories (Note 3)	14 978 988	-	486 691	15 465 679
Receivables from Exchange Transactions	50 823 698	-	-	50 823 698
Statutory Receivables from Exchange Transactions	1 155 500	-	-	1 155 500
Receivables from Non-exchange Transactions	10 120 496	-	-	10 120 496
Statutory Receivables from Non-exchange Transactions	4 891 378	-	-	4 891 378
Cash and Cash Equivalents	283 054 845	-	-	283 054 845
Lease Receivables	139 807	-	-	139 807
Non-Current Assets				
Property, Plant and Equipment	775 625 828	-		775 625 855
Intangible Assets	1 017 125	-	-	1 017 125
Investment Property	28 511 536	-	-	28 511 536
Heritage Assets	275 448	-	-	275 448
Investments	135 546	-	-	135 546
Long-term Receivables	661 179	-	-	661 179
Current Liabilities				
Consumer Deposits	14 280 417	-	-	14 280 417
Payables from Exchange Transactions	77 219 471	-	-	77 219 471
Unspent Conditional Grants and Receipts	28 796 545	-	-	28 796 545
Borrowings	4 059 825	-	-	4 059 825
Employee Benefit Liabilities (Note 2)	22 569 938	-	102 150	22 672 088
Provisions	25 915 395	-	-	25 915 395
Lease Payables	811 759	-	-	811 759
Non-Current Liabilities				
Lease Payables	232 750	-	-	232 750
Borrowings	35 847 706	-	-	35 847 706
Employee Benefit Liabilities	61 444 000	-	-	61 444 000
Provisions (Note 1)	45 608 041	-	957 230	46 565 270
Net Assets				
Reserves	62 920 999	-	-	62 920 999
Accumulated Surplus / (Deficit)	791 684 535	-	(572 667)	791 111 868
	7	-	(5)	1

Note 1: Reversal of Landfill Site - Bonnievale after re-evaluation. (Non-Cash Item, no effect on Cash Flow Statement)
Note 2: Reversal of Bonus after re-evaluation (Non-Cash Item, no effect on Cash flow Statement)
Note 3: Recognising inventory incorrectly expensed (Non-Cash Item, no effect on Cash flow Statement)

51. CHANGE IN ACCOUNTING POLICY

The municipality adopted the following Accounting Standards for the first time during the financial year 2019/2020 in order to comply with the basis of preparation of the Annual Financial Statements as disclosed in Accounting Policy 1:

- GRAP 110 Living and Non-living Resources

The municipality adopted the exempted portions of the following International Accounting Standards for the first time during the financial year 2019/2020 in order to comply with the basis of preparation of the Annual Financial Statements as disclosed in Accounting Policy 1.

51.1 GRAP 110 - Living and Non-living Resources

The Accounting Standard for Living and Non-living Resources not recognised under previous basis of accounting, has been considered for inclusion in the Annual Financial Statements of the municipality as at 30 June 2022 in terms of GRAP 110.

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Management has evaluated the requirements of the Standard and it was found that it is not applicable to the municipality at this stage. Therefore, no adjustments need to be made and no Accounting Policies need to be developed to fully comply with GRAP 110.

52. CASH GENERATED BY OPERATIONS

	2022 R	2021 R
Surplus	104 303 815	34 410 259
Adjustments for:		
Depreciation and amortisation	36 769 399	33 045 109
(Gain)/loss on sale of assets and liabilities	(370 866)	(340 743)
Fair value adjustments	(1 994)	(63 047)
PPE - Impairment loss	60 645	3 765 746
Debtors Impairment	12 953 593	6 352 823
Bad debts written off	25 808 416	10 679 186
Movements in retirement benefit assets and liabilities	21 301 951	30 586 167
Movements in provisions	14 718 920	(2 611 753)
Impairment of movement of Investment Property	255 816	(531 503)
Other - Movements	1	101 477
Donated Assets - Public contributions	(1 351 053)	(477 897)
Operating lease income accrued	30 546	(31 212)
Inventories losses	(30 840)	(6 107)
Accumulated Surplus - Opening Balance adjustment	-	
Changes in working capital:		
Decrease/(Increase) in Inventories	(3 577 762)	25 713 502
Decrease/(Increase) in Receivables from exchange transactions	(36 977 720)	(3 193 448)
Decrease/(Increase) in Receivables from non-exchange transactions	(9 191 308)	1 835 748
Decrease / (Increase) in Statutory receiveables from non-exchange transactions	(3 298 053)	-
Decrease/(Increase) in Payables from exchange transactions	15 072 106	(286 896)
Decrease/(Increase) in VAT statutory receiveables	(1 430 756)	363 364
Decrease/(Increase) in Unspent conditional grants and receipts	(205 116)	22 153 918
Decrease/(Increase) in Movement in employee benefit liability	(20 366 529)	(21 869 909)
Decrease/(Increase) in Movement in provisions	(1 683 285)	**1**
OPERATING ACTIVITIES	**152 789 926**	**139 594 785**

53. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

53.1 Unauthorised Expenditure

	2022	2021
Reconciliation of Unauthorised Expenditure:		
Opening Balance:	14 763 598	10 055 780
Unauthorised Expenditure Current Year:	-	4 707 818
Written-off by Council:	(14 763 598)	-
Unauthorised Expenditure awaiting authorisation	**(0)**	**14 763 598**

Unauthorised expenditure can be summarised as follows:

	2022	2021
Incident		
Over expenditure of operating budget on Corporate services - 2019 (R8 445 384)	-	-
Over expenditure of operating budget on Engineering services - 2019 (R1 610 395)	-	-
Over expenditure of operating budget on Community services due to transfer of serviced sites to beneficiaries - 2021 (Non Cash item) - (R4 707 818)	-	4 707 818
No Unauthorised Expenditure was incurred during the 2021/22 financial year.		
	-	**4 707 818**

The over expenditure incurred by the Community Services on their operating budgets during the year is attributable to the following non-cash items: Transfer of serviced sites to beneficiaries.

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53.2 Fruitless and Wasteful Expenditure

	2022 R	2021 R
Reconciliation of Fruitless and Wasteful Expenditure:		
Opening Balance as restated:	**54 643**	**74 766**
Fruitless and Wasteful Expenditure Incurred	71 303	77 599
Transfers to Receivables for recovery	(125 946)	(97 722)
Closing Balance	**-**	**54 643**

53.3 Irregular Expenditure

	2022 R	2021 R
Reconciliation of Irregular Expenditure:		
Opening Balance as restated:	**1 096 656**	**-**
- *As previously stated*	*1 096 656*	-
Irregular Expenditure Incurred	245 184	1 096 656
- *Identified in the current year relating to Current Year*	*125 000*	*1 096 656*
- *Identified in the current year relating to Prior Year*	*120 184*	-
Written-off by Council:	(1 341 840)	-
- *Current Year*	*(1 341 840)*	-
- *Prior Year*	-	-
Transfer to Receivables for Recovery	-	-
Closing Balance	**-**	**1 096 656**

54. ADDITIONAL DISCLOSURES IN TERMS OF APPLICABLE LEGISLATION

54.1 MUNICIPAL FINANCE MANAGEMENT ACT

	2022 R	2021 R
54.1.1 Contributions to Organised Local Government - SALGA		
Opening Balance	-	-
Council Subscriptions	2 243 610	2 352 030
Amount Paid - current year	(2 243 610)	(2 352 030)
Balance Unpaid (included in Creditors)	**-**	**-**
54.1.2 Pension and Medical Aid Deductions		
Opening Balance	-	-
Current Year Contributions	31 106 465	28 534 111
Amount Paid - current year	(31 106 465)	(28 534 111)
Balance Unpaid (included in Creditors)	**-**	**-**
54.1.3 Audit Fees		
Opening Balance	693 701	-
Current year Audit Fees	5 219 621	5 318 378
Audit Committee		
Amount Paid - current year	(5 216 936)	(4 624 677)
Balance Unpaid (included in Creditors)	**696 387**	**693 701**
54.1.4 PAYE, Skills Development Levy and UIF		
Opening Balance	15 816	15 816
Current year Payroll Deductions	29 750 532	27 462 501
Amount Paid - current year	(29 750 532)	(27 462 501)
Balance Unpaid (included in Creditors)	**15 816**	**15 816**

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54.1.5 VAT

The net of VAT input receivables and VAT output payables are shown in Note 5. All VAT returns have been submitted by the due date throughout the year.

54.1.6 Councillor's arrear Consumer Accounts

During the financial year under review no Councillor (present or past) was in arrear with the settlement of their municipal accounts for more than 90 days.

30 June 2022	**Total**	**Outstanding up to 90 days**	**Outstanding more than 90 days**
Dr GD Joubert	26 842	26 842	-
JG CD Steenkamp	681	681	-
CS Steyn	(550)	(550)	-
OC Jansen	5 140	5 140	-
AP Hess	773	773	-
SM Jansen	832	832	-
SW Van Eeden	1 510	1 510	-
Total Councillor Arrear Consumer Accounts	**35 229**	**35 229**	**-**

No councillors was in arrears up to or more than 90 days for the current year 2022

30 June 2021	**Total**	**Outstanding up to 90 days**	**Outstanding more than 90 days**
Dr GD Joubert	2 655	2 655	-
JD Burger	2 286	2 286	-
JDF van Zyl	456	456	-
J Kriel	6 131	6 131	-
ME Esther	99	99	-
SW van Eeden	1 260	1 260	-
SW Strauss	(912)	(912)	-
TM van Der Merwe	(215)	(215)	-
Total Councillor Arrear Consumer Accounts	**11 760**	**11 760**	**-**

54.1.7 Deviation from, and ratification of minor breaches of, the Procurement Processes

In terms of section 36(1) of the Municipal Supply Chain Management Policy approved by the Council, any deviation from the Supply Chain Management Policy needs to be approved / condoned by the Municipal Manager, noted by Council and bids where the formal procurement processes could not be followed must be noted in the Annual Financial Statements.

The following deviations from the tender stipulations in terms of the municipality's Supply Chain Management Policy were ratified by the Municipal Manager and reported to Council:

30 June 2022

Months	**Single Supplier**	**Impractical**	**Emergency**	**Amount**
July	1	12	4	306 142
August	5	10	6	958 222
September	2	5	4	587 849
October	5	18	12	1 342 966
November	3	20	8	1 061 579
December	0	17	10	1 529 382
January	2	14	9	1 070 632
February	1	13	10	1 124 634
March	1	30	7	1 991 878
April	0	23	7	1 317 780
May	3	26	18	2 866 515
June	3	20	5	1 947 054
	26	208	100	**16 104 632**

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30 June 2021

Months	Single Supplier	Impractical	Emergency	Amount
July	2	2	5	961 831
August	3	3	2	147 344
September	2	9	7	873 467
October	2	7	3	269 839
November	1	7	1	103 985
December	1	16	9	1 385 047
January	3	18	2	918 268
February	1	21	4	1 664 141
March	2	15	2	1 354 536
April	1	9	8	1 017 798
May	3	9	1	523 879
June	1	4	8	740 619
	22	120	52	**9 960 754**

54.1.8)(d)(i) of the MFMA

Material Electricity and Water Losses were as follows and are not recoverable:

Electricity:

	Lost Units	Tariff	Value
30 June 2022	21 417 789	1,9578	41 931 747
30 June 2021	16 312 776	1,2797	20 874 970

Electricity Losses occur due to *inter alia* , technical and non-technical losses (Technical losses - inherent resistance of conductors, transformers and other electrical equipment; Non-technical losses - the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal electricity connections). The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters. Faulty meters are replaced as soon as they are reported.

	2022	2021
Volumes in kWh/year:		
System Input Volume	320 087 930	326 193 668
Billed Consumption	298 670 141	309 880 892
Unaccounted	21 417 789	16 312 776
Normal distribution losses - 8% of electricity purchases		
	21 417 789	16 312 776
Percentage Distribution Loss	6,69%	5,00%

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Water:

	Lost Units	Tariff	Value
30 June 2022	712 510	7,5600	5 386 577
30 June 2021	1 031 320	7,2000	7 425 504

Water Losses occur due to *inter alia* , leakages, the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal water connections. The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters. Faulty meters and leakages are replaced/repaired as soon as they are reported.

	2022	2021
Volumes in Kl/year:		
System Input Volume	7 644 907	7 719 360
Billed Consumption	(6 932 397)	(6 688 040)
Distribution Loss	712 510	1 031 320
Percentage Distribution Loss	9,32%	13,36%

54.2 BROAD-BASED BLACK ECONOMIC EMPOWERMENT ACT

Information on compliance with the B-BBEE Act is included in the Annual Report under the section titled B-BBEE Compliance Performance Information.

55. COMMITMENTS FOR EXPENDITURE

55.1 Capital Commitments

- Already Contracted for but not provided (Incl VAT) :-	**35 658 463**	**59 507 590**
Property, Plant and Equipment	24 540 272	55 964 562
Community	5 502 230	1 482 258
Other	5 615 961	2 060 769
- Already Contracted for but not provided (Exl VAT):-	**31 007 359**	**51 745 730**
Property, Plant and Equipment	21 339 367	48 664 837
Community Assets	4 784 548	1 288 920
Other Assets	4 883 444	1 791 973

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56. FINANCIAL INSTRUMENTS

56.1 Classification

FINANCIAL ASSETS:
In accordance with GRAP 104.13 the Financial Assets of the municipality are classified as follows:

		2022 R	2021 R
Financial Assets at Amortised Cost:			
Non-current Long-term Receivables	Trading Service Debtors	400 287	661 179
Receivables from Exchange Transactions	Electricity	32 266 372	24 409 119
Receivables from Exchange Transactions	Refuse	4 566 845	3 059 624
Receivables from Exchange Transactions	Sewerage	4 879 193	3 331 289
Receivables from Exchange Transactions	Merchandising, Jobbing and Contracts	4 412	5 272
Receivables from Exchange Transactions	Other Service Charges	5 250 322	12 005 119
Receivables from Exchange Transactions	Water	7 822 246	5 882 969
Receivables from Exchange Transactions	Affiliated/Related Parties/Associated	-	-
Receivables from Exchange Transactions	Property Rental Debtors	541 029	324 324
Receivables from Exchange Transactions	Housing Selling Scheme	-	-
Receivables from Exchange Transactions	Other Debtors	44 536	40 391
Receivables from Exchange Transactions	Control, Clearing and Interface Accounts	375	375
Receivables from Non-exchange Transactions	Insurance Claims	240 711	229 461
Receivables from Non-exchange Transactions	Unauthorised, Irregular, Fruitless and	(23 154)	-
Receivables from Non-exchange Transactions	Other Receivables	3 158 756	2 979 719
Receivables from Non-exchange Transactions	Accrued Income	3 341	3 341
Receivables from Non-exchange Transactions	Deposits	8 158 511	6 907 975
Cash and Cash Equivalents	Call Deposits	266 585 050	145 062 763
Cash and Cash Equivalents	Bank Balances	91 795 579	137 982 882
Cash and Cash Equivalents	Cash Floats and Advances	9 200	9 200
Investments	Listed Shares	137 205	135 546
Total Financial Assets		**425 840 816**	**343 030 548**

FINANCIAL LIABILITIES:
In accordance with GRAP 104.13 the Financial Liabilities of the municipality are classified as follows:

		2022 R	2021 R
Financial Liabilities at Amortised Cost:			
Non-current Finance Lease Obligations	Non-current Finance Lease Obligations	69 785	232 750
Non-current Borrowings	Development Bank of South Africa	31 912 840	35 847 706
Consumer Deposits	Electricity	13 196 425	12 994 298
Consumer Deposits	Water	381 745	147 917
Consumer Deposits	Other Deposits	2 205 038	1 138 202
Payables from Exchange Transactions	Other Payables	4 762 679	3 523 277
Payables from Exchange Transactions	Retentions	6 449 823	5 757 785
Payables from Exchange Transactions	Trade Creditors	68 181 899	56 801 484
Unspent Conditional Grants and Receipts		28 591 429	28 796 545
Current Finance Lease Obligations	Current Finance Lease Obligations	195 098	811 759
Current Borrowings	Development Bank of South Africa	4 062 325	4 059 825
Total Financial Liabilities		**160 009 086**	**150 111 548**

No Financial Instruments of the municipality have been reclassified during the year.

56.2 Capital Risk Management

The capital structure of the municipality consists of debt, which includes Cash and Cash Equivalents and Equity, comprising Funds, Reserves and Accumulated Surplus as disclosed in Note 24. and the Statement of Changes in Net Assets.

Gearing Ratio

	2022 R	2021 R
The gearing ratio at the year-end was as follows:		
Debt	36 240 048	40 952 040
Cash and Cash Equivalents	(358 389 829)	(283 054 845)
Net Debt	(322 149 781)	(242 102 805)
Equity	958 336 682	854 032 867
Net debt to equity ratio	**33,62%**	**28,35%**

Debt is defined as Long-term Liabilities, together with its Short-term Portion.

Equity includes all Funds and Reserves of the municipality, disclosed as Net Assets in the Statement of Financial Performance and Net Debt as described above.

56.3 Financial Risk Management Objectives

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by the municipality, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Department Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the municipality’s audit committee, an independent body that monitors the effectiveness of the internal audit function.

Further quantitative disclosures are included throughout these Annual Financial Statements.

56.4 Significant Risks

It is the policy of the municipality to disclose information that enables the user of its Annual Financial Statements to evaluate the nature and extent of risks arising from Financial Instruments to which the municipality is exposed on the reporting date.

The municipality has exposure to the following risks from its operations in Financial Instruments:

- Credit Risk;
- Liquidity Risk; and
- Market Risk.

Risks and exposures are disclosed as follows:

Market Risk
Market Risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the municipality's income or the value of its holdings in Financial Instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Credit Risk
Credit Risk is the risk of financial loss to the municipality if a customer or counterparty to a Financial Instrument fails to meet its contractual obligations and arises principally from the municipality's receivables from customers and investment securities.

Liquidity Risk
Liquidity Risk is the risk that the municipality will encounter difficulty in meeting the obligations associated with its Financial Liabilities that are settled by delivering cash or another financial asset. The municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the municipality's reputation.

Liquidity Risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

A maturity analysis for Financial Liabilities (where applicable) that shows the remaining undiscounted contractual maturities is disclosed in Note 56..8 to the Annual Financial Statements.

56.5 Market Risk

The municipality's activities expose it primarily to the financial risks of changes in interest rates (see Note 56.7 below). No formal policy exists to hedge volatilities in the interest rate market.

There has been no change to the municipality's exposure to market risks or the manner in which it manages and measures the risk.

56.5.1 Foreign Currency Risk Management

The municipality's activities do not expose it to the financial risks of foreign currency and therefore has no formal policy to hedge volatilities in the interest rate market.

56.5.2 Interest Rate Risk Management

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with Absa Bank, First National Bank, Nedbank, Investec and Standard Bank. No investments with a tenure exceeding twelve months are made.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to credit interest rate risk as the municipality has no borrowings.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

Interest Rate Sensitivity Analysis

The sensitivity analysis has been determined based on the exposure to interest rates at the Statement of Financial Position date. The analysis is prepared by averaging the amount of the investment at the beginning of the financial year and the amount of the investment at the end of the financial year. A 25 basis point increase or decrease was used, which represents management's assessment of the reasonably possible change in interest rates. The short and long-term financial instruments at year-end with variable interest rates are set out in Note 56..8 below:

Cash and Cash Equivalents:

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the municipality's:

- Surplus for the year ended 30 June 2022 would have increased / decreased by R801 783 (30 June 2021: R605 010). This is mainly attributable to the municipality's exposure to interest rates on its variable rate investments.

56.6 Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipality uses its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored

Potential concentrations of credit rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

Investments/Bank, Cash and Cash Equivalents

The municipality limits its counterparty exposures from its money market investment operations (financial assets that are neither past due nor impaired) by only dealing with Absa Bank, First National Bank, Nedbank and Standard Bank. No investments with a tenure exceeding twelve months are made.

Trade and Other Receivables

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The municipality's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained. The municipality has no significant concentration of credit risk, with exposure spread over a large number of consumers, and is not concentrated in any particular sector or geographical area.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of trade and other receivables.

Long-term Receivables and Other Debtors are individually evaluated annually at reporting date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

The table below shows the balance of the 5 major counterparties at the balance sheet date. Management is of the opinion that, although these parties are the 5 counterparties with highest outstanding balances, no significant credit risk exposure exists based on the payment history of the parties, except for Northern Province Academy of Sport and Department of Water and Forestry Affairs for which there is uncertainty about the collectivity. They have been included in the Provision for Impairment of Consumer Debtors.

	2022 R	2021 R
The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follows:		
Investments	137 205	135 546
Long-term Receivables	400 287	661 179
Receivables from Exchange Transactions	56 813 048	50 823 698
Receivables from Non-exchange Transactions	11 538 165	10 120 496
Bank, Cash and Cash Equivalents	358 389 829	283 054 845
Maximum Credit and Interest Risk Exposure	**427 278 534**	**344 795 764**

The major concentrations of credit risk that arise from the municipality's receivables in relation to customer classification are as follows:

	%	%
Exchange Debtors:		
- Service Debtors	78,93%	77,94%
- Other Receivables	1,22%	1,13%
- Other Debtors	0,04%	0,04%
- Prepayments and Advances	1,38%	1,95%
Non-Exchange Debtors:		
- Other not Classified	18,43%	18,94%
Total Credit Risk	**100,00%**	**100,00%**

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Bank and Cash Balances	**2022**	**2021**
ABSA Bank Ltd - Primary Bank Account	91 795 579	137 982 882
ABSA Bank Ltd - Limited Call Account- 2079771230	80 530 849	40 000 000
Nedbank - Call Account- 03/7881034971/000050	-	40 000 000
Nedbank - Call Account- 03/7881034971/000051	-	40 000 000
Nedbank - Call Account- 03/7881034971/000057	40 292 055	-
Standard Bank - 72350962 - 012	40 459 370	
Standard Bank - 72350962 - 013	40 189 863	
Standard Bank - 72350962 - 014	40 025 753	
Depositor Plus	25 087 159	25 062 763
Cash Equivalents	9 200	9 200
Total Bank and Cash Balances	**358 389 828**	**283 054 846**

Credit quality of Financial Assets:
The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Total Receivables from Non-exchange Transactions	**11 253 702**	**9 640 305**

Credit quality Groupings:
High - High certainty of timely payment. Liquidity factors are strong and the risk of non-payment is small.
Medium - Reasonable certainty of timely payment. Liquidity factors are sound, although ongoing funding needs may enlarge financing requirement. The risk of non-payment is small.
Low - Satisfactory liquidity factors and other factors which qualify the entity as investment grade. However, the risk factors of non-payment are larger.

None of the financial assets that are fully performing, have been renegotiated in the last year.

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56. FINANCIAL INSTRUMENTS (Continued)

56.1 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the municipality's short, medium and long-term funding and liquidity management requirements. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and

Liquidity and Interest Risk Tables

The municipality ensures that it has sufficient cash on demand or access to facilities to meet expected operational expenses through the use of cash flow forecasts.

The following tables detail the municipality's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the municipality can be required to pay.

Description	Note ref in AFS	Average effective Interest Rate	Total	6 Months or less	6 - 12 Months	1 - 2 Years	2 - 5 Years	More than 5 Years
		%	R	R	R	R		R
30 June 2022								
Non-interest Bearing		-	123 769 038	123 769 038	-	-	-	-
Semi Floating Interest Rate Instruments		6,17%	36 240 048	36 240 048	-	-	-	-
			160 009 086	**160 009 086**	**-**	**-**	**-**	**-**
30 June 2022								
Non-interest Bearing		-%	109 159 508	109 159 508	-	-	-	-
Semi Floating Interest Rate Instruments		9,40%	40 952 040	40 952 040	-	-	-	-
			150 111 548	**150 111 548**	**-**	**-**	**-**	**-**

The following table details the municipality's expected maturity for its non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the municipality anticipates that the cash flow will occur in a

Description	Note ref in AFS	Average effective Interest Rate	Total	6 Months or less	6 - 12 Months	1 - 2 Years	2 - 5 Years	More than 5 Years
		%	R	R	R	R		R
30 June 2021								
Non-interest Bearing		- %	67 322 982	67 315 982	3 000	3 000	1 000	-
Variable Interest Rate Instruments		4,88%	358 517 834	358 517 834	-	-	-	-
			425 840 816	**425 833 816**	**3 000**	**3 000**	**1 000**	**-**
30 June 2021								
Non-interest Bearing		-%	59 849 357	59 839 357	3 000	3 000	4 000	-
Variable Interest Rate Instruments		4,32%	283 181 191	283 181 191	-	-	-	-
			343 030 548	**343 020 548**	**3 000**	**3 000**	**4 000**	**-**

The municipality does not have any financing facilities and expects to meet its obligations from operating cash flows and proceeds of maturing financial assets and to maintain current debt to equity ratio.

56.2 Other Price Risks

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

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57. MULTI-EMPLOYER RETIREMENT BENEFIT INFORMATION

The Municipality requested detailed employee and pensioner information as well as information on the Municipality's share of the Pension and Retirement Funds' assets from the fund administrator. The fund administrator confirmed that assets of the Pension and Retirement Funds are not split per participating employer. Therefore, the Municipality is unable to determine the value of the plan assets as defined in GRAP 25.

As part of the Municipality's process to value the defined benefit liabilities, the Municipality requested pensioner data from the fund administrator. The fund administrator claims that the pensioner data is confidential and was not willing to share the information with the Municipality. Without detailed pensioner data the Municipality was unable to calculate a reliable estimate of the accrued liability in respect of pensioners who qualify for a defined benefit pension.

The municipality makes provision for post-retirement benefits to eligible councillors and employees, who belong to different pension schemes. All councillors belong to the Pension Fund for Municipal Councillors, whilst employees belong to a variety of approved Pension and Provident Funds as described below.

57.1 DEFINED BENEFIT SCHEMES

LA Retirement Fund (Previously Cape Joint Pension Fund):

	Last actuarial valuation	Total assets	Total liabilities	Contributing members
LA Retirement Fund	June 2021	1 486 110,00	1 392 115,00	1

Contributions paid recognised in the statement of financial performance	2022 R	2021 R
LA Retirement Fund	49 785,84	32 067,36

The contribution rate payable is 9%, by the members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2021 revealed that the fund has a funding level of 104,9% (30 June 2020: 100,0%).

The contribution rate payable is under the defined benefit section is 27%, 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2021 disclosed an actuarial valuation amounting to R1,486,110, 000 (30 June 2020: R1, 420,856,000), with a nett accumulated surplus of R69,420,000 (2020: R0), with a funding level of 104.9% (30 June 2020: 100.0%).

It is to be noted that :

(i) The value of assets is the fair value of the net assets of the Fund after deduction of current liabilities and any liabilities arising from the pledging, hypothecation or other encumbering of the assets of the Fund. The actuarial value of the assets is equal to the fair value of the assets.

(ii) Pensioner liabilities include DB deferred member liabilities and a provision for future expenses related to these categories of membership.

(iii) The funding level is determined by dividing the value of the assets of the pensioner account by the sum of the pensioner liabilities and the Solvency Reserve

(v) The processing error reserve account held a negative balance of –R5.969 million as at 30 June 2021 representing -0.4% of the DC section liabilities. The Trustees may allocate the balance of the processing error reserve account to members' shares and living annuitants' accounts

The nature of the assets is suitable for the fund, except that the proportion of direct property underlying the pensioner liabilities may represent an over-concentration of assets in this class. The assets are appropriately matched relative to the term and nature of the active member liabilities. The Fund's investment strategy is suitable. Finally the risk benefits are partially re-insured and this is appropriate for the size and nature of the Fund.

The contribution rate payable is 9%, by the members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2021 revealed that the fund has a funding level of 104,9% (30 June 2020 - 100,0%).

Cape Retirement Fund:

	Last actuarial valuation	Total assets	Total liabilities	Contributing members
Cape Retirement Fund	June 2021	672 300	460 592	702

Contributions paid recognised in the statement of financial performance	2022 R	2021 R
Cape Retirement Fund	20 905 366	19 483 740

The contribution rate payable is 9% by members and 18% by Council.

57.2 DEFINED CONTRIBUTION SCHEMES

Council contribute to the Government Employees Pension Fund, Municipal Council Pension Fund, IMATU Retirement Fund 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	2022 R	2021 R
SALA Pension Fund	-	711 010
SAMWU National Provident Fund	-	1 538 448,80

	Last actuarial valuation	Total assets	Total liabilities	Contributing members
South African Local Authorities Pension Fund	July 2018	14 298 600	14 899 800	18
Municipal Workers Retirement fund (previously SAMWU National Provident Fund)	July 2015	7 720 948	7 569 557	55
		22 019 548	22 469 357	

58. RELATED PARTY TRANSACTIONS

All Related Party Transactions are conducted at arm's length, unless stated otherwise.

58.1 Compensation of Related Parties

Compensation of Close Family Members of Councillors and/or Key Management.
Refer to note 35 and 36 for key management and councillors

	2022 R	2021 R

58.2 Purchases from Related Parties

The municipality bought goods from the following companies, which are considered to be Related Parties:

Company Name	Related Person	Employer and Capacity of person	Nature of Relationship To Member of Company	Purchases for the Year	Purchases for the Year
Advocate Ettienne Vermaak	JMC Vermaak	Pharmacist - Karl Bremmer Hospital	Spouse to Owner	150 497	87 821
Annadale Motors BK	E Wagner	PA - Langeberg Municipality	Spouse to Director	50 179	111 382
Bar Vallie Herstel & Ing. Werke	G van Loggerenberg	Teacher - Bonnievale High School	Child to Owner	710 101	588 972
Berry Bright	CC Buirman	Police Officer - SAPS	Spouse to Owner	11 500	1 730
Capital Security Services	JE Saayman	Ward 6 Community Member - Worcester	Spouse to Shareholder	-	3 045
Ludify	T Williams	Teacher - WCED	Mother to Owner	28 509	32 235
Lumber & Lawn	J van Zyl	Teacher - WCED	Spouse to Director	197 846	78 086
Mubseko Africa	S Niehaus	Dietician - Northern Cape Department Health	Child to Owner	-	-
Montague Trekkers	J Rossow	IT Technician - Langeberg Municipality	Child to Owner	-	-
Qinisekisa System Solution	A Olivier	Teacher - WCED	Spouse to Director	-	-
Rob Auto Electric	AWJ Everson	Director Corporate Service Langeberg Municipality	Father-in-law to Owner	156 917	75 870
Robertson Toyota	ZG Schreader	Teacher - WCED	Spouse to Director	46 912	73 114
Stemwet (Pty) Ltd T/A	M Stemmet	Teacher - WCED	Spouse to Owner	-	2 875
Van Niekerk & Linde Attorneys	S Rossow	Teacher - WCED	Spouse to Owner	167 667	113 171
Red Ants Security Services	N Lesiela	Practitioner - Mogale Municipality	Spouse to Director	2 572 941	2 513 618
Looras Civil Construction	NG Kewana	General Assistant (Roads)		-	-
Geraldine Suppliers	Bridget Cloete	Soldier SA Army - Pretoria	Father to Owner	48 030	176 387
Ducharme Consulting	L Mbekweni	Department of Rural Development and Land reform	Spouse to Director	190 269	-
Total Purchases				**4 331 368**	**3 858 306**

The transactions were concluded in full compliance with the municipality's Supply Chain Management Policy and the transactions are considered to be at arm's length.

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59. CONTINGENT LIABILITIES

Contingent Liability arose due to various claims brought against the Municipality. The attorneys suggested that the matters will be defended, due to the circumstances of each.

The likelihood of successfully defending the claims, as well as the timing and possible costs thereof, cannot be determined at this time.

	2022	2021
a) Langeberg Municipality/ Springfield Marketing – Worcester Regional Court Case 253/2017 Claim against the municipality for overpaid rates (REF LAN26/0200).	269 912	269 912
b) P Kleintjies - Water pipe burst causing damage to property	507 449	507 449
c) A J Davids - Damage to vehicle by trailer of of Municipality	13 800	13 800
d) J Williams - Motor accident claim with third party	13 300	13 300
e) Reality Dynamix 104 (PTY) LTD - Alleged loss of income due to sale of erven being cancelled	15 800 000	15 800 000
f) Japie Oosthuizen, Onverwacht Flora - Veld Fire McGregor - Loss of Income	2 725 037	-
g) Jaco Oosthuizen, Dwarswater - Veld Fire McGregor - Damage to Fencing / Plants	317 511	-
h) J J Havenga - Sewerage Spillage in Yard	20 200	-
g) D Janse v Rensburg - Damage to property (drive-way) caused by tree trunks	57 678	
	19 724 887	**16 604 461**

60. CONTINGENT ASSETS

	2022	2021
An investigation on a S24G fine was concluded after year end where it was resolved to be irregular expenditure. After the investigation Council concluded that it should be written off as irrecoverable.		-
60.1 Court Proceedings:	**2 448 426**	**2 448 426**
a) Case Langeberg Municipality/Tony Quickleburg for Outstanding Rates and Levies.	348 426	348 426
b) Case Langeberg Municipality/Breede Valley Construction and third Parties. Claim against Breede Valley Construction and third Parties due to losses suffered by the municipality as a result of the collapse of the museum on 26 August 2014.	2 100 000	2 100 000

61. IN-KIND DONATIONS AND ASSISTANCE

The municipality received the following in-kind donations and assistance 2022:

In-kind donations, to the total value of R 1,351,053 have been received by the Langeberg Local Municipality 2022.
In-kind donations, in the form of assets to the value of R 477,987.2 have been received by the Langeberg Local Municipality in 2021.

The in-kind donations are classified as followed:

	2022	2021
Property,Plant and Equipment	1 351 053	477 987
Investment Property	-	-

62. ANALYSIS OF AGENCY ACCOUNTING

	2022	2021
Prepaid Electricity Vendor	4 971 901	4 208 834
Third Party Vendor	186 954	220 016
Fees as compensation to agents (Vendors)	5 158 856	4 428 850

No resources were held by the agents on behalf of the municipality.
Terminations process will be followed per contract agreement due to non adherences of contract agreement requirements

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63. EVENTS AFTER THE REPORTING DATE

An investigation on a S24G fine of R125 000 was concluded after year end where as it was resolved to be irregular expenditure.
Council resolved it should be written off as irrecoverable.

64. COVID-19 EXPENDITURE

COVID Pandemic in South Africa

Although the coronavirus was international news since December 2019, it was only on 5th March 2020 that the South African National Institute for Communicable Diseases confirmed that a suspected case of COVID-19 had tested positive. On 23rd March 2020 President Cyril Ramaphosa announced the nationwide lockdown. On 30th March 2020 the Minister of Finance issued a conditional Exemption Notice in terms of section 177(1)(b) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), in order to facilitate and enable the performance of legislative responsibilities by municipalities and municipal entities during the national state of disaster.

The table below indicates the total COVID-19 response expenditure (excluding VAT) for the period ending 30 June 2022:

	2022 R	2021 R
Project Description		
Tankering of Water	-	205 729
Sanitisation of taxi ranks/ public facilities/ inner cities	52 709	119 670
Employee related costs	-	11 449 000
PPE	128 493	82 923
Sanitisation of office building	18 234	142 345
Other	-	187 981
Total COVID-19 Expenditure	**199 436**	**12 187 648**

The table below indicates the Funding Sources for the total COVID-19 response expenditure (excluding VAT) for the period ending 30 June 2022:

COVID-19 FUNDING

	2022	2021
Funding Sources for COVID-19 Expenditure		
Disaster Management Grant	-	141 620
Equitable Share	-	11 449 000
Libraries Municipal Replacement fund	18 967	-
Own Revenue	180 469	597 028
Total Funding for COVID-19 Expenditure	**199 436**	**12 187 648**

65. GOING CONCERN ASSESSMENT

The Langeberg Municipality has, despite the COVID- 19 Lockdown and adopting numerous COVID-19 protocols to avoid the spread of the virus, continued to provide essential services to the various communities in the municipal area. The municipality has updated its long term financial plan and going concern assessment to consider the expected impact of the worldwide COVID-19 pandemic and consequent possible changes in service delivery performance and the impact of risks and uncertainties outlined in the strategic report tabled in Council.

Considering the uncertainty of how the COVID-19 pandemic will resolve itself and long-term financial plan, the municipality has adopted the following mitigating strategies:

(i) Monitoring the cash flow on daily basis;

(ii) Reducing expenditure and applying cost containment measures;

(iii) Reducing the capital investment programme annually for the next three financial years funded by capital grants only;

(iv) Avoiding granting rate payers and customers relief measures. Where relief is granted, it will be in the form of delayed payments and no debt forgiveness will be

(v) Prioritise decisions and actions that will support and strengthen the collection rate;

(vi) Review the COVID-19 impact assessment as at 30 June 2022; and

(vii) Amend the 2021/22 budget by freezing Employee Related Expenses:

Based on the long-term liquidity forecasts and projections, management believe that there is a reasonable basis to conclude that the municipality will be able to continue with its service delivery operations and to meet its financial commitments in the medium and long term.
The municipality also obtains significant amounts of government grants annually to finance operating and capital expenditure.

Taking the aforementioned into account, management has prepared the Annual Financial Statements on the Going Concern Basis.

66. SEGMENT REPORTING

GRAP 18 Segment Reporting became effective on 1 April 2020 and, in accordance with the transitional provisions for the Standard provided in Directive 3, entities are not required to present comparative segment information on initial adoption of GRAP 18.The municipality is taking advantage of the transitional provisions by not presenting comparative segment information.The municipality intends to fully apply the requirements of GRAP 18 by 30 June 2022.

For management purposes the municipality is broadly organised into business units based on the nature of operations and the services they provide.
The municipality has five primary reportable segments:

- **The segment for Community Services:-**
  This segment consists of all services for community & social development and and sport & recreation.
- **The segment for Road Transport:-**
  This segment consists of all services for the providing of road transport to the community
- **The segment for Trading Services:-**
  This segment consists of the following infrastructure services delivered to the community.

- - Energy Sources:-
  This segment consists of all services for energy supply to the community.
- - Waste Management:-
  This segment consists of all services for the management of solid waste in the municipal area.
- - Wastewater Management:-
  This segment consists of all services for the management of waste water, including sewage, in the municipal area.
- - Water Management:-
  This segment consists of all services for water supply to the community.

- **The segment for Other Services:-**
  This segment consists of other variance services rendered in the municipal jurisdiction area.

No individually material operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on non-financial metrics and the segment's operating surplus or deficit, measured consistently with the accounting policies applied in the Annual Financial Statements. However, the municipality's financing (including finance costs and finance income) and revenue from taxes are managed on a group

Inter-business unit services are not valued and are deemed to have been supplied for no consideration, and are therefore not eliminated. However, the quality of services provided internally is monitored as part of the non-financial service performance information.

The municipality operates within the following geographical areas:

WARD	AREA
Ward 1	Robertson
Ward 2	Robertson Nkqubela
Ward 3	Robertson
Ward 4	Bonnievale (Happy Valley)
Ward 5	McGregor
Ward 6	Robertson
Ward 7	Montagu
Ward 8	Bonnievale
Ward 9	Ashton
Ward 10	Ashton Zolani
Ward 11	Ashton Rural
Ward 12	Montagu

The municipality does however not monitor operating results for these geographical segments, and operational results are only monitored within the business units as previously disclosed.

67.1 Segmental Analysis of Financial Performance

Year Ended 30 June 2022

Description	Community and Social Services	Road Transport	Energy Sources	Waste Management	Wastewater Management	Water Management	Other	Total for Municipality
	R	R	R	R	R	R		
REVENUE								
Revenue from Non-exchange Transactions								
Property Rates	-	-	-	-	-	-	92 757 614	92 757 614
Fines, Penalties and Forfeits	51 073	-	1 525 537	-	-	-	9 133 750	10 710 360
Service Charges			1 463 204		1 004 849	511 408		2 979 461
Transfers and Subsidies	12 559 334	23 029 797	3 938 458	13 882 960	28 899 564	23 156 604	72 349 051	177 815 768
Surcharges and Taxes	-	-	-	-	-	-	-	-
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	1 084 613	1 084 613
Revenue from Exchange Transactions	-							-
Licences and Permits	213 996	1 394 142	18 064	-	-	-	505 861	2 132 063
Service Charges	-	-	527 716 705	27 726 338	30 716 013	54 286 047	(2 979 461)	637 465 642
Sales of Goods and Rendering of Services	625 083	-	2 397 355	51 338	-	-	2 964 699	6 038 475
Income from Agency Services	-	-	-	-	-	-	5 106 265	5 106 265
Rental from Fixed Assets	661 791	-	-	-	-	-	2 703 473	3 365 264
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	18 309 708	18 309 708
Operational Revenue	-	40 010	-	-	-	3 650	5 175 939	5 219 599
Gains on Other Operations	-	-	-	-	-	-	4 289	4 289
Gains on Disposal of Property, Plant and Equipment	-	-	-	-	-	-	370 866	370 866
Inventory Losses							30 840	30 840
Total Revenue	**14 111 277**	**24 463 949**	**537 059 323**	**41 660 636**	**60 620 426**	**77 957 709**	**207 517 507**	**963 390 827**
EXPENDITURE								
Employee Related Costs	35 338 156	9 464 461	17 674 637	21 041 321	14 318 593	14 925 950	104 212 252	216 975 370
Remuneration of Councillors	-	-	-	-	-	-	10 750 827	10 750 827
Depreciation and Amortisation	2 808 860	8 577 558	5 218 991	2 246 214	4 316 255	6 042 470	7 559 051	36 769 399
Impairment Losses	28 093	-	2 025 490	6 448 229	7 443 397	8 574 363		
- Total Losses, Including PPE	28 093	-	1 684 647	1 374 170	974 000	1 421 647	7 787 497	13 270 054
- Bad Debts Written Off	-	-	346 867	5 074 059	6 469 397	7 152 716	6 765 377	25 808 416
Interest, Dividends and Rent on Land	-	-	3 130 204	6 299 784	392 470	107 674	6 257 796	16 187 928
Bulk Purchases	-	-	422 441 810	-	-	5 706 977	-	428 148 787
Contracted Services	1 312 687	1 036 338	1 302 058	1 501 304	5 170 260	5 129 664	13 642 999	29 095 310
Inventory Consumed	2 249 542	4 689 192	3 534 778	4 605 580	3 740 128	6 384 700	13 945 029	39 148 949
Transfers and Subsidies Paid	100 000	-	-	-	-	-	2 401 004	2 501 004
Operating Leases	-	-	-	-	-	-	277 912	277 912
Operational Costs	1 119 431	1 386 008	904 252	10 879 608	747 564	694 827	24 419 071	40 150 761
Loss on Disposal of Property, Plant and Equipment	-	-	6 024	-	-	-	(6 024)	-
Total Expenditure	**42 956 769**	**25 153 557**	**456 244 268**	**53 022 040**	**36 128 667**	**47 566 625**	**198 012 791**	**859 084 717**
Surplus/(Deficit) for the Year	**(28 845 492)**	**(689 608)**	**80 815 055**	**(11 361 404)**	**24 491 759**	**30 391 083,88**	**9 504 716**	**104 306 110**

AUDITOR GENERAL SOUTH AFRICA

Auditing to build public confidence

30 November 2022

LANGEBERG LOCAL MUNICIPALITY
SEGMENTAL ANALYSIS OF FINANCIAL PERFORMANCE (Continued)

Year Ended 30 June 2021

Description	Community and Social Services	Road Transport	Energy Sources	Waste Management	Waste Water Management	Water Management	Other	Total for Municipality
		R	R	R	R	R		
REVENUE								
Revenue from Non-exchange Transactions								
Property Rates	-	-	-	-	-	-	59 485 886	59 485 886
Fines, Penalties and Forfeits	24 430	-	150 460	-	-	-	7 362 400	7 537 290
Licences and Permits	-	-	-	-	-	-	-	-
Transfers and Subsidies	9 973 124	19 631 518	1 240 596	15 101 795	17 226 890	5 846 520	77 567 208	146 587 651
Surcharges and Taxes	-	-	-	-	-	-	-	-
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	640 594	640 594
Revenue from Exchange Transactions	-	-	-	-	-	-	-	-
Licences and Permits	132 052	1 487 256	1 287	-	-	-	537 176	2 157 771
Service Charges	-	-	463 964 824	21 508 056	24 603 347	46 369 594	-	556 445 821
Sales of Goods and Rendering of Services	790 215	-	1 952 392	39 702	-	-	3 134 290	5 916 599
Income from Agency Services	-	-	-	-	-	-	5 166 816	5 166 816
Rental from Fixed Assets	165 839	287	-	-	-	-	2 736 662	2 902 788
Interest, Dividends and Rent on Land Earned	-	-	-	-	-	-	12 708 523	12 708 523
Operational Revenue	-	40 621	-	-	-	5 745	5 251 026	5 297 392
Intercompany/Parent-subsidiary Transactions	-	-	-	-	-	-	-	-
Gains on Other Operations	-	-	-	-	-	-	63 048	63 048
- Total Gains, Including PPE	9 682	46 121	695 580	105 595	101 045	127	368 028	1 326 178
Gains on Disposal of Property, Plant and Equipment	9 682	46 121	695 580	105 595	101 045	127	304 980	1 263 130
Inventory Losses							6 107	6 107
Total Revenue	**11 095 342**	**21 205 803**	**468 005 139**	**36 755 148**	**41 931 282**	**52 221 986**	**174 964 716**	**806 179 416**
EXPENDITURE								
Employee Related Costs	43 473 255	8 138 207	16 768 946	13 766 724	12 000 178	12 780 412	103 619 565	210 547 287
Remuneration of Councillors	-	-	-	-	-	-	10 701 101	10 701 101
Depreciation and Amortisation	2 711 466	6 669 820	4 665 894	2 082 824	4 170 262	5 450 374	7 267 527	33 018 167
Impairment Losses	12 569	23 966	4 738 213	1 346 408	2 389 773	3 382 989	8 903 837	20 797 755
- Total Losses, Including PPE	20 453	24 966	4 977 732	644 618	1 273 909	2 437 374	1 661 902	11 040 954
- Bad Debts Written Off	-	-	235 841	915 370	1 115 864	945 615	7 466 497	10 679 187
Interest, Dividends and Rent on Land	4 560 652	40 794	3 450 617	5 300 035	656 341	213 561	579 448	14 801 448
Bulk Purchases	-	-	364 560 122	-	-	6 289 996	-	370 850 118
Contracted Services	1 149 262	535 396	1 010 245	2 251 248	4 550 353	3 797 564	14 718 831	28 012 899
Inventory Consumed	740 951	1 476 880	2 487 974	3 067 139	3 887 495	4 867 124	31 871 576	48 399 139
Transfers and Subsidies Paid	140 000	-	-	-	-	-	1 991 699	2 131 699
Operating Leases	-	-	-	-	-	-	-	-
Operational Costs	1 733 614	2 816 623	1 698 618	(2 606 364)	671 722	1 033 949	26 239 000	31 587 162
Income Taxes	-	-	-	-	-	-	-	-
Statutory Payments other than Taxes	-	-	-	-	-	-	-	-
Loss on Disposal of Property, Plant and Equipment	7 884	1 000	475 360	213 580	-	-	224 562	922 386
								-
Total Expenditure	**54 529 653**	**19 702 686**	**399 855 989**	**25 421 594**	**28 326 124**	**37 815 969**	**206 117 146**	**771 769 161**
Surplus/(Deficit) for the Year	**(43 434 311)**	**1 503 117**	**68 149 150**	**11 333 554**	**13 605 158**	**14 406 017,00**	**(31 152 430,00)**	**34 410 255**

AUDITOR GENERAL
SOUTH AFRICA
Auditing to build public confidence
30 November 2022

67.2 Segmental Analysis of Capital Expenditure

2022Description	Budget Amounts	Actual Outcome
CAPITAL EXPENDITURE PER FUNCTION		
Community and Social Services	13 076 546	7 590 267
Road Transport	31 653 913	22 629 739
Energy Sources	8 363 043	8 259 920
Waste Management	3 353 538	2 722 388
Waste Water Management	16 000 380	13 148 100
Water Management	34 475 595	20 576 028
Other	1 710 000	1 105 505
Total Capital Expenditure	**108 633 015**	**76 031 947**

2021 Description	Budget Amounts	Actual Outcome
	R	R
CAPITAL EXPENDITURE PER FUNCTION		
Community and Social Services	5 721 883	3 962 381
Road Transport	33 666 224	29 567 771
Energy Sources	24 409 778	11 913 760
Waste Management	2 170 000	2 003 507
Waste Water Management	12 392 255	189 940
Water Management	15 623 303	5 634 205
Other	15 338 159	4 363 087
Total Capital Expenditure	**109 321 602**	**57 634 651**

AUDITOR GENERAL
SOUTH AFRICA
Auditing to build public confidence
30 November 2022

67.3 Segmental Analysis of Financial Position

The main components of the Financial Position that is currently considered, and management, within the defined municipal segments have been determined as follows:

67.3.1 Receivables from Exchange and Non-Exchange Transactions

2022 Description	Community and Social Services	Road Transport	Energy Sources	Waste Management	Wastewater Management	Water Management	Other
Receivables from Exchange Transactions							
Electricity	-	-	32 266 372	-	-	-	-
Refuse	-	-	-	4 566 845	-	-	-
Sewerage	-	-	-	-	4 879 193	-	-
Water	-	-	-	-	-	7 822 246	-
Statutory Receivables from Non-Exchange Transactions							
Property Rates	-	-	-	-	-	-	7 370 080
Total Receivables from Exchange and Non-	**-**	**-**	**32 266 372**	**4 566 845**	**4 879 193**	**7 822 246**	**7 370 080**

2021 Description	Community and Social Services	Road Transport	Energy Sources	Waste Management	Wastewater Management	Water Management	Other
Receivables from Exchange Transactions							
Electricity			24 409 119	-	-	-	-
Refuse	-	-	-	3 059 624	-	-	-
Sewerage	-	-	-	0	3 331 289	-	-
Water	-	-	-	-	-	5 882 969	-
Statutory Receivables from Non-Exchange Transactions							
Property Rates	-	-	-	-	-	-	4 415 143
Total Receivables from Exchange and Non-	**-**	**-**	**24 409 119**	**3 059 624**	**3 331 289**	**5 882 969**	**4 415 143**

67.3.2 Property, Plant and Equipment

2022 Description	Community and Social	Road Transport	Energy Sources	Waste Management	Wastewater Management	Water Management	Other	Total for Municipality
Property, Plant and Equipment	58 798 480	165 604 233	137 043 577	36 756 587	91 538 211	151 670 676	181 342 105	**822 753 869**

2021	Community	Road	Energy	Waste	Wastewater	Water	Other	Total for Municipality
Property, Plant and Equipment	56 989 083	153 240 731	130 807 741	33 289 071	83 372 878	135 673 975	182 252 376	**775 625 855**

CHAPTER 6
AUDITOR GENERAL'S AUDIT FINDINGS

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Langeberg Municipality set out on pages 113 to 218, which comprise the statement of financial position as at 30 June 2022, the 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 Langeberg Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (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 auditor-general's responsibilities 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.

Matters important to the users of financial statements– contingent liabilities

7. With reference to note 59 to the financial statements, the municipality is a defendant in various claims and the municipality is opposing these claims. The ultimate outcome of the matters could not be determined and no provision for any liability could be made in the financial statements.

Material impairments

8. As disclosed in note 3 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions amounting to R28,1 million (2020-21: R22,7 million).

9. As disclosed in notes 5 and 6 to the financial statements, the municipality provided for impairment of receivables from non-exchange transactions amounting to R31,7 million (2020-21: R23,9 million).

Material losses - receivables

10. As disclosed in note 38 to the financial statements, the municipality incurred a material loss of R25,8 million (2020-21: R10,7 million) as a result of bad debts written off.

Other matter

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

Unaudited disclosure notes

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA 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

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

14. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

18. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the municipality's annual performance report for the year ended 30 June 2022:

Strategic objective	Pages in the annual performance report
Strategic objective 5 – adherence to all laws and regulations applicable to local government	91 – 92

20. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

21. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected objective.

Other matter

22. I draw attention to the matter below.

Achievement of planned targets

23. Refer to the annual performance report on pages 91 to 92 for information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

24. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

25. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

26. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.

27. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

28. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

29. The other information I obtained prior to the date of this auditor's report excludes the final municipal manager's overview and the report from the audit committee. These are expected to be made available to us after 30 November 2022.

30. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

31. When I do receive and read the final annual report, including the final municipal manager's overview and the report from the audit committee, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with

governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Other reports

33. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

34. The Directorate for Priority Crime Investigation (Hawks) is investigating allegations of fraud and corruption by former employees of the Langeberg Municipality as well as public persons for the period 2005 to 2018. These proceedings were still in progress at the date of this auditor's report.

Auditor General

Cape Town

30 November 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. 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 objectives and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. 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 by the accounting officer
   - conclude on the appropriateness of the accounting officer's 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 Langeberg Municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
   - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. 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.

4. 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.

LANGEBERG MUNICIPALITY

AUDIT ACTION PLAN ON 2021/2022 EXTERNAL AUDIT FINDINGS

Item no.	Audit Finding Title	AG Recommendation	Management comments on recommendation	Responsible Person	Proposed date when COMAF will be addressed	Action taken/Progress to date/Additional comments, if any
1	**IT Governance** -8. Inadequate design of the Business Continuity Committee (BCC) Terms of Reference	Management should update the BCC Terms of Reference to include the roles and responsibilities of the IT Steering Committee and stipulate that meetings should be held on a quarterly basis. In addition, management should ensure that IT related matters are included as a standing agenda item for BCC meetings. The updated terms of reference should be communicated to all stakeholders to ensure compliance thereto. Minutes of the meetings should be maintained for audit purposes.	In agreement	Chief Audit executive (CAE) Senior network Administrator	31 December 2022	
2	**Application controls review - **9. Lack of segregation of duties to capture, verify and approve indigent applications on PROMUN	Management should ensure that the access to capture, verify and approve indigent applications is assigned to different users. Where segregation of duties cannot be enforced due to business requirements, the activities of users with conflicting access should be monitored by the Chief Financial Officer (CFO) on a regular basis to ensure that only valid indigent applications are processed. Evidence of these reviews should be maintained for audit purposes.	In agreement	Chief Financial Officer (CFO)	Immediately	

Item no.	Audit Finding Title	AG Recommendation	Management comments on recommendation	Responsible Person	Proposed date when COMAF will be addressed	Action taken/Progress to date/Additional comments, if any
3	**User access management-** 10. Discrepancies in S3 password word reset audit trail	Management should follow up with the service provider to ensure that the correction of the audit trails is addressed. In the interim, management should add the risk to the risk register and monitor it through the municipality's internal risk management processes. Meeting minutes should be maintained for monitoring and audit purposes.	In agreement	Chief Financial Officer (CFO)	Immediately	
4	**Program change management -** 11. No system generated change logs for PROMUN and S3	Management should investigate whether the service provider is able to address the system limitation through the development and implementation of additional system functionality. In the interim, management should add the risk to the risk register and monitor it through the municipality's internal risk management processes. Meeting minutes should be maintained for monitoring and audit purposes.	In agreement	Chief Financial Officer (CFO)	30 June 2023	

Report of the Audit & Performance Committee (A&PC)

We are pleased to present our report for the financial year ended 30 June 2022

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Langeberg_Muni Langeberg Municipality Langeberg_Muni

1. <u>Introduction</u>

Section 166 of the Municipal Finance Management Act (MFMA) No. 56 of 2003, requires every Municipality to establish and maintain an audit committee, as an independent advisory body.

The Audit- and Performance Audit Committee (A&PC) of the Langberg Municipality (hereafter referred to as the A&PC) is well established and functioning as required. An updated Committee Charter has also been developed and reviewed by the Committee on 24 June 2021.

2. <u>Audit & Performance Committee Members and Attendance</u>

The Audit & Performance Committee consists of the members listed hereunder and should meet at least 4 times per annum as per its approved charter. During the 2021/22 financial year five (5) meetings were held, and attendance was as tabled.

Name of member	Appointment date	Contract End Date	Number of meetings attended for 2021/2022
Mr E Abrahams: Independent Chairperson – From March 2019	01 October 2016	30 September 2022	5
Mr RG Nicholls: Independent	01 October 2016	30 September 2022	4
*Ms K Talmakkies: Independent	01 March 2019	28 February 2025	4
Mr O Valley: Independent	01 March 2019	28 February 2025	5
Mr A Njeza: Independent	03 June 2019	31 May 2025	5

** Please note that Ms K Talmakkies was appointed Chairperson from 1 November 2022.*

3. <u>Executive Summary</u>

	Assurance Areas	
Governance	Performance Management	External Audit
Internal Financial Control	Performance Evaluation	Internal Audit
Financial Reporting & Information	Compliance	Risk Management
	Investigations	

Legend

(green)	Provides Assurance
(amber)	Provides Limited/ Some Assurance
(red)	Provides No Assurance

Governance

The A&PC have adopted a formal term of reference in the A&PC charter in line with the requirements of Sections 166 of the MFMA and therefore report that we have conducted our affairs in compliance with this charter. The A&PC is also pleased that governance structures within the municipality are in place and is functional.

Internal Financial Control

Internal controls are designed to provide effective assurance that assets are safeguarded, that liabilities and working capital are efficiently managed and that the municipality fulfills its mandate, in compliance with relevant statutory and governance duties and requirements

Based on the assurance reports that were tabled to the A&PC, the A&PC is of the opinion that the system of internal control employed by the Municipality is adequate, effective and transparent.

Financial Reporting & Information

The A&PC have also:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the auditor-general, internal auditors and the accounting officer;
- Reviewed changes in accounting policies and practices;
- Reviewed the municipality's compliance with legal and regulatory provisions; and
- Reviewed significant adjustments and accepted the unadjusted audit differences as they were not material.

We have also reviewed the in-year monitoring reports submitted, and the A&PC is satisfied with the content and quality of reports prepared and submitted by management.

Performance Management

In terms of regulation 14(4) (a) of the performance management regulations, the A&PC has the responsibility to review the quarterly reports produced and submitted by the internal audit process; review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and at least twice during each financial year submit a performance audit report to the council of the municipality.

The Committee is satisfied that the Municipality did utilise mechanisms, systems and processes for auditing the results of performance measurement as part of its internal audit processes, including assessments of the functionality of the performance management system whether the system complied with the requirements of the Municipal Systems Act (MSA), and include assessments of the extent to which the performance measurements were reliable.

Performance Evaluation

The Municipal Systems Act requires the Langeberg Municipality to establish a performance management system that is commensurate with its resources, best suited to its circumstances and in line with the priorities, objectives, indicators and targets contained in the Integrated Development Plan. For the purpose of evaluating the performance of employees, a performance management committee was established in terms of the performance agreements. The chairperson of the audit and performance committee is also a member of the performance management committee. The performance management committee met two (2) times during the financial year:

- 2020/21 Annual performance evaluations – 18 August 2021
- 2021/22 Mid-year performance evaluations - 10 February 2022

The performance evaluations were conducted in line with performance agreement.

Compliance

The Internal Audit Activity and the auditor-general conducted compliance reviews as part of their audit processes with regards to specific matters in key legislation relevant to the municipality. These reports were tabled and discussed by the committee. The committee is pleased that there were no material findings identified on compliance with key legislation.

Investigations

Section 166 of the MFMA requires the A&PC to carry out such investigations into the financial affairs of the municipality as the council of the municipality may request. There were no investigations conducted by the A&PC into the financial affairs of the municipality during the 2021/22 financial year.

Auditor-General

The A&PC engaged with the auditor-general on several occasions to discuss their strategy, audit results and audit report.

The A&PC concur with and accepted the auditor-general's report on the annual financial statements and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the auditor-general.

Internal Audit

We are satisfied that the Internal Audit Activity is operating effectively and that it has addressed the risks pertinent to the Municipality in its audits. The Internal Audit Activity completed all the 2021/22 risk-based activities as approved by the Audit & Performance Committee.

We have met with the Internal Audit Activity during the year to ensure that the function is executed effectively and objectively.

We are satisfied with the content and quality of internal audit reports presented by the Internal Audit Activity of the municipality during the year under review.

Risk Management

The committee has reviewed the risk management processes implemented by management during the financial year and is satisfied with the progress made with the implementation of risk management processes within the municipality. The risk profile of the municipality is monitored on a continuous basis and reported to the Fraud & Risk Management Committee and the A&PC for oversight.

Conclusion

Overall, the committee is pleased with the continuous progress made by the Municipality in improving the governance, risk management and control environment of Langberg Municipality.

On behalf of the Audit and Performance Audit Committee.

Ms Kirstie Talmakkies
Chairperson of the Audit & Performance Committee
30 November 2022

GLOSSARY

LANGEBERG
MUNISIPALITEIT MUNICIPALITY MASIPALA

ANNEXURE A: Municipal/ Entity Functions

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