



2022/23 ANNUAL REPORT



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CHAPTER 1- MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

ANNUAL REPORT 2022/2023: MAYOR'S FOREWORD



CONTEXT

This foreword must be read in articulation with the foreword of the head of the administration of the Theewaterskloof Municipality; *id est* the Municipal Manager. The Municipal Manager will provide a comprehensive account of how the municipality conducted its business in 2022/23; whilst the Executive Mayor's foreword will primarily focus on the mandate given to the administration by the Theewaterskloof Municipal Council. The role of the Executive Mayor, the Mayoral Committee and the Council is to guide the administration in achieving good governance and compliance with municipal mandates as set out in various pieces of legislation and related documents.

KEY MATTERS

In 2022/23 the coalition Government, consisting of the PA, GOOD and the ANC, provided the municipal administration with a vision and mission and strategic objectives which enabled acceptable levels of service delivery, the provision of services to all, and, in terms of the pro-poor approach of the Coalition, services that specifically focus on the poorest of the poor. Poorest of the poor refers to vulnerable groups of the population, and families that depend entirely on basic free services, *id est* the indigent population.

As a government we guided the administration in the provision of the best possible and affordable services to tax and tariff payers. This government understands that the tax and tariff payers are over-burdened and that the decline in financial allocations from the National Equity Funding Scheme and other National Funds leaves the municipality with no choice but to utilize income, through taxes and tariff, to cross-subsidise the services costs of indigent families. This is not ideal and not sustainable. If the national government does not collect the bill for service delivery to those who cannot pay for electricity, water, etcetera, the municipality, and especially the paying public, must. It remains a key priority of this government to convince national government to increase their financial allocations to Theewaterskloof Municipality. This is especially the case with funds for indigent families and the Municipal Infrastructure Grant (MIG).

The political administration is adamant to convince organs of government that it is a myth to believe that municipalities can generate sufficient income to fund all municipal mandates. As an alternative this government is giving the administration a clean mandate to identify and recruit funds from non-traditional municipal income sources. In this regard, I refer you to the Municipal Manager's foreword in which he explains how administration is interpreting and dealing with this mandate.

VISION AND MISSION

Vision - Creating a safe and secure environment and enabling economic growth through innovative service delivery.

Mission - To create and sustain an environment which shall enhance the socio-economic development capacity and impact of the Theewaterskloof Municipality in accordance with the statements in the vision.

Strategic Objectives - Basic service for all; Community Safety; Improve the social environment fabric of the Theewaterskloof community; Healthy and Productive Workforce; Maintenance, replacements and upgrades of municipal infrastructure; Integrated Human Settlements; Make Theewaterskloof the investment destination of choice; Promote the second and township economy; Upgrade Informal Settlements and prioritise the needy in housing allocation; Democratic responsive and accountable government; and Sound financial management and continuous revenue growth.

GAME CHANGERS TO ACIEVE THE VISION

The municipality continued the path it embarked on in 2021/22: To make the municipality a developmental and pro-poor organ of state that can successfully deal with challenges, such as community-based discontent and subsequent actions; enabling an environment in which all people work together; improving municipal sustainability; and enhancing service delivery and sustainability. The pro-poor approach is paving the way towards equality amongst all people; the enhancement of the dignity of all people; harmonious communities, unity in diversity; and access to scarce resources, for all. In a changing environment, in which municipalities must conduct their business, Theewaterskloof succeeded to maintain financial, infrastructure and service delivery sustainability; projects based on new ideologies; political stability; a fit-for-purpose administration; managing of land invasions; and extended informal human settlements.

RESTRUCTURING

The restructuring of the organisation in 2021/22 is still in progress and will result in capable management and the enhancement of company expertise.

KEY POLICY DEVELOPMENTS

Several policies were adjusted, and others were created to comply with various pieces of legislation and to ensure good municipal governance in Theewaterskloof. Key policies amendments focussed on rates, risk management, a risk based internal audit plan for 2022/2023; and a SCM Policy. During the report year the municipality amended a number of by-laws and developed others to uphold good governance practises in various municipal competencies. Council approved the IDP and Budget for 2023/2024 and the two outer years. Council also approved the Delegation Register.

KEY SERVICE DELIVERY IMPROVEMENTS

Service delivery levels depends on the state of infrastructure. In this regard, Council and the administration mitigated several challenges that relates to insufficient bulk services infrastructure. Council adopted a medium to long-term approach to facilitate sustainable and effective infrastructure upgrade and development. After many previous attempts Council established an infrastructure reserve fund. Council oversaw adherence with the infrastructure maintenance and development program and plan. Council constantly verified the infrastructure registers and the spending of the 2022/23 infrastructure budget. Council became increasingly concerned about the effect of the incidents of vandalism on infrastructure and

the theft of municipal assets. Council guided the administration and especially the town offices to create social compacts against theft and vandalism. The municipality does not budget for the repair and replacement of vandalized assets, and it happens at the expense of service delivery votes.

PUBLIC PARTICIPATION

The municipality adhered to various pieces of public participation legislation and policies to comply with legal requirements to involve the broader community in enhancing development goals and service delivery. Hence, communities took ownership of projects and developments that impacted heavily on their lives and livelihoods. The municipal approach to public participation allows for compliance with the principles of inclusivity, diversity, building community participation, transparency, integration, flexibility, accessibility and accountability. This approach is especially relevant in the IDP and Budget drafting processes. The municipal focus on community development and growth includes interventions that will broaden the democracy by involving communities in third tier governance mandates. This focus ensures that policy framework is in place for public participation. Council upheld and monitored client care and community development strategies to create functional relations between the client, the municipal administration and political authority.

FUTURE FOCUSSES

The future of sustainable municipal governance and service delivery in Theewaterskloof hinges on the success of the implementation of the restructuring model and the mitigating of key challenges and matters facing the municipality. In this regard I refer to the foreword of the Municipal Manager. The municipality will focus on long-term effective and sustainable governance, institutional development, community growth and local economic enhancement. The goal of future actions will be to enhance the pro-poor and the-people-first approach. Interventions will involve role-players in local governance and collaboration with them will enhance the development and growth of Theewaterskloof. All future actions will aim to enhance the socio economic and welfare profiles of communities, local economic growth and a developmental third tier government. The Council and coalition will manage financial sustainability, collapsing infrastructure, public expectations and socially and economically challenged communities. The focus will be on stabilising basic services in the municipality's 24 informal human settlements.

CONCLUSION

Local government is where the people and the leaders of the country meet on ground level; it is also the place where people articulate their most basic needs. In the past year the municipality created good relationships and communication tools with the people of Theewaterskloof. There is a need to create an environment where the people can live and play with greater freedom and to facilitate this, the municipality committed to the values and goals of the National Development Plan. As the Executive Mayor of Theewaterskloof Municipality, I commit myself to serve the people of the municipal area who provide us an opportunity to serve them.

THANKS

The 2022/23 year was tough, but we reached most of our goals, thanks to the commitment of the coalition parties, my mayoral committee and Council. We succeeded through the expertise and commitment of our administration and management and their capable and hardworking officials. I thank all of them. I thank the public who allowed us to serve them and for participating in good governance interventions and practices.

I praise the Lord for guiding us in a robust municipal environment and for making it possible for us to not only pursue and achieve the improbable but indeed the “impossible”.

Late Councillor Alderman Karel Papier
Executive Mayor
01 August 2023

OPENING REMARKS BY NEW MAYOR



In the 2022/2023 financial year Theewaterskloof Municipality made great strides towards Council's vision, mission, and strategic objectives for this term. Enabling economic growth, creating safe and secure communities, making Theewaterskloof a tourism destination of choice and promoting innovative service delivery opportunities has been at the forefront of the Municipality's agenda.

Since taking office in September 2023, I have seen the administration and political arms of Theewaterskloof come together during adverse times and great challenges. I have also witnessed the administration exceed in its service delivery goals with the addition of new vehicles, generators, and support staff.

In my inauguration speech I said our Nation often does not aim for the improbable but indeed the impossible. I know Theewaterskloof Municipality has limited resources, but I also know how to lead people to achieve the best with what they have, and I believe that is exactly what we have been doing through partnerships and progressive leadership.

I listed seven priorities when I took office and I would like to thank the administration, my Coalition partners and the broader Council for buying into my vision and helping it align with our IDP and the greater vision for Theewaterskloof.

There is still a lot of work to be done, but I am encouraged by the passion, commitment and enhancement I have already seen during my time at Theewaterskloof.

Going into the next year, we will build on the strategic objectives, vision and mission as set out by Council and legislation to ensure that quality services is rendered to all of our residents in Theewaterskloof.

Safe and secure services will be non-negotiable, and we will continue to provide support to our communities and the most vulnerable.

Many opportunities for youth and employment were created in the 2022/2023 period, but we will develop even more pro-business and pro-job programmes to further economic growth in our area.

Being inclusive and having integrated communities will remain a priority and we will promote smart and innovative ways to showcase the talent in our various sectors.

Finally, with the help of the administration and leadership we will continue to develop an effective, well-managed service area within Theewaterskloof. One that portrays that of a clean, honest government that puts its residents first, spends its finances wisely and should be a pleasure to do business with.

Councillor Mary Liebenberg
Executive Mayor
17 January 2024

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW

FOREWORD: MUNICIPAL MANAGER: COMPLYING WITH MANDATES AND SERVICE DELIVERY

INTRODUCTION: KEY COMMENTS



It is an honour for me, as the Municipal Manager of the Theewaterskloof Municipality, to present to the Municipal Council, the administration, and the public with the Annual Report for 2022/2023.

In 2022/2023, the Theewaterskloof Municipality, in compliance with its constitutional obligations, to serve the people with effective, efficient, and equitable services and all municipal mandates and functions, complied with the requirements and stipulations of the Local Government: Municipal Systems Act, No. 32 of 2000; the Local Government: Municipal Structures Act, No.

117 of 1998; and the Local Government: Municipal Finance Management Act, No. 56 of 2003.

The municipality honoured the manifest of Human Rights as articulated in the Constitution; as well as Batho Pele Principles and other adherences.

As a result, the municipality succeeded with, amongst others, certain key interventions as planning and zoning bylaws; an array of municipal by-laws and policies; taxation; local socio-economic business support; collaborating with and between communities; utilising of programs of the provincial and national governments; the advocating off community economic development priorities, consultation and interaction with communities, organs of the collective government, and the holistic industry.

In terms of the Local Government: Municipal Systems Act, No.32 of 2000, the municipality, amongst many more mandates succeeded with its interventions such as Integrated Development Planning; water and sanitation; municipal health services; solid waste disposal; promotion of local tourism; and control of cemeteries.

In terms of mandates assigned to the municipality by National and Provincial Governments, amongst others, complied with requirements and guidelines regarding municipal disaster management as set out under the Disaster Management Act, No. 57 of 2000; the identification of housing needs and planning responsibilities as set out in Chapter 4 of the Housing Act, No. 107 of 1997; the atmospheric emission monitoring and licencing as set out in the National Environment Management Air Quality Act, No. 29 of 2004.

A YEAR OF CHANGE

It became abundantly clear that municipalities must change on various fronts to remain functional and relevant in its provision of services to all and especially the poorest of the poor. It also became clear that municipalities need to rethink and subsequently redefine sources for sustainable income.

It is unwise to focus on past local government practices and realities whilst circumstances have changed irreversibly. There are new realities and, although it is a loaded expression, municipalities face a 'new normal'.

As others, the Theewaterskloof Municipality must change the way it deals with threats and challenges. If the municipality fails to adapt to continuous changing municipal environment it is bound to fail systemically.

I am glad to say that, in the year under review, the Theewaterskloof Municipality administratively and politically arrested control of much of the changed municipal environment.

THE CHANGED NATURE OF INCOME

The municipality changed its perceptions of municipal sources of revenue and was forced to think outside the box when it identified additional income sources. This was an important intervention as existing income streams are no longer sufficient to generate enough funds to deliver on our mandates and to secure the effectiveness of our infrastructure.

As has been the case for several years, the municipal income for 2022/23 did not grow at the same speed as the holistic community's demand for extended service delivery programs.

The municipality could not raise sufficient funds, through taxes and tariffs and national municipal support programmes such as the Equitable Share Fund and the Municipal Infrastructure Grant Fund. The reality is that all traditional income sources are stagnating or decreasing.

To counter this, I led a program where we identified projects and programmes in which the municipality could and can tap in, to raise our capacities to develop infrastructure and to create a holistic growth environment.

We laid the platform to tap into non-traditional funds of the state and statutory entities. At the end of the year, it became clear that this out-of-the-box-interventions will result in infrastructure upgrades and development. In this context the municipality already tapped into the clean green-initiative and a project with Working on Fire.

In the years to follow we will identify more such projects and programmes to recruit funds from new sources of income.

INFRASTRUCTURE CHALLENGES

Municipal infrastructure deficiencies are a reality that threatens municipal sustainability and service delivery which is the case in the Theewaterskloof Municipality.

The municipality is confronted with holistic aging infrastructure. As mentioned, funds to develop and upgrade infrastructure is limited in terms of own reserves and the national Municipal Infrastructure Grant (MIG).

The municipality therefore embarked on a special intervention to negotiate infrastructure development funds from national government and organs of state.

A decision was taken in 2022/2023 to implement the infrastructure tariff levy in 2023/2024.

During the year under review the municipality had to intervene in the infrastructure challenges of the Overberg Water Board which is the water supply authority to the municipality in Caledon and surrounding towns.

This was also the case with Eskom, the electricity provision authority to 70% of the local population.

Both Eskom and the Overberg Water Board have serious infrastructure challenges impacting on the effective and efficient service delivery of electricity and water as basic municipal services to the residents.

Considering the infrastructure inadequacies and shortages of the municipality, Eskom and the Overberg Water Board, makes it clear that the municipal area is confronted with severe infrastructure challenges.

KEY INFLUENCES ON THE MUNICIPALITY

The most critical internal and external influences on the municipality remained inadequate national government subsidies for indigent families; inadequate government contributions to the Municipal Infrastructure Grant (MIG); internal inability to spend grants for infrastructure and housing projects; public dissatisfaction; rapidly deteriorating infrastructure and related service delivery effects; the broadened gap between public expectations and municipal capacities; vandalizing of municipal assets; the negative relation of those who pay municipal taxes and tariffs and those who receive indigent support.

AUDIT OUTCOME OF THE AUDITOR GENERAL

The municipality gained a clean audit outcome for the 2021/22 financial year and an unqualified audit with findings in 2022/2023. In this regard, it is clear that the systems, measures and governance controls are implemented from a financial health perspective, it is extremely positive placing the municipality in a good financial position. I want to express my sincere thanks and appreciation to the administration and political leadership for a job well done.

IDP AND SDBIP

The revised IDP reflects the inputs of communities, role-players and stakeholders, the organizational corporate administration, council, ward committees and town forums.

The planning, drafting and debriefing phases of the IDP included time for extensive public participation and enable the public to express their desires and needs.

From the debriefing sessions, it is clear that the communities understand the financial constraints of the municipality.

They understand that to generate more opportunities there should be a high level of interaction between the municipality, broader community and business sectors.

Economic development remains the key to an environment where all people can live in harmony and relative prosperity.

INTERNAL AUDIT AND ANNUAL RISK BASED AUDIT PLAN

The Municipality Performance and Audit Committee (PAC) added to clean governance in the municipality and the member's experience in the fields of internal audit, performances monitoring, and holistic municipal governance again proved to be an essential tool in good governance.

The internal audit function conducted its tasks in terms of a risk-based audit plan approved by the municipal management and the Performance and Audit Committee.

During the financial year in question the Head Occupational Health & Safety and Risk Management was responsible to carry out the duties of the CRO. The municipality started the process of appointment by the end of the financial year and a short list of potential candidates has been compiled. The position will be filled within the 2024/25 financial year.

SERVICE DELIVERY AND INFRASTRUCTURE

The operational structures of the municipality maintained acceptable levels of service delivery and infrastructure development, upgrading and maintenance.

CUSTOMER CARE

The municipality had to use tax and tariff income to subsidize the poor and to add to the income from national support programmes such as indigent subsidies.

The fact that the paying public does not receive services that reflect their contributions to municipal income caused relationship issues between them and the municipality and between the paying and non-paying public.

Indigent families also believe that the basic services they receive are not adhering to minimum norms and as a result there are tension between them and the municipality.

The governing coalition partners developed a methodology whereby it constantly and timeously engages with the public. This mitigates tension and prevent protests and the broadening of the gap between municipal abilities and public expectations.

The integration of social media such as the Collaborator application, website, Facebook, Instagram, X (previously known as Twitter) and SMS-communication channels opposed to the traditional means of communication such as newsletters improved municipal communications with the clients, customer and residents.

STAKEHOLDER RELATIONS

The municipality embarked on a drive to develop stakeholder relationships. The focus on stakeholders adds another dimension to public participation in government interventions and adds to growth and development. Strengthened stakeholder relations broadened the democracy and external involvement in IDP and Budget interventions.

FINANCIAL SUSTAINABILITY

Municipal sustainability is not necessarily an indication of secure and adequate income, but it shows good political and administrative governance. In the year under review, the municipality kept its financial sustainability indicators to acceptable levels. An analysis done by the Auditor-General of South Africa shows that the Theewaterskloof Municipality is one of a decreasing number of municipalities that remains sustainable in the long and short-term.

The Theewaterskloof Municipality developed a sustainable ability to work within the constraints of its revenue and budget. The budget was limited in all respects and did not keep pace with population growth. The national government reduced its contributions to municipalities, but the municipality was able to lower its overheads and to offer quality services.

The political focus on pro-poor allowed the administration to improve the dignity of and services levels to the poorest of the poor.

FUTURE CHALLENGES

Looking at the future the municipality identified several key goals for 2023/2024: extend the focus on pro-poor and create a stable environment for accelerated growth and development on all levels; create an environment that will uplift the dignity to all people; support and facilitate job creation, skills development, socio-economic growth, infrastructure growth and development and fully utilise EPWP, intern and contract programs; create an environment in which people can live in peace and in safety; support the development of political stability; and deal effectively with ageing infrastructure as to ensure continued service delivery.

FINAL REMARKS

I thank the Executive Mayor, Alderman Kallie Papier, the Coalition partners, the Mayoral Committee (Executive Mayoral Committee) and all Councillors for supporting the administration.

I thank my management team and all the employees who did great work under testing circumstances.

I thank the communities and stakeholders who worked with the municipality to grow and develop the organisation, communities, and the economy.

I thank our Heavenly Father for His guidance and ever prevailing grace.

Wilfred Schrevian Evan Solomons-Johannes

Municipal Manager

01 August 2023

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 LEGISLATIVE FRAMEWORK

The content of the Annual Report is legislated in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), which prescribed that a municipality must prepare an Annual Report for each year. While the report provides Theewaterskloof's stakeholders and interested parties with comprehensive information about the administrations financial, operational, social, and environmental performance for the 12 months under review namely 01 July 2022 to 30 June 2023, it also focuses on progress made against the Integrated Development Plan objectives, a new version which is compiled every 5 years and thereafter annually reviewed.

The constitution schedule 4(B) and 5(B) outlines specific municipal functions, it is therefore important for a municipality to reflect within its annual report on the functions applicable to them.

Section 121(2) of the Municipal Finance Management Act (MFMA)

The purpose of the Annual Report is

- a) to provide a record of the activities of the municipality or entity during the financial year to which the report relates;
- b) to provide a report on performance in service delivery and budget implementation for the financial year;
- c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity; and
- d) to reduce the additional reporting requirements that will otherwise arise from Government Departments, monitoring agencies and financial institutions.

The constitution schedule 4(B) and 5(B) outlines specific municipal functions, it is therefore important for a municipality to reflect within its annual report on the functions applicable to them.



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

Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

1.2.2 OVERBERG DISTRICT

The Overberg District (OD) is well known for its coastline, the southernmost tip of Africa and vast farmlands, especially grain farming. Bordering the City of Cape Town, the Cape Winelands District, and the Garden Route District, the OD covers 12 240.8 square kilometres, which constitute 9.5% of the Western Cape Province's total area, and comprises four local municipal areas, namely the Theewaterskloof, Overstrand, Cape Agulhas and Swellendam municipal areas. The OD Municipality's headquarters is in Bredasdorp, and other large towns in the district include Grabouw, Caledon, Hermanus and Swellendam.



1.2.3 ANNUAL REPORT AND DATA SOURCES

The 2022/23 Annual Report reflects on the performance of the Theewaterskloof Municipality for the period of 1 July 2022 to 30 June 2023. This represents a report in terms of progress made on the 2022/2027 IDP goals, objectives and projects.

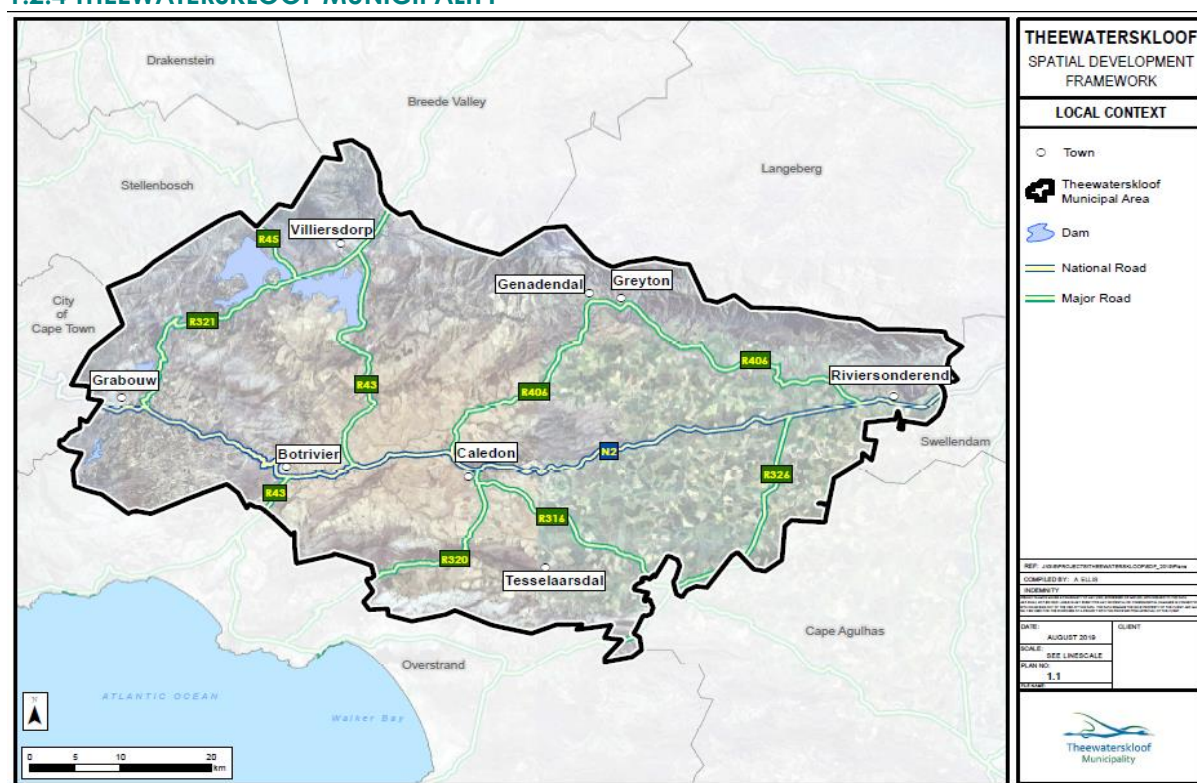
It should further be noted that due to the fact that Census are conducted once every 10 years, with the latest available census results stemming from the 2011 census, only partial information available from census concluded in 2022 and results on town and ward level only expected in 2024, the document will use various sources to ensure that we have the most updated, reliable and specific data sets for readers. The most common sources of information (used in the annual report) are sources such as Census 2011, Community Survey 2016 (CS) the Social Economic Profile 2022 (SEP 22) and Municipal Economic Review Outlook 23 (MERO 23).

In instances where census 2022 data is available to municipality utilise these data and made use of projection methods to calculate certain data sets that has not been released by STATS SA. Once all official data sets from STATS SA are released the document will be updated.

A big challenge is the comparability of data sources and their alignment. Certain e.g., would provide data at town level where others would provide it only at municipal level, the total population estimates of these two sources will differ hence making it difficult to draw any reliable conclusions from the two.

With Census data being the only accepted data source in South Africa, but only conducted once every 10 years, decision makers have no other choice but to utilize other data sources however as indicated the reliability and comparability makes any conclusion based on these estimates questionable.

1.2.4 THEEWATERSKLOOF MUNICIPALITY



The Theewaterskloof Local Municipality is a Category B municipality situated in the Overberg District in the Western Cape Province. It is one of four municipalities in the district, making up a third of its geographical area.

The Theewaterskloof municipal area covers 3 259 square kilometres, which constitute approximately 26.6% of the OD's geographical area¹. It borders the Cape Metro, the Cape Winelands District, and is traversed by the N2, which is a valuable transit link for tourists and goods. The Theewaterskloof municipal area is a popular tourism destination and is well known for its natural assets such as the Kogelberg Biosphere, Theewaterskloof Dam, Blue Cranes, various mountain ranges and fynbos. The main towns in the municipal area include Botrivier, Caledon, Genadendal, Grabouw, Greyton, Riviersonderend, Tessaarsdal, and Villiersdorp.

Theewaterskloof Municipality is the gateway to the Overberg and is surrounded by unique natural assets such as the Theewaterskloof Dam, Kogelberg Biosphere, illustrious vineyards, crop and fruit fields, fynbos, wildflowers and blue cranes. With its Local Economic Development Strategy (LED strategy), the municipality is constantly driving local economic development in primary economic sectors such as agriculture, tourism, agricultural product processing, and industries.

Despite a relatively poor community and a narrow capacity for tax and income generation, the municipality is constantly improving infrastructure for service and product delivery. The municipality's Integrated Development Programme was developed in partnership with local businesses, communities and individuals. The municipality was the first to implement Service Level Agreements in all its towns to narrow the gap between community services needs and municipal service delivery abilities. The municipality created capacities for holistic and quality developments, i.e., sewerage removal, quality water, housing, communication, waste removal and infrastructural maintenance.

In addition, the municipality participated in processes that led to a peaceful and safe environment where the welfare of everyone, and especially that of women and children, are highly valued and pursued. The municipality has a successful town management model that ensures that local government and democracy are extended to the people.

Towns: Botriver, Caledon/Myddleton, Genadendal, Grabouw, Greyton, Riviersonderend, Villiersdorp and Tessaarsdal.

Municipal Demarcation Code: WC031.

Location of Head Office: 6 Plein Street Caledon.

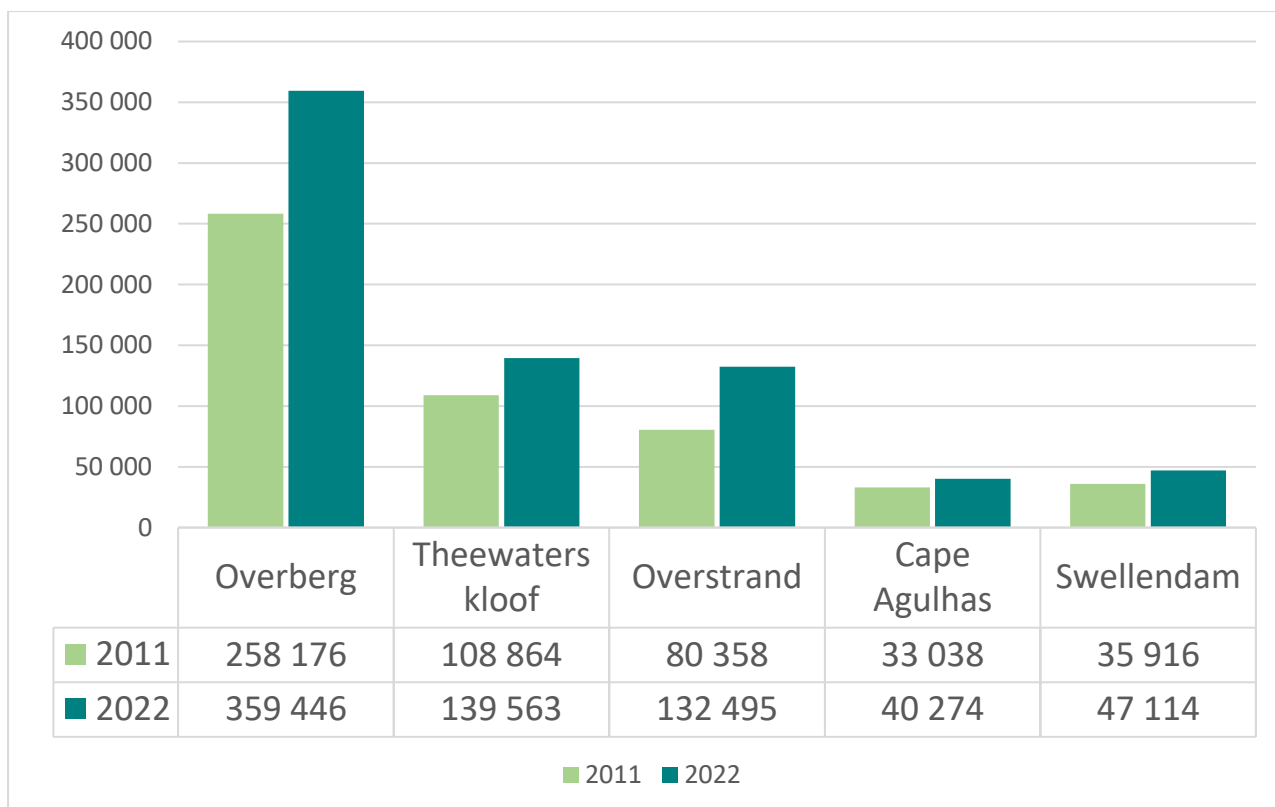
Theewaterskloof jurisdiction area: 3 259km².

District Municipality: Overberg District Municipality.

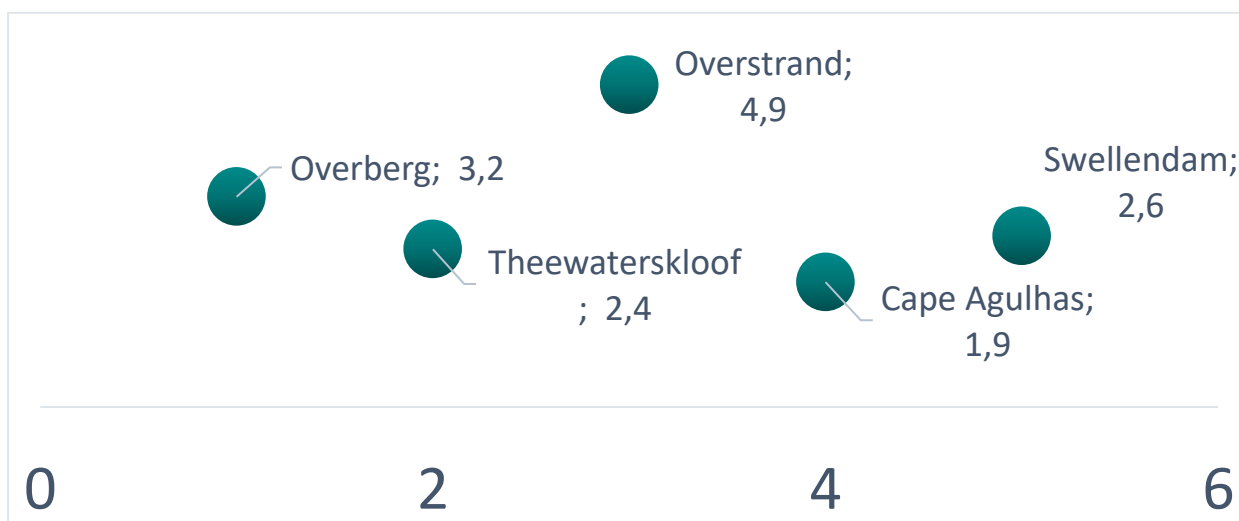
Most Recent Population Data:

Census 2022 has Theewaterskloof's population at 139 563 which is 30 699 more than in 2011 (108 864).

¹ (Municipal Demarcation Board, 2018)



The table above indicates that Theewaterskloof has approximately 7068 residents more than its neighbouring municipality, Overstrand, rendering it by far the largest population within the Overberg District. According to the above table in 2011 Theewaterskloof had about 28000 more residents than that of Overstrand, if current growth rates continue Overstrand could, in the near future, host the largest part of the population in the district. This is confirmed by table below indicating that Overstrand is growing at more than double the rate of Theewaterskloof.



All though residents of Theewaterskloof and local intelligence would dispute the following fact, Census 2022 indicate that Overstrand had the largest population growth rate in the district at 4.9%.

A recent estimate by a local community organisation (Greyton Council) already estimated the TWK population to be above 140 000 (2018) and indicating that Grabouw host about 41% of the total population. Though much higher than official sources, there are even local organisation that feel this too is an underestimate, certain local's feels that Grabouw alone account for more than 100 000 residents. This could be justifiable looking at the rapid expansion of "Siyanyanzela" and "Knoflokskraal" where a new ward was established literally overnight.

The population growth of Theewaterskloof might be lower in percentage but remain high in numbers.

Based on the annual average growth rate the population of Theewaterskloof will increase by more than 4000 residents per annum. Taking an average household size of four, this equates to about an additional 1000 households that would require services. The problem is intensified due to the fact that most of the growth into the area is deemed to fall within the category of indigent households. Building 1000 houses per annum is challenging to even the most financially viable municipalities in the country and would be close to impossible for TWK to keep up with this rate of expansion. This has a ripple effect as additional pressure is put onto already ageing bulk infrastructure not to mention the social economic challenges that comes with this growth.



1.2.5 POPULATION

1.2.5.1 TOTAL POPULATION

Stats SA remains the only recognised organisation/source that supplies population data. Other data sources are used to make projection, cross tabulations and improve planning, however the statistics provided by Stats SA remains the only official set of population data. The significance of this to municipalities lies in the fact that National and Provincial Treasuries and Government Departments use official statistics when allocating resources.

MUNICIPALITY	CENSUS 2001	COMMUNITY SURVEY 2007	CENSUS 2011	COMMUNITY SURVEY 2016	Census 2022	% GROWTH
Theewaterskloof	93 276	86 721	108 790	117 167	139 563	49.62%

The table above shows that the total population with the Theewaterskloof area grew by 49.62% (23 891) from 2001 to 2022 (21 years). This is an alarming figure when one considers lifespan of infrastructure vs the requirement for additional infrastructure to accommodate growth vs the growth in economically active population.

1.2.5.2 TOTAL POPULATION STATISTICS

The table below depict the 2011 census data in the various categories. Neither the 2016 nor the SEP 2021 provides data in the same format. 2011 Data was therefor used as a basis to do a calculation to illustrate the effect of the growth rate within the various categories post 2011. It should be noted that post 2011 Stats SA only classify four population groups:

- Black
- Coloured
- Indian/Asian
- White

"Other" has been omitted from future census and/or Surveys.

The table below is the latest racial distribution figures per ward that the municipality has available.

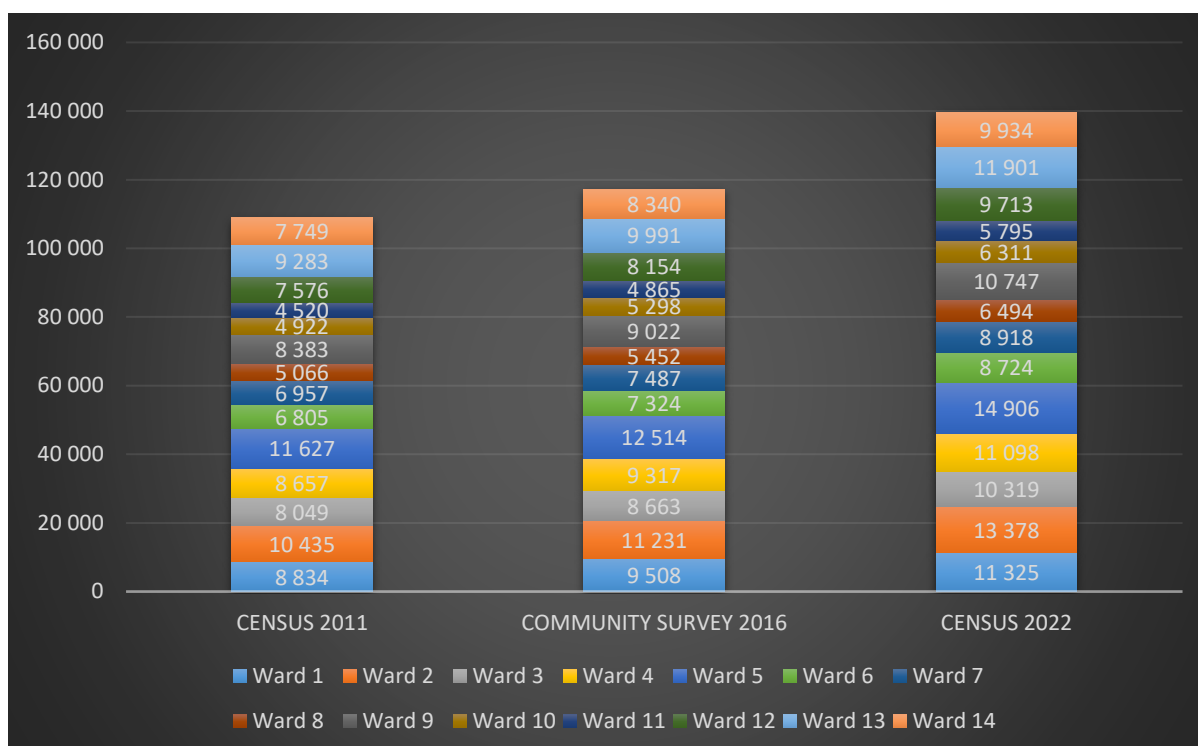
WARD	BLACK	COLOURED	INDIAN OR ASIAN	WHITE	OTHER	GRAND TOTAL
1	1 395	6 222	38	1 535	65	9 256
2	312	7 246	41	697	148	8 443
3	1 402	9 277	24	398	74	11 174
4	1 180	3 348	29	2 487	59	7 102
5	4 188	5 369	101	1 868	101	11 627
6	2 711	3 846	18	85	146	6 805
7	1 685	5 806	28	620	83	8 223
8	2 603	2 450	0	7	6	5 066
9	2 018	5 581	22	373	2	7 995
10	1 409	3 874	10	553	58	5 904
11	2 072	2 814	21	363	23	5 293
12	3 070	4 318	14	161	14	7 576
13	4 713	8 326	42	1 025	218	14 325
Grand Total	28 757	68 478	387	10 173	995	108 790²

Using a tool provided by Stats SA, we were able to depict the 2011 census data within the 2016 boundaries. Using growth percentage between census 2011, community Survey 2016 and CENSUS 2022 a calculation could be made to provide comparative figures throughout the years where we have data available.

It should however be noted that this is only for illustrative/comparative purposes and based on the assumption that growth for the total area is equal or similar to the growth in the individual wards. Once growth population per ward has been released, below mentioned table and graph will be updated.

WARDS	TOWNS	CENSUS 2011	COMMUNITY SURVEY 2016	CENSUS 2022
Ward 1	Riviersonderend	8,834	9,508	11,325
Ward 2	Greyton/Genadendal	10,435	11,231	13,378
Ward 3	Caledon	8,049	8,663	10,319
Ward 4	Caledon	8,657	9,317	11,098
Ward 5	Villiersdorp	11,627	12,514	14,906
Ward 6	Villiersdorp	6,805	7,324	8,724
Ward 7	Botrivier	6,957	7,487	8,918
Ward 8	Grabouw	5,066	5,452	6,494
Ward 9	Villiersdorp	8,383	9,022	10,747
Ward 10	Grabouw	4,922	5,298	6,311
Ward 11	Grabouw	4,520	4,865	5,795
Ward 12	Grabouw	7,576	8,154	9,713
Ward 13	Grabouw	9,283	9,991	11,901
Ward 14	Grabouw	7,749	8,340	9,934
TOTALS		108,864	117,167	139,563

² Note that the table above makes reference to 13 wards, Theewaterskloof currently has 14 wards. The 14th ward was added just prior to the 2016 elections. The statistical data for ward 14 does not exist in the 2011 census. On page 29 a tool provided by Stats SA was used to get population figures for Ward 14.



1.2.5.3 POPULATION CHARACTERISTICS

Various sources indicate various projected growth rates for the Theewaterskloof area, however as indicated above the official growth rate as per census 2022 is 2.4%

The population data per racial group is not yet available per municipal area and the table below will be updated once these data sets have been released.

POPULATION GROUP	2001	2011	2016	%GROWTH	% OF 2016 TOTAL POPULATION
African	21 204	28 757	29 005	36.79%	24.76%
Coloured	61370	68 478	76 374	24.45%	65.18%
Indian/Asian	165	387	578	250.30%	0.49%
White	10 540	10 173	11 210	6.36%	9.57%
Other		995			0
Total Growth %			117 167	25.61%	100.00%
Population Density Per Square km	43 persons km ² (2022 census) ³				

Community survey 2016 is the latest available data on population per race group.

The Coloured racial group was the largest group within the municipality in both 2001(61 370) and 2016(76374), showing a 24.45 percent growth rate (2001 – 2016). The Indian/ Asian population group has the largest growth rate in the municipal area at 250.3%, followed by the African population group at 36.79%.

³ Census 2022 latest available data on Population Density

The Indian/Asian Population group remains the minority in the municipal area with only 578 residents or 0.49% of the total population group. Local intelligence (Greyton Council) indicate that based on past trends the coloured population is estimated to be in the region of 55% and the black population could currently stand at 35% of the total population.

Census 2022 has to date only released population data per racial group on a district level with the three largest racial groups in the district being.

- Coloured: 47.1%
- Black African: 30.7%
- White: 20.5%

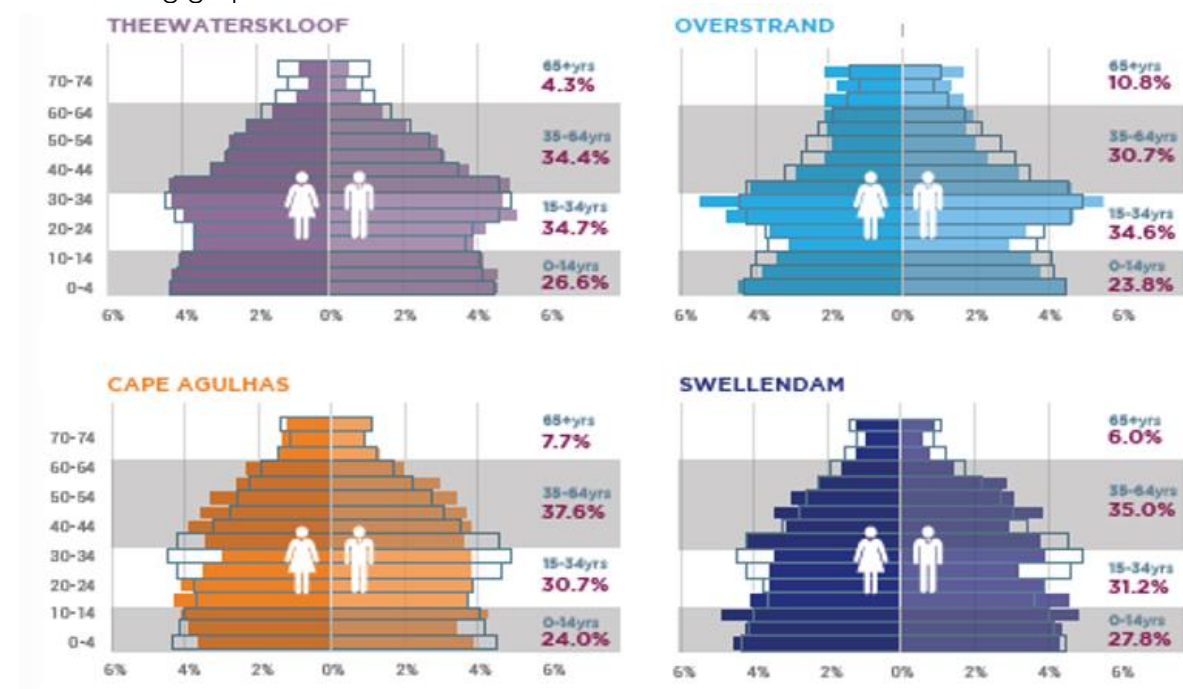
Amidst rapid urbanisation across the Western Cape, population density figures will aid public sector decision makers to mitigate environmental, individual health and service delivery risks. In 2022 the population density of the various local municipal areas in the Overberg District compare as follows:

- Overstrand: 79 people/km 2
- Theewaterskloof: 43 people/km 2
- Cape Agulhas: 12 people/km 2
- Swellendam: 13 people/km 2

Gender Distribution

GENDER DISTRIBUTION	2001	2011	2016	Census 2022	%Growth
MALE	48 527	55 463	59 270	69712	43.6%
FEMALE	44 749	53 327	57 898	69851	56%
Males per 100 females	99.8 ⁴				

The following graphs were obtained from MERO 2023:



⁴ Census 2022

The results of the 2022 census show that for the first time in our reporting years the number of female residents has overtaken their male counter parts. Female makes up 50.05% of the residents in the municipal area and males making up the remaining 49.95%. Since 2001 females have shown a significantly higher growth rate in the area 56% thus overtaking the number of males in the area over a 21-year period as males has only grown by a rate of 43.6%.

Age Distribution and Cohorts

The population of the Theewaterskloof municipal area comprises mainly of individuals between the ages of 15 and 34 years making up 37% of the population.

This was closely followed by individuals between 35 and 64 years comprising 31.49% of the population. Individuals younger than 14 years comprises 21.74% of the population. There is thus a high child dependency in the municipal area. This shows that most of the population in the Theewaterskloof municipal area comprise of potentially economically active population that can contribute to the economy.

Dependency Ratio (will be updated with the release of dependency data from census 2022)

In Theewaterskloof, this ratio was 44.2 in 2011 and increased to an estimated 48.4 in 2021. This is estimated to remain stable at 48.4 in 2023. This ratio expresses the dependency of people who are part of the workforce (age 15 - 65) and those, who are depending on them (children and seniors). A higher dependency ratio means a higher pressure on social systems and the delivery of basic services.

Considering the already diminishing number of paying residents within the Theewaterskloof area coupled within the influx of indigent people into the area, the dependency ratio is worth being noted and proactive mechanisms must be designed to address these issues in order to ensure that the municipality remains financially sustainable and avoid overburdening the social systems with the region.

1.2.6 HOUSEHOLDS

The total number of households within the municipal area increased from 31 952 households in 2014/15 financial year to a total of 43121 in 2021/22 financial year.

The table below indicates the number of households as contained in the census 2022 and community survey 2016. In order to calculate the number of households for 2018 the projected household growth rate was used.

	2015	2016	2018	2022
Total number of Households in Theewaterskloof	31 952	33 118	35 068	43121
Total number of Indigent Household ⁵	6 200	7 959	5 372	9055
Indigent household as percentage as total households	19%	24%	15%	20.1% ⁶

⁵ A household is classified as indigent if its occupants earn a combined income that is less than the threshold specified in the indigent policy of a municipal area

⁶ MERO 2023

1.2.7 SOCIO ECONOMIC STATUS

In addition to the information already previously displayed the following social economic indicators are deemed important. The socio-economic information for the municipal area is as follows:

SELECTED SOCIO-ECONOMIC INDICATORS		
INDICATOR	OVERBERG	THEEWATERSKLOOF
GDPR growth (2022 - 2024)	1,6 %	2,2 %
Population 2022	359 446	139 563
Unemployment 2022	14,9 %	13,1 %
Population growth (2011 – 2022)	3,2 %	2,4 %
Real GDPR per capita (2021)	R 83 898	R 83 640
Gini coefficient (2014 – 2020)	Decrease	Decrease
Average Household Income (2019)	R 15 804	R 14 580
House Development Index (2022)	0,708	0,673
Matric pass rate (2022)	83,9 %	83,0 %
Learner Retention Rate (2022)	71.9%	73.6%
Informal dwelling (2022)	15 543	8 076
Indigent households (2022)	19 387	9 055
⁷ Free basic water households (2019)	18 174	5 319
Free basic electricity households (2019)	17 460	4 605
Free basic refuse removal households (2019)	18 292	5 437
Free basic sanitation households (2019)	18 235	5 380
Main causes of death	Cerebrovascular disease	

⁷ Basic service statistics have been derived from both the MERO 2021 and the SEP 2021.

1.2.8 VISION, MISSION AND STRATEGIC OBJECTIVES



Creating a safe and secure environment and enabling economic growth through innovative service delivery.

To create and sustain an environment which shall enhance the socio-economic development capacity and impact of the Theewaterskloof Municipality in accordance with the Vision as stated in the Vision.

1. Basic service for all
2. Community Safety
3. Improve the social environment fabric of TWK community
4. Healthy and Productive Workforce
5. Maintenance, replacements and upgrades of municipal infrastructure
6. Integrated Human Settlements
7. Make Theewaterskloof the investment destination of choice and promote the second and township economy
8. Upgrading of Informal Settlements and prioritising the most needy in housing allocation
9. Democratic, responsive and accountable government
10. Sound financial management and continuous revenue growth

Theewaterskloof: At a Glance

Demographics

Population Estimates, 2022; Actual households, 2022

Population		Households	
	139 563		43 121
Education		Poverty	
2022		2022	
	Matric Pass Rate		Gini Coefficient:
	Learner Retention Rate		TWK 0.59
	Learner-Teacher Ratio		Overberg 0.63
			Western Cape 0.625
			South Africa 0.63
			Poverty Head Count Ratio (UBPL) 60.91%

Health

2022/23

	Primary Health 6 (excl. mobile/satellite clinics)	Immunisation 89.8%	Maternal Mortality 0.0	Teenage Pregnancies – Delivery rate to women U/19 14.9%
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Safety and Security

Actual number of reported cases in 2022/23

	Residential Burglaries 626	DUI 270	Drug-related Crimes 1 139	Murder 77	Sexual Offences 115
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Access to Basic Service Delivery

Percentage of households with access to basic services, 2022

Water 96.9% 	Refuse Removal 74.7% 	Electricity 93.3% 	Sanitation 84.6% 	Housing 80.0% 
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Road Safety

2021/22

Fatal Crashes	28
Road User Fatalities	44

Labour

2022

Unemployment Rate (narrow definition)	14.9%
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Socio-economic Risks

Risk 1	Increasing crime
Risk 2	Low retention rate
Risk 3	High poverty levels

Largest 3 Sectors

Contribution to GDP, 2021

Finance, insurance, real estate and business services

21.0%



Wholesale & retail trade, catering and accommodation

16.8%



Manufacturing

14.6%





2 Tertiary
Colleges

1 District
Hospital

5 EMS
Centres

8 ARV
Treatment
Sites

38 Primary
and
Secondary
Schools

6 Police
Stations

5 Clinics, 4 Satellite and
9 Mobile Clinics, 1
Community Day Centre

10 EMS
ambulances

1.2.9 OVERVIEW OF TOWNS WITHIN THEEWATERSKLOOF MUNICIPALITY JURISDICTION

The Theewaterskloof Local Municipality is a Category B municipality situated in the Overberg District in the Western Cape Province. It is one of four municipalities in the district, making up a third of its geographical area.

The following towns are in the jurisdiction of Theewaterskloof:

GRABOUW

The Grabouw/Elgin district is the first town in the Municipal area when driving from Cape Town along the N2. Grabouw is located some 65 km south-east of Cape Town, over Sir Lowry's Pass from Somerset West, along the N2 highway. The town is the commercial centre for the vast Elgin Valley, the largest single export fruit-producing area in Southern Africa, which extends between the Hottentots-Holland, Kogelberg, Groenland, and Houwhoek Mountains.



The town is well known for its apples, open gardens and is increasingly becoming known as a tourist and wine buying region. It has two popular farm stalls that attract passing visitors, Orchards and Peregrine. There are also several farm-based attractions in the surrounding areas. The Elgin tourism association is established and has a recognised brand. It is complemented by the emerging wine industry and established wine guild.

It is the largest apple growing area and produces about 60% of South Africa's export apple crop. It is also the third largest pear growing area. The valley is renowned for cultivating fresh chrysanthemums, roses and proteas. In addition to primary production, the area is also home to several agri-processing firms including Appletiser and Elgin Fruit Juices. It also has an established transport industry, with both Bosman's freight carriers and Gaffleys' busses located in the town.

In the Growth Potential of Small Towns Study, conducted by Van der Merwe in 2004, Grabouw is classified as an agricultural service centre and an apple town. It is regarded as a town with high human needs and medium development potential, using a scale of very low to very high. Residents and the DBSA both disagree with the medium potential ranking and believe the town has high growth potential.

The area has recently received a boost, being one of six pilot sustainable community sites initiated by the DBSA. The Sustainable Development Framework (SDF) for Elgin-Grabouw, developed as part of this initiative, provides a sustainable spatial vision and supporting strategies for the town.

The influx of people into the informal settlements is one of the biggest challenges for the town. The second economy operating in these informal settlement areas is survivalist in nature and often very alienated from the formal sector.

BOTRIVIER

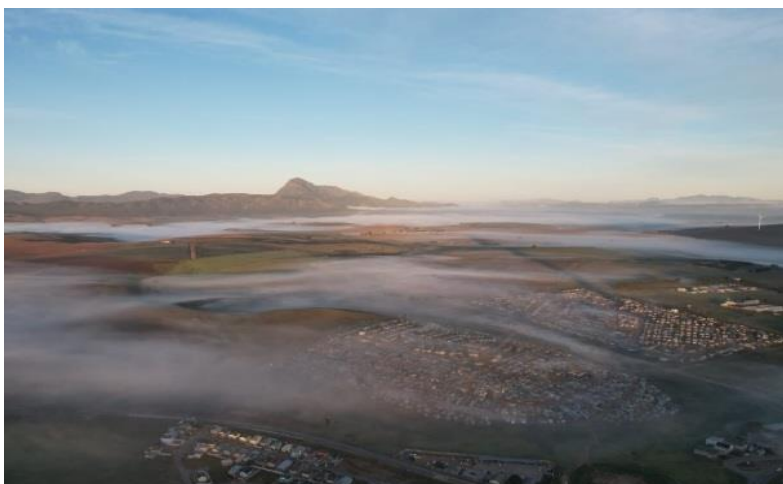


Botrivier is a small town situated in the Overberg region of the Western Cape in South Africa. It takes its name from the Bot River on the west bank of which it is situated. The form Botrivier is preferred for official use. The Botriver hotel is the landmark in the town. The area is known for its vineyards and wine farms, with the well-known Beaumont Farm situated in the town. There is a growing tourism market linked to agri-tourism and wine tasting.

In the Growth Potential of Small Towns Study, Botrivier is classified as an agricultural service centre with medium human needs and low to very low development potential. The Municipality, in its growth study, disagrees and has identified the town as an area with possibilities for light industrial development.

CALEDON

Caledon is a town in the Overberg region in the Western Cape province of South Africa, located about 100 kilometres east of Cape Town next to mineral-rich hot springs. It is in, and the seat of, the Theewaterskloof Local Municipality.



Caledon is a government service centre, as well as a significant agricultural service centre. The Municipal head offices are in the town along with the regional offices for the Departments of Education, Social Development and Home Affairs.

Caledon is the centre of a broader agricultural region which produces barley, wheat and wool. Overberg-Agri, which provides services and

support to the farming sector, has its head office located in Caledon. It is also home to the Anheuser-Busch InBev world's largest brewer which is the only malt producer for the South African lager beer industry and is the largest in the southern hemisphere.

While tourism in the town is limited, Caledon does have two large tourism attractions: the hot springs and Caledon Casino. The latter is one of five middle-sized casinos in South Africa. Most recently Caledon has also seen increase in Wedding Tourism, with two elegant wedding venues establishing in the town.

In the Growth Potential of Small Towns Study, Caledon is classified an agricultural service centre known for its casino and hot springs. It is regarded as a town with low human needs and medium development potential.

TESSELAARSDAL



Tesselaarsdal is a dispersed rural settlement in the Theewaterskloof Municipality, Western Cape, South Africa. It is situated on the northern side of the Kleinrivier Mountains, 20 kilometres south of the town of Caledon. Tesselaarsdal is the ideal getaway in which to experience unpolluted natural beauty and small-town community living at its best. Yes, the gravel road is long and a little inconvenient for urbanites, but this is part of the town's tucked away charm. It compels you to slow down and immerse yourself in your surrounds; it certainly helps to authenticate Tesselaarsdal as one of those rare off-the-map experiences.

Practically every person, every cottage and even walking, hiking and mountain biking trails have a story.

There are plenty of opportunities to explore the outdoors even until deep in the night where one will discover some of the clearest Milky Way viewings in South Africa.

VILLIERSDORP

Villiersdorp is a town in the Western Cape province of South Africa in the Overberg region.

Villiersdorp is situated between the N1 and the N2. To the north-west of the town lies Franschhoek, a thriving tourist destination and to the south-east lies Grabouw, the economic hub of the Municipal area. To Villiersdorp's east lies Worcester, the gateway to the northern N1. The town is well known for its major landmark, the Theewaterskloof Dam, and its agricultural activity

Villiersdorp is part of both the Theewaterskloof Dam and the Elands-kloof Dam catchment areas situated behind the Groenland and Hottentots Holland Mountain ranges and at the foot of the Blokkop Peak.



In the Growth Potential of Small Towns Study, conducted by Van der Merwe in 2004, Villiersdorp is classified as an agricultural service centre known for its fruit and mountains. It is regarded as a town with high human needs and low development potential, using a scale of very low to very high. Unlike most of the geographical region which

specialises in wheat and canola farming, the Villiersdorp Valley is now agriculturally and in micro-climate more similar to the Elgin Valley and Grabouw since the building of the Theewaterskloof Dam, and thus also specialises in deciduous fruit farming and viticulture. The Theewaterskloof Dam, the largest dam in the Western Cape and seventh largest in South Africa and important water supply to Cape Town fills the majority of the valley floor. The Villiersdorp Co-Op is also the only place in South Africa that processes and dries persimmons. The three big pack sheds in Villiersdorp, Betko, Arbeidsvreugd and Ideafruit, as well as the Villiersdorp Co-Op process the fruit grown in the area for export and transport to other parts of South Africa

The most well-known landmark in the area is the Theewaterskloof Dam. The Dam is surrounded by holiday homes, a golf estate and various farms. Visitors to the dam come largely to enjoy various forms of sport – largely boating and golf. Residents complained about the absence of an attractive accessible picnic site and recreational facilities for people without their own equipment.

Agriculture is the primary economic activity. This is reflected in the primary agricultural sector and in the wholesale trade sector where many of the pack houses and the co-op fall. The dominant products are deciduous fruits.

Tourism is characterised by art, sports and business visitors, with Mel Elliot's art studio and gallery attracts steady stream of budding artists to the area.

GREYTON

On entering Greyton, one is immediately reminded of an Old English Village. This beautiful small town is nestled at the foot of the Riviersonderend Mountains with the Riviersonderend River on its boundary and surrounded by mountains.

It is both a lifestyle and tourism destination, while the surrounding areas are farmlands. The hotels, lodges and B&B's, are all of an exceptionally high standard. Visitors can choose between a stay in the town or on a working farm. All this, together with Greyton's coffee shops, restaurants, art galleries etc., invites you to stay with a difference.



In the Growth Potential of Small Towns Study Greyton is classified as a retirement and holiday home base known for its village character. It is regarded as a town with low human needs and low development potential. Residents and the Municipality disagree with the classification and feel the town has development potential, although within its current spatial limits.

GENADENDAL



Genadendal, or 'Valley of Grace', was established by the Moravian Church in the mid-1700s and is the oldest mission station in South Africa. The economy of the town is dominated by 'development' projects, mostly driven by local development organizations, as well as small-scale agricultural production and subsistence gardening.

Much of the workforce relies on the surrounding fruit farms for employment, which contributes to the seasonality of the local economy. Genadendal is located alongside Greyton, 32km off the N2 and 140km from Cape Town with the Riviersonderend Mountains to the north.

In the Growth Potential of Small Towns Study Genadendal is described as an historic mission station with residential and tourism opportunities. It is regarded as a town with medium human needs and low development potential.

RIVIERSONDEREND

Riviersonderend is a village in the Overberg region of the Western Cape, South Africa, about 140 kilometres east of Cape Town. It is located on a loop of the Sonderend River, from which it takes its name. The N2 national road passes through Riviersonderend, forming its main street; it is 161 kilometres by road from central Cape Town. Riviersonderend offers beautiful mountain and river scenery, a nine-hole golf course and sightings of South Africa's national bird, the blue crane

In the Growth Potential of Small Towns Study, Riversonderend is classified as an agricultural service centre with medium human needs and low to very low development potential.



1.2.10 NATURAL RESOURCES

NATURAL RESOURCES	
MAJOR NATURAL RESOURCE	RELEVANCE TO COMMUNITY
Kommieskraalrivier	This is the main water sources for Villiersdorp.
Elandskloof	This is the main water sources for Villiersdorp.
Tesselaarsdam Mountain Stream	This is the main water sources for Tesselaarsdal.
Tesselaarsdam Borehole	This is the main water sources for Tesselaarsdal.
Bethoeskloof stream	This is the main water sources for Tesselaarsdal.
Voorstekraal Borehole	Additional Source for Voorstekraal.
Bereaville borehole	Additional Source for Bereaville.
Riviersonderend Borehole	Additional Source for Riviersonderend.
Baronsbos borehole	Additional Source for Caledon.
Greyton Nature Reserve in the Mountains of Greyton	Serves as hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants. Serve as Biodiversity hub for the community.
Caledon Wildflower Garden and Nature Reserve	Serves as hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants. People can also visit the Botanical Gardens. Serves as Biodiversity hub for the community.
Kogelberg Biosphere Reserve	Serves as hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants.
Theewaterskloof Dam	Sports & Recreation and serves the community with drinking water.
Steenbras Dam	Sports & Recreation and serves the community with drinking water.
T1.2.10	

1.3 SERVICE DELIVERY OVERVIEW

Service delivery is a top priority for the Government, outlined in the White Paper on the Transformation of the Public Service. In South Africa, the government has launched an initiative called Batho-Pele, meaning 'People First' in Sesotho, with the aim of enhancing the delivery of public services. Batho-Pele seeks to ensure that attitudes, systems, and procedures are geared towards improved public services. The initiative also focuses on optimizing resource usage, eliminating wasteful and costly processes, and reducing inefficiencies in the system.

The Theewaterskloof Municipality is dedicated to fulfilling its core functions, providing essential services to the entire area despite limited resources. Housing, sanitation, water, electricity, sewerage, stormwater drainage, and refuse removal are key Service Delivery indicators that the municipality is committed to improving.

Efforts have been made to complete successful housing projects, and the Reconstruction and Development Programme (RDP) houses are equipped with prepaid electricity meters and solar geysers, aiming to elevate the living standards of the indigent population. Free basic services are offered and financed through the equitable share grant to further support the well-being of residents.

On a day-to-day basis the TWK Operational Water and Sewerage Teams in each of the towns strive to serve the residents of our towns. Several highs and lows were faced this year and has been overcome and through it all we have learned valuable lessons.

1.3.1 BASIC SERVICE DELIVERY IN COMMUNITY SERVICES

BOTRIVIER

Basic Service Delivery Highlights

Highlight	Description
Infrastructural stormwater upgrade in Victoria Street	Botrivier Town Office, with the assistance of Leeu Rivier Farm, installed driveways and a stormwater pathway to manage the pond capacity in Kim Street.
Installation of Rubber speed bumps (Quick Wins project).	Quick-Win Budget were spent on procurement of Speedbumps to be installed in the areas as indicated by the Ward Committee.
Installation of Generator at Borehole 1	The installation of the generator has been a huge assistance with loadshedding interruptions to ensure constant supplying of water without any power interruptions.
Upgrading of Botrivier Water Treatment Works Phase 1	The upgrade focuses on the layout of the plant, the replacement of the asbestos roof and the mechanical enhancements to introduce an additional primary dosing method.
Upgrade of Bluebell Avenue	The Technical and Infrastructure Implementation Services Department operated an upgrade project in Bluebell Street. The project is set to be completed end of July 2023.

Basic Service Delivery Challenges

Challenge	Actions to address
Stormwater channels	A water stream from the mountain, opposite the N2 highway, that runs between phase 1 and 2 of the low-cost housing area, pass through the internal stormwater system into the old "Spoorweg Dam" in Waterkant Street. When it is full, it overflows into the storm water system of the town, which is inadequate to handle the stormwater flow during periods of heavy rainfalls. The operational teams clean the stormwater channels on a weekly basis to avoid blockages and flooding. The storm water system of the town is not capacitated to deal with storm water during abnormal rainfalls.
Vandalism and Theft	Cable theft occurs on a regular basis, which effects the service delivery of the Municipality. This is a huge problem and can be seen as sabotaging service delivery in Botrivier. The Town Office reports all interruptions, theft, and vandalism immediately to Eskom and SAPS. The cost of replacing cables is very high, and the funds for replacement could have been used for service delivery.
Aging Fleet	Constant mechanical failures on municipal fleet due to aged fleet. Additional fleet with operators is needed to manage the day-to-day services.

Illegal dumping - open spaces	Illegal dumping is a huge problem. Constant cleaning and the placement of waste skips will not solve the problem. The focus must rather be to educate our communities and have awareness programs on illegal waste dumping.
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CALEDON

Basic Service Delivery Highlights

Highlight	Description
"Welcome Wall" - Myddleton	The "Welcome Wall" was constructed as an initiative from the allocated Quick-Win funding. This wall has been put up and gives an aesthetic appearance at the entrance of Myddleton.
Completion of the upgrading of the Wastewater Treatment Works	The upgrading of the Caledon Wastewater Treatment Works has increased the operational capacity of this plant by more than 50%. The quality of the final effluent water will also improve with the upgrading.
Daily cleaning and maintenance of open spaces	Although the cleaning of open spaces remains a challenge, the operational team managed to narrow the turnaround time for removal of dumped waste to a minimum period.
Sponsorship of an additional Waste Compactor Unit	This Solid Waste Compactor was sponsored to Theewaterskloof Municipality by the Department of Forestry, Fisheries, and Environmental Affairs. The addition of this vehicle, to our fleet, will ensure timeous removal of business- as well as residential waste.

Basic Service Delivery Challenges

Challenge	Actions to address
Vandalism and Theft	Vandalism and theft are one of the major challenges where especially the sport facilities are targeted. This results in additional cost spend to replace those equipment and material.
Ageing Fleet	Most of the fleet have reached its replacement date where in many instances it cannot be replaced due to financial shortage. This has a direct and detrimental impact on service delivery, for example the refuse compactors and sewerage tankers.
Budget constraints/ Limited available funding	The Operational budget over the past few years has decreased amidst an increase in population which automatically increase the service delivery demand. This makes it extremely difficult to ensure that all the critical functionalities are addressed in the community.

Ageing Road Infrastructure	Our streets have passed their lifespan. Our Operational Teams work hard to maintain streets and pothole repairs are ongoing however, they cannot keep up with repairs. Many roads should be rehabilitated and re-sealed. To get our roads back to the required standard, capital funding needs to be made available for the upgrading of this infrastructure.
Service Level Agreement between Overberg Water Board and Theewaterskloof Municipality	Numerous interruptions of water supply to Caledon and Myddleton occurs due to defects on Overberg Water Board's infrastructure. Unfortunately, the municipality is held accountable, by the community, when these interruptions occur. During June 2023 the interaction between the Overberg Water Board and the municipality has improved through better communication. Monthly meetings are held with OWB to discuss operational challenges, problems and possible solutions on how to address those problems.
Service providers not able to render the required service	There are incidents where appointed service providers, that are appointed through the SCM process, are not able to deliver the agreed goods or services as per contract. This creates unnecessary delays in the completion of projects and tasks. These service providers are mostly tender entrepreneurs and are not always capacitated to deliver goods or services, although appointed through the SCM process.

GRABOUW

Basic Service Delivery Highlights

Highlight	Description
Ablution facilities in informal settlements of Grabouw	Installation of toilets in all informal settlements of Grabouw was done by internal staff. The project commenced in March 2022 and concluded end of the year 2022. This project allows the municipality to avoid the acquisition of chemical toilets in certain areas/ informal settlements.
Cleaning of reservoirs - Grabouw	Grabouw consists of 8 x water reservoirs that needed urgent cleaning to avoid discoloured water. The appointed service provider concluded cleaning of all reservoirs in August 2022. Cleaning of reservoirs should be done annually to avoid water contamination and/ or discoloured water. Regular cleaning of reservoirs will offer communities assurance that the water supplied is safe for consumption.

Waterworks Emergency Housing	Approved Grant funding for Emergency Housing in Waterworks due to fire at Waterworks informal settlement on 1 July 2022. The construction of temporary housing units is still ongoing.
MISA/ Khabo Khedi Solid Waste programme	The pilot project was established by MISA and Grabouw had 49 youth participants working in the Solid Waste programme. The duration of the project was for 3 months from December 2022 up until February 2023. General tasks included cleaning of open spaces, cleaning of river streams and cleaning of Grabouw CBD. This project overall improved the appearance of the Grabouw Town.
Department of Forestry, Fisheries, and the Environment Affairs – Greening and Cleaning Programme	Greening and Cleaning Programme funded by the DFFE employed 19 people within Grabouw. Participants in the project are tasked with cleaning open spaces, removal of alien vegetation, cleaning solid waste from river streams, cleaning illegal dumping areas. This project overall improved the appearance of the Grabouw Town.
New fleet added to Grabouw	• A new tractor loader backhoe (TLB) was handed over to Grabouw Town to assist operations with loading/offloading material, excavations, site clearing, grave excavations, assisting the transfer station, etc. • The Grabouw Town office also received a compactor in August 2022 that will assist with refuse collection in Grabouw Town. • A small flatbed truck was issued to Grabouw to prioritise cleaning of open spaces.
Achievements by officials – Mr. S. Galant and Mr. H. Boois - Grabouw Water Treatment Plant	New pumps were installed on project ENG 16/2021/2022 that concluded in September 2022. A generator was also procured and placed at Grabouw Water Treatment Works. The new pumps will result in less breakdown and improve capacity to provide drinking water. Grabouw Water Treatment Plant – Mr. S. Galant, and Mr. H. Boois represented TWK at the Process Controller & Water Care Works Awards in Saldanha Bay. Mr. Galant received an award as 2nd runner up for Best on-site Process Monitoring Laboratory, and Mr. Boois received an award as 2nd runner up for Best Process Controller.
Blue Deal Programme	The Blue Deal projects involves key stakeholders such as TWK Municipality, BOCMA, DWA and National Department of Water and Sanitation. The project aims to address local challenges in Grabouw & Villiersdorp with an end goal of improving water quality in catchment areas and to create sustainable initiatives to address

	local challenges that hamper the quality of water in our environment. There has been an MoU signing between the key stakeholders to commit to the project aims.
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Basic Service Delivery Challenges

Challenge	Actions to address
Illegal dumping sites	Two (2) solid waste programmes from MISA and DFFE were conducted in Grabouw. These programs assisted the Solid Waste Department with additional labour that could clean up areas more frequently. The issue of illegal dumping is ongoing as areas are littered again once they are cleaned. This will not solve the problem of illegal dumping, and the focus must rather change to educate our communities and introduce awareness programs.
Provision of electricity to Grabouw by Eskom	Generators are ensuring the provision of water for Grabouw at critical infrastructure i.e., water pumpstations. Loadshedding schedule changes frequently and in the past caused disruptions for the provision of water. Eskom does not offer walk-in customer services in Grabouw. Residents often lodge complaints at the Town Office but cannot generate work orders for Eskom. At times outages often occur after loadshedding has ended and power outages last for extended periods. The outages affect operations at the Town Office and also impacts critical infrastructure such as water pumpstations and sewer pumpstations.
Aging Fleet	- Fleet often undergo major repairs exceeding the budget, therefor there are not enough available funds to complete procurement processes. - Both sewer tankers for Grabouw is non-operational due to defects. There is a request from other towns to assist with this service to alleviate the backlog and attempt to streamline this service. Sewer tanker services in Grabouw is a challenge due to the number and nature of requests. - We need dedicated fleet to address the illegal dumping issues in Grabouw. The digger is mostly committed to the streets and stormwater department therefore limited planning is invested into cleaning of open spaces.

Water losses	Water losses in Grabouw are exceeding 60%, as indicated on the reports from the Technical Services department. Water loss reduction needs the intervention of all departments namely, Financial Services, Human Settlements, Technical Services and Community Services. An intervention is introduced in collaboration of MISA, to set out a programme to address and reduce water losses.
Grabouw Wastewater Treatment Plant	The Grabouw Wastewater audits results in failures due to infrastructure that is non-operational. The new financial year will focus on repairing the drum screens in the primary treatment process and Hot-Rot compost system. The Hot-Rot compost system, belt press, drum screens and cleaning of maturation ponds all require urgent maintenance to improve results and meet targets set out by National Standards. Loadshedding also affects our attempts of reaching targets as the plant does not have a generator and this causes the treatment process to be harmed.
Budget	Infrastructure is costly to maintain i.e., pumps and facilities. Budget allocation does not meet the increased service delivery demands. When infrastructure cannot be maintained or repaired in time, infrastructure deteriorates and impacts results.
Quality of roads and stormwater systems	Potholes appear rapidly on our roads in Grabouw especially after inclement weather conditions. Pothole repairs are ongoing, but the team cannot keep up with repairs. Many roads should be rehabilitated as they have passed their lifespan. Recently built roads in Rooidakke have collapsed due to poor workmanship/design and capacity. The roads require skilled contractors to execute the works of repairing the roads.
Land Invasions	Grabouw regularly experiences land invasions. The land invasions are rapid and always follows by demands for basic services such as provision of water, ablution facilities, collection of solid waste and being recognised as an establishment. The approved budget does not make provision for land invasion and often funds have to be sourced to address these issues. The land invasions also place threats on the Town Office to damage national key points such as the N2 roadway.

VILLIERSDORP**Basic Service Delivery Highlights**

Highlight	Description
Job creation for 25 unemployed individuals through the Expanded Public Works Programme	EPWP workers employed in the informal areas for cleaning illegal dumping sites. Maintenance of streets and stormwaters, parks, and graveyards.
Job creation for 40 unemployed individuals through the Department of Fisheries & Forestry Environmental Affairs	Cleaning of illegal dumping sites in the informal areas and in town.
Generators at Water Treatment Works and 19 Damme	Resolve the electrical supply outages due to loadshedding, which help with the pumping of water and resolved the water shortages.
CCTV - security cameras installation	Installed CCTV cameras at Waterworks, Wastewater Treatment Works, sportsground, and the municipal depot to reduce the reaction time responses to vandalism and theft. This led to prevention of crime committed with regard to municipal assets.
Appointment of the recycling contractor	The appointment of the contractor filled the gap of lack of resource support to the municipality, and improve on the recycling of waste products, plastics, glass, tins, and paper. This contributes to the reduction of pollution in the Villiersdorp area, created business and local job opportunities and at the same time it protects the environment.
Installation and refurbishment of toilets in the informal areas	Concrete toilets were installed in areas to meet the requirements of one toilet per five households. Informal areas that benefited were Lower-West Side and Phoeekom.
Response to Service Requests – Complaints	Responded within 24-hours to service delivery complaints. Time responses and action times are quicker which prevented further water losses and damages to infrastructures.
Upgrading of Taxi Rank/ Informal Market Area	During the financial year, more upgrades were done on improving the informal trade area. The existing informal trade area were upgraded into formal brick structures with roofs and shutter doors, providing a more secure business trading area. The current structure of existing 6 informal trades are improved and in addition, a new brick trade structure is build providing opportunity for 6 more businesses.
Berg-en-Dal upgrading of the bulk infrastructure	Upgrade existing 182 service plots through roads, sewage and stormwater system upgrades. Each household received a toilet, water- and electricity connection.
Disaster Management – Gift of the Givers	During the June winter period heavy rains and floods that left many households destitute. These households were supported by Gift of the Givers with blankets, mattresses, and warm food.

Grass cutting	To improve the appearance of the town a service provider was appointed to cut the grass of public open spaces, sidewalks and entrances into the town.
CBD Toilets	Maintenance works were done to improve and re-opened the toilets to the public.
Blue Deal Theewaterskloof Project	Through the support of the Dutch Water Authorities, discussions took place regarding the possibility of implementing a Blue Deal TWK Community Project in Villiersdorp that can focus on the quality of water and sanitation. Sakokuhle Educare Centre were identified, as the beacon of hope for Villiersdorp, to promote and make communities aware of water safety and clean areas. The Educare Centre is located in a hotspot area that qualify for improved water and sanitation services, therefore they were identified as the ideal nominee to drive the community mobilisation and awareness. It is envisaged that during the new financial year the TWKMUN and Dutch Water Authority will enter into a working agreement and create leverage for possible resources and the catalyst of support that can invest in the quality of water and sanitation.

Basic Service Delivery Challenges

Challenge	Actions to address
Aging fleet continue to cause a challenge with regard to its road worthiness and mechanical breakages.	• Improve local fleet inspections and report submissions to the Department of Fleet Management. • Implement Fleet Policy and SOP's.
Lack of staff – Filling of vacant positions.	• To prioritise the filling of funded vacant positions – Small Plant Operator – Supervisor Driver Stormwater and Streets – Foreman Stormwater and Streets. • The filling of vacant positions takes too long and have a negative impact on service delivery.
Aging infrastructure • A large number of more than 60 years old asbestos pipe breakages and leakages. • Streets that need upgrading in terms of rehabilitation and resealing.	• Temporarily maintain and service pipe breakages and leakages as it occurs. • Maintain road patches and seal potholes with a jet patcher as a temporary solution.

Solid Waste Transfer Station – Vandalism	- The infrastructure of this facility has been totally vandalized and the facility needs to be relocated to a more secure place. - The Directorate Technical and Infrastructure Implementation Services to fast-track the impact assessment and possible relocation of the current transfer station.
Quality of water	Upgrade of Water Treatment Works becomes a priority to improve on the quality of water.
Land invasions	Regular meetings and engagements with the local Human Settlement department on mechanisms and strategies to prevent land invasions. More pressure is put on the town office to deliver services, and it becomes an impossible task to keep up with the demands for service delivery.
Water losses	Regular inspection and maintenance on bulk water meters. Employment of EPWP plumber to fix and maintain water tabs and identify illegal connections.
Stray Animal Control	Engagement with Law Enforcement to impound stray animals in areas that becomes a big problem.
Development of town – The town of Villierdorp is expanding in terms of residence but no development opportunities.	Engagement with LED and Town Planning on further expansion and development of the town.
Generator for WWTW	The installation of the generator ensures compliance with final effluent.

GREYTON & GENADENDAL

Basic Service Delivery Highlights

Highlight	Description
New Drop-Off Facility in Greyton	Greyton landfill site was decommissioned whilst reaching full capacity. Technical Services in collaboration with Community Services, constructed a new solid waste drop facility. The facility can process over 90m ³ tons of waste per week and 30m ² of building rubble.
Commissioning of new Greyton Wastewater Treatment Plant	The old oxidation ponds system in Greyton, urge the construction of a new wastewater treatment works. The new works would eventually treat wastewater to an acceptable effluent quality within specified limits. This would also enable the town to extent wastewater volume capacity with more than 45%.

Upgraded tar road - Bergzicht Avenue Genadendal	Bergzicht Avenue is a 2.5 km residential road CBD of Genadendal. Both the entire road surface and stormwater drainage system was upgraded. This upgrade enables a connection point with the CBD in Genadendal and the rural area named Sewefontein.
Upgrading of the Koornlangskloof Road -Genadendal	Koornlangskloof is on the southern parts of Genadendal. This area is rural and after heavy rains impossible to reach with vehicles. This improvement envisioned that better traffic control could be managed but more importantly the budget allocation used to rectify damages caused by ineffective roads.
Department of Forestry, Fisheries, and the Environment – Greening and Cleaning Program	The Greening and Cleaning Programs funded by the DFFE employed 10 x people within Ward 2. Participants in the project are tasked with cleaning open spaces, removal of alien vegetation, cleaning solid waste from river streams and cleaning illegal dumping areas. This project overall improved the appearance of all our towns and informal areas.
German Environment Agency - Kreatiw Project – Water treatment support	An agreement was reached to include Genadendal in a pilot project to be assisted with Engineering support to improve water quality in the Ward. This project will enable us to come up with new ideas and innovative thinking to curb these challenges.

Basic Service Delivery Challenges

Challenge	Actions to address
Aging Fleet	Ward 2 is situated in a very rural, vast, and rocky mountain area. The road infrastructure is therefore in very poor condition and results in our fleet being damaged.
Vandalism and Theft	Constant vandalism and theft to municipal facilities and equipment is a big challenge while the cost to replace or repair this equipment is very high, the impact is in most cases more severe. Most instances our mobile sites, like our wastewater and water treatment facilities are targeted which results into residents being without water and effluent do not meet required permit values to be discharged into river systems.

RIVIERSONDEREND**Basic Service Delivery Highlights**

Highlight	Description
Achieved 95,69% on the overall drinking water analysis.	Provided drinking water fit for human consumption and in accordance with SANS 241-1:2015.
Achieved 84,30% on the overall final effluent at the WWTW	Manage to operate the WWTW within the prescribed final effluent limits/standards.
Provided shelters to residents visiting the Local Clinic.	Concrete bus shelters were erected to provide residents, visiting the Local Clinic, with shelter during extreme weather conditions.
Minor upgrade to storm water networks.	Upgrading storm water drainage in Muller- and Alpha Street.
Install new sprinkler system for the Sportsgrounds.	Procure and install a portable heavy duty water sprinkler system at the Sportsground.
Install 327 new smart water meters.	Replace old conventional and pre-paid meters with Smart Utility water meters.
Creating temporary job opportunities	Temporarily employed the following: • 11 x Temporary Workers – Own funds • 10 x Temporary Workers – EPWP Grant • 4 x Temporary Workers – EPWP Grant (Meter installation) • 10 x Temporary Workers – DFFE

Basic Service Delivery Challenges

Challenge	Actions to address
Illegal waste dumping	• Educate the public through schools and through community awareness groups about the costs, health hazards and dangers incurred by illegal dumping. • Constant patrolling of effected areas and fine offenders • Weekly removal of waste
Vandalism and Theft	• Educate and create awareness within the community, especially young people, about the costs of vandalism. • Introduce an award system to report vandalism and theft.
Insufficient storm water networks	Construction of new 900 diameter storm water pipe conveying storm water from Muller Street and surrounding areas.
Ageing Water Treatment Works	Construction of new Water Treatment Works. Replace water rising mains and raw water extraction point.
Insufficient sewer pump stations	Upgrading of sewer pump stations in Disa- and Alpha Avenue, needs urgent intervention.
Ageing water network infrastructure	Replace all asbestos water pipes and valves through a dedicated capital replacement program.

1.3.2 BASIC SERVICE DELIVERY IN ELECTRICAL SERVICES

Basic Service Delivery Highlights

Highlight	Description
Installation of 35 high mast lights in Grabouw 	Installation of area lighting in informal area's

Basic Service Delivery Challenges

Challenge	Action to address
Vandalism and theft. 	Securing and patrolling of key points (Security)

1.3.3 BASIC SERVICE DELIVERY IN HUMAN SETTLEMENTS

Basic Service Delivery Highlights

Highlight	Description
Emergency Housing Project	The municipality secured funding from the National Department of Human Settlements for the construction of emergency housing structures for 78 families that was left destitute in Waterworks Grabouw
Security of Tenure	The municipality gave transfer of ownership to 306 families in Slang Park, Grabouw after 15 years

Basic Service Delivery Challenges

Challenge	Actions to address
Illegal invasion & Occupation of Land	Tender for Security Services to be advertised to secure land from illegal invasion and occupation of municipal land.
Provision of Sanitation Services in Informal Settlements	The municipality appointed a service provider for the provision of chemical toilets to informal areas where there are limited ablution facilities
Disaster Management Assistance	The municipality is in the process advertising a tender for the provision of emergency housing materials to assist vulnerable families during disasters.

1.3.4 TARGETED INITIATIVES

- The Gift of the Givers has on many occasions during the past year worked with our town offices and officials to deliver humanitarian relief aid to residents in Villiersdorp and Grabouw who have been affected by the floods and fires. We thank all officials and Gift of the Givers for their swift response and assistance during disasters.
- Theewaterskloof 's former Municipal Manager Boy Manqoba Ngubo along with a delegation of senior officials and Portfolio leadership met with Councillors in Villiersdorp in February, where they conducted their second town visit of the year as part of the Accelerated Service Delivery Programme. This initiative, conceptualized by the office of the municipal manager, is used to address challenges and back logs by meeting with the ward councillors and managers on the ground, in each town.



Illegal dumping and littering, communications, potholes, road upgrades, water infrastructure and sewerage challenges were amongst the key issues discussed in all towns visited. The delegation also discussed practical timelines and solutions.

Each visit includes a round table discussion as well as a walkabout in the town to get a better understanding of the challenges of that specific town. The main aim of the Accelerated Service Delivery Programme is to help the administration future-plan, develop a turnaround plan and prioritise key issues to improve service delivery in each town within Theewaterskloof Municipality.

- For the past year we have been hosting regular Public Outreach Days. On these days we bring the services to our communities by partnering with services such as the Banks, SARS, the Department of Home Affairs and UIF services. These outreach days take place monthly at Botrivier Community Hall and have also been in Riviersonderend and Grabouw.
- In October the Office the Speaker Derick Appel hosted a Breast Cancer Awareness event in support of October being Breast Cancer Awareness month. The event included a walk from the front of the Theewaterskloof Municipal building in Plein Street and ended

at the Victoria Hall, where staff received an educational talk from doctors at #Cancercare oncology unit. Staff attending the event was also encouraged to make use of the free cancer screening and shave or spray their hair to raise funds for cancer. This will become an annual event to raise awareness around early detection and prevention.

- In preparation for the Western Cape Summer Fire Season, the Department of Forestry, Fisheries and the Environment's Working on Fire (WOF) in partnership with Theewaterskloof Local Municipality on Friday, 14 October 2022, launched the 2022 Fire Awareness Campaign at Victoria Hall, in Caledon. This event also aligned with celebrating International Day for Disaster Risk Reduction.
- In December we hosted the Overberg Festive Readiness Launch at the Town Hall in Caledon. The Director of Community Services and the Executive Mayor welcomed all guests and the important men and women in uniform. They wished all Traffic, Law Enforcement, Police, Fire Fighting and EMS staff well for the busy festive season and encouraged them to take care of one another and ensure that motorists and residents are safe on our roads and in our streets. Former Western Cape Traffic Chief Kenny Africa was the keynote speaker and motivated all in uniform to be strict and vigilant, while on duty this festive season. After the leaders from all first responder disciplines including SAPS,



Provincial and Municipal Traffic, Law Enforcement, Emergency Medical Services (EMS) and Fire services shared their operational readiness plans, the group embarked on a joint K78 roadblock at Dassiesfontein to officially launch the festive campaign.

- Working On Fire's (WoF) national fire-fighting resources saves lives, and economic damage caused by wildfires, and it uses fire to control invasive alien plants to co-ordinate fire management interventions as to optimize the use of resources.

Theewaterskloof municipality in June 2023 indicated that they intend to enter into an agreement with WoF to enhance municipal service delivery. WoF will, amongst others, be utilized for post fire rehabilitation, partners assistance, base maintenance, road maintenance, patrolling and fence maintenance, erosion control, environmental clean-up projects and fire awareness. WoF, as part of its contractual agreement with DFFE, is looking for an implementing partner which is a landowner for services as set out in the Memorandum of Agreement. WoF is a contracted company by the DFFE to provide government services for employment/job creation, skills development and ensures proactive services to fire control relating to veld and forest fires.

Through an agreement with Theewaterskloof municipality WoF will assist with the management of teams of Genadendal, Elgin Valley and the Theewaterskloof team. The agreement will endure for a period not exceeding 05 January 2028. Many of the services is free of charge, and will benefit the Municipality, especially in terms of alien vegetation control, fire awareness campaigns, environmental clean-up projects, fire management planning, disaster management and environmental conservation.

1.3.5 PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

	2019/20	2020/21	2021/22	2022/23
Electricity service connections	100%	100%	100%	100%
Water - available within 200 m from dwelling	100%	100%	100%	100%
Sanitation - Households with at least VIP service	98%	98%	96%	96%
Waste collection - kerbside collection once a week	100%	100%	100%	100%

1.4 FINANCIAL HEALTH OVERVIEW

As can be seen from the table below the municipality's financial sustainability (as assessed by an independent organisation) has remained consistent over the last few financial years. It is however noteworthy that it is showing a significant decline highlighting the need for urgent interventions to ensure the municipality continue to operate as a going concern.

The medium-term budget analyses reflect some improvement in the overall financial sustainability scores. The operating performance that reflects a smaller deficit in 2024 and eventually in 2026 an operating surplus of R35 million is expected to be realised. The result is a sustainability score of 51 for 2026, reflecting moderate financial sustainability.

Financial Sustainability Index Score								
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast
Year	2019	2020	2021	2022	2023	2024	2025	2026
Sustainability	59	59	59	54	36	46	45	51

Continuous strict management decisions must be made to ensure that the ever-remaining challenges are being addressed, most of these challenges existed in previous financial years and was listed in previous annual reports, however due to the nature of these challenges and the environment (government) we operate in, finding solutions to these challenges and implementing them, takes time, effort and in certain instances additional resources. The most common challenges to the financial sustainability of Theewaterskloof include but is not limited to:

- Low debtors Collection Levels – Rate consistently below the average norm, 86% over the past seven year
- Electricity revenue supplies to the minority of towns and industrial consumers. This not only has a negative impact on the direct revenue from electricity sales but also impact negatively on debt collections revenue.
- Poor liquidity position
- Exposure to long term liabilities
- Lack of reserve funds
- High levels of capital expenditure required
- Cost of Compliance –. In addition to the exorbitant cost that is already placed on local government relating to compliance, the implementation of the newly gazzeted staff regulations will place an additional administrative and financial burden on the municipality
- Range of unfunded and under-funded mandates
- The migration phenomena, remains one of the largest challenges to the sustainability of the municipality. It is anticipated with national elections looming; this challenge could intensify.
- Undercount in recent census results could result in the continuous incorrect allocation of equitable share

- Projected Growth percentages are also questionable, ranging from 1.9 to 2.4 from the various sources. One only has to look Grabouw where the influx of people overnight was enough to equal an entire ward.
- The amount of funds required to keep collapsing infrastructure from becoming collapsed infrastructure
- Narrow rates base and affordability of the municipal bill
- Water losses
- Insufficient provision for assets and or debt impairment

The municipality is continuing to implement innovative ways to ensure the financial sustainability of the institution. The realisation of continuous emphasis that improved debt collection is critical to the financial sustainability has pushed the municipality to accelerate the establishment of a municipal court. The municipality is confident to have it operation before the financial year end 2024. The rest of this chapter will provide readers a detail breakdown of the municipality's finances and financial position.

1.4.1 FINANCIAL OVERVIEW 2022/23

FINANCIAL OVERVIEW - 2022/23			
Details	Original budget	Adjustment Budget	Actual
Income			
Grants	195,903	216,555	199,956
Taxes, Levies and tariffs	429,102	416,064	410,140
Other	67,660	93,314	408,406
Sub Total	692,665	725,933	1018,502
Less Expenditure	(671 602)	(717 800)	(779 485)
Net Total*	1364,267	1443,733	1797,986
*Note: surplus/(deficit)	T1.4.1		

1.4.2 COMMENT ON OPERATING RATIOS

OPERATING RATIOS	
Detail	%
Employee Cost	33%
Repairs & Maintenance	2%
Finance Charges & Depreciation	8%
	T1.4.2

The payroll report is required by section 66 of the MFMA. Payday is split into two companies, namely permanent and temporary workers. The active permanent employees on the system are 679 of which 27 are council members and 652 are permanent workers. The active temporary workers on the system are 268. The active permanent employees include 2 new appointments, 1 retirement and 3 resignations and the active temporary workers include 1 new employee and 70 contracts that expired for the month of June 2023.

The total Salary, allowances & benefits for managers and staff amounts to R 259,669 million for the year. Overtime for the year amounts to R 12,751 million. The 33% attained is within the National Treasury Norm.

The municipality realizes the importance of expenditure on maintenance to ensure that assets are used optimally throughout their operational life.

The ratio of finance charges and depreciation as a percentage of operating expenditure is 8%, even with National Treasury's norm of 8%.

1.4.3 TOTAL CAPITAL EXPENDITURE

TOTAL CAPITAL EXPENDITURE: 2020 TO 2023			
			R'000
Detail	2020/21	2021/22	2022/23
Original Budget	138,660	181,136	158,778
Adjustment Budget	134,908	144,402	149,742
Actual	85,615	181,118	144,799
			T1.4.3

In 2022/23, Theewaterskloof municipality approved a capital budget of R 158,778 m which was reduced to R 149,742 m. The Total Capital Expenditure for the year ended 30 June 2023 amounts to R 144,799 million against the adjustment budget of R 149,742 million and the percentage spent is 97% when compared to the adjustment budget.

The Adjustments Budget affirms the Municipality's commitment to achieve the service delivery objectives and performance indicators as reflected in the approved service delivery and budget implementation plan. The budget for capital expenditure has been adjusted. Due to various factors, some projects could not be completed in the 2022/23 financial year, and funds allocated must be rolled over.

The actual capital expenditure for the year 2022/23 amounted to R144,799m, effectively translating into an 97% capital budget spent, meaning a 3% spending variance.

The underspending was fundamentally due to delays experienced with the following projects:

Replace and upgrade MV and LV Networks Caledon street -Contractor on site. Project delayed by late adjudication and inclement weather.

Upgrade of Villiersdorp Taxi Rank / Informal Trading Area-74% of the work completed on site. A roll over application has been submitted to Province to complete the final phase of the Upgrade of Villiersdorp Market. Once approved in August 2023, the estimate completion time of the project is 30 September 2023

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

1.5.1 ORGANISATIONAL DEVELOPMENT PERFORMANCE

The municipality consciously review its organizational structure, and amend where required, to ensure that it keeps up with best practices, changing legislation and deliver services in the most effective, efficient and economical manner possible.

The implementation of the new staff regulation further necessitated the need for review and restructure. The municipality is in process of restructuring to ensure alignment and will in all likelihood implement a new structure in 2023/2024 after following all due processes.

Critical vacancies will be identified within the budget envelope and filled during the 2024/25 financial years. Chapter 4 provides detailed information on the Municipalities organisational development.

1.6 STATUTORY ANNUAL REPORT PROCESS

PROCESS	TIMEFRAME
<u>APR & AFS to AG</u> - Submit 2022/2023 Draft Annual Performance Report and Financial statements to Auditor General. - Compile and submit Municipal Audit file to the Auditor General	31 August 2023
Submit draft 2022/2023 Annual Report (as per agreement with AG) to Auditor General	20 November 2023
<u>Audit Report</u> Receive audit report on annual financial statements and annual performance report from the Auditor General	30 November 2023
<u>Table Draft AR & AFS</u> Mayor tables draft AR and AFS at council	25 January 2024
Advertise draft AR & AFS for public input and place on municipal website	25 January - 16 February 2024
Advertise Municipal Public Accounts Committee Schedule inviting the Public to make presentations of the AR and AFS	01 February 2024
Portfolio Committee Meeting Submit Draft Annual Report to Portfolio Committees for inputs	31 January & 1-2 February 2024
<u>1st Oversight Committee Meeting (MPAC)</u> Oversight Committee pose questions to Management to get clarity on the contents of the Annual Financial statements and the Annual Report (09h00)	09 February 2024
<u>2nd Oversight Committee Meeting (MPAC)</u> Public hearings – The local community and any organ of state will be allowed to make representations on the annual report and AFS (09h00)	23 February 2024
<u>3rd Oversight Committee Meeting (MPAC)</u> Preparation of the draft oversight report, taking into consideration the views and inputs of the public, representatives of the Auditor General, organ of states, Councils audit committee and Councillors	07 March 2024
<u>Oversight & Annual Report</u> Adoption of Oversight report on AR & AFS by council	20 March 2024
Advertise approved Annual report- Place on Municipal Website	24 -31 March 2024
Submission of Oversight & Annual Report to Provincial Treasury and Office of the Premier	24 - 31 March 2024
<u>Annual Report Guidelines</u> Forwards guidelines to all Corporate Directorates on the submission of the Annual Report info	18 June 2024

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

INTRODUCTION TO GOVERNANCE

Good governance has 8 major characteristics namely:

- Participatory,
- Consensus oriented,
- Accountable,
- Transparent,
- Responsive,
- Effective and efficient,
- Equitable, and
- Inclusive which follows the rule of law.



As stipulated above, participation is a key component of good governance. The Theewaterskloof Municipality ensures that communities are involved in decision-making processes. The Municipality undertakes regular participation on key strategic documents such as the IDP, Budget and Annual Report.

Feedback from the community on the services rendered by the Municipality also filters through the planning processes.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

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

2.1 POLITICAL GOVERNANCE

Note: Municipal Finance Management Act (MFMA) section 52 states:

The mayor of a municipality

- a) Must provide general political guidance over the fiscal and financial affairs of the municipality.
- b) In providing such general political guidance, may monitor and, to extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities.
- c) Must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality 's approved budget.
- d) Presides at meetings of the executive committee;
- e) Performs the duties including any ceremonial functions, and exercises the powers delegated to her by the municipal council.

The Theewaterskloof Municipal Council comprises of 27 elected councillors, made up out of 14 ward councillors and 13 proportional representation councillors. The portfolio committees are made up of councillors drawn from all political parties.

Councillors represent the public and consider the well-being and interests of the municipality. They develop and evaluate the policies and programs of the municipality. They also

determine which services the municipality provides and ensure that administrative practices and procedures are in place to implement the decisions of Council. It is imperative for them to ensure that there is accountability and transparency in terms of the operations of the municipality.

Below is a table that categorised the councillors within their specific political parties and demographic representation for the 2022/23 financial year:

Executive Mayor: Alderman KI Papier 	Function • Is the Executive and Political Leader of the Municipality • Is the Social and Ceremonial Head of Council • Is the Chief Advisor of Council • Responsible for identifying the needs of the Municipality • Must monitor the Administrator • Supervises the delivery of services • Report to Council • Budgetary responsibilities
DEPUTY MAYOR: Cllr: JR Michels 	Function The Deputy Mayor acts in the absence of the Executive Mayor
SPEAKER: Cllr: DA Appel 	Function • Is the chairperson of the Municipal Council and as such is authorized to dictate the proceedings during council meetings, though subject to the order rules, common law and constitutional prescripts. • The Speaker is accountable to and reports to the Municipal Council. • The Speaker must also ensure compliance with the Code of Conduct.
WHIP: Cllr MR Nongxaza (ANC) Cllr S Fredericks (DA)	Function Leads the Caucus meetings before Council meetings.

MAYORAL COMMITTEE: Cllr R Mienies (ANC) Cllr H Syster (PA) Cllr M Nongxaza (ANC) Cllr M Mathews (GOOD) Cllr T Lesesa (ANC) Cllr J Michels (GOOD)	Function The Mayoral Committee assist the Executive Mayor, serve him/ her with advice and take decisions with the Executive Mayor in respect of designated powers.
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EXECUTIVE MAYORAL COMMITTEE AND MEMBERS

The Executive Mayor of the Municipality Alderman, Karel Papier, assisted by the Executive Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. He has an overarching strategic and political responsibility.

The key element of the executive model is that executive power is vested in the Executive Mayoral Committee, delegated by the Council, and as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in concert with the Executive Mayoral Committee.

Below is a table that illustrates the Executive Mayoral Committee for the 2022/2023 financial year:

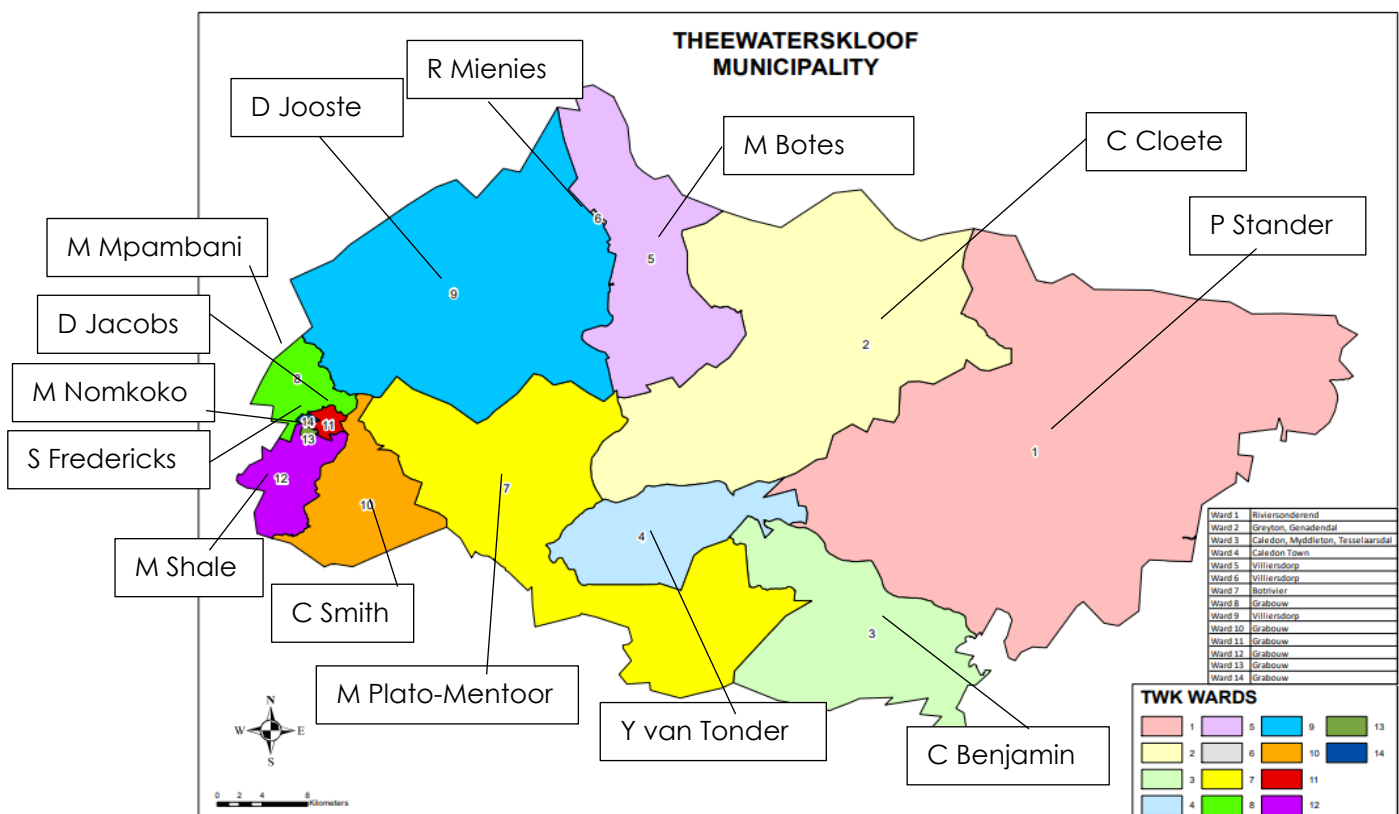
COUNCILLOR	POSITION	POLITICAL PARTY
Alderman KIJ Papier	Executive Mayor	PA
Councillor JR Michels	Executive Deputy Mayor	GOOD
Councillor DA Appel	Speaker	ANC
Councillor R Mienies	Executive Mayoral Committee Member	ANC
Councillor H Syster	Executive Mayoral Committee Member	PA
Councillor M Nongxaza	Executive Mayoral Committee Member	ANC
Councillor M Mathews	Executive Mayoral Committee Member	GOOD
Councillor T Lesesa	Executive Mayoral Committee Member	ANC
Councillor J Michels	Executive Mayoral Committee Member	GOOD

Theewaterskloof Municipality is governed in terms of an Executive Mayoral Committee system. The Executive Mayor, Alderman KI Papier, governs together with Deputy Executive Mayor, Cllr JR Michaels and a team of six Portfolio committee Chairpersons.

COMMITTEE	CHAIRPERSON
Financial Services	Cllr R Mienies
Technical and Electrical Services	Cllr H Syster
Human Settlements and Planning	Cllr T Lesesa
Corporate Services	Cllr M Mathews
Community Services	Cllr M Nongxaza
Economic Development	Cllr J Michels

FINANCIAL SERVICES COMMITTEE		TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE		ECONOMIC DEVELOPMENT COMMITTEE		CORPORATE SERVICES COMMITTEE		COMMUNITY SERVICES COMMITTEE		HUMAN SETTLEMENTS AND PLANNING COMMITTEE	
R Mienies – Chair man	ANC	H Syster – Chair man	PA	JR Michels - Chairma n	GO OD	M Mathe ws – Chair man	GO OD	MR Nongx aza	ANC	TP Lesesa	ANC
TP Lesesa	ANC	M Mathe ws	GO OD	BB Mkhwibiso	ANC	T Mang cayi	EFF	TP Lesesa	ANC	BB Mkhwi biso	ANC
M Mpam bani	ANC	BB Mkhwi biso	ANC	ML Mathew s	GO OD	TP Lesesa	AN C	RL Mienie s	ANC	H Syster	PA
J Mcken zie	GO OD	MA Nomk oko	ANC	MR Nongxaz a	ANC	MS Shale	AN C	J Mcken zie	GO OD	ML Mathe ws	GO OD
M Botes	DA	PJ Stand er	DA	S Frederic ks	DA	C Smith	DA	YM Van Tonder	DA	M Plato-Mento or	DA
CA Benjam in	DA	M Gana	SRW P	CT Cloete	DA	M Botes	DA	DA Jacob s	DA	PJ Stand er	DA
CT Cloete	DA	D Jooste	DA	TB Zimmer mann	FF+	UN Mabul u	DA	CA Benja min	DA	S Frederi cks	DA

Council Representation per Ward



2.1.1 COUNCILLOR PROFILE



Executive Mayor
Karel Papier



Deputy Mayor/ Economic Development
John Michels



Speaker
Derick Appel



Human Settlements and Planning
Tapelo Princess Lesesa



Community Services
Monwabisi Raymond Nongxaza



Corporate Services
Michele Mathews



Finance
Rinah Mienies



Technical and Infrastructure
Implementation Services
Henry Syster



MPAC Chairperson
Thozama Mangcayi



Jennifer Mckenzie



Bongiwwe Mkhwibiso



Mbongeni Nomkoko



Mzwanele Mpambani



Mamothipane Shale



Mhlawakhe Gana



Unathi Mabulu



Samuel Fredericks



Carol Benjamin



Dawid Jooste



Denzil Jacobs



Theunis Zimmerman



Christiaan Cloete



Mekie Plato-Mentoor



Petrus Stander



Michelle Botes



Craig Smith



Yvonne van Tonder

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	Ward Represented/ Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
D Appel	FT	Council Meeting	PR	100%	0%
KIJ Papier	FT	Executive Mayoral Committee	PR	100%	0%
JR Michels	FT	Economic Development Committee and Executive Mayoral Committee	PR	100%	0%
RM Nongxaza	FT	Human Settlements and Planning Committee, Community Services Committee and Executive Mayoral Committee	PR	100%	0%
TP Lesesa	FT	Community Services Committee; Corporate Services Committee; Executive Mayoral Committee	PR	100%	0%
ML Mathews	FT	Corporate Services Committee, Economic Development Committee, Human Settlements Committee and Executive Mayoral Committee	PR	100%	0%
RL Mienies	FT	Financial Services Committee; Community Services Committee; Executive Mayoral Committee	Ward Represented	100%	0%

H Syster	FT	Technical and Infrastructure Implementation Services Committee; Human Settlements and Planning Committee; Executive Mayoral Committee	PR	95%	5%
UN Mabulu	PT	Financial Services Committee	PR	95%	5%
S Fredericks	PT	Human Settlements and Planning Committee, Economic Development Committee	Ward Represented	100%	0%
PJ Stander	PT	Technical and Infrastructure Implementation Services Committee; Human Settlements and Planning Committee	Ward Represented	100%	0%
CT Cloete	PT	Financial Services Committee; Economic Development Committee	Ward Represented	100%	0%
CA Benjamin	PT	Financial Services Committee; Community Services Committee	Ward Represented	100%	0%
YM van Tonder	PT	Community Services Committee	Ward Represented	100%	0%
M Botes	PT	Corporate Services; Financial Services	Ward Represented	100%	0%
M Plato-Mentoor	PT	Human Settlements and Planning Committee	Ward Represented	100%	0%
M Mpambani	PT	Financial Services Committee	Ward Represented	100%	0%

D Jooste	PT	Technical and Infrastructure Implementation Services Committee	Ward Represented	100%	0%
C Smith	PT	Corporate Services Committee	Ward Represented	100%	0%
DA Jacobs	PT	Community Services Committee	Ward Represented	100%	0%
MS Shale	PT	Corporate Services Committee	Ward Represented	100%	0%
MA Nomkoko	PT	Technical and Infrastructure Implementation Services Committee	Ward Represented	100%	0%
J Mckenzie	PT	Financial Services Committee; Community Services Committee	PR	100%	0%
BB Mkhwibiso	PT	Technical and Infrastructure Implementation Services Committee; Human Settlements and Planning Committee; Economic Development Committee	PR	100%	0%
TB Zimmermann	PT	Economic Development Committee	PR	100%	0%
T Mangcayi	PT	MPAC Chair; Corporate Services Committee	PR	80%	20%
M Gana	PT	Technical and Infrastructure Implementation Services	PR	90%	10%

2.1.2 POLITICAL DECISION-TAKING

Meetings of Council were scheduled as follows for the period 01 July 2022 to 30 June 2023:

1. Council Meetings = 10
2. Special Council Meetings = 8
3. Council-in-Committee Meetings = 9
4. Special Council-in-Committee Meetings = 5

Notices of Council Meetings are placed on the Theewaterskloof Municipal website and Theewaterskloof Municipal Facebook page.

Notices of Council- and Special Council Meetings for the discussion of the Draft Annual Report; Annual Report and Oversight Report approval; Draft IDP and 2023/24 Draft Budget as well as the approval of the IDP and 2023/24 Budget are also advertised in the local newspapers.

Agendas of Council- and Council In-Committee Meetings are distributed 7 days before the meeting. Agendas of Special Council- and Special Council In-Committee Meetings are distributed as soon as the agendas are available.

Minutes of all Council-; Council In-Committee-; Special Council- and Special Council In-Committee Meetings are distributed within 14 working days as per the Rules of Order of Theewaterskloof Municipal Council.

Agenda-items submitted to Council for discussion:

1. First Quarter
 - 31 Council Meeting Agendas
 - 2 Council In-Committee Meeting Agendas
2. Second Quarter
 - 47 Council Meeting Agendas
 - 21 Council In-Committee Meeting Agendas
 - 9 Special Council Meeting Agendas
3. Third Quarter
 - 52 Council Meeting Agendas
 - 25 Council In-Committee Meeting Agendas
 - 7 Special Council Meeting Agendas
4. Fourth Quarter
 - 66 Council Meeting Agendas
 - 14 Council In-Committee Meeting Agendas
 - 35 Special Council Meeting Agendas

2.2 ADMINISTRATIVE GOVERNANCE

2.2.1 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

According to Section 60 (b) of the MFMA, the Municipal Manager as the accounting officer of the municipality must provide guidance on compliance with this Act to political structures, political office bearers and officials of the municipality and any entity under the sole or shared control of the municipality. The Municipal Manager is the head of the administration and primarily serves as the chief custodian of service delivery and the implementation agent of political priorities. He is assisted by his management team.

A key priority of the Management Team has been to establish a solid leadership core within the organisation which permeates through to middle and supervisory management levels.

The Management Team Structure, as at 30 June 2023, is outlined in the table below:



Municipal Manager
Mr. WSE Solomons-Johannes
(Acting)



Director
Financial
Services
Mr. A Riddles
(Acting)



Director
Community
Services
Mr. WSE
Solomons-
Johannes



Director
Technical and
Infrastructure
Implementation
Services
(Vacant)



Director
Corporate
Services
Mr. J Amansure
(Acting)



Director Economic
Development and
Planning
(Vacant)

2.2.1.1 FUNCTIONS AND RESPONSIBILITIES

The administration is divided into six directorates each with various sub-directorates that are responsible for specific functional areas. While clear distinctions are made in terms of functions and responsibilities sub directorates work in close liaison with each other in the interest of efficient and the promotion of service delivery.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

In terms of the Constitution of South Africa Section 41, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another; inform and consult one another on matters of common interest; coordinate their actions, adhering to agreed procedures and avoid legal proceedings against one another.

2.3 INTERGOVERNMENTAL RELATIONS

Intergovernmental structures give effect and concrete expression to interdepartmental communication. To adhere to the principles of the Constitution section 41 as mentioned above the Municipality participates in the following intergovernmental structures:

	IGR STRUCTURE	TYPE OF PARTICIPATION AND BENEFITS DERIVED
NATIONAL	Local Government ICT (LGICT) Network (Please note that this is mainly an "open online forum", although there are special meetings, workshops and events being scheduled across the country)	The LGICT Network is a service hosted by SALGA that provides: • a real-time platform for information exchange, networking and collaboration for ICT Managers in local government. • a platform where ICT Managers in local government rate service providers and report about service, satisfaction and quality in order to separate the "husks from the grain".
	National Joint Operational and Intelligence Structure (NATJOINTS) Structure	Coordination of crime combating operations
	National Road Traffic Management Coordinating Committee (NRTCC) / Law Enforcement and Transport Committee (LETCOM)	Coordination of traffic operations
PROVINCIAL	IDP Managers Forum	Reflect on IDP Indaba processes Reflect on the impact of the IDP Analysis process. Discuss processes and methodologies that should guide the annual IDP review. Serve as a platform where key planning information is shared, good planning practices and successfully implemented programmes are celebrated, and where gaps are identified.
	Records Provincial Public Participation Forum	Record legislation applicable to the functions applicable to document management in the municipality.
	Provincial Public Participation Forum	Public Participation processes in the district / upcoming ward committee elections in 2021 after the municipal elections and the preparations therefor.
	SALGA Provincial HR Development Working Group	• A platform for Councillors within the Province to give input into collective bargaining as well as policy issues. • This forum also receives feedback from National and Provincial Bargaining Forums. • It is also a platform for information sharing and to discuss issues of mutual interest;
	HR Practitioners Forum	• A forum used to draft policy, give input into various topics such as legislation, agreements etc. • This forum also serves as a platform for HR managers to network and share best practice • Receive feedback from SALGA in respect of negotiations etc.

	Risk Management Forum	This is where the uniformity of risk implementation is confirmed, new challenges and benchmarking takes place. Training needs are identified and conducted within the district level which is cost effective. The strategic decisions on risk management anything and else that the district might require from the CRO are discussed in the risk management forum.
	Skills Development Form	The Skills Development Forum is where we discuss the training that is offered by LGSETA like learnerships, study bursaries, skills programs according to the IDP objectives and even the payment of Mandatory, Discretionary grant as municipality is paying levy of 1% to SARS in terms of skills and development.
	CFO Forum	Provide support for the implementation of legislation / policies and fulfil a monitoring and oversight role
	SCM Forum	Provide support for the implementation of legislation / policies and fulfil a monitoring and oversight role
	Municipal Accountants Forum	Provide support for the implementation of legislation / policies and fulfil a monitoring and oversight role
	Property Rates Forum	Provide support for the implementation of legislation / policies and fulfil a monitoring and oversight role
	Chief Audit Executive Forum	Discuss methodologies, standards, challenges and serves as an information sharing platform.
DISTRICT INTERGOVERNMENTAL STRUCTURES	Western Cape Local Government ICT Managers Forum	• To create a platform for ICT Managers to discuss ICT-specific issues • To create a space for information sharing, knowledge exchange and inter-provincial cross pollination • To manage, co-ordinate and support the implementation of ICT initiatives, ICT-related activities in order to strengthen support and avoid duplication • To obtain inputs and comments on national- and provincial processes and initiatives that have an impact on ICTs, and • To achieve standardization for benchmarking and reporting purposes on critical activities.
	District IDP Managers Forum	• A platform for IDP Managers in the Overberg District to discuss IDP-specific matters; • A platform for information sharing, knowledge exchange and inter-District cross pollination; • co-ordinate the implementation of IDP initiatives and activities; • standardization of IDPs in the District; and • To identify areas of co-operation in terms of common challenges and development issues amongst the Local Municipalities in the District, and between the Local Municipalities and the District Municipality
	Provincial Joint Operational and Intelligence Structure (PROVJOINTS) Structure	Coordination of crime combating operations
	Provincial road traffic management coordinating committee (PRTMCC) / provincial law enforcement and transport committee (PLETCOM)	Coordination of traffic operations
	Department of Environmental Affairs MOP meetings	Feedback on all EIA and Basic assessment NEMA regs.
	Biodiversity management DEADP	Control meetings on Alien eradication management

	• Gerald Wright Thusong Stakeholders Forum consist of Local and District Representatives of government departments, non- profit organisations, Businesses, community members and faith-based organisations. • Thusong District Meetings is held every quarter where all the district Thusong Managers and government departments on provincial level have a joined meeting to discuss Thusong Outreaches. • Thusong Programme Forum is held twice a year where the whole province Thusong centres get together with provincial and national departments	• The Thusong Stakeholders Forum is a consultative platform aimed at increasing co-ordination and communication through information sharing, dialogue, capacity building and consultation. • Social integration and inclusion in communities and society at large • Mutual solidarity finds expression among individuals and communities • Social Cohesion as a cohesive society that works toward the well - being of all its members • Fights exclusion and marginalization • Creates a sense of belonging • Promotes trust
	IDP Rep/PPCOM Forum	• A platform for IDP Managers, Public Participation officials, Municipal Communicators and Sector Department officials • Share experiences • Joint Planning
	Overberg ICT (OICT) Managers Forum	• A platform for ICT Managers in the Overberg District to discuss ICT-specific matters; • A platform for information sharing, knowledge exchange and inter-District cross pollination; • standardization of ICT infrastructure in the district; and • To identify areas of shared services
	District IDP Managers Forum	• A platform for IDP Managers in the Overberg District to discuss IDP-specific matters; • A platform for information sharing, knowledge exchange and inter-District cross pollination; • co-ordinate the implementation of IDP initiatives and activities; • standardization of IDPs in the District; and • To identify areas of co-operation in terms of common challenges and development issues amongst the Local Municipalities in the District, and between the Local Municipalities and the District Municipality
	IDP Rep/PPCOM Forum	• A platform for IDP Managers, Public Participation officials, Municipal Communicators and Sector Department officials • Share experiences • Joint Planning
	Overberg ICT (OICT) Managers Forum	• A platform for ICT Managers in the Overberg District to discuss ICT-specific matters; • A platform for information sharing, knowledge exchange and inter-District cross pollination; • standardization of ICT infrastructure in the district; and • To identify areas of shared services
	Overberg LED/Tourism Forum	• Platform for LED/Tourism practitioners • Joint Planning • Share best practices
	District Joint Operational and Intelligence Structure (Cluster joints) Structure	• Coordination of crime combating operations
	District Road Traffic Management Coordinating Committee (Drtmcc)	• Coordination of traffic operations
	District Disaster Safety Committee Meeting	• Discussion on all safety aspects in local and district Mun.
	Interdepartmental Steering Committee – Villiersdorp	• Representing municipality as Town Manager on ISC to ensure that Government departments include Villiersdorp community action items on their IDP budgets.

2.3.1 JDMA IMPLEMENTATION STRATEGY Review: 2022/23 Financial Year

INTRODUCTION

Prior to 2019, the Western Cape Government (WCG) made a strategic decision to introduce the principles of co-planning, co-budgeting and co-implementation based on geographical areas and this decision was approved by the Premier's Coordinating Forum (PCF).

This resulted in the launch of the “**Joint District and Metro Approach (JDMA)**” in the Western Cape Province during November 2018.

In the 2019 State of the Nation Address the President raised the urgency for adopting a district-based approach to “speed up service delivery, ensuring that municipalities are properly supported and adequately resourced”. COGTA then announced the District Development Model. By that time the JDMA was already institutionalised and operationalised in the Western Cape.

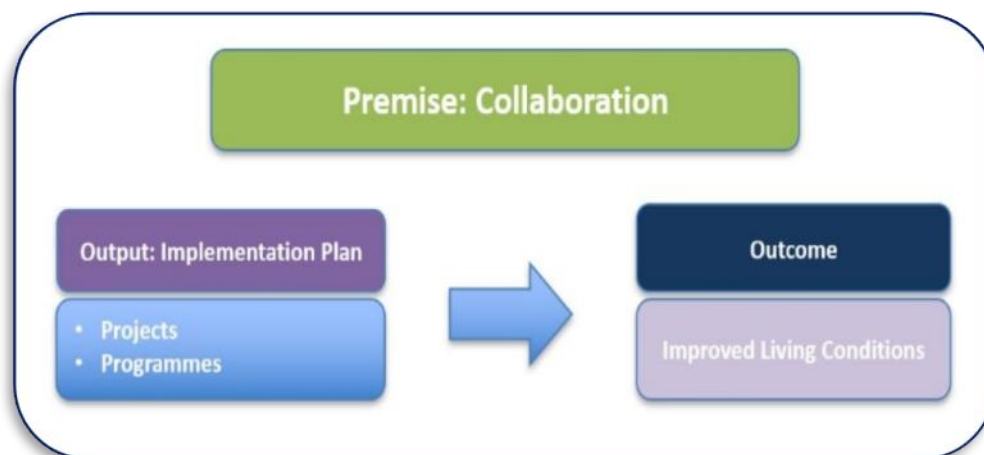
The key principle being Collaboration: co-planning, co-budgeting, co-implementation that translates to service delivery in communities.

The JDMA created a collaborative space which enabled a conducive environment to effect project implementation and to ultimately positively impacts the lives of communities.

BACKGROUND

The JDMA is a geographical and team based, citizen focused approach with a Single District Support Plan to facilitate developmental initiatives and government services. It is premised on principles of co-planning, co-budgeting and co-implementation.

The approach is a joint collaboration between National, Provincial and Local (Metropolitan, District and Local) Government, parastatals, private sector and other stakeholders. The main outcome of this approach is to improve the living conditions of citizens.



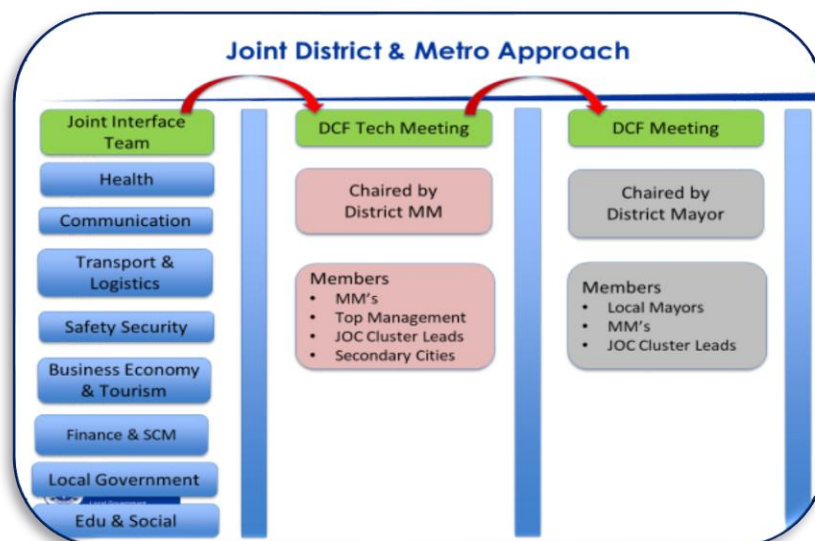
OBJECTIVES

- To promote horizontal interface between Western Cape Government (WCG) Departments;
- To promote vertical interface between national, provincial and local government;
- To enhance co-planning, co-budgeting and co-implementation to ensure the silo approach is minimized;

- To avoid duplication and maximizing impact through combined coordination efforts;
- To enhance alignment of long-term and short-term planning as well as alignment between different sectoral planning;
- To strengthen and enhance the capacity to support local government;
- To promote sustainable development in order to contribute to equality, poverty eradication and job creation;
- To ensure increased oversight over financial management and monitoring, including budgeting and expenditure controls; and
- To strengthen monitoring and evaluation of project implementation.

GOVERNANCE ARRANGEMENTS

- In the five districts, the JDMA Interface Teams make use of District Coordinating Forums (DCFs) and their technical committees (DCF Techs) as governance instruments to:
 - Identify municipal strategic and planning priorities as well as operational requirements and address them through the development and implementation of a single plan per district;
 - Monitor the implementation of projects identified in the Single District Plans; and
 - Identify and address any service delivery challenges through collaboration.
- JDMA Interface Teams were constituted comprising sufficiently mandated National and Provincial departmental and municipal representatives chaired by a JDMA Team Leader from the Western Cape Department of Local Government (DLG). Other stakeholders subsequently joined the various projects, which includes, NGO's and Donor partners and which are invited to Interface meetings when specific matters are on the agenda.



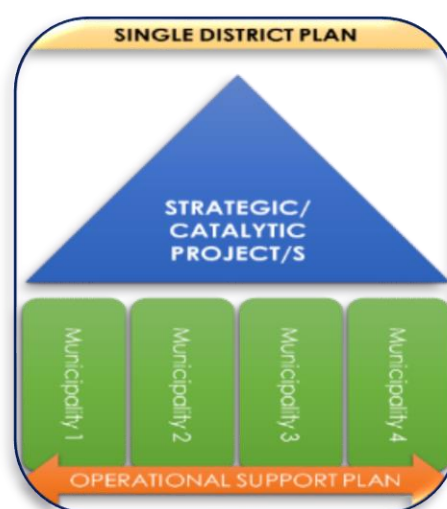
INSTITUTIONALISATION

- After the initial endorsement by the Western Cape Provincial Cabinet, the JDMA was supported by the Premier's Coordinating Forum in June 2019 and was followed by an extensive consultation process to secure buy-in from district and local municipalities; Western Cape Government (WCG) departments and national departments with a footprint in the Western Cape - several national departments came on board during 2021.
- The initial focus was on the five districts whilst a separate process was being explored for the City of Cape Town which would result in the methodology as a JDMA, inclusive of the city.

SINGLE DISTRICT PLAN

In line with the Provincial approach for each District to develop its own "Single District Plan", the Overberg followed suit with its first plan of such a nature developed in 2021/22. These plans will firstly consist of strategic/catalytic projects that should positively impact on the strategic and economic trajectory within a geographical space and secondly, operational projects that aims to strengthen and improve the systems, processes, and operations in a municipality. In combination, these projects will inform the **Single District Plans**.

These plans form the basis of all developments for the future and will guide planning, budgeting and implementation over the medium to longer terms. The draft operation support plans for the Local Municipalities are attached hereto.



GENERAL INFORMATION

OVERBERG DISTRICT	
General Information	
Member Municipalities:	Overberg DM, Overstrand LM, Cape Agulhas LM, Swellendam LM & Theewaterskloof LM
Functionality of IGR Structures	DCF T and DCF (Functional and meeting regularly)
Municipal Interface Team	Established and functional – representation evolving
Status: Institutionalisation of JDMA	
DCF adopted the JDMA as oversight and implementation platform	Yes, DCF Resolution 20 November 2020.

Functionality of Interface Team	Yes, Interface Team is functional. Chaired by the DLG Lead Involvement of key stakeholders secured (Provincial & National Departments, Parastatals and the Private Sector). Active participation of Municipal representatives.
Status: Implementation plan	Interface team drafted the implementation plan, consisting of both catalytic and operational projects. The Plan is reviewed, revised and updated on an annual basis. Status: Awaiting Consideration & Endorsement by the DCF.

PARTNERS

To ensure the effective implementation of the JDMA, an Interface team has been established. The Overberg JDMA Interface Team consists of representatives from all municipalities within the district, national and provincial government departments as well as other stakeholders and are functioning effectively.

Regular meetings are taking place to ensure that projects maintain their momentum and implementation are monitored on an ongoing basis. The Team has grown significantly since inception and consists of the following members:

NATIONAL DEPARTMENTS AND PARASTATALS	
DEPARTMENT	NAME OF OFFICIAL
Water and Sanitation	John Roberts
DALRRD (Rural Development)	Esmerelda Reid
SAPS	Brig Donovan Heilbron
National Public Works and Infrastructure	Singatha Maholwana
Department of small business development	Winston Baatjies
SALGA	Nkosinathi Mthethwa (National) Loyiso Njamela/ Armstrong Mpela
LGSeta	Aneeka Jacobs
Wesgro	Sibylle Pfeiffer
Transnet	Cobus Albertse

PROVINCIAL DEPARTMENTS	
DEPARTMENT	NAME OF OFFICIAL
Agriculture	Japie Kritzinger (Head Office)
Social Development	Dianne De Bruyn (District) Charles Harris (Head Office)
Department of Infrastructure	Nicky Brown (Head Office)
Health and Wellness	Wilhelmina Kamfer
Community Safety	Fuad Davis (Head Office)
Human Settlements	Elmay Pelser (Head Office)
Provincial Treasury	Steven Kenyon/ Faez Salie (Head Office)
Cultural Affairs and Sport	Yvette Herbst
Economic Development	Fayruz Dharsey/ Johann Bester (Head office)
Environmental Affairs & Development Planning	Helena Jacobs (Primary) Thea Jordan (Alternate) Project specific representatives: Lance Mcbain-Charles, Belinda Langenhoven (Waste Management) Keshni Rughoobeer & Raudhiyah Sahabodien (Development Facilitation and Spatial planning)
Education	Gerrit Coetzee (Head Office) Hillary Smith

MUNICIPALITIES	
MUNICIPALITY	NAME OF OFFICIAL
Overberg DM	Richard Bosman
Swellendam	Anneleen Vorster
Overstrand	Rochelle Louw
Cape Agulhas	Tracy Stone
Theewaterskloof	Wilfred Solomons-Johannes

The Overberg JDMA Interface team has been very responsive and takes personal interest and responsibility for the effective implementation of the overall process as well as individually assigned projects.

The successes achieved to date can be attributed to the passion and commitment of the Interface Team.

OVERBERG TEAM EXPANDED

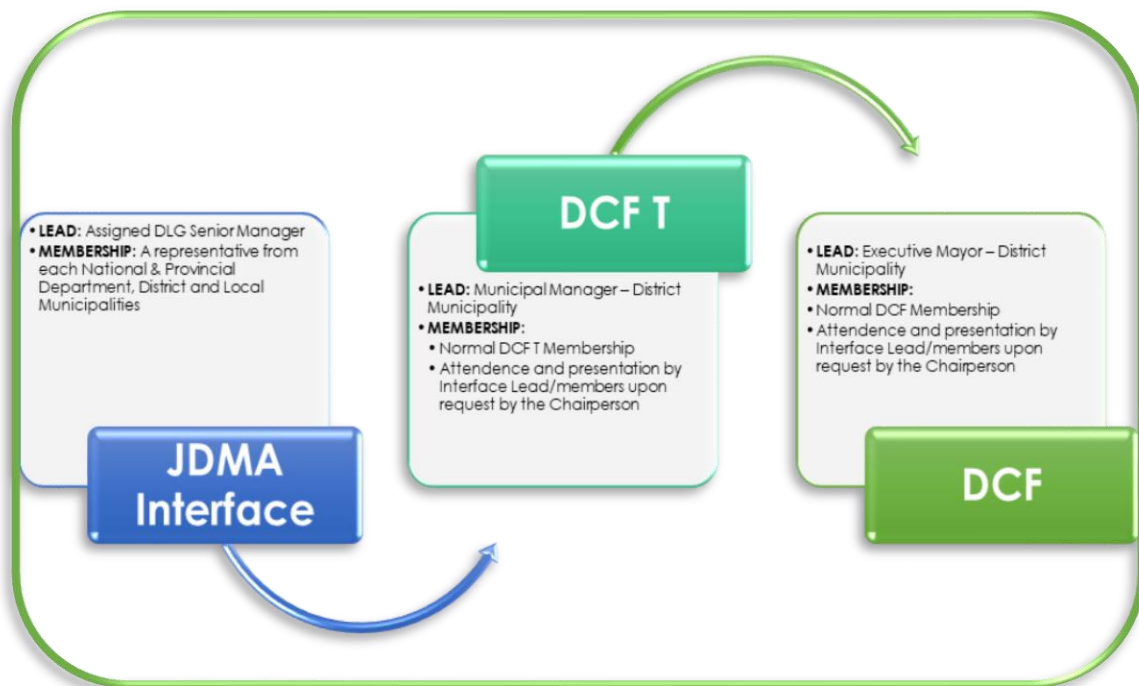
Due to the responsiveness of the JDMA in the Overberg, the team have been expanded significantly.

The Overberg Interface Team also now includes other National and International Organisations such as LGSETA, WESGRO, Transnet and Dutch Government that is enabling further development and investment in the Overberg District.

JDMA PROCESS MAP

The JDMA structures in the Overberg have been established and are stable and functional.

After following due process, consideration and final endorsement of both the Implementation Plan and projects to be supported, vests with the Overberg DCF.



PROJECT SPECIFIC MEETINGS

The following table depicts the project meetings held:

No	Date	Description	Stakeholders
1.	26 October 2022	JDMA Interface Team Meeting	- JDMA Municipal Reps - Provincial Departmental Reps - National Departments
2.	2 November 2022	Swellendam Security Matters	- Department of Community Safety - SAPS - Swellendam Municipality - DLG
3.	8 November 2022	Waste-to-Rail Site Visit)	- DLG - Municipal Mangers - DOI
4.	29 November 2022	Waste management Meeting	- Municipalities - DoTP - DLG - DEADP
5.	1 December 2022	Land for Commonage	- DLG - Municipal Mangers - DPWI
6.	13 December 2022	Cape Agulhas – Bredasdorp Safe House Reopening	- Municipality - SALGA - SAB - DLG - SAPS - DSD - DoH - DOCS
7.	14 December 2022	Caledon Safe House Site Visit	- Municipality - DLG - DSD
8.	13 January 2023	Caledon Safehouse Discussion	- DLG - DSD - SALGA - Municipality
9.	18 January 2023	Waste Management Meeting	- Municipality - DLG - DEADP - MISA
10.	18 January 2023	Overberg Pounds Shared Services Project	- Municipal Managers - DLG
11.	194 January 2023	Caledon Safe House Discussion	- DLG - DSD - SALGA - Municipality
12.	27 January 2023	Buffelsjag Dam	- Agriculture - DLG - DEAD&P - Service Provider

13.	27 January 2023	Overberg Pounds Shared Services Project (By-Law discussion)	• Municipal Managers • DLG • Service Provider
14.	9 February 2023	Rectification Meeting	• DLG • Municipalities
15.	7 February 2023	Exploring Gas-to-Energy	• CoCT • DLG • DEA&DP
16.	9 February 2023	Overberg Pounds Shared Services Project (meeting with Service Provider)	• DLG • Municipalities • Service Provider
17.	14 February 2023	Safe House Business Plan Discussion	• Municipality • DLG • DSD
18.	14 February 2023	Exploring Gas-to-Energy	• CoCT • DLG
19.	17 February 2023	Exploring Gas-to-Energy	• CoCT • DLG • DEA&DP
20.	15 May 2023	Interface Team meeting	• JDMA Municipal Reps • Provincial Departmental Reps • National Departments

Note: Individual project meetings have also been taking place to ensure that progress is unpacked and understood, and any risks or challenges addressed before the Interface Team meetings. All municipal representatives and affected National and Provincial representatives were invited to attend the meetings.

PROJECTS ALREADY STARTED AND UNDER WAY

• Transversal: District Wide Projects

Name of project	Status/Progress to date	Proposed next steps
Expand on Rail Infrastructure	• Further consideration to be given to "waste to rail" opportunities. A Site visit to Karwyderskraal took place with Transnet and other related stakeholders on 8 November 2022. • Awaiting final calculations from Transnet and municipalities for the extension of rail line. • Please call Transnet and obtain an update. • A Waste to rail study was conducted by the	Expansions on the line has been moved to the medium term. Further discussions must take place to consider options for waste to rail. Continue close relations with Transnet as close partners to the entire District. Include in IDP/JDMA and other engagements.

Name of project	Status/Progress to date	Proposed next steps
	Department of Infrastructure to investigate the annual direct and externality costs for road-only and hybrid waste-on-rail solutions.	
Drug Rehab Centre	• Dennehof property ownership has been reassigned from Overberg DM to TWK. • Although exploratory discussions took place with some of the big private hospital groups to ascertain an appetite to enter into PPP or other agreements, all of these discussions were stopped when the land was re-assigned to TWK.	NPWI reported that TWK subsequently submitted an application to use Dennehof as a “skills centre” and “drug rehab centre”. This submission was submitted outside of the JDMA structures and without consultation and knowledge of the JDMA team. DCF to decide how to proceed – NPWI awaiting an indication from the JDMA/DCF on whether the TWK proposal is supported.
Network of Safehouses	• Strategic intent of this project is to build a network of safehouses across the Overberg to serve as a Safe Haven for women and children and other vulnerable people. • Department of Health confirmed the use of these facilities for out-patient treatment and to assist patients that require support with rehabilitation. • SAPS confirmed support for the project and will use the facilities to roll out prevention programmes • Department of Social Development pledged their support to this project and re-prioritised funding to establish a dedicated GBV safe house in TWK.	Potential Risk/challenge: Impact of TWK project outcome – potential future reluctance from DSD and Donors to support new projects. Consideration to proceed with the expansion of the network – Local Municipalities to indicate their readiness/appetite to proceed.

Name of project	Status/Progress to date	Proposed next steps
	- SAB confirmed their continued involvement in this project and secured funding to support the TWK facility. Theewaterskloof (Caledon): Department of Social Development committed to provide financial support for the NGO to operate the Safe House, as well as funding for security upgrades for the facility in Caledon. Provincial budgets were revised to be able to fund this project. Funding secured and confirmed, and service provider identified, however despite numerous attempts, TWK was not able to secure the identified house and could not make an alternative house available that could be used for this purpose. As a result, the Caledon project was terminated and consequently the available donor support was also lost. Cape Agulhas (Bredasdorp): Fully functional, self-sustained facility. Running regular soup kitchens twice a week. Extension completed. Additional funding lobbied and secured by SALGA, who is part of the JDMA Interface Team. Furnishing and upgrades to the house was completed in December 2022.	

Name of project	Status/Progress to date	Proposed next steps
	The Department of Local Government has approved funding for the GBV Ambassador programme in Cape Agulhas Municipality. Project to commence in April 2023. Overstrand (Hermanus): Municipality currently in the process to acquire a house for the purpose of safehouse. (SCM process in place). Swellendam: Construction of Safehouse planned to commence in 2023. (ASLA housing development – donated house).	
ECD Support Programme	22 ECD centres were registered by DSD in Grabouw before the transition of the function to the WCED	WCED to attend to any matters that may arise
Safety projects	District Safety plan is in place.	Will be reviewed 2022/23

- Theewaterskloof Municipality**

Name of project	Status/Progress to date	Proposed next steps
Further Education opportunities (TWK) – Erf 1 Caledon	- Grabouw: Construction of new primary school. - The “land swap” was initially approved by TWK Council on 27 October 2022 for establishment of a primary school in Grabouw. This initiative would have released land for other further developments, i.e., the new ambulance station on Erf 1 in Caledon. (Both projects were confirmed for funding over the Provincial MTEF)	The project was halted. Based on a Council Resolution that was taken by Theewaterskloof council.

Name of project	Status/Progress to date	Proposed next steps
Rectification and upgrade of external toilets in Genadendal	- Funding was allocated via the Overberg DM for the rectification and upgrade of external toilets in Genadendal for the Rectification Project, from the Provincial JDMA Grant. - The Municipality pledged co-funding for the project and funds have been rolled over to 2022/23 FY. - An additional amount of R500 000 was allocated by the Department of Local Government for phase two of the project.	

NEW PROJECTS IDENTIFIED FOR THE 2022/23 YEAR

NO	PROJECT	PROJECT COMMENCED	PROGRESS
1.	• Establishment of Multi-Purpose Government Integrated Facility (Customer Contact Centre, Emergency & Disaster Management Centre, Transport, etc.)	✗	• Not yet started
2.	• Establishment of Multi-Purpose Skills Development Centre at Dennehof (Training academy, Agriculture, Environment, Abused woman and children)	✓	• See progress above under Drug Rehab Centre
3.	• Look at Broader Integrated Strategy for Grabouw	✗	• Not yet started
4.	• Infrastructure Conditional Assessment	✗	• Not yet started
5.	• Upgrading of Rural Roads	✗	• Not yet started
6.	• Establishment of Safe House	✓	• Project commenced. See progress above under Safehouse project
7.	• Outsourcing of Waste Management Services	✗	• Not yet started
8.	• CCTV Camera Expansion Programme	✗	• Not yet started
9.	• Shared Services – Pound for stray animals	✓	• Project commenced. See progress above under Pound project

10.	• Community Safety Plan	✓	• Project commenced. See progress above under Safety Plan
11.	• Genadendal Farm 39 Transformation	✗	• Not yet started
12.	• Disaster Management Capacitation Program	✗	• Not yet started
13.	• Environmental Management Capacitation Program	✗	• Not yet started
14.	• Greater Housing Development Program	✗	• Not yet started
15.	• Conditional Infrastructure Assessment	✗	• Not yet started
16.	• Establishment of Municipal Court	✗	• Not yet started

JDMA PROJECTS COMPLETED

MUNICIPAL PRIORITY	PROVINCIAL CABINET PRIORITY	CONTEXT/ BACKGROUND	MUNICIPALITY	PROJECT	DEPARTMENT	TIMEFRAME	PROGRESS TO DATE
	Safety		Entire District Area	1. Safety strategy for the District inclusive of Neighbourhood watch programme including facets of crime intelligence, theft and vandalism of municipal assets and property.	Community Safety	2019-2023	Community Safety and Security and Disaster Risk Management Plans are in place and operational Project Completed
Ease of Doing Business	Jobs	The Premier, in the State of the Province Address on 18 July 2019, announced that WCG will assist in establishing Red Tape Reduction as a priority in all municipalities	All	2. Red tape reduction to be jointly developed with municipalities	DEDAT	2020-2025	Individual sessions with all LM's completed and matters addressed. Project completed

ECONOMIC RECOVERY PLAN ALIGNMENT

MUNICIPAL PRIORITY	PROVINCIAL CABINET PRIORITY	CONTEXT/ BACKGROUND	MUNICIPALITY	PROJECT	DEPARTMENT	PROGRESS TO DATE
Growing of local informal economy	Jobs and wellbeing	Informal economy makes a significant contribution to the GDP in the District. This is to address the skewed economic planning in townships and further address opportunity gaps in the local economy. Addressing the infrastructure can aid in ensuring sustainable informal businesses.	Overstrand Cape Agulhas Swellendam Theewaterskloof	1. Informal Economy (Funding infrastructure and economic intelligence)	DEDAT (LED and Tourism)	Infrastructure support via the Booster Programme was successfully secured by Swellendam municipality
Easy of doing business	Jobs	This is to ensure that the cost of doing business in municipalities is reduced and that an investment is promoted to achieve economic growth in the municipal area.	Overstrand Cape Agulhas Swellendam Theewaterskloof	2. Red Tape Reduction (Institutionalisation, Human Resource capacity)	DEDAT (LED)	
Encourage long stay visitors	Jobs	To promote tourism by ensuring that there are enough quality tourism products and prolong visitor experience in the district.	Overstrand Cape Agulhas Swellendam Theewaterskloof	3. Destination Marketing (Branding, destination enhancement)	DEDAT (Tourism)	

NATIONAL GOVERNMENT PROJECTS

CONTEXT/BACKGROUND	MUNICIPALITY	PROJECT	DEPARTMENT	TIMEFRAME	PROGRESS TO DATE
The project is aimed at encouraging better environmental management practices through street cleaning, clearing of illegal dumps and open public spaces as well as the conducting the environmental education and awareness campaigns with the following deliverables: Recruitment and placement of participants, Street Cleaning and clearing of illegal dumps, Education and Awareness Campaigns Non- accredited training to participants.		Overberg District Thuma Mina Green Deeds	Department of Environment, Forestry and Fisheries		Implementation R 9 049 774.00
Wetlands Rehabilitation and improved ecosystem services		Wetlands Rehabilitation WfWet Riviersonderend	Department of Environment, Forestry and Fisheries		Implementation R9 770 963.00
Wetlands Rehabilitation and improved ecosystem services		Wetlands Rehabilitation WfWet Riviersonderend draught response	Department of Environment, Forestry and Fisheries		Implementation R7 800 000.00
High Altitude Alien Clearing Project		NRM WOF HAT Genadendal	Department of Environment, Forestry and Fisheries		

CONTEXT/BACKGROUND	MUNICIPALITY	PROJECT	DEPARTMENT	TIMEFRAME	PROGRESS TO DATE
High Altitude Alien Clearing Project		NRM WOF HAT WC Special Project Genadendal	Department of Environment, Forestry and Fisheries		
Alien Plant Clearing Project		Alien Plant Clearing Project NRM WCNCB DE HOOP NEW_2	Department of Environment, Forestry and Fisheries		
Alien Plant Clearing Project		Alien Plant Clearing Project NRM WCNCB ELANDSKLOOF_NEW_2	Department of Environment, Forestry and Fisheries		
Alien Plant Clearing Project		Alien Plant Clearing Project NRM WCNCB Steenbras_2	Department of Environment, Forestry and Fisheries		
Rural infrastructure development – 38km boundary and inner-camp fencing	Theewaterskloof	Genadendal boundary and inner-camp fencing	Department of Agriculture, Land Reform and Rural Development	2022-2024FY	Project Approved. Budget: R2,674,000.00. Project completed
Youth Support	Various	Recruit youth to Narysec	Department of Agriculture, Land Reform and Rural Development	Multi-Year	Project Approved. Budget- R 1,549,560.00 35 Recruitment completed. Youth currently in training.

CONTEXT/BACKGROUND	MUNICIPALITY	PROJECT	DEPARTMENT	TIMEFRAME	PROGRESS TO DATE
Youth Support	Various	Link 4 young people to job opportunities - IT & Agric co-op	Department of Agriculture, Land Reform and Rural Development	Multi-Year	Project Approved. Budget- R0. Engagements with strategic partners underway.
Youth Support	Various	Provide 4 young people with business development support	Department of Agriculture, Land Reform and Rural Development	Multi-Year	Project Approved. Budget- R0 Engagements with strategic partners underway.
Youth Support	Various (across all municipalities in province)	Train 280 youth -N YLDP, NVC, Learner's & Driver's License, Business Management	Department of Agriculture, Land Reform and Rural Development	Multi-Year	Project Approved. Budget- R 2,750,000.00
Rural infrastructure development – 38km boundary and inner-camp fencing	Theewaterskloof	Genadendal boundary and inner-camp fencing	Department of Agriculture, Land Reform and Rural Development	2022-2024FY	Project Approved. Budget: R2,674,000.00. Project completed

FUNDS ALLOCATED PER DEPARTMENT

Overberg District: Spatial distribution of allocations to municipalities over MTEF period 2023/24 - 2025/26

Theewaterskloof: Budgeted National and Provincial Allocations (R'000)

Source	Department	Municipality	Transfer description	2023/24	2024/25	2025/26
National	National Treasury	Theewaterskloof	Equitable Share	131583	142889	154106
WCG	Department of Infrastructure	Theewaterskloof	Title-Deeds Restoration	40000	66426	62100
National	Cooperative Governance	Theewaterskloof	Municipal Infrastructure Grant	30909	32166	33475
National	Water and Sanitation	Theewaterskloof	Water Services Infrastructure Grant	10700	0	0
WCG	Department of Infrastructure	Theewaterskloof	Informal Settlements Upgrading Partnership Grant	9350	25956	64168
WCG	Cultural Affairs and Sport	Theewaterskloof	Library service: Replacement funding for most vulnerable B3 Municipalities	7002	6881	7182
National	Mineral Resources and Energy	Theewaterskloof	Energy Efficiency and Demand Side Management Grant	4000	5000	0
WCG	Cultural Affairs and Sport	Theewaterskloof	Community library services grant	2784	2893	3022
National	Mineral Resources and Energy	Theewaterskloof	Integrated National Electrification Programme (Eskom) Grant	1883	5290	7389
National	National Treasury	Theewaterskloof	Local Government Financial Management Grant	1700	1700	1838
National	Public works and Infrastructure	Theewaterskloof	Expanded Public Works Programme Integrated Grant for Municipalities	1684	0	0
WCG	Department of Environmental Affairs & Development Planning	Theewaterskloof	Regional Socio-Economic Projects (RSEP) Programme - Municipal Projects	1100	0	0
WCG	Department of Infrastructure	Theewaterskloof	Financial assistance to Municipalities for maintenance and construction of transport infrastructure	165	170	180
WCG	Local Government	Theewaterskloof	Community Development Worker Operational Support Grant	113	113	113
National	Mineral Resources and Energy	Theewaterskloof	Integrated National Electrification Programme (Municipal) Grant	0	10000	5000
WCG	Local Government	Theewaterskloof	Thusong Service Centres Grant (Sustainability: Operational Support Grant)	0	0	150
Total				242973	299484	338723

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 of the MSA refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose, it must encourage and create conditions for the local community to participate in the affairs of the community.

Such participation is required in terms of:

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

2.4 COMMUNICATION, PARTICIPATION AND FORUMS

2.4.1 WARD COMMITTEES

The Ward Committees support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the Municipality constantly strives to ensure that all Ward Committees function optimally with community information provision, convening of meetings, ward planning, service delivery, IDP formulation and performance feedback to communities. Ward Committees play an active and important role to enhance participatory governance in Theewaterskloof Municipality and it has become increasingly important in the management of ward committees to:

- Demonstrate the involvement of ward committees in the affairs of the Council.
- Be able to effectively monitor and evaluate the performance of local ward committees in the Theewaterskloof Municipal area.

It is important for ward committees, not only to attend scheduled ward committee meetings, but also to be actively involved in the affairs of Council and also to be the link between Council and the Community. Ward committee members need to fulfil their role in terms of mandate meetings on a quarterly basis. This in the case of Theewaterskloof Municipality, is still a huge challenge.

2.4.2 FUNCTIONALITY OF WARD COMMITTEES

The purpose of a ward committee is:

- To be an independent representative advisory body for the ward councillor and the Council.
- To promote participatory democracy by assisting communities and community organizations in the municipal processes.
- To communicate and consult with the community in respect of development and service plans.
- To engage with the community through regular meetings and attend to grievances and complaints.
- To meet bi-monthly or at least quarterly.
- To be involved in municipal processes such as the drafting of the IDP, Annual Budget, Annual Reports and Policies and by-laws that affects the ward or the municipal area.

Ward committees are elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to the administration. Ward committees play a very important role in the development and annual revision of the Integrated Development Plan of the area.

For the 2022/ 2023 financial year, 74 Ward Committee meetings were held across the 14 Wards. We underperformed in this regard as in terms of our Ward Committee Policy, we were supposed to have 84 Ward committee meetings for the financial year.

For the 2022/ 2023 financial year, 58 Ward Councillor Report Back meetings took place. The Target of 56 quarterly Ward Councillor Report Back meetings has been exceeded in this regard.

14 Ward Committees developed Ward Committee Operational Plans and it was submitted to the Provincial Department Public Participation.

The Ward Committee Members was also very much involved in the Draft Budget Process as they were used as the public participation structure/tool in this regard.

2 Bi- Annual Reports was submitted to Council during November 2022 and June 2023 which outlined the functionality of the Ward Committees.

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

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
One (1)	COUNCILLOR PJ STANDER	Yes	8	0	5
	D Palmer				
	M Dyantyi				
	D Visser				
	K Tiemie				
	E Miles				
	S September				
	F Roux				
	D Leonard				
	J Klaasens				
	C Botha				
Two (2)	COUNCILLOR C CLOETE	Yes	8	0	4
	M Stallenberg				

	P Majiedt				
	M Hector				
	M Rouillard				
	V Jansen				
	J Matthews				
	I Steenkamp				
	G Juries				
	Greyton Council Vacant				
	Sport Vacant				
Three (3)	COUNCILLOR CA BENJAMIN	Yes	5	0	6
	Z Bistoli				
	W Gamiet				
	S Gamadala				
	M Booysen				
	T Bippert				
	M Sauls				
	L King				
	Tesselaarsdal Vacancy				
	R Nissen				
Four (4)	COUNCILLOR Y VAN TONDER	Yes	6	0	4
	E Jacobs				
	T Bippert				
	M Rousseau				
	L Kimber				
	G Rhode				
	M Oliver				
	R Lane				
	S Wildschut				
	L King				
	M Buys				
Five (5)	COUNCILLOR M BOTES	Yes	5	0	4
	M De Lange				
	K Cuthbert				
	G Skog				
	C Nel				
	M Jacquemin				
	J Lintaar				

	R Jansen				
	Vision Hope Vacant				
	T Xantibe				
	S Minnaar				
Six (6)	COUNCILLOR RL MIENIES	Yes	5	0	5
	H Blignaut				
	J Nicholls				
	N Moldiba				
	A Venter				
	N Mlata				
	M de Lange				
	R Filander				
	M Letele				
	D Thomas				
	F Ntantiso				
Seven (7)	ALDERMAN M PLATO-MENTOOR	Yes	5	0	3
	Johannes Syms				
	Rachardo Hanse				
	Lukhano Buyephi				
	Lebanon Vacancy				
	Alexander Mondry				
	Jan Visagie				
	Ian Andries				
	Melanie Barry				
	J Oliver				
	F Weeden				
Eight (8)	COUNCILLOR M MPAMBANI	Yes	4	0	3
	B Makhaza				
	Z Mketi-Mentile				
	P Likotsi				
	L Nobanda				
	R Swartz				
	V Tshazi				
	S Bam				
	U Ngonyama				

	N Van Rhodie				
	A Van Zyl				
Nine (9)	COUNCILLOR D JOOSTE	Yes	6	0	5
	G Skog				
	H Botha				
	H Blignaut				
	J Jooste				
	M De Lange				
	S Sykes				
	M Swarts				
	E Ambros				
	C Moses				
	M Linaar				
Ten (10)	COUNCILLOR C SMITH	Yes	3	0	1
	J Couter				
	D Van Zyl				
	E Afrika				
	Monteith 1 Vacancy				
	M Swart				
	J De Bruin				
	FC Oppelt				
	G Skog				
	G Diedericks				
	NE Makeleni-Msiliba				
Eleven (11)	COUNCILLOR DA JACOBS	Yes	4	0	2
	D Demas				
	S Ngalo				
	A Jonas				
	I Wyngaard				
	L Nqoloba				
	A Roro				
	E Adams				
	N Ntsholo				
	A Van Zyl				
	D Kortje				
Twelve (12)	COUNCILLOR MS SHALE	Yes	5	0	2
	L Madizeni				
	W Nomxhanya				

	S Nkqi				
	Y Nonduku				
	M Ncapayi				
	E Philander				
	N Van Rhodie				
	L De Bruyn-Davids				
	N Bebula				
Thirteen (13)	COUNCILLOR MA NOMKOKO	Yes	5	0	2
	T Frans				
	T Mxolisi				
	H Waterboer				
	N Nkconko				
	C Koopman				
	J Mintoer				
	B Van Schalkwyk				
	A Hoffman				
	A Inyinbor				
	T Tshungwana				
Fourteen (14)	COUNCILLOR S FREDERICKS	Yes	5	0	2
	R Kamineth				
	R Magerman				
	J Fischer				
	C Van Wyk				
	M Gelderhuys				
	L Petersen				
	A De Vos				
	I Wyngaard				
	R Swartz				
	A Van Zyl				
	G Witbooi				

2.4.3 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	Dates and manner of feedback given to community
Ward Councillor Report Back Meeting: 1st Quarter (July 2022)					
Ward 1	20 and 21 July 2022	1	3	53	Public Meeting
Ward 2: Bereaville and Voorstekraal)	02-Aug-22	1	3	23	Public Meeting
Ward 3	19; 21; 26 July 2022	1	3	73	Public Meeting
Ward 4	26 July and 3 August 2022	1	5	69	Public Meeting
Ward 5	18 and 26 July 2022	1	3	48	Public Meeting
Ward 6	19 July and 1 August 2022	3	3	14	Public Meeting
Ward 7	27-Jul-22	1	5	81	Public Meeting
Ward 8	20-Jul-22				Meeting was scheduled but could not take place
Ward 9	25 and 27 July 2022	2	3	39	Public Meeting
Ward 10	25-Jul-22	1	2	34	Public Meeting
Ward 11	28-Jul-22	1	2	22	Public Meeting
Ward 12	01-Aug-22	1	4	13	Public Meeting
Ward 13	02-Aug-22	1	1	43	Public Meeting
Ward 14	03-Aug-22	1	6	17	Public Meeting
Draft IDP Public Participation Meeting: November 2022					
Ward 1	07-Nov-22	3	12	70	Public Meeting
Ward 2	08-Nov-22	4	17	134	Public Meeting
Ward 3	09-Nov-22	5	22	75	Public Meeting
Ward 4	10-Nov-22	6	21	33	Public Meeting
Ward 5	14-Nov-22	5	16	34	Public Meeting
Ward 6	15-Nov-22	6	19	36	Public Meeting

Ward 7	16-Nov-22	3	4	156	Public Meeting
Ward 8	17-Nov-22	1		51	Public Meeting
Ward 9	21-Nov-22	1	14	9	
Ward 10	22-Nov-22	2	10	23	Public Meeting
Ward 11	23-Nov-22	2	10	29	Public Meeting
Ward 12	24-Nov-22	1	25	7	Public Meeting
Ward 13	28-Nov-22	2	17	26	Public Meeting
Ward 14	29-Nov	3	17	48	Public Meeting
Ward Councillor Report Back Meeting: 3rd Quarter (January 2023)					
Ward 1	23 and 24 January 2023	1	3	100	Public Meeting
Ward 2	23 and 26 January 2023	1	5	30	Public Meeting
Ward 3	25 and 31 January 2023	2	4	66	Public Meeting
Ward 4	02-Feb-23	1	3	20	Public Meeting
Ward 5	06-Feb-23	3	5	29	Public Meeting
Ward 6	1 and 7 February 2023	2	7	25	Public Meeting
Ward 7	06-Feb-23				Public Meeting
Ward 8	24-Jan-23	2	3	17	Public Meeting
Ward 9	30 and 31 January 2023	2	3	4	Public Meeting - meetings could not proceed due to minimum attendance
Ward 10	No Meetings	-	-	-	-
Ward 11	06-Mar-23	2	11	4	Public Meeting
Ward 12	07-Mar-23	2	8	21	Public Meeting
Ward 13	08-Mar-23	2	9	45	Public Meeting
Ward 14	09-Mar-23	1	8	6	Public Meeting
Budget Stakeholder Summit: 1 March 2023					
Ward 1	01-Mar-23	6	11	17	Public Meeting

Draft Budget Public Participation 12 - 20 April 2023					
Ward 1	13-Apr-23	1	11	175	Public Meeting
Ward 2	12-Apr-23	1	11	16	Public Meeting
Ward 3 and 4	17-Apr-23	1	9	15	Public Meeting
Wards 5, 6 and 9	17-Apr-23	4	5	20	Public Meeting
Ward 7	19-Apr-23	1	9	23	Public Meeting
Wards 8, 10 - 14	20-Apr-23	5	3	26	Public Meeting
Ward Councillor Report Back Meeting: 4th Quarter (June 2023)					
Ward 1	12-Jun-23	1	2	49	Public Meeting
Ward 2	13-Jun-23	1	2	14	Public Meeting
Ward 3	20-Jun-23	1	2	35	Public Meeting
Ward 4	19-Jun-23	3	3	37	Public Meeting
Ward 5	12-Jun-23	2	4	33	Public Meeting
Ward 6	20-Jun-23	1	3	19	Public Meeting
Ward 7	22-Jun-23	2	6	28	Public Meeting
Ward 8	13-Jun-23	1	12	14	Public Meeting
Ward 9	21-Jun-23	2	5	10	Public Meeting
Ward 10	No Meeting	-	-	-	Meeting was cancelled due to loadshedding and bad weather conditions
Ward 11	No Meeting	-	-	-	Meeting was cancelled due to loadshedding and bad weather conditions
Ward 12	No Meeting	-	-	-	Meeting was cancelled due to loadshedding and bad weather conditions
Ward 13	No Meeting	-	-	-	Meeting was cancelled due to loadshedding and bad weather conditions
Ward 14	No Meeting	-	-	-	Meeting was cancelled due to loadshedding and bad weather conditions

2.4.4 COMMENT ON THE EFFECTIVENESS ON THE PUBLIC MEETINGS

Our Quarterly Ward Councillor Report Back meetings as well as the Draft Budget Public meetings were very well attended by the Public. We experienced public participation fatigue as meetings were arranged for a 3-week period in both cases. These meetings were effective as the community was given the opportunity to raise their issues and grievances with the Municipality. Loadshedding and bad weather conditions caused some of our meetings, especially the Ward Councillor Report Back meetings, to be cancelled.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
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
* Section 26 Municipal Systems Act 2000	T 2.5

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.6 RISK MANAGEMENT

Section 62(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) stipulates that the "Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control" This legislative prescript coupled with the obligation to ensure that the resources of the municipality are used effectively, efficiently and economically underlie the implementation of risk management at Theewaterskloof Municipality.

Fraud and Risk management is managed as a shared service of the Overberg District Municipality (ODM) since 1 August 2015, when a Chief Risk Officer (CRO) was appointed. The shared service business model between the municipalities within the district is premised on the delivery of a uniform service under a shared cost model. This model brought about substantial cost-savings as it meant that in-house skills and resources were available with a corresponding reduction on the need for external service providers for the establishment and maintenance of fraud and risk management structures and processes. At local level, the Theewaterskloof Municipality has a local risk champion. The delivery module for risk management is currently under review.

The initiatives and actions performed by the Fraud and Risk Management Unit during 2022/23 include:

- Comprehensive annual departmental risk assessments, involving the heads of department and line managers, which contributed to the compilation of the most detailed risk register to date;
- Continuous emphasis on fraud and corruption risks and the related risk action plans;
- Reviewed the Fraud Prevention and Anti-Corruption Strategy, Policy and Plan and approved by Council. These documents replaced the outdated Anti-Corruption and Fraud Prevention Plan;
- Engaging and involving all levels of management with the fraud and risk management activities;
- Monthly updates on risk action plans by managers and monitoring by the Fraud and Risk Management Unit.

- Quarterly compilation of the Combined Assurance Model based on the Combined Assurance Policy Framework adopted by Council;
- Comprehensive review of the Fraud and Risk Management Strategy and Fraud and Risk Management Policy to incorporate the new COSO framework Enterprise Risk Management Integrating with Strategy and Performance and document the established fraud and risk management processes of Theewaterskloof Municipality.
- Annual review of the Combined Assurance Policy Framework;
- Performed a Fraud and Risk Management Maturity Assessment to determine the Municipality's maturity level;
- Improved co-operation between the RMU and Internal Audit, reducing duplication, increasing the sharing of risk information and improving assurance coverage, while respecting Internal Auditor's independence;
- Fraud and Risk Management Committee performance evaluation through individual assessments by the members in the form of a questionnaire;
- Adding value of "best practice" developments to the Fraud and Risk Management Committee. Review of the risk register, incident and emerging risks and corrupt, fraudulent and unethical incidents are now standard agenda items for Fraud and Risk Management Committee meetings.
- Fraud and Risk management is now a standing agenda item for Audit and Performance Audit Committee meetings, where the Chief Risk Officer provide feedback.
- KING IV informative presentation to the Fraud and Risk Management Committee and Council.
- Developed a Fraud Risk Library with examples of fraud and corruption and one with examples of unethical behaviour.
- Organised an Anti-fraud and corruption workshop.

2.6.1 RISK MANAGEMENT COMMITTEE

A Fraud and Risk Management Committee (FARMCO) was established by the Municipal Manager on 21 September 2015. The FARMCO is a high-level advisory body that assists the Accounting Officer to fulfil his/her responsibilities for Fraud and Risk Management as set out in the MFMA, the Public Sector Risk Management Framework and corporate governance principles. The FARMCO operates within the parameters of a FARMCO Charter.

The FARMCO also oversees the effective implementation of the risk management processes, effective management of identified risks and provides timely and useful enterprise risk management reports to the Municipal Manager and the Audit Committee of the Municipality.

The table below indicates the membership and meeting dates.

TABLE: RISK MANAGEMENT COMMITTEE (RMC)

CAPACITY	MEETINGS
Chairperson: Municipal Manager	01 December 2022 11 April 2023 10 May 2023 13 June 2023
Administrator: HEAD: OHS & Risk Management	
Director: Finance / CFO	
Director: Community Services	
Director: Technical and Infrastructure Implementation Services	
Acting Director: Corporate Services	
Director: Economic Development and Planning	Specialised Contribution
Manager: Human Resources	
Manager: Information Technology	Specialised Contribution
Member of Performance and Audit Committee/	Observer / Specialised Contribution
3 Councillors as nominated by Council attend and act as observers at each Risk Management Committee	
The Chief Risk Officer of the Overberg District Municipality shared risk management service and Chief Audit Executive of Theewaterskloof Municipality are standing invitees in an advisory and observation capacity.	

2.6.2 RISK ASSESSMENTS

The risk assessment process for 2022/23 commenced in February / March 2022. The risks identified were classified into high, medium, and low risks to determine the inherent risk (impact risk before taking controls into consideration) as well as residual risks (after taking existing control measures into consideration).

The risk assessment results were submitted to the FARMCO on 11 April 2023 and 10 May 2023. The operational risks were recommended for approval by the Municipal Manager who subsequently signed them off and the strategic risks were recommended for approval by Council.

2.6.3 STRATEGIC RISKS FOR THE MUNICIPALITY

Risk Description	Current Controls	Residual Risk	Risk Actions
Lack of funding to manage the increase in demand for Basic Services within existing Informal Settlement	- o Municipal Capital and Operational Budget. - o Public Participation - o Operations Department's maintenance teams	High	Draft an Informal Settlements Operational Plan and Submit to Council
Ageing and deterioration of fleet and small plant.	- o Vehicle monitoring system in place to prevent abuse/misuse of vehicles. - o Repairs and Maintenance Budget – - o Annual limited Capital Acquisitions Appoint Service Provider on a three-month contract for maintenance of fleet.	High	1. Upgrade of Fleet (Detailed budget linked to procurement of specific vehicles in 2020 - 2021) 2. Report on Procurement Plan (Acquisition of Vehicles) 3. Appoint Service Providers for maintenance and Repairs of fleet 4. Implement a Feasibility Study Plan on Fleet Replacement, Upgrade and Management
Limited Economic Growth	o Outdated LED strategy Limited LED initiatives within budget constraints.	High	Update LED Strategy, motivate for additional funding at the adjustment budget to cover the possible shortfall based on testing the market.
Mass Land invasion	- o Squatter control policy Containment Plan. - o Contractor appointed to demolish illegal structures. - o An Informal Management Department has been established to address and manage the Informal Settlement. - o Utilization of an eviction contractor.	High	Implementation of SOP for Land Invasions and Illegal Structures and report on prevention and correction measures taken.
SCM is under resourced and under capacitated.	o Intern/ student assisting in the office.	Medium	Filling of vacant positions and acquiring budget for positions not budgeted for.
Inadequate Capital Funding to eradicate Infrastructure Backlog Timeously	o Maintaining Status Quo (Make do with available resources)	High	1. Construct A New Waste Transfer Station in Caledon (Phase 3). 2. Construct Riviersonderend Waste Transfer Station and Material Recovery Facility Off Station (Phase 2). 3. Replace And Upgrade MV And LV Networks and

			Miniature Substation-Villiersdorp. 4. Replace and Upgrade MV And LV Networks –RSE.
Bulk water provision / Water Sustainability	- Technical Drought Plan - General communication - Printed media and radio - Notifications (Possible Water restrictions) - Alternative provision through boreholes - Explore Water Source Alternatives on continuous basis	High	1. Install New Infrastructure to Service Destiny Farm Low-Cost Housing Development, Villiersdorp. 2. Upgrade the Wastewater Treatment Works at Caledon Phase 1 (Inlet Works). 3. Implement Bulk contribution policy.
Protest action / Civil unrest	- Local Economic Development and Social Development Departments in place to implement programmes to improve the socio-economic conditions in Theewaterskloof. - Law Enforcement Units to respond to protest actions and civil unrest in order to support SAPS. - Collaboration with the POPs through SAPS to plan for and deal with protests and riots. - Collaboration between councillors and municipal officials to engage with communities to find solutions to problems giving rise to protest actions.	High	Report on co-ordination and facilitation of the activities of law enforcement agencies and disaster management and other relevant role-players with the objective to include information, communication, early warning, rapid reaction in case of unrest, (Civil intolerance) and other policing incidents, threats and challenges and the facilitation of a district wide Joint Operation Centre as required over multiple municipal areas.
Slow Recovery of Potential Revenue	- Data Cleansing Project. - Credit control and Debt Collection unit	High	1. Implementation of Revenue Enhancement Framework. 2. Report on Debt Collection Ratio and Credit Control Initiatives.
Non-Compliance with Permit Conditions	- Existing Infrastructure - Limited Supervision	High	1. Manage the SLA's pertaining to Waste, Water and Sewerage 2. Report on Operations as so far as budgeting & supervision and maintenance / replacements / upgrades. 3. Explore better allocation of budget and resources to meet compliance requirements (Staff capacity and OPEX).
Unlawful Land Invasion	- Squatter control policy - Land Invasion Unit	High	Implementation of SOP for Land Invasions and Illegal Structures.
Migration to Theewaterskloof Municipality	Land invasion plan in place.	High	Implement and monitoring of the Land Invasion Plan

2.6.4 RISK POLICIES AND STRATEGIES

The Municipality has a Fraud and Risk Management Policy, Fraud and Risk Management Strategy and Fraud and Risk Management Charter in place.

TABLE: RISK POLICIES AND STRATEGIES

NAME OF DOCUMENT	DEVELOPED YES/NO	COUNCIL APPROVAL
RMC Charter	Yes	Not yet approved
Risk Management Policy	Yes	Not yet approved
Risk Management Strategy	Yes	Not yet approved
Risk Management Implementation Plan	Yes	Not yet approved

2.7 ANTI-CORRUPTION AND FRAUD

Section 6(2) (c) of the Municipal Systems Act (MSA) states that the municipality must take measures to prevent corruption, section 83(1) (c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m) (i) obligates the municipality to institute supply chain measures to combat fraud and corruption, favouritism and unfair and irregular practices. The Prevention and Combating of Corrupt Activities Act defines corruption and specific corrupt activities and imposes a reporting obligation on the Accounting Officer.

The Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings regulates the reporting, investigation and disciplinary proceedings regarding allegations of financial misconduct, including fraud and corruption.

Table: FRAUD PREVENTION AND ANTI-CORRUPTION DOCUMENTS

NAME OF DOCUMENT	DEVELOPED YES/NO	COUNCIL APPROVAL
Fraud Prevention and Anti-Corruption Strategy	Yes	Not yet approved
Fraud Prevention and Anti-Corruption Policy	Yes	Not yet approved
Fraud Prevention and Anti-Corruption Plan	Yes	Not yet approved

The following table provides an overview of the Municipality's implementation strategies:

TABLE 56 IMPLEMENTATION STRATEGIES

KEY RISK AREAS	KEY MEASURES TO CURB CORRUPTION AND FRAUD
Policy	A Fraud Prevention and Anti-Corruption Policy is a key defence mechanism because it emphasises that the Municipality has a formal framework in place to deal with fraud and corruption. It answers key questions such as: • What is fraud and corruption? • How do we deal with it when it arises? • What are the roles and responsibilities? • What are the sanctions?
Institutional arrangements	The creation of specific structures (e.g., a fraud and risk committee) and the definition of roles and responsibilities facilitates coordination and management of programme implementation. At municipal level these would include structures such as internal audit and the external audit committees.

Systems and control	With well-structured and documented systems and controls in place gaps and loopholes are nullified that are often used to perpetrate fraud and corruption. These systems and controls also enable monitoring and management mechanisms that will facilitate detection where there are attempts to override or circumvent such systems and controls. Importantly, systems and controls will ensure compliance with policies and regulations. Supply chain management is a good example of where systems and controls are crucial in preventing fraud and corruption
Fraud and corruption risk management	All organisations have systems and controls in place with varying levels of structure and detail. Despite this, organisations are still vulnerable to fraud and corruption because systems and controls are not properly implemented, or their inherent gaps and weaknesses can be exploited. Conducting fraud and corruption risk assessments enables organisations to test the integrity and completeness of their systems and controls with a view to implementing measures that strengthen areas of weakness and closing gaps. This approach proactively allows the organisation to prevent fraud and corruption
Training, awareness and communication	Making managers, staff, suppliers and customers aware of the risks of fraud corruption, how to deal with it, what the consequences are and why it is important to prevent and fight it are key weapons in building up an organisational culture that opposes fraud and corruption. Training will make managers and staff aware of what to watch out for so that they do not willingly or unwillingly participate in acts of fraud and corruption. Communicating successes in dealing with fraud and corruption serves as deterrent to others and builds the corporate image of an institution.

2.8 AUDIT COMMITTEE

Section 166 of the MFMA, requires every Municipality to establish and maintain an Audit Committee, as an independent appraisal function. Section 166:

(1) Each municipality and each municipal entity must have an audit committee, subject to subsection (6).

(2) An audit committee is an independent advisory body which must—

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters relating to:

- i. Internal financial control and internal audits
- ii. Risk management
- iii. Accounting policies
- iv. The adequacy, reliability and accuracy of financial reporting and information
- v. Performance management
- vi. Effective governance
- vii. Compliance with this Act, the annual Division of Revenue Act and any other applicable legislation
- viii. Performance evaluation
- ix. Any other issues referred to it by the municipality or municipal entity

Experience has shown that a properly constituted Audit Committee can make an effective and valuable contribution to the process by which an organization is directed and controlled.

The overall objectives of the Performance and Audit Committee (PAC) are to ensure that management has created and maintained an effective control environment in the organisation and that management demonstrates and stimulates the necessary respect for the Theewaterskloof Municipality's systems, policies and procedures and for the internal control structure.

The Theewaterskloof Audit Committee is well established and functioning as required.

Municipal Audit Committee Recommendations

<i>Date of Committee</i>	<i>Committee recommendations during 2022/2023</i>	<i>Recommendations adopted (enter Yes) If not adopted (provide explanation)</i>
30-Aug-22	It is recommended that the Performance and Audit Committee reviews the annual performance report for the 2021/2022 financial year.	Yes
30-Aug-22	It is recommended that the Performance and Audit Committee reviews the financial statements for the 2021/2022 financial year.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee takes note of the 2021/2022 SDBIP report for the Internal Audit Department as on 30 June 2022.	Yes
09-Sep-22	Financial report for the month ending 31 July 2022. It is recommended that the Performance and Audit Committee notes the attached financial report.	Yes
09-Sep-22	It is recommended that the report received from the ICT Manager, be noted.	Yes
09-Sep-22	Auditor General Report Follow-up. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee takes note of the 2022/2023 budget of the Internal Audit Department.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee takes cognisance of the 2021/2022 Annual Audit Opinion.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee considers the audit work completed for the fourth quarter of the 2021/2022 year and approves the planned activities for the second quarter of the 2022/2023 year (1 October 2022 – 31 December 2022)	Yes
09-Sep-22	ICT Security Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	Recovery of Revenue Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	Solid Waste 4 th Quarter 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes

09-Sep-22	2021/2022 Year-End stock count report. It is recommended that the Performance and Audit Committee takes cognisance of the attached report.	Yes
09-Sep-22	Supply Chain Management Third Quarter 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	Internal Audit Follow-up Reports. It is recommended that the Performance and Audit Committee notes the report.	Yes
25-Nov-22	Auditor General Report 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	It is recommended that the Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
02-Dec-22	It is therefore recommended that the Performance and Audit Committee takes note of the report and the efforts being done to address water losses and the way forward to manage water losses.	Yes
02-Dec-22	First Quarter Top Layer SDBIP Report. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	It is recommended that the Performance and Audit Committee takes note of the 2022/2023 SDBIP report for the Internal Audit Department as on 31 October 2022.	Yes
02-Dec-22	Financial report for the month ending 31 October 2022. It is recommended that the Performance and Audit Committee notes the attached financial report.	Yes
02-Dec-22	It is recommended that the November 2022 report on the status of ICT in Theewaterskloof Municipality be noted.	Yes
02-Dec-22	It is recommended that the Performance and Audit Committee considers the audit work completed for the first quarter of the 2022/2023 year and approves the planned activities for the third quarter of the 2022/2023 year (1 January 2023 – 31 March 2023)	Yes
02-Dec-22	Performance Management Fourth Quarter 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	Performance Management First Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	Compliance to Acts 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	Risk Management Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	Internal Audit Follow-up Reports. It is recommended that the Performance and Audit Committee notes the report.	Yes
20-Jan-23	It is recommended that the Performance- and Audit Committee takes note of the 2021/22 Draft Annual Report.	Yes

10-Mar-23	It is recommended that the Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
10-Mar-23	Report on Grabouw Rooidakke 1173 (TL10) – Performance- and Audit Committee. It is recommended that the Performance and Audit Committee takes note of the report as per its resolution dated 2 December 2022.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee takes note of the 2022/2023 SDBIP report for the Internal Audit Department as on 31 January 2023.	Yes
10-Mar-23	Second Quarter Top Layer SDBIP Report. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee takes cognisance of the content of the Minutes of the Fraud and Risk Management Committee Meeting of 01 December 2022.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee takes cognisance of the Risk Management Implementation Plan for the 2022/2023 Financial Year.	Yes
10-Mar-23	Financial report for the month ending 31 January 2023. It is recommended that the Performance and Audit Committee notes the attached financial report.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee considers and make recommendations on the 2023/2024 Draft Budget of the Internal Audit Department.	Yes
10-Mar-23	It is recommended that the report on the status of ICT in Theewaterskloof Municipality for the 2 nd Quarter of 2022/23 be noted.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee considers the audit work completed for the second quarter of the 2022/2023 year and approves the planned activities for the fourth quarter of the 2022/2023 year (1 April 2023 – 30 June 2023)	Yes
10-Mar-23	Performance Management Second Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	Supply Chain Management Fourth Quarter 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	Supply Chain Management First Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	Solid Waste 2 nd Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	Internal Audit Follow-up Reports. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes

09-Jun-23	Third Quarter Top Layer SDBIP Report. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee takes note of the 2022/2023 SDBIP report for the Internal Audit Department as on 30 April 2023.	Yes
09-Jun-23	Financial report for the month ending 30 April 2023. It is recommended that the Performance and Audit Committee notes the attached financial report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee satisfy themselves of the competence of the individuals involved in the Finance function.	Yes
09-Jun-23	ICT Quarterly Report: January to March 2023. It is recommended that the report be noted.	Yes
09-Jun-23	Auditor General Report Follow-up. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee considers the audit work completed for the third quarter of the 2022/2023 year and approves the planned activities for the first quarter of the 2023/2024 year (1 July 2023 – 30 September 2023)	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee takes cognisance of the draft revised Performance- and Audit Committee Charter.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee approves the Internal Audit Charter.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee approves the Internal Audit Methodology.	Yes
09-Jun-23	Performance and Audit Committee Evaluation. It is recommended that cognisance is taken of the report by the Performance and Audit Committee.	Yes
09-Jun-23	Internal Audit Evaluation. It is recommended that cognisance is taken of the report by the Performance and Audit Committee.	Yes
09-Jun-23	Compliance to Acts Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Supply Chain Management Second Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Performance Management Third Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Maintenance on Proclaimed Roads Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Division of Revenue Act Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes

09-Jun-23	Wastewater and Water Use Licence Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Internal Audit Follow-up Reports. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee accepts and supports the Strategic Internal Audit Plan for 1 July 2023 – 30 June 2026.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee accepts and supports the Annual Internal Audit Plan for 2023/2024.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee takes cognisance of the attached meeting schedule.	Yes

2.8.1 PERFORMANCE AND AUDIT COMMITTEE REPORT



THEEWATERSKLOOF MUNICIPALITY



2022/2023 ANNUAL REPORT OF THE PERFORMANCE AUDIT AND AUDIT COMMITTEE

Speaker, Executive Mayor, Members of Council, The Municipal Manager, Directors, Ladies and Gentleman, it is my duty to deliver the annual report of the Performance Audit and Audit Committee (PAC) to Council for the financial year ending 30 June 2023.

Performance Audit and Audit Committee

As a statutory, independent committee its duties and responsibilities are clearly articulated in the Municipal Finance Management Act, Act 56 of 2003 and the PAC Charter as approved by Council.

The current PAC was appointed by Council on 10 March 2022 and 26 April 2022.

The PAC Charter was revised and approved by Council on 29 June 2023.

The PAC had an induction session on 14 July 2022 where the Internal Audit Charter, Audit Committee Charter and the King IV report was discussed.

The PAC consisted of four (4) independent members who are all appropriately qualified, who are financially literate and who are acquainted with the Risk Management and Performance Management disciplines.

The PAC conducted self-assessments and Management conducted assessments of the PAC during April 2023 in order to measure its performance. The results of the assessments were reviewed and discussed at the PAC Meeting of 9 June 2023. The outcome of the review was satisfactory.

The PAC held 7 (seven) meetings during the financial year under review.

Two of the PAC Members (EP Lakey & R Gani) attended training presented by Provincial Treasury regarding Audit Committee responsibilities.

On 5 May 2023, the Performance- and Audit Committee went on a “road-trip” to visit the following sites:

- Grabouw - Rooidakke, Siyanyanzela & Kgotsong
- Bortivier - New France

- Caledon - Riemvasmaak and Animal Pound
- Lebanon, in the Houw Hoek region

The PAC is appreciative of IA setting up a road trip. The road trip put into reality and gave context to what is being reported, communicate and discussed at the Fraud and Risk Management Committee as well as the Performance- and Audit Committee

The road trip has enlightened the PAC on the risks the Municipality faces, the reasons for slow delivery, and the hampered delivery as well as ongoing challenges being faced at TWK Municipality regions.

The PAC would like to compliment the Municipality on the establishment of the New France informal settlement in Botrivier.

The PAC raised its concern regarding the state of roads, environmental impact of the waste pollution and storm water reticulation in Rooidakke, Grabouw. The PAC was also concerned about the waste pollution next to the roads and on open spaces in Riemvasmaak in Caledon.

The environmental effects of having a poor or ineffective collection and waste management disposal system will eventually cause air pollution, water and soil contamination. Bacteria can also cause the spreading of diseases through direct or indirect contact of pollutants by humans.

Dates of Performance Audit and Audit Committee meetings:

- 30 August 2022
- 9 September 2022
- 25 November 2022
- 2 December 2022
- 20 January 2023
- 10 March 2023
- 9 June 2023

Composition of Performance Audit and Audit Committee and Attendance of Meetings:

Name of Member	Number of Meetings Attended
EP Lakey (Chairperson)	6
R Gani	7
V Jobe	7
B Vink	7

Internal Audit

In terms of the IIA (Institute of Internal Auditors) standards, the Internal Audit unit must undergo an internal quality assessment. In April 2023 the PAC and the Management team evaluated the Internal Audit unit. The results of the evaluations were discussed at the PAC meeting of 9 June 2023.

In general, the PAC is satisfied that the Internal Audit resources are adequate and the department is effective.

In line with the MFMA, Internal Audit provides the PAC and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by a risk based Internal Audit plan, internal audit assessing the adequacy of controls, mitigating the risks and the PAC monitoring implementation of corrective actions.

The Internal Audit Charter and Internal Audit Methodology were revised and approved by the PAC on 9 June 2023.

The Internal Audit Department tabled 24 audit reports to the PAC during the period under review: (1 July 2022 - 30 June 2023)

- 122 findings were made;

- 36 of these findings were regarded as significant (serious). Management gives quarterly feedback on the status of these findings to the Performance- and Audit Committee; and
- The remaining 86 findings were regarded as housekeeping (minor transgressions which could easily be rectified) and remains the responsibility of administration to address and the PAC to oversee.

All the audits on the approved 2022/2023 annual internal audit plan were completed. The following internal audit reports were tabled to the PAC during the period under review:

- Follow-up Audit on Auditor General Action Plan;
- Supply Chain Management Audit 1 January 2022 – 30 March 2022;
- Recovery of Revenue Audit;
- ICT Security Audit;
- 2021/2022 Year End Stock Counts;
- Solid Waste 4th Quarter Audit 2021/2022;
- Follow-up on outstanding Internal Audit Findings Quarter 4 of 2021/2022;
- Performance Management 1 April 2022 – 30 June 2022;
- Performance Management 1 July 2022 – 30 September 2022;
- Risk Management Audit 1 July 2021 – 30 September 2022;
- Follow-up on outstanding Internal Audit Findings Quarter 1 of 2022/2023;
- Supply Chain Management 1 April 2022 – 30 June 2022;
- Supply Chain Management 1 July 2022 – 30 September 2022;
- Performance Management 1 October 2022 – 31 December 2022;
- Compliance to Acts Audit 2021/2022;
- Follow-up on outstanding Internal Audit Findings Quarter 2 of 2022/2023;
- Maintenance on Proclaimed Roads Audit;
- Compliance to Acts Audit;
- Division of Revenue Act Audit;
- Supply Chain Management 1 October 2022 – 31 December 2022;
- Performance Management 1 January 2023 – 31 March 2023;
- Solid Waste Audit October 2022 – December 2022;
- Waste Water and Water Use Licence Audit; and
- Follow-up on outstanding Internal Audit Findings Quarter 2 of 2022/2023.

The Effectiveness of Internal Control

Internal control is the system of controls and directives that are designed to provide cost effective assurance that assets are safeguarded, that liabilities and working capital are efficiently managed and that the municipality fulfils its mandate, in compliance with all relevant statutory and governance duties and requirements.

The PAC reviewed all the Internal Audit reports.

Key control deficiencies were noted by Internal Audit in the following areas:

- Solid Waste;
- ICT Security;
- Supply Chain Management;
- Risk Management; and
- Waste Water and Water Use Licences.

As stated above Management agreed with all of these findings and timelines have been set to address these findings. Management gives quarterly feedback on the status of these findings to the Performance- and Audit Committee.

Other than the matters highlighted above, no material deficiencies in the system of internal control were noted.

Risk Management

There were no Risk Management reports presented to the PAC for the period 1 July 2022 – 31 December 2022 & 1 April 2023 – 30 June 2023. The minutes of the Fraud and Risk Management Committee as well as the Risk Management Implementation Plan was presented to the PAC on 10 March 2023.

One member of the PAC attends FARMCO meetings. The following FARMCO Meetings were attended by a member of the PAC:

5 August 2022
1 December 2022
11 April 2023
10 May 2023

Based on the reports reviewed, the PAC makes recommendations on risk areas identified to be included in the risk registers.

The PAC requested that it be ensured that the ICT Risk Registers are updated and included in the Municipality's Official Risk Registers.

Performance Management

The PAC have reviewed the quarterly SDBIP Performance Reports submitted to it by the Internal Audit Department.

The PAC is concerned that the non-financial KPI's are not updated timeously and requested that Management ensures that non-financial KPI's are updated timeously within 10 days after the end of each quarter. The PAC noted that there are a number of Service Delivery KPI's not met and raised it's concern regarding this as well as the under spending of Capital Funding.

One of the members of the PAC (B Vink) attended the Section 57 Performance Reviews that were conducted on 7 February 2023. The PAC is satisfied with the process followed during the performance reviews.

The PAC reviewed the Draft 2021/2022 Annual Report on 20 January 2023 and made several recommendations for Management to consider before finalising the Annual Report.

Compliance with Legislation

The PAC is well informed and satisfied with reports regarding the Status of Compliance with Legislation in TWK. A compliance report was presented to the PAC bi-annually containing the following legislation:

- Supply Chain Management Regulations;
- Municipal Finance Management Act;
- Planning and Performance Management Regulations;
- Investment Regulations;
- Budget and Reporting Regulations;
- Property Rates Act;
- Municipal Structures Act;
- Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers;
- Municipal Systems Act; and
- Disaster Management Act.

Evaluation of Financial Statements

The PAC is satisfied that the financial information presented to them was adequate and reliable.

The PAC has:

- reviewed and discussed the budget statements (section 71 reports) on a quarterly basis;
- reviewed, discussed and provided input on the unaudited draft Annual Financial Statements on 28 August 2023 prior to submission to the Auditor-General. The draft AFS were methodically scrutinised with the CFO;
- reviewed the process followed in the preparation of the Annual Financial Statements;
- reviewed the processes for compliance with legal and regulatory provisions; and
- reviewed the skills and adequacy of staff in the Finance Department

The PAC raised its concern regarding the high number of deviations, high amounts written off and high expenditure on contracted services.

Auditor-General

The PAC discussed the following with the Auditor-General:

- Auditor General Audit Strategy for the 2021/2022;
- The report of the Auditor-General for the 2021/2022 audit; and
- High audit costs / saving options.

The PAC provided oversight over the quarterly reports regarding the status of the Audit Action Plan (Containing actions to be taken to resolve findings made by the Auditor-General in the 2021/2022 Management Report).

Information and Communication Technology

The ICT Manager reports to the PAC on the status of Information and Communications Technology on a quarterly basis.

Although ICT will remain a high risk area, the PAC is satisfied with the overall status of ICT.

The PAC raised its concern regarding the vacancies in the ICT Department.

Water Losses

Quarterly feedback is provided to the PAC regarding the status of water losses and mitigation measures taken and planned.

Although the PAC is concerned regarding the high percentage of water losses, it would like to congratulate Management on the mitigation work done with regards to Water Losses.

The PAC advised that the procurement of water management devices have serious inherent risks, and the municipality should proceed cautiously down this path.

Municipal Public Accounts Committee

All internal audit reports are presented to the Municipal Public Accounts Committee (MPAC) after it was presented to the PAC. The Chairperson of the PAC attend all MPAC meetings where internal audit reports are discussed.

Events after reporting period (1 July 2022 – 30 June 2023)

One of the PAC members (Mr. B Vink) resigned from the PAC on 24 July 2023. The vacant position was advertised, and applications closed on 25 August 2023.

The Draft 2022/2023 Annual Financial Statements were presented to the PAC on 28 August 2023.

The PAC mourns the passing of our mayor, Mr. Karel Papier, on 27 August 2023. We extend our sincere condolences to the municipality, and his family.

Appreciation

The PAC wishes to express its appreciation to the Management of the Municipality and the Internal Audit Department for the co-operation and information they have provided to enable us to compile this report.

Mr EP Lakey
Chairperson of the Performance Audit and Audit Committee
October 2023

2.9 SUPPLY CHAIN MANAGEMENT

The municipality's SCM policy states that "All user departments are required to submit their procurement plans by end of March, for the following financial year to the Manager Supply Chain Management to improve planning and management of resources".

SCM implemented a system in conjunction with Provincial Treasury and the Western Cape Supplier Database to ensure that prospective supplier ID numbers are run through the system to avoid non-compliance.

In order to supply goods or provide services to the municipality, the business needs to be registered on the Supplier Database and also on the CSD. The business is then able to quote and bid for services and goods as advertised by the municipality.

What is a Quotation?

A quotation is an informal offer to perform work, render a service or supply goods at a price. Request for Quotation (RFQ) is a form of procurement where processes and procedures have been relaxed in accordance with pre-determined transactional ceiling costs.

A quotation is also often known as a quote. It is a document that a supplier will submit to a potential client that lists the proposed prices for the supplier's goods or services. The quotation is normally created based on certain conditions stipulated by the client.

Generally, if the supplier had fixed rates, there would be no need for a quotation. Therefore, a quotation is often required for services but is also commonly used by businesses that sell goods.

By sending the quotation to the potential client, the supplier is committing to the proposed price. The quotation, then, is quite different from an estimate, as an estimate is not binding for the supplier. Because the quotation is binding, it should take into consideration all the costs associated with the job and be calculated with a markup in order for the business to make a profit.

Quotations usually include quite a bit of details. In the quotation, the supplier will include a breakdown of the factors that have led to the specific price, such as taxes/VAT, material costs, labour, etc. Also included is the time frame for when a service will be completed or for when the goods will be delivered.

Quotations may often also include the time period for when it is valid (after the period is expired, a new quotation will be required), as well as a clarification of changes in price due to adjustments or modifications to the original invoice.

What is a Bid?

A bid, previously called a tender, is a formal offer to perform, render a service or supply goods at a price. The bidding process is a detailed, document driven process, which requires the potential supplier to complete and submit a document within a predetermined timeframe.

A tender is an invitation to bid for a project or accept a formal offer such as a takeover bid. Tendering usually refers to the process whereby governments and financial institutions invite bids for large projects that must be submitted within a finite deadline.

 **Important:** In the private sector, requests for tenders are referred to as requests for proposals (RFP)—which allows potential bidders to respond to the defined needs of the issuer.

Get registered

In order to register on the Prospective Database of the Municipal, you will need the following:

- A prospective Supplier Registration form received from:
 - Municipal Website
 - SCM Office
- A valid Tax Compliance Status Pin Certificate obtainable from the Receiver of Revenue (SARS).
- A credible bank account. (Bank Verification)
- Registered with the appropriate Industry Regulatory body for your specific industry (e.g. attorney with the law society), where applicable.
- BEE Certificate, where applicable

CSD (Central Supplier Database):

The Central Supplier Database (CSD) is a single database to serve as the source of all supplier information for all spheres of government. The purpose of centralising government's supplier database is reducing duplication of effort and cost for both supplier and government while enabling electronic procurement processes.

In order to register on the CSD, you will need the following:

- Supplier information i.e. supplier type, identification number, Supplier name, trading name and country of origin etc.;
- Bank Account information;
- Supplier Tax Information;
- Ownership Information, i.e. name and identification number of directors, members etc.;
- Association to any other suppliers i.e. branch, consortium member etc.; and
- Commodities the Supplier can Supply.

From 1 September 2015 prospective suppliers will be able to self-register on the CSD website www.csd.gov.za



Access bids or quotations via:

- Our website
- Notice boards
- Newspapers

Tips for Completing/Submitting Your Offer

1. Obtain the actual tender document as quickly as possible

Once you have identified a tender that you would like to try and win, obtain the tender documents (these are usually downloadable from the relevant website) as quickly as possible and ascertain if/and when there is a compulsory briefing meeting. Some tenders have a compulsory briefing meeting, if you miss this meeting, you can be disqualified from competing for the tender.

2. Read the terms and conditions of the tender carefully

Read the entire tender document carefully. If there is a compulsory meeting, make sure you attend the meeting and sign the meeting register, and make sure that you have read the Terms of Reference for the tender before attending the meeting. This is your opportunity to raise any issues with the relevant people.

If the meeting is not compulsory, we suggest you attend the meeting nevertheless, as you will gain insight into what is expected of the successful bidder, and you can then make an informed decision as to whether to apply for the tender and what to highlight in your application in order to increase your chances of success.

Identify the process of responding; be it by hard copy to be delivered at a tender box or an electronic submission. Most tenders require a hard copy to be physically delivered to a tender box before a specified closing date and time.

Read the tender document from beginning to end, then, complete the tender documents carefully and attach all required supporting documents.

If your tender documents are not filled in properly, or if any of the accompanying documents such as your BEE certificate or Tax Clearance Certificate are not supplied, you will be disqualified from the adjudication process.

3. Submit before closing date

Failure to submit a tender on time is grounds for disqualification. Tender officials will not even open your tender if it is not received on time. Make sure you allow sufficient time for your tender to be delivered to the relevant tender box; this may be in a different city to where you live. If you intend to use a courier service to deliver your tender allow a minimum of 48 hours for them to deliver.

4. Price Competitively - Demonstrate your competency

Generally speaking, price is the number one consideration in the awarding of tenders. There are of course other factors that need to be focused on to increase the chances of success these are; demonstrating innovativeness, capacity to deliver by submitting a picture gallery of your previous work, or testimonials of satisfied customers.

Make sure that you show proof of your ability to deliver on the work you have tendered for.

5. Confirm that your tender documents have been received

There have been numerous instances where tender boxes have been tampered with. Our recommendation is to call and ensure that the person, for whom the tender was intended, has in fact received it, then follow your call up with a confirmatory email.

6. Keep a copy of your submitted tender document with all its attachments

This is necessary for your own records and knowledge base for future tenders. It is also a vital back-up should the documents you submitted go missing.

2.10 BY-LAWS

The following by-law was passed during the 2022/23 financial year:

1. Liquor Trading Days and Hours By-Law (09 December 2022)

2.11 WEBSITE

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the Municipal Finance Management Act (MFMA) as well as other relevant legislation from the South African legal framework. This would be the formal legislative requirement, but the social and community benefits are obviously substantial. A website is a core essential requirement, tool and resource for any organisation in the modern time and economy. Social media is a massive tool in modern day communication and various channels are utilised by various ages and generations. The municipality is striving to expand the services it hosts and publishes on the website, additionally also the news and communication functionality to the broader public and other social media platforms.

The municipal website strives to be a mechanism to promote accountability and transparency to communities and share relevant information which is accurate and timeously updated according to our internal capacity and available information. The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation and remains a constantly changing and dynamic mechanism for community engagement and communication. Core focus areas currently remain SCM processes, quotation and tenders as well as vacancies and notifications of meetings with the Agenda's and Minute's as received from the secretariat.

The municipal website serves as an integral part of the Municipality's communication strategy along with other forms of communication & social media. This is additional to our Facebook, Collab Citizen App, Instagram and X (previously known as Twitter) pages as well.

We are also very excited to announce that we are busy constructing and developing a new website which will be implemented in the course of the new financial year.

2.12 COLLAB CITIZEN APP OVERVIEW



The Collab Citizen App is a mobile application which can be used to log service requests, download municipal account statements, and receive municipal news and push notifications on service delivery interruptions.

The purpose of the application is to improve service delivery communication to public and allow the citizens of Theewaterskloof Municipality to log service requests and in turn stay updated and informed on municipal matters.

The Service Requests that are logged in the application, immediately pulls through to the municipal complaint system. The requests are linked to a reference number which can be used when following up on a complaint / contacting the respective town offices.

STATISTICS

• Citizen News Feed Activity for Theewaterskloof Municipality

TOTAL PUBLICATIONS	MAXIMUM OPENED	HIGHEST ACTIVE USERS
193	258	55

TOP 5 - OPENED NEWS FEEDS		
Title	Publish Date	Opened
Community Development Update	2021-10-19	258
Mayoral Business Open Day	2022-04-14	221
Fire Season Alert	2021-11-09	188
Vacancy Update	2021-10-08	145
Theewaterskloof Municipality - Break in Recycling Services	2021-10-06	126

TOP 5 - NEWS FEEDS HIGHEST ACTIVE USERS

Title	Publish Date	Active Users
Vacancy Update	2021-10-08	55
Vacancy Update	2021-11-15	48
Theewaterskloof Municipality - Break in Recycling Services	2021-10-06	44
Theewaterskloof Municipality - Electricity Rates and Price Increases	2021-10-26	44
TWK Network Interruptions: Explained	2021-11-10	44

• Citizen Notification Activity for Theewaterskloof Municipality

TOTAL BROADCASTS	MAXIMUM OPENED	HIGHEST ACTIVE USERS
332	857	699

TOP 5 - OPENED NOTIFICATIONS

Title	Publish Date	Opened
Theewaterskloof Municipality - Riviersonderend Electricity	2022-05-05	214
Urgent Update on Caledon Water	2022-05-06	213
Caledon Refuse Removal Update	2022-06-15	192
Pipe Burst Botrivier	2022-04-30	189
Villiersdorp Refuse Update	2022-04-25	188

TOP 5 - NOTIFICATION HIGHEST ACTIVE USERS

Title	Publish Date	Active Users
Caledon Inwoners - Water Terugvoer	2021-10-15	143
Caledon - Water Update	2021-10-15	140
Community Development Update	2021-10-19	138
Botrivier Residents - Refuse Collection	2021-10-21	135
Caledon - Water Update	2021-10-25	134

KEY FEATURES

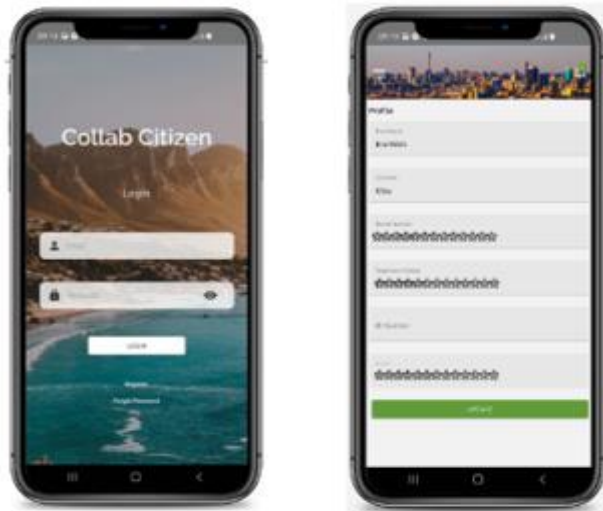
- Log and Track Service Requests
- View and Download Municipal Account Statements
- Receive Newsfeed Items and Service Delivery push notifications.
- Access to all Emergency Numbers.

HOW TO DOWNLOAD AND REGISTER ON THE APP

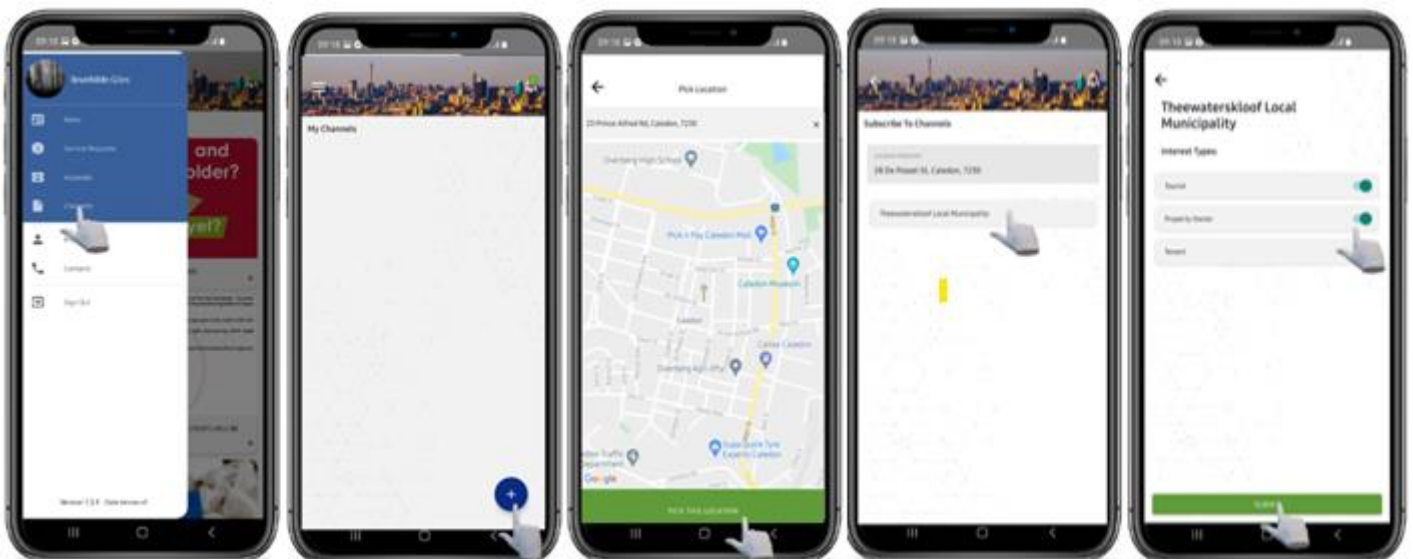
Step 1: Go to any of the stores below and download “Collab Citizen”.



Step 2: Click on “Register” and complete Profile Information (NB - the ID number is for municipal verification in order to link and receive your municipal account).

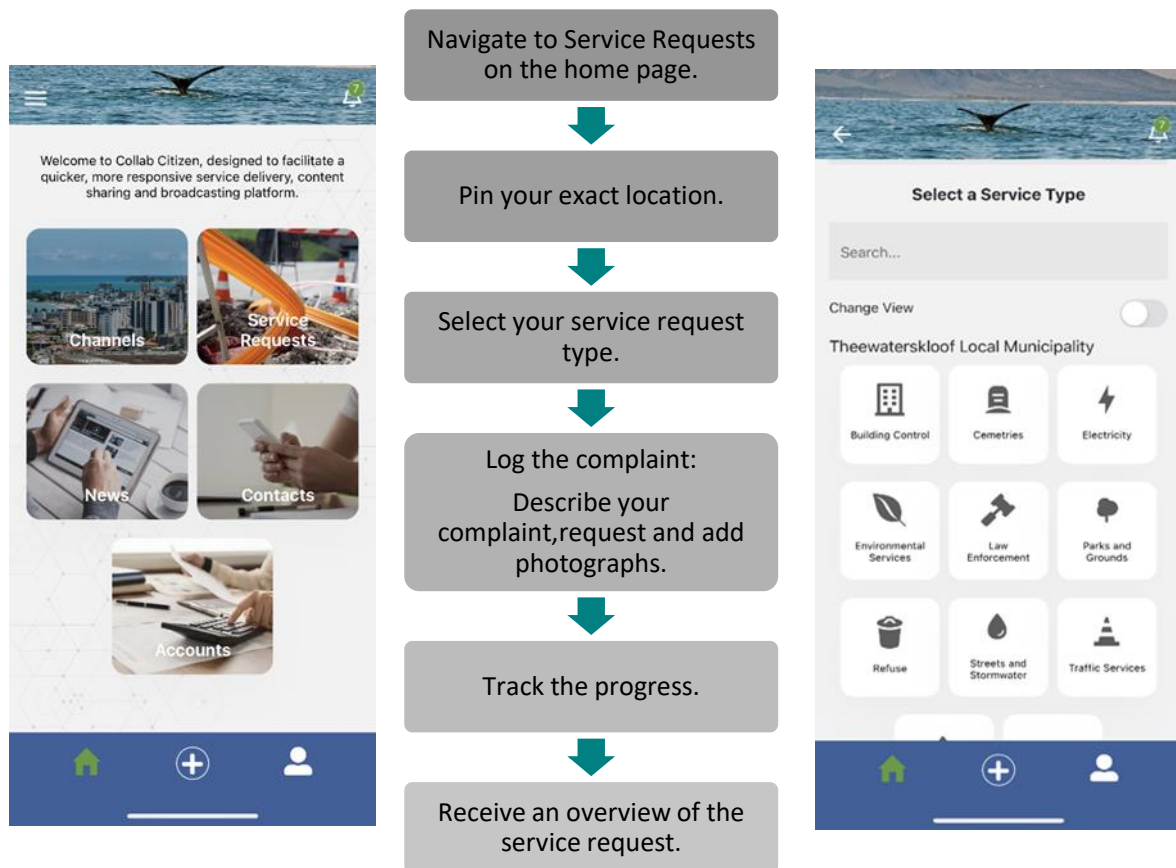


Step 3: Subscribe to a channel (Theewaterskloof Municipality)



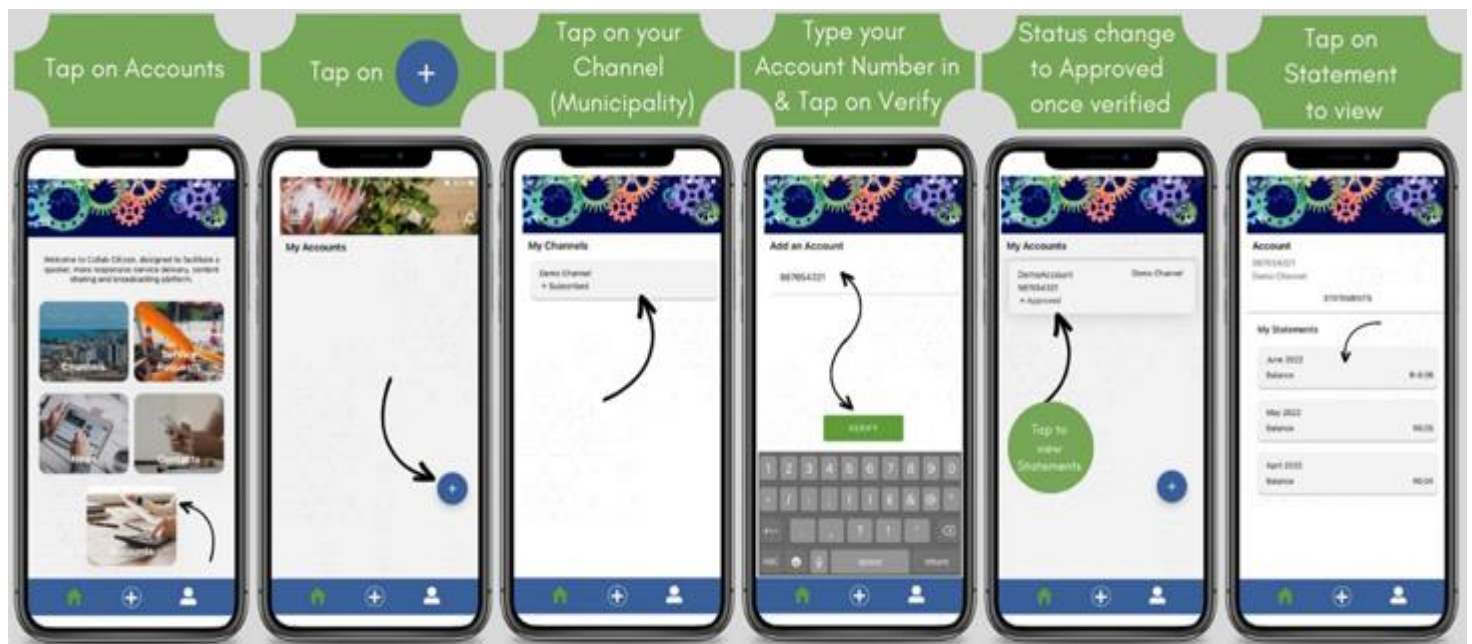
Step 4: Now you can view news and notifications.

HOW TO LOG A SERVICE REQUEST



Note: You can also follow other complaints/service requests in your area to stay updated on their progress.

HOW TO RECEIVE/VIEW YOUR MONTHLY ACCOUNT STATEMENTS



MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	Final Budget 22/23 – 05-Jun-2023 Adjustment Budgets (1) 22/23 – 25-Aug-2022 Adjustment Budgets (2) 22/23 – 27-Oct-2023 Adjustment Budgets (3) 22/23 – 30-Nov-2022 Adjustment Budgets (4) 22/23 – 23-Feb-2023 Adjustment Budgets (5) 22/23 – 30-May-2023
All current budget-related policies	Yes	30-May-2023
The previous Annual Report (Year 2021/22)	Yes	27-Mar-2023
The Annual Report (Year 2022/23) published/to be published	Yes	Draft - Jan-2024 Final - Mar-2024
All current Performance Agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2022/23) and resulting scorecards	Yes	<u>Performance Agreement (25-Oct-2022)</u> Municipal Manager - Mr. B. Ngubo Director Community Services - Mr. W. Solomons-Johannes Director Economic Development and Planning - Mr. M. Gxoyiya Director Corporate Services - Mr. W. Hendricks <u>Performance Agreement (08-Mar-2023)</u> Director Technical and Infrastructure Implementation Services – Ms. N. Baliso <u>Adjusted Resulting Scorecards (18-May-2023)</u> Director Community Services - Mr. W. Solomons-Johannes Director Economic Development and Planning - Mr. M. Gxoyiya
All service delivery agreements (Year 2022/23)	Yes	Quarter 1: 16-Nov-2022 Quarter 2: 31-Jan-2023 Quarter 3: 02-May-2023 Quarter 4: 02-Aug-2023
All long-term borrowing contracts (Year 2022/23)	Yes	Absa 5,10,15-year agreement 29-Jun-2023
All supply chain management contracts above a prescribed value for Year 2022/23	Yes	Monthly as per policy
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 Year 2022/23	N/A	None
Contracts agreed in Year 2022/23 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes	Various
Public-private partnership agreements referred to in section 120 made in Year 2022/23	N/A	

All quarterly reports tabled in the council in terms of section 52 (d) during Year 2022/23	Yes	Month 1: 11-Aug-2022 Month 2: 14-Sep-2022 Month 3: 13-Oct-2022 Month 4: 11-Nov-2022 Month 5: 08-Dec-2023 Month 6: 16-Jan-2023 Month 7: 15-Feb-2023 Month 8: 10-Mar-2023 Month 9: 18-Apr-2023 Month 10: 12-May-2023 Month 11: 14-Jun-2023 Month 12: 19-Jul-2023
<i>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.</i>		

2.13 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality conducted a satisfaction survey in June 2022. The municipality does not have the financial resources nor the capacity to conduct such a survey annually. Readers are advised to consult the 2021/2022 annual report for the results of the survey.

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

Introduction

The Annual Performance Report is prepared and submitted in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 providing guidelines on the Annual Report. The Annual Performance Report covers the performance information from 01 July 2022 to 30 June 2023 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP). The report reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) for 2022/2023. The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area as well as the performance per Municipal Directorate.

The Following are the Municipality's Key Performance Areas:

Basic Service Delivery
Financial Viability
Good Governance
Institutional Development
Local Economic Development

Legislative Background

This Annual Performance Report has been compiled in compliance with the requirements of section 46 (1) of the Local Government: Municipal Systems Act, 2000; which stipulates as follows:

A municipality must prepare for each financial year a performance report reflecting—

- a) the performance of the Municipality and each external service provider during that financial year;
- b) a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and
- c) measures taken to improve performance.

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of

the different role players." This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance

Performance Summary

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the Service Delivery Budget Implementation Plan (SDBIP) at Directorate levels. The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and Budget.

MFMA Circular No.13 prescribes that:

The IDP and budget must be aligned;

The budget must address the strategic priorities;

The SDBIP should indicate what the municipality is going to do during next 12 months; and The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes

The Top Layer SDBIP and its targets cannot be revised without notifying the council therefore all changes made in service delivery targets and performance indicators must be done with the approval of the council, following approval of an adjustments budget.

Council approval is necessary to ensure that the Mayor or Municipal Manager do not revise targets downwards in the event where there is poor performance.

The following elements necessitated the revision of the SDBIP:

The adjustment budget:

1. Numerous Adjustments during the 2022/2023 Financial Year
2. Auditor General's recommendation on the 2021/22 Performance Audit.
3. Comments Received from Internal Audit who assessed KPI's based on SMART principle.
4. The revision process was as follows:
5. One on one sessions were held with all the directors and their heads of departments where KPIs were drafted to ensure consistency with planned objectives, indicators, targets and also to ensure that the KPI's and targets set are based on the SMART principles.

The table below provides a summarised explanation of the performance measurement of Theewaterskloof Municipality

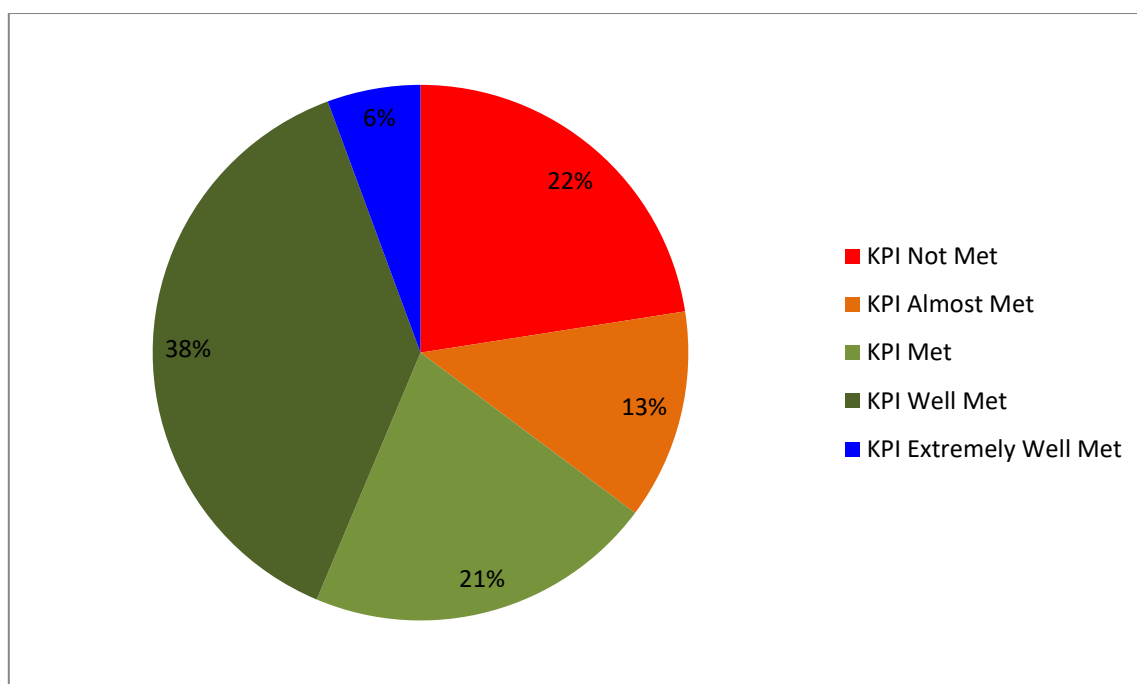
Category	Colour	Explanation
KPI Removed during Adjustment Budget		KPI's with no targets or actuals in the selected period
KPI Not Met		0% >= Actual/Target < 75%
KPI Almost Met		75% >= Actual/Target < 100%
KPI Met		Actual Target = 100%
KPI Well Met		100% > Actual/Target < 150%
KPI Extremely Well Met		Actual/Target >=150%

2022/2023 Performance Results

The following section will focus on the performance results achieved during the 2022/23 financial year.

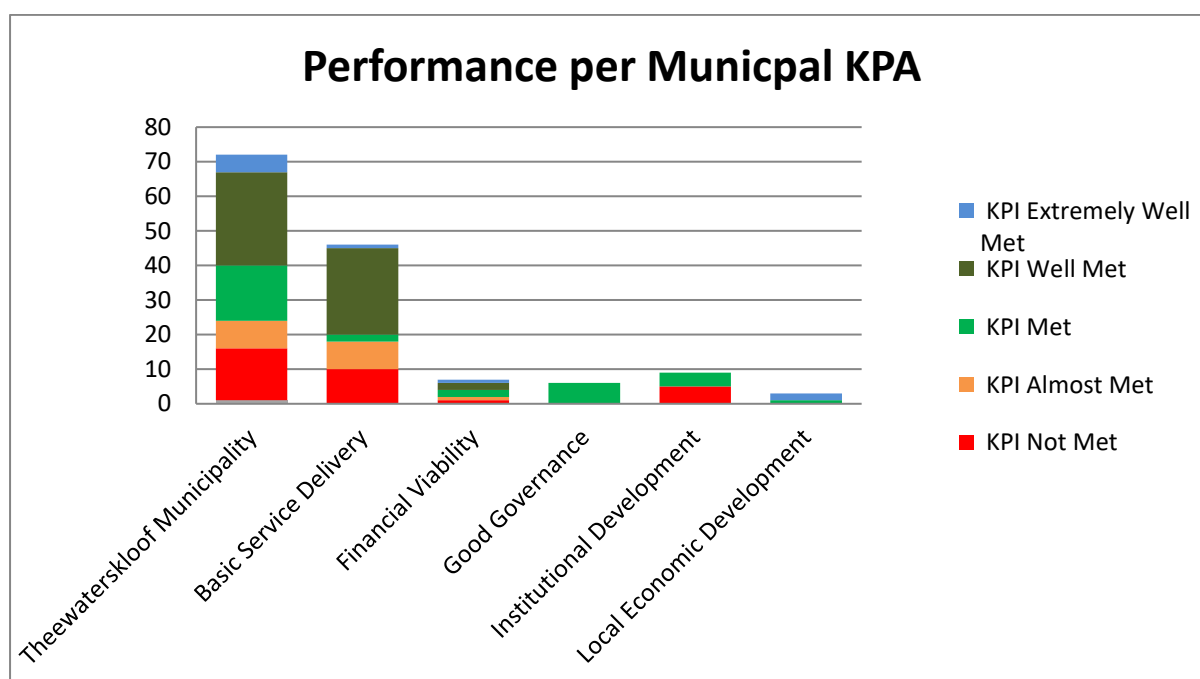
Summary of Results

	Theewaterskloof Municipality
KPI Not Met	16
KPI Almost Met	9
KPI Met	15
KPI Well Met	27
KPI Extremely Well Met	4
Total	71



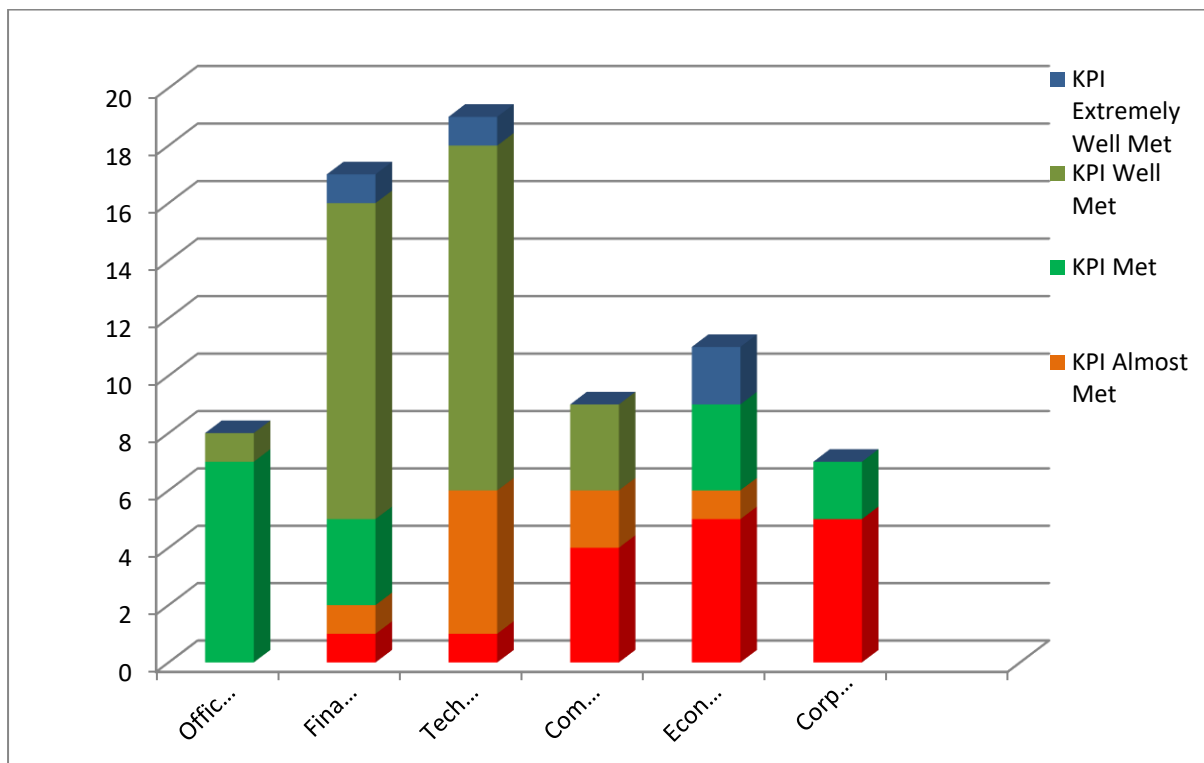
Theewaterskloof had a total of 71 Top layer KPI's that was measured during the 2022/23 financial year. 65% of all KPI's was either achieved or achieved above the expected target, 13% was almost achieved whilst 22% was not achieved. This is a progression on the performance of 2021/22 (58%) increasing achievement by 7%.

		Municipal KPA				
	Theewaterskloof Municipality	Basic Service Delivery	Financial Viability	Good Governance	Institutional Development	Local Economic Development
KPI Not Met	15	10	1	0	5	0
KPI Almost Met	8	8	1	0	0	0
KPI Met	16	2	2	6	4	1
KPI Well Met	27	25	2	0	0	0
KPI Extremely Well Met	5	1	1	0	0	2
Total:	71	46	7	6	9	3



The Table above is indicative that during the target setting the municipality placed its largest focus on Basic Service Delivery and Institutional Development with 46 and 09 targets set respectively. The municipality achieved more than 50% of the targets in all of its key performance areas except in Institutional Development where it only achieved 4 of the 9 targets set. The lowest percentage achievement was for Institutional Development, where the municipality only achieved 44.44% of the targets set.

	Office of the Municipal Manager	Financial Services	Technical and Infrastructure Implementation Services	Community Services	Economic Development and Planning	Corporate
KPI Not Met	0	1	1	4	5	5
KPI Almost Met	0	1	5	2	1	0
KPI Met	7	3	0	0	3	2
KPI Well Met	1	11	12	3	0	0
KPI Extremely Well Met	0	1	1	0	2	0
Total	8	17	19	9	11	7



The Office of the Municipal Manager was the best performing department in terms of the KPI's set by achieving 100% of their targets set, followed by Financial Services with 88.24% achievement.

The following table will reflect on the performance against specific individual KPI's

THEEWATERSKLOOF MUNICIPALITY

SDBIP 2022/23

OFFICE OF THE MUNICIPAL MANAGER

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL1	To ensure a healthy and productive workforce by creating a conducive working environment	Conduct a formal performance evaluation of the senior managers in terms of their signed agreements	Number of formal evaluations conducted	2	Signed scoring sheets	Accumulative	2	2	2	Institutional Development	2	G	
TL2	To provide democratic, responsive and accountable government for the local communities	Compile and submit the final IDP to Council by 31 May 2023	Final IDP submitted to Council	1	Proof of submission	Carry Over	1	1	1	Good Governance	1	G	
TL3	To provide democratic, responsive and accountable government for the local communities	Compile and submit the final annual budget to Council by 31 May 2023	Final budget submitted to Council	1	Proof of submission	Carry Over	1	1	1	Financial Viability	1	G	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL4	To provide democratic, responsive and accountable government for the local communities	Compile and submit the Oversight Report to Council by 31 March 2023	Report submitted to Council	1	Proof of submission	Carry Over	1	1	1	Good Governance	1	G	
TL5	To provide democratic, responsive and accountable government for the local communities	Compile and submit the Draft Annual Report to Council by 31 January 2023 (MFMA 127(2) and MSA 46(2))	Draft Annual Report submitted to Council	1	Proof of submission	Carry Over	1	1	1	Good Governance	1	G	
TL6	To provide democratic, responsive and accountable government for the local communities	The percentage of the municipal capital budget spent on projects as at 30 June 2023 {(Actual amount spent on capital projects excluding orders/Total amount budgeted for capital projects)X100}	% of capital budget spent	69%	S71 Report And Financial Statements	Last Value	95%	95%	69%	Basic Service Delivery	96.69%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL7	To provide democratic, responsive and accountable government for the local communities	Compile and submit Annual Performance Report (APR) to the AG by 31 August 2022	Annual Performance Report Submitted	1	Confirmation by AG	Accumulative	1	1	1	Good Governance	1	G	
TL8	Refine and improve the institutional capacity of the municipality	Sign Performance agreements for all S56/57 appointments by 31 July 2022 or within 30 days after employment	Number of Performance Agreements Signed	2	Signed Agreements	Accumulative	5	5	2	Institutional Development	5	G	

Overall Summary of Results

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	0
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	7
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	1
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
	Total KPIs:		8

FINANCIAL SERVICES

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL48	Work towards a sustainable future through sound financial management and continuous revenue growth	Compile an Audit Action Plan to Address AG Audit findings and submit to Management by 31 January 2023 for approval	Plan completed and submitted to management	1	Proof of submission	Carry Over	1	1	1	Financial Viability	1	G	
TL49	Work towards a sustainable future through sound financial management and continuous revenue growth	Award tenders in line with SCM Policies and Regulations that result in not more than 1 successful appeal per annum during the financial year	Number of successful SCM related appeals	0	Register of appeals referred and written response on outcome of appeals	Reverse Last Value	1	1	0	Financial Viability	0	B	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL50	Work towards a sustainable future through sound financial management and continuous revenue growth	Achieve a debtor payment percentage of 85% as at 30 June 2023 ((Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue) x 100	Payment % achieved	83.92%	Section 71 Report/Financial Statements	Last Value	85%	85%	83.92%	Financial Viability	83.30%	O	Tender process to appoint service provider for collection in Grabouw which is an Eskom area where the normal credit control cannot be conducted.
TL51	Work towards a sustainable future through sound financial management and continuous revenue growth	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2023 ((Total Operating Revenue- Operating Grants)/Debt Service Payments (i.e. interest + redemption) due within one year)	Ratio achieved	19.04	Section 71 Report	Last Value	11	11	19.04%	Financial Viability	16.42	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL52	Work towards a sustainable future through sound financial management and continuous revenue growth	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2023 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excl	Number of months it takes to cover fix operating expenditure with available cash	3.65	Section 71 Report	Last Value	1.20	1.20	3.65	Financial Viability	1.30	G2	
TL53	Work towards a sustainable future through sound financial management and continuous revenue growth	Financial viability measured in terms of the outstanding service debtors as at 30 June 2023 (Total outstanding service debtors/ revenue received for services)	% of outstanding service debtors	95.79%	Section 71 Report	Reverse Last Value	70%	70%	95.79%	Financial Viability	85.28%	R	A tender was advertised to appoint a service provider to collect arrears in Grabouw which is an Eskom area and normal credit control cannot be implemented

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL54	To maintain and improve basic service delivery and social amenities for the TWK community	Provide 6kl free basic water per month to all indigent households during the 2022/23 financial year	Number of indigent households receiving free basic water	6 245	Report From The Financial System With Registered Indigent Households	Last Value	5 600	6 020	6245	Basic Service Delivery	6 336	G2	
TL55	To maintain and improve basic service delivery and social amenities for the TWK community	Provide 70kwh of free basic electricity per month to all indigent households (Excluding Eskom) during the 2022/23 financial year	Number of indigent households receiving free basic electricity	2 663	Report From The Financial System With Registered Indigent Households	Last Value	2 200	2 500	2663	Basic Service Delivery	2 644	G2	
TL56	To maintain and improve basic service delivery and social amenities for the TWK community	Provide free basic refuse removal to indigent households in terms of the equitable share requirements during the 2022/23 financial year	Number of indigent households receiving free basic refuse removal	6 318	Report From The Financial System With Registered Indigent Households	Last Value	5 600	6 100	6318	Basic Service Delivery	6 396	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL57	To maintain and improve basic service delivery and social amenities for the TWK community	Provide free basic sanitation to indigent households in terms of the equitable share requirements during the 2022/23 financial year	Number of indigent households receiving free basic sanitation	6 283	Report From The Financial System With Registered Indigent Households	Last Value	5 600	6 100	6283	Basic Service Delivery	6 347	G2	
TL58	To maintain and improve basic service delivery and social amenities for the TWK community	Number of residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the services during 2022/23 financial year	Number of residential properties which are billed for water or have prepaid meters	15 933	Report From The Financial System Indicating Billed Debtors	Last Value	15 900	15 900	15933	Basic Service Delivery	15 984	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL59	To maintain and improve basic service delivery and social amenities for the TWK community	Number of residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (excluding ESKOM areas) and billed for the services during the 2022/23 financial year	Number of residential properties which are billed for electricity or have prepaid meters (excluding ESKOM areas)	7 525	Report From The Financial System Indicating Billed Debtors	Last Value	7 500	7 500	7525	Basic Service Delivery	7 557	G2	
TL60	To maintain and improve basic service delivery and social amenities for the TWK community	Number of residential properties for which refuse is removed once per week and billed for the services during the 2022/23 financial year	Number of residential properties which are billed for refuse removal once a month	16 045	Report From The Financial System Indicating Billed Debtors	Last Value	16 000	16 000	16045	Basic Service Delivery	16 087	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL61	To maintain and improve basic service delivery and social amenities for the TWK community	Number of residential properties connected to the municipal waste water sanitation/sewer network for sewerage services (inclusive of septic tanks) irrespective of the number of water closets (toilets) and billed for the services during the 2022/23	Number of residential properties which are billed for sewerage	15 537	Report From The Financial System Indicating Billed Debtors	Last Value	15 268	15 560	15537	Basic Service Delivery	15 587	G2	
TL62	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Purchase smart (utility) water meters by 30 June 2023	Number of smart water meters purchased	2 500	Invoices and Goods Received Note	Accumulative	2 000	2 000	2500	Basic Service Delivery	2 040	G2	
TL63	To provide democratic, responsive and accountable government for the local communities	Achieve an unqualified audit opinion for the 2021/22 financial year	Unqualified audit opinion achieved	1	Signed Audit Report	Last Value	1	1	1	Good Governance	1	G	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL64	To provide democratic, responsive and accountable government for the local communities	Compile and submit the Annual Financial Statements to the Auditor General (AG) by 31 August 2022	Annual Financial Statements submitted to the AG	1	Acknowledgement of receipt	Accumulative	1	1	1	Good Governance	1	G	

Overall Summary of Results

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	1
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	1
G	KPI Met	Actual meets Target (Actual/Target = 100%)	3
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	10
B	KPI Extremely Well Met	150.000% <= Actual/Target	2
	Total KPIs:		17

COMMUNITY SERVICES

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL72	Increased community safety through traffic policing, bylaw enforcement and disaster management	Spend 95% of the allocated capital budget for the implementation of the digital mobile Two-Way Radio Communication System by 30 June 2023	% budget spent	0%	Capital Expenditure Report	Last Value	95%	95%	0.00%	Basic Service Delivery	76.87%	O	In future ensure that all requirements are in place prior to the procuring of goods alternatively explore pre-agreements and MOU's to illuminate stumbling blocks.
TL73	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Achieve an average of 90% water sample compliance with SANS 241 micro biological indicators Water Treatment Works {(% achievement all WTW's/WTW's tested) by 30 June 2023	Average % water compliance in terms of SANS 241 achieved	98.46%	Independent Laboratory Test Results (IRIS System)	Last Value	90%	90%	98.46%	Basic Service Delivery	93.40%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL74	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Install and replace 2 500 pre-paid/smart water meters by 30 June 2023	Number of prepaid /smart water meters installed	1 955	Signed-off installation job cards	Accumulative	2 500	2 500	1955	Basic Service Delivery	2 645	G2	
TL75	Improved Environment Management	65% of effluent samples comply with permit values {(% compliance of all WWTW's achieved / the number of WWTW's tested)}	Average % achieved	64.03%	Independent Laboratory Test Results (IRIS System)	Last Value	65%	65%	64.03%	Basic Service Delivery	53.86%	O	Funds were allocated in the 2023/24 budget to repair mixers. Load shedding do have a negative effect, result in the under aeration of the aeration pond. Greyton WWTW in process to be upgraded from a oxidation pond system to a activated sludge system, that will improve the final effluent results when finish and become operational. The current system

													cannot keep up with the demand and is under capacitated. Tesselaarsdal Ammonia levels is to high due to under aeration caused by load shedding. Nozzles of jets need to be constantly cleaned as it blocks more frequently due to constant power failures.
TL76	Increased community safety through traffic policing, bylaw enforcement and disaster management	Complete tender specification for the Construction of DLTC in Grabouw by the May 2023	Tender specification completed	0	Signed Minutes of Bid Specification Meeting	Accumulative	1	1	0	Basic Service Delivery	0	R	Ensure project engineers are appointed earlier to enable sufficient time for submission to bid spec and should the committee need specs to amended sufficient time should be allowed to ensure that document/specs is approved by deadline.

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL77	Improved Environment Management	Establish a nature reserve at Destiny Farm (Villiersdorp) by 30 June 2023	Nature reserve established	0	Declaration of Nature Reserve	Accumulative	1	1	New	Basic Service Delivery	0	R	The Acting Municipal Manager setup engagements with Labeeqah Schuurman the Deputy Director-General: Human Settlements (Western Cape Government: Department of Infrastructure) to intervention and to conduct site inspections as a remedial measure to unblock the callings encountered in order for the housing development project to proceed that has a direct impact on establishment of the nature reserve.

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL79	To maintain and improve basic service delivery and social amenities for the TWK community	Spend 95% of the project budget approved for the procurement of new fleet vehicles by 30 June 2023{(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	93%	Capital Expenditure Report	Last Value	95%	95%	93%	Basic Service Delivery	101.57%	G2	
TL80	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Limit unaccounted water to less than 18% as at 30 June 2023 {(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold (incl free	% unaccounted water captured in the report	37.47%	Quarterly Report from Technical Service to Director Community Services	Reverse Last Value	18%	18%	37.47%	Basic Service Delivery	29.80%	R	A Water Losses Reduction Team (WLRT) were established to address the problem of water losses. MISA (Municipal Infrastructure Support Agency) is also

[illegible]

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL81	Improve the social fabric of the TWK community	Spend 95% of the project budget approved for the Grabouw Hop-On Drop-Off PT Facility by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spend	0%	Capital Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	67.71%	R	All necessary tasks have been accomplished; however, the expenses were lower than expected. In future more realistic costing will be done to ensure budget are aligned to estimated cost.

Overall Summary of Results

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	4
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	2
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	3
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
	Total KPIs:		9

TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL24	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the project budget approved for the construction of high mast lights in Grabouw by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	0%	Capital Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	99.18%	G2	
TL25	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the approved project budget for the upgrade of the electricity network Uitsig by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	95%	Capital Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	99.14%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL26	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Replace the mini sub-station in Caledon by 30 June 2023	Mini substation replaced	0	Completion certificate	Last Value	1	1	New	Basic Service Delivery	0	R	In future will ensure better cohesion between BSC, BEC and BAC. The municipality is relooking at how it is structuring its SCM, department and committees to streamline processes.
TL27	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the approved project budget for the overhead line in Protea and Disa streets (Villiersdorp) by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	95%	Capital Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	100%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL28	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the approved project budget for the overhead line in Caledon street (Greyton) by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	95%	Capital Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	100%	G2	
TL30	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the approved project budget for the upgrade of the MV & LV overhead network in Riviersonderend by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	95%	Capital Expenditure Report	Last Value	95%	95%	new	Basic Service Delivery	100%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL32	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the project budget approved for the upgrade of the Waste Water Treatment Works Phase 4 at Caledon by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	97.70%	Capital Expenditure Report	Last Value	95%	95%	97.70%	Basic Service Delivery	99.69%	G2	
TL34	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the project budget approved for the upgrade of the Villiersdorp Water Treatment Works by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	0%	Capital Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	100%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL35	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the project budget approved for the upgrade of the Botrivier Water Purification Plant by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	0%	Capital Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	85.55%	○	The balance on the budget is contingencies not spent and a saving on consultancy fee's due to shorter contract period (saving on contract management, site supervision, health and safety, etc.) as the project was accelerated. In future more accurate cost estimates will be done.
TL37	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the Capital Budget allocated for the Greyton Waste Water Treatment Works by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	100%	Capital Expenditure Report	Last Value	95%	95%	100%	Basic Service Delivery	93.25%	○	Project completed. Remainder savings on the project. In future more realistic budget and planning will be done.

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL39	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the project budget approved for the construction of Riviersonderend Waste Transfer Station and Material Recovery Facility Phase 3 by 31 December 2022 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	99.97%	Capital Expenditure Report	Last Value	95%	95%	99.97%	Basic Service Delivery	100%	O	Project completed. Remainder savings on the project. In future more realistic budget and planning will be done.
TL40	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the project budget approved for the construction of Riviersonderend Waste Transfer Station and Material Recovery Facility Phase 4 by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	0%	Capital Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	96.18%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL41	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Spend 95% of the capital budget allocated for the Grabouw upgrade of roads and stormwater at Rooidakke (Phase 2) by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	1.33%	Capital Expenditure Report	Last Value	95%	95%	1.33%	Basic Service Delivery	80.60%	O	Project completed. Remainder savings on the project. In future more realistic budget and planning will be done.
TL42	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Spend 95% of the capital budget allocated for the upgrade of Grabouw bulk water by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	0%	Capital Expenditure Report	Last Value	95%	95%		Basic Service Delivery	99.75%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL43	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Spend 95% of the capital budget allocated for the upgrade of Caledon bulk sewerage water by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	0%	Capital Expenditure Report	Last Value	95%	95%		Basic Service Delivery	98.11%	G2	
TL44	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Spend 95% of the capital budget allocated for the Tesselaarsdal-bulk water upgrade phase 2 by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	3.78%	Capital Expenditure Report	Last Value	95%	95%	3.78%	Basic Service Delivery	100%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL45	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Spend 95% of the capital budget allocated for the Septic tank eradication in Botrivier by 30 June 2023 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	0%	Capital Expenditure Report	Last Value	95%	95%	new	Basic Service Delivery	84.07%	O	Project completed. Remainder savings on the project. In future more realistic budget and planning will be done.
TL46	To maintain and improve basic service delivery and social amenities for the TWK community	Spend 95% of the Municipal Infrastructure Grant by 30 June 2023	% MIG funding spent	82%	Capital Expenditure Report	Last Value	95%	95%	82%	Basic Service Delivery	97.85%	G2	

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL47	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Limit unaccounted electricity to less than 8.4% as at 30 June 2023 {(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	6.60%	Distribution Losses Report	Reverse Last Value	8.40%	8.40%	6.60%	Basic Service Delivery	5.40%	B	

Overall Summary of Results

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	1
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	5
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	12
B	KPI Extremely Well Met	150.000% <= Actual/Target	1
	Total KPIs:		19

ECONOMIC DEVELOPMENT AND PLANNING

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL9	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Construct top structures for Grabouw Rooidakke by 30 June 2023	Number of top structures constructed	0	Completion certificate	Accumulative	75	35	0	Basic Service Delivery	0	R	Formal letter was sent to the service provider to return to site and a revised project implementation program was requested, Should the contractor fail to adhere to the devise project implementation plan close contract management will be implemented with regards to contract breach and possible termination.

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL10	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Service 35 sites for Grabouw Roodakke by 30 June 2023	Number of sites serviced	0	Completion certificate	Accumulative	75	35	New	Basic Service Delivery	0	R	Formal letter was sent to the service provider to return to site and a revised project implementation program was requested, Should the contractor fail to adhere to the devise project implementation plan close contract management will be implemented with regards to contract breach and possible termination.

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL12	Upgrading of informal Settlements and Prioritising the most needy in housing allocation	Complete foundations for RSE housing project by 30 June 2023	Number of foundations constructed	0	Signed Inspection Certificate By Human Settlements	Accumulative	48	23	new	Basic Service Delivery	0	R	The municipality requested exemption from the minister and should approval be granted, even will be registered at the surveyor general to avoid future expirations. In future it will be ensured that all planning and approval is done before requesting a project.
TL13	To ensure continuous and sustainable maintenance, replacements and upgrades of municipal infrastructure	Spend 95% of the approved housing grant funds by 30 June 2023 {(Total actual expenditure /Total budgeted)x100}	% budget spent	0%	Expenditure Report	Last Value	95%	95%	New	Basic Service Delivery	84.23%	O	The calculation error is acknowledged by the department as an oversight. Going forward the calculation will include the total budget (Opex & Capex) against the total expenditure (Opex & Capex) and not just the capital budget and expenditure.

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL14	Promote the second and township economy (SMME Development)	Create temporary work opportunities in terms of EPWP by 30 June 2023	Number of temporary work opportunities created	394	Verified Report or participant list	Accumulative	321	321	394	Local Economic Development	572	B	
TL20	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Service 180 sites for Villiersdorp Berg en Dal by 30 June 2023	Number of sites serviced	0	Practical Completion certificate	Accumulative	180	180	0	Basic Service Delivery	0	R	Monthly technical meetings are held to ensure that targets and deliverables are met.
TL21	To provide democratic, responsive and accountable government for the local communities	Review the draft SDF and submit to Council by 30 June 2023	Draft SDF submitted to Council by 30 June 2023	1	Proof of submission	Last Value	1	1	1	Local Economic Development	1	G	
TL22	Promote the second and township economy (SMME Development)	Review terms of reference for at least one informal settlement committee and submit to management by 31 March 2023	Terms of Reference submitted to management	0	Proof of submission	Accumulative	1	1	new	Basic Service Delivery	0	R	Terms of Reference should be loaded for Management this will be done in July 2023. In future, ensure targets are achieved by due date.

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL23	Promote the second and township economy (SMME Development)	Complete the Site Development Plans for Greyton erf 595 by 31 December 2022	Site plan completed	0	Signed Site Development Plan	Accumulative	1	1		Basic Service Delivery	1	G	
TL82	Promote the second and township economy (SMME Development)	Conduct quarterly awareness on Tourism support initiatives	Number of awareness initiative conducted	0	Media advertisements/ and/or editorials and /or attendance registers / social media posts and/or/workshops conducted	Accumulative	4	4	new	Local Economic Development	6	B	
TL83	Ensure provision of sustainable and integrated Human Settlements through accelerating affordable Housing Projects	Complete Design of Hillside phase 2	Completion of design	0	Design Plan approved by engineer	Accumulative	1	1	new kpi	Basic Service Delivery	1	G	

Overall Summary of Results

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	5
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	1
G	KPI Met	Actual meets Target (Actual/Target = 100%)	3
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	2
	Total KPIs:		11

CORPORATE SERVICES

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL65	Refine and improve the institutional capacity of the municipality	The percentage of the municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2023 [(Actual amount spent on training/total personnel budget)x100]	% of the personnel budget spent	0.22%	Budget Expenditure Report	Last Value	0.53%	0.53%	0.22%	Institutional Development	0.29%	R	[D402] Manager: Human Resources and Risk Management: Will be corrected through the budgeting process. (June 2023)

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL66	Refine and improve the institutional capacity of the municipality	The number of people from employment equity target groups employed (new appointments) in the three highest levels of management in compliance with the equity plan by 30 June 2023	Number of people employed	0	Appointment letters and Equity Plan	Accumulative	3	3	0	Institutional Development	3	G	
TL67	To provide democratic, responsive and accountable government for the local communities	Complete the annual risk assessment and submit to the Risk Committee by 30 June 2023	Completed risk assessment submitted	0	Minutes of Risk Management Committee with Assessment	Last Value	1	1	0	Institutional Development	1	G	
TL68	To provide democratic, responsive and accountable government for the local communities	Compile and submit a Rewards and Recognitions Policy to Council by 31 December 2022	Rewards and Recognitions Policy submitted	0	Proof of submission	Last Value	1	1	New	Institutional Development	0	R	Policy will be discussed at the next Policy Working Group meeting scheduled for 21 July 2023. Improved functionality of all committees responsible for policies.

Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL69	To provide democratic, responsive and accountable government for the local communities	Review the organogram and submit to Council 31 March 2023	Organogram submitted	1	Proof of submission	Last Value	1	1	1	Institutional Development	0	R	The Org Structure will be submitted to Council after the appointment of the Municipal Manager. Ensure Section 56/57 appointments are timeously finalised to ensure stability on organisation structure.
TL70	To provide democratic, responsive and accountable government for the local communities	Appoint a service provider for the placement of advertisements in newspapers by 31 December 2022	Service provider appointed	0	Appointment letter	Last Value	1	1	New	Institutional Development	0	R	Appointment took place in March 2023 due to various technical issues and a backlog within SCM, these issues have all been addressed and should not reoccur again in future.

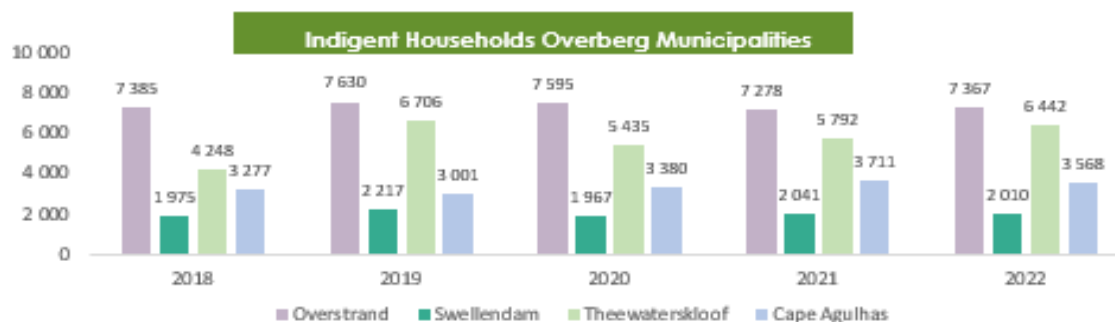
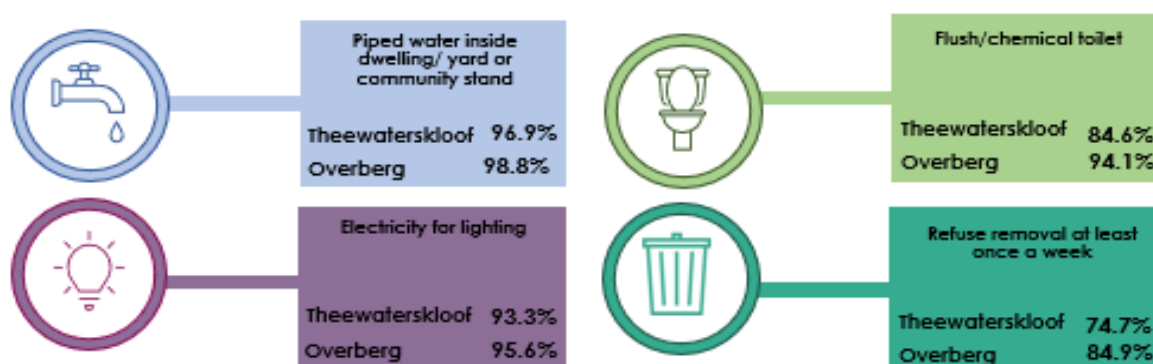
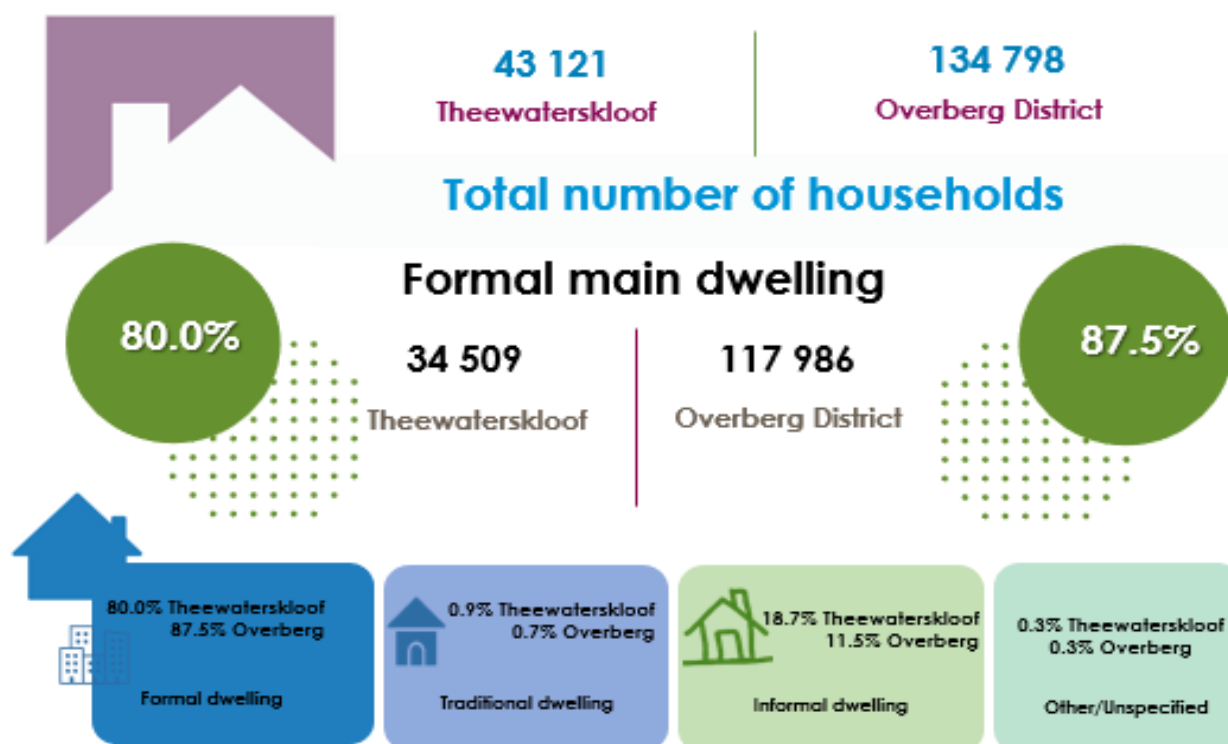
Internal Ref / Indicator Code	Strategic Objective	KPI Name	Description of Unit of Measurement	Baseline	Source of Evidence	Calculation Type	Original Annual Target	Revised Annual Target	Past Year Performance	Municipal KPA	Year to Date Values for Quarter ending June 2023		
											Actual	R	Corrective Measures
TL71	To provide democratic, responsive and accountable government for the local communities	Appoint a panel of attorneys by 31 March 2023	Panel of attorneys appointed	0	Appointment letters	Last Value	1	1	New	Institutional Development	0	R	In future it will be ensured that the tender process / SCM process is started earlier to ensure appointment by due dates.

Overall Summary of Results

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0
R	KPI Not Met	0% <= Actual/Target <= 74.999%	5
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	2
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
	Total KPIs:		7

COMPONENT A: BASIC SERVICES

BASIC SERVICE DELIVERY



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



3.1 WATER PROVISION

3.1.1 INTRODUCTION TO WATER PROVISION

Theewaterskloof Municipality is the Water Service Authority for its service area. Theewaterskloof Municipality is located within the newly established Breede-Gouritz Water Management Area (WMA).

Service Level Agreements are in place with Overberg Water Board, the Groenland WUA and the Elandskloof Irrigation Board for the provision of bulk raw water to some of the towns.

All residents in urban areas in the service area of the municipality have access to water services and free basic water is provided to all. It is however estimated that there might still be households on the farms in the rural areas with existing service levels below RDP standards. The estimate of the service levels on the farms can only be verified through a detailed survey.

Theewaterskloof Municipality's Management Area includes the following towns and urban areas (Water Distribution Systems):

Caledon: The town is supplied with potable water by the Overberg Water Board through the Rûensveld West Water Supply System (RWWSS). The RWWSS supplies water from the Theewaterskloof Dam via the Mariasdal WTWs close to the Theewaterskloof Dam. A new Bulk Water Supply Contract was signed between Theewaterskloof Municipality and Overberg Water in December 2010, which allows for a volume of 2 409 Ml/a from Overberg Water for supply to Caledon. The Municipality's existing borehole (Baronsbos) was recommissioned during 2017/2018 after it was previously vandalised. A new borehole (CN BH2) was also drilled and commissioned to provide additional groundwater to Caledon's water distribution network. A new WTW Package Plant was installed at the 4Ml reservoir for the treatment of the groundwater. Water from the spring is also used and treated at a new WTW Package Plant at the Badskop reservoir.

Genadendal: Water gravitates from a weir on the Baviaans River (approximately 3.5 km upstream from Genadendal) to the Genadendal WTW and excess water gravitates into the Badsberg dam (one of two irrigation dams) belonging to the Genadendal agricultural community. A "back-up" pump (in the event of the supply pipeline being damaged) is situated upstream of a small weir in the Baviaans River within the town.

Voorstekraal obtains its water from a weir on a perennial mountain stream, which flows from north to south through the area. Fountains also contribute to the stream flow. Two boreholes were also drilled in Voorstekraal, which are available to increase the supply to the town by a further 416 Ml/a. One of the boreholes was commissioned during 2017/2018 and provide groundwater to the WTW Package Plant that was put back into operation.

Bereaville is supplied from a perennial mountain stream that flows from north to south through the area. The borehole north-east of the town was commissioned during 2017/2018 and provide groundwater to a new WTW Package Plant.

Greyton and Boschmanskloof: Greyton is supplied from two surface water sources and a borehole. The first surface water source is from a weir on the Wolwekloof mountain stream, and the second surface water source is from an abstraction point in the Gobos River (Boesmanskloof). A borehole at the Gobos River also supplies groundwater to the WTW.

Boschmanskloof obtains its potable water from the Greyton reservoirs. A perennial mountain stream flowing north to south through the valley supplied raw water to Boschmanskloof up to 2011 but was then decommissioned due to the poor quality of the raw water and the inability of the Boschmanskloof WTW to treat the water.

Grabouw: A new Service Level Agreement between Theewaterskloof Municipality and the Groenland WUA was signed in February 2013, which allows for an allocation of 4 420 Ml/a from the Eikenhof Dam for supply to Grabouw. Although the Eikenhof Dam is privately owned, the infrastructure including the extracting and conveyance of the raw water from the Eikenhof Dam to Grabouw's WTW is owned and operated by Theewaterskloof Municipality. All bulk water is currently being pumped from the Eikenhof Dam via the new Eikenhof PS.

Riviersonderend: The town is supplied with raw water from two surface water sources. The main water supply originates from a weir situated in the Olifantsbos. The water flows under gravity through a 150 dia pipeline to the raw water pump station. Water is also pumped directly from the Riviersonderend River to the raw water pump station. A new borehole was drilled during 2017/2018 as a back-up groundwater supply but is not yet in use.

Tesselaarsdal and Bethoeskloof: The town is supplied with water from a single production borehole in Tesselaarsdal. Previous years the groundwater was augmented by water abstracted from a weir in a nonperennial mountain stream in Tesselaarsdal. However, the weir is a limited resource which may not be used during periods of high demands, which mostly occurs during summer months. All supply to Tesselaarsdal over the last number of years was from the one borehole. Bethoeskloof is also supplied with treated water from Tesselaarsdal. The Bethoeskloof borehole is dry, which previously supplied bulk water to Bethoeskloof.

Villiersdorp: The town is supplied with raw water from the Elandskloof Dam via the Elandskloof Government Water Scheme, the Kommissiekraal River during the winter and from one borehole on the northwestern side of the town. A new borehole was drilled recently, and the municipality is currently busy with the commissioning of the new borehole.

THE FOLLOWING WATER SERVICES PROJECT WAS COMPLETED:

1. WATER PIPE REPLACEMENT PROJECT - GRABOUW - WATER SERVICE INFRASTRUCTURE GRANT (WSIG)

Grabouw experienced very high levels of population growth over the last 5 – 10 years. Grabouw's reticulation network consists mostly of old AC pipes, which is deteriorating and causing an increase in pipe breakages resulting in high water losses and Non-Revenue Water

(NRW) due to regularly flushing of the system. The total number of consumers left without water during these bursts amounts to 7700 households.

The Pipe Replacement Project aimed to replace 5km of pipeline that was identified as hotspots and also as per Water Service Development Plan (WSDP) 2020. This aims at improving and extending our infrastructure and replacing old and out-dated infrastructure to deliver a better service to our customer and to reduce losses and NRW for the Municipality.

The municipality will also save massive amounts of water which went unaccounted for due to aged infrastructure.

The municipality - Grabouw only have an operational budget for repairing of pipe bursts and leakages and for routine maintenance. This allows us only to replace pieces of the network resulting in a mixed network of AC and uPVC.

Scope:

Upgrade and Replace Ageing 200mm diameter AC Raw Water pipe with 200mm uPVC Pipe

This project consisted of the following:

1. Trenching for the new 200mm uPVC Raw water pipe next to existing old AC pipe
2. Replacement of approximately 5km of the old AC pipes with the same diameter uPVC pipes.
3. Installing new isolating valves, Scour valves, hydrants, air valves complete with Chambers and belltobies
4. Testing and commissioning of new uPVC pipeline.
5. Surface reinstatement
6. Project Handover

2. RAW WATER PIPELINE UPGRADE AND REPLACEMENT - CALEDON AUGMENTATION PHASE 3 - WSIG

The main objective was to accommodate the sufficient provision of water to the community of Caledon and Myddleton which includes local businesses to carry on with their operations and is therefore presented to inform and secure approval for the development of additional bulk water sources, including the refurbishment of existing infrastructure and associated infrastructure, between the Basil Newmark Dam and Caledon.

Scope:

Upgrade and Replace Ageing 200mm diameter AC Raw Water pipe with 200mm uPVC Pipe

This project consisted of the following:

1. Trenching for the new 200mm uPVC Raw water pipe next to existing old AC pipe
2. Replacement of approximately 5km of the old AC pipes with the same diameter uPVC pipes.
3. Installing new isolating valves, Scour valves, hydrants, air valves complete with Chambers and belltobies
4. Testing and commissioning of new uPVC pipeline.
5. Surface reinstatement
6. Project Handover

Design Criteria:

Physical Design Criteria

The physical criteria and requirements for the Raw Water Augmentation systems are set out in the sections below.

3. RAW WATER PIPELINE UPGRADE AND REPLACEMENT – GENADENDAL AUGMENTATION – WSIG

The main objective was to accommodate the sufficient provision of water to the community of Genadendal which includes local businesses to carry on with their operations and is therefore presented to inform and secure approval for the development of additional bulk water sources, including the refurbishment of existing infrastructure and associated infrastructure, between the Baviaans Weir and Genadendal. This infrastructure is conveying raw water from the Baviaans Rivier and Weir which is the Primary Source of water for this community.

The Breede River Basin Study indicated the sustainable yield of the Baviaans River as 2.458 million m³/a. The registered abstraction for Genadendal from this source is 0.753 million m³/a.

Raw water abstraction works and mains

Genadendal obtains its water from a weir in the Baviaans River 3.5 km upstream from the town. Water gravitates from the weir through a 200 mm diameter pipeline to a 1.84 Ml (1 840 m³) reservoir. The transfer capacity of the pipeline is unknown. Pipe breaks occur often, due to rock falls on the steep, sloped banks of the Baviaanskloof. A back-up pump is situated upstream of a small weir on the Baviaans River within the town which is available in the event of the supply pipeline being damaged.

Overview of the works

The project comprised of the installation of a new feed line that replaced the old, dilapidated water lines in the various towns. The supply line was damaged previously due to a fire. The pipeline is a top plinth.

GENERAL INTENT

The general intent of this Contract was that the Contractor procured all items necessary for, construction and completion of the works in accordance with the terms of Contract, in a workman-like and expeditious manner, and had full authority over all the Works.

The Engineer had the right to verify that all the work was carried out in accordance with this Contract and approved or rejected materials supplied and work undertaken by the Contractor or approved subcontractors.

EXTENT OF THE WORKS

The Works in general included but was not restricted to the following:

1. Site clearance,
2. Laying of gabions,
3. Connecting the main feed from gabions to supply line,
4. Laying of pipes on plinths down to purification works,
5. Installation of air valves on line,
6. Testing of new line.

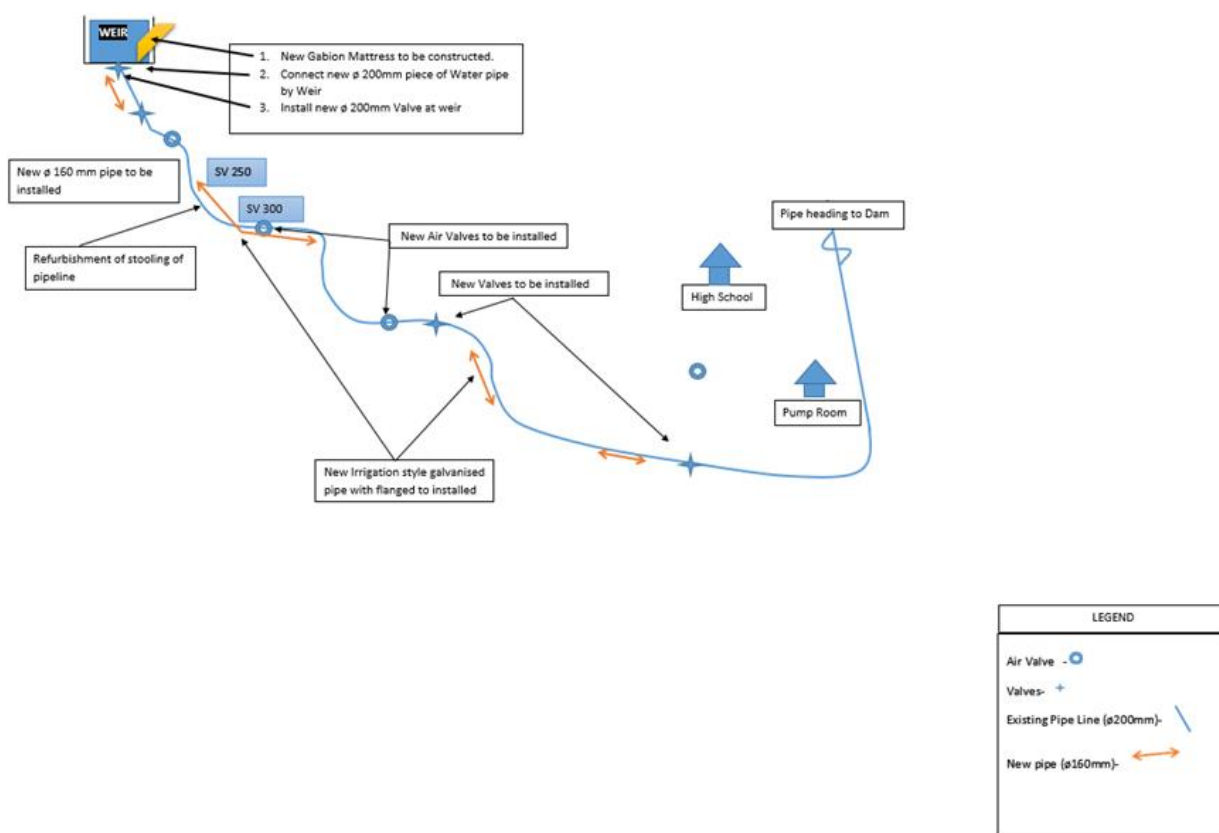
Scope of principal contract

The Contract included the Survey, Design and Construction of the following:

- Genadendal
- Gabions to be installed
- Connect new ø 200mm piece of Water pipe by Weir
- Install new ø 200mm Valve at weir
- ø 200 mm pipe to be installed

- plinths
- installation of air valves
- Installation of thrust blocks and bends
- Installation of valves

UPGRADING OF GENADENDAL EXISTING Ø200MM WATER PIPE WITH Ø160MM GALVANISED WATER PIPE



3.1.2 WATER SERVICE DELIVERY LEVELS

Water Service Delivery Levels				
Households				
Description	Year 2019/20	Year 2020/21	Year 2021/22	Year 2022/23 ⁸
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Water:</u> (above min level)				
Piped water inside dwelling	27 052	27 756	28 727	32 786
Piped water inside yard (but not in dwelling)	–	2671	2671	3660
Using public tap (within 200m from dwelling)	7 536	7 536	7 536	3 872
Other water supply (within 200m)	–	–	–	–
Minimum Service Level and Above sub-total	34 588	37 963	38 934	40 318
Minimum Service Level and Above Percentage	87,38%	93,34%	93,50%	93,50%

⁸ Census 2022

<u>Water:</u> (below min level)				
Using public tap (more than 200m from dwelling)	90	206	206	1468
Other water supply (more than 200m from dwelling)	4 907	1 148	1 148	–
No water supply	–	–	–	1334
<i>Below Minimum Service Level sub-total</i>	4 997	1 354	1 354	2 802
<i>Below Minimum Service Level Percentage</i>	12,62%	3,44%	6,50%	6,50%
Total number of households*	44 582	40 671	41 642	43 120
*Total number of households including informal settlements				

3.1.3 HOUSEHOLD - WATER SERVICE DELIVERY LEVELS BELOW MINIMUM

The below mentioned tables reflect the latest available data.

Households - Water Service Delivery Levels below the minimum			
Households			
Description	Year 2022/23		
	Original Budget	Adjusted Budget	Actual⁹
	No.	No.	No.
Formal Settlements			
Total households	34 508	34 508	34 508
Households below minimum service level	0	0	370
Proportion of households below minimum service level	0%	0%	1%
Informal Settlements			
Total households	8612	8612	8 612
Households ts below minimum service level	0	0	2 432
Proportion of households ts below minimum service level	0%	0%	28%
*The municipality strives to provide each household with at least the minimum services as required by law and policy			T3.1.3

⁹ Census 2022

3.1.4 ACCESS TO WATER

The below mentioned tables reflect the latest available data.

Access to Water			
	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free# ¹⁰
2019/20	34 588	27 052	5 252
2020/21	37 963	27 756	5 7 44
2021/22 ¹¹	37 963	27 756	6 236
2022/23 ¹²	41 786	36 445	6 336

3.1.5 PROVISION OF PREPAYMENT WATER

Water can be purchased at all Municipal offices for the towns.

Other stores or locations where water can be purchased are:

WATER VENDOR'S LIST

CALEDON:

- **BEEHIVE/SAVERITE** - 15 PLEIN STREET

GENADENDAL:

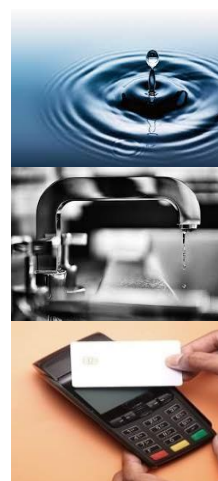
- **BUY-RITE** - MARSVELD STREET

GRABOUW:

- **ZH MINIMARK** - 32 MAIN ROAD

GREYTON:

- **SDS SUPERMARK** – ASTER AVENUE



3.1.6 WATER LOSSES

Water loss in water distribution networks (WDNs) can be defined as the difference between the quantity of drinking water fed to the system and the metered and billed water consumption. These losses, called non-revenue water (NRW), consist of unbilled but authorized water consumption (e.g., extractions from hydrants), apparent losses (e.g., unauthorized water extractions or meter inaccuracies), and real losses caused by leakages, whereby the greatest influence on water balance is from real losses. Water losses in WDNs vary widely depending on the maintenance efforts.

Total Water Losses – 29.80%

¹⁰ TWK Indigent register

¹¹ Latest info available for given year.

¹² Census 2022

CAUSES FOR WATER LOSSES

- Water that is lost during pipe breakages or leakages, which includes underground leakages as well, is difficult to quantify. This includes the flushing of the system after repairs.
- Slow response time to repair pipes bursts
- Bypassed meters especially on prepaid in certain areas
- Billed Metered consumption – inaccurate domestic or conventional meter readings.
- There has been growing concern about the lack of action by municipalities to attend to high water consumption caused by water leaks in households. On average, it is estimated that by repairing plumbing leaks within the domestic sphere, consumers consumption can be reduced from 200 to 300 cubic meters per month to 10 to 15 cubic meters per month (depending on occupancy). We should thus be driving the reduction of household leaks as one of our priorities.
- Vandalism and Theft of water and infrastructure
- Building contractors of low-cost housing projects not metering usage
- Ageing infrastructure and insufficient funds for replacements is the biggest challenges we have.

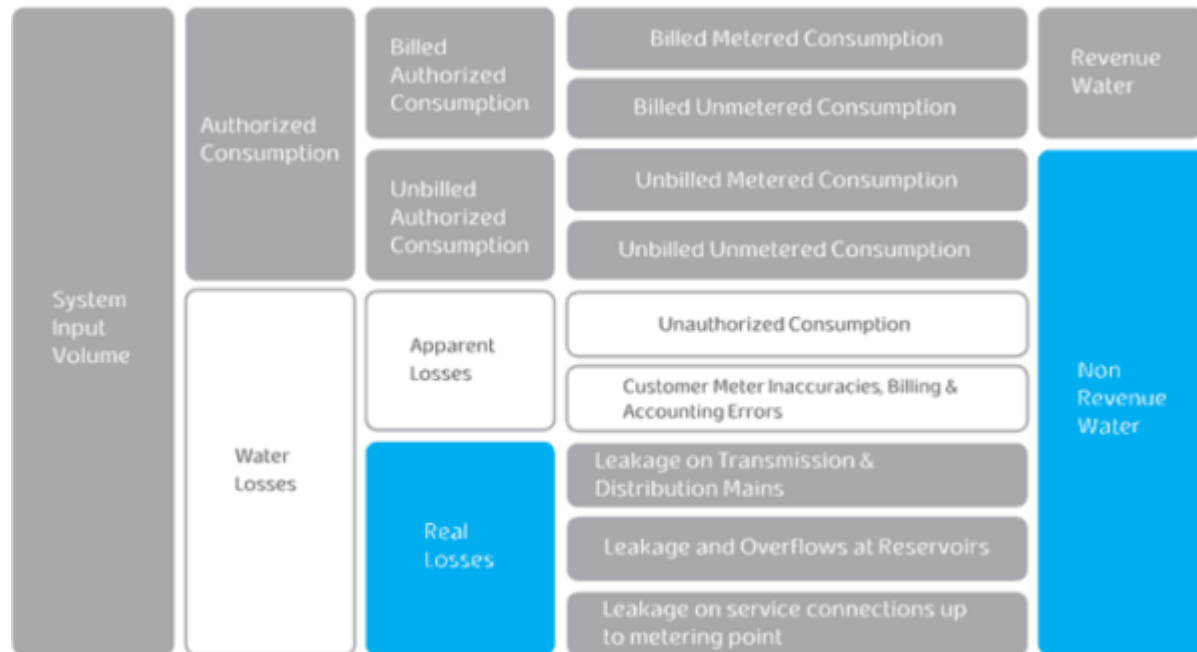
INITIATIVES IMPLEMENTED

- Villiersdorp
 - Appointed a dedicated EPWP Team to repair and maintain water infrastructure in the informal settlements.
- Grabouw
 - Replacement of meters, old pipes, network infrastructure, install PRV's
 - Calibration of inflow meter at Grabouw Water Treatment Works
 - Jan 2023 - 5 burst water mains had been reported which include 32mm to 160mm bulk water main lines.
 - Jan 2023 - 77 meters replaced.
 - Feb 2023 - Cleaning of settling tanks at Grabouw Water Treatment Works
 - Feb 2023 - 16 burst water mains had been reported which include 32mm to 160mm bulk water main lines.
 - Feb 2023 - 29 new water management devices (headsets) has been installed and 75 new water meters has been installed at various addresses which finance have logged.
 - March 2023 - 12 burst water mains had been reported which include 32mm to 160mm bulk water main lines.
 - March 2023 - 43 new water management devices (headsets) has been installed and 173 new water meters has been installed at various addresses which finance have logged.
 - Public awareness campaigns – newsletters, etc
 - EPWP – repairs and maintenance in informal settlements, etc.
 - 4 EPWP workers contracted to assist with water leaks and repairs to infrastructure till 30 June 2023

- Jan 2023 - 10 damaged toilet cisterns replaced. 35 drinking water taps replaced.
- Feb 2023 - 12 new taps had been installed at informal settlements which was due to vandalism on existing infrastructure.
- March 2023 - 13 toilets reported and repaired. 18 taps replaced due to vandalism.

Water balance

All information to determine the Non-Revenue and Revenue water, water losses and where the weak points in the system are:



3.1.7 MAJOR MILESTONES 2022/23 – WATER

GRABOUW WATER TREATMENT PLANT PUMP STATION UPGRADING

The demand for water increased exponentially because of the increasing population. The increased demand for water as well as Sustained and prolonged loadshedding and aging infrastructure placed pressure on the existing and aging bulk water infrastructure, such as the water treatment plant pump station and supply pipelines. Regular breakdowns of the supply pumps and pipe breakages exacerbated the bulk water supply problem.

The pump station was fully upgraded with the replacement of pumps and distribution boards. A standby generator was also installed to overcome the loadshedding challenge. The supply of water has since stabilised.



The project was completed in September 2023 at a cost of R 7.17m

3.1.8 EMPLOYEES WATER AND SEWERAGE NETWORKS

Employees: Water and Sewerage Networks					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts Budgeted	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	27	33	32	1	3%
4 - 6	7	7	7	0	0%
7 - 9	8	8	7	1	13%
10 - 12	0	0	0	0	-
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	43	49	47	2	4%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					T3.1.8

3.1.9 FINANCIAL PERFORMANCE: WATER SERVICES

Financial Performance: Water Distribution					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(2 196)	96,299	89,113	91,246	2%
Expenditure:					
Employees		10,339	9,899	9,806	-1%
Repairs and Maintenance	18,133	29,917	46,447	3,612	-92%
Other	5,803	26,321	31,745	179,030	464%
Total Operational Expenditure	23,936	66,577	88,091	192,448	118%
Net Operational Expenditure	21,740	162,877	177,204	283,695	60%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>					T3.1.9

3.1.10 CAPITAL EXPENDITURE: WATER SERVICES

Capital Expenditure: Water Distribution					
R' 000					
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	30,030	36,463	36,271	21%	
Smart Meters Replacement	6,933	6,933	6,854	-1%	
Capital - Grabouw Bulk Water	,339	,339	,339	0%	
Greyton WTW Planning	,65	,65	,65	0%	
Bulk water upgrading Grabouw	6,976	6,976	6,951	0%	
Upgrading of water purification plant	1,845	1,845	1,845	0%	
Upgrading of water purification plant Villiersdorp	1,772	1,772	1,772	0%	
Upgrading of water purification plant (investigate, preliminary)	1,222	1,222	,506	-59%	
Change Over Switches	,457	,457	,457	0%	
Borehole Pump	,144	,144	,144	0%	
Machinery and Equipment (New)	7,175	6,675	7,303	2%	
Upgrading of Tesselaarsdal water network	3,608	3,608	3,607	0%	
Borehole Ext 12 insurance claim	,95	,95	,95	0%	
Grabouw Bulk Water (Water Distribution)	2,598	2,598	2,598	0%	
Upgrading of Botrivier water purification plant	3,733	3,733	3,733	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.1.10

3.1.11 COMMENT ON WATER DISTRIBUTION SERVICES PERFORMANCE OVERALL

ENG 12/2022/23 tender advertisement closing date was 25 November 2022. Technical department's technical evaluation report was submitted to SCM to complete SCM evaluation on 30 November 2022. Botrivier WTW tender was awarded on 10 Feb 2023, the award letters sent out on 28 Feb 2023. Contract commenced 08 March 2023. April'23: Contractor on site. May'23: Contractor on site and funds will be spend. June'23 - Project completed. Outstanding payments at creditors department. The balance on the budget is contingencies not spent and a saving on consultancy fee's due to shorter contract period (saving on contract management, site supervision, health and safety, etc.) as the project was accelerated.

3.2 WASTEWATER (SANITATION) PROVISION



3.2.1 RESIDENTIAL SANITATION PROFILE

All the formal households in the urban areas of Theewaterskloof Municipality's Management Area are provided with waterborne sanitation facilities inside the erven. Communal ablution facilities are provided in the informal areas as a temporary emergency service. The current sanitation service levels are included under Topic of the Administration, Information and Comprehensive Overview Report.

The estimated cost to provide at least basic sanitation services to all the residential households in Theewaterskloof Municipality's Management Area are included in the table below:

Table 2.2.1: Estimated cost to provide basic sanitation services to all households with existing sanitation service levels below basic minimum standard.

Scheme	Area	Number of Households	Number of Toilet Facilities	Estimated Cost (R million)
Grabouw	Waterworks	326	66	R0.528
	Beverley Hills	285	57	R0.456
	Lost City	50	10	R0.080
	Slangpark / Siteview	111	23	R0.184
	Hillside	4	1	R0.008
	Darkside	43	9	R0.072
	Zola	130	26	R0.208
	Marikana	170	34	R0.272
	Irak	99	20	R0.160
	Siyanyanyzela	1 520	304	R2.432
	Kgotsong	1 030	206	R1.648
Bot River	New France	249	50	R0.400
Voorstekraal	Voorstekraal	35	7	R0.056
Greyton	Madiba Park	35	7	R0.056
Villiersdorp	Poekom	6	2	R0.016
	Goniwe Park	34	7	R0.056
	West Side 1	71	15	R0.120
	Lower West Side	156	32	R0.256
	Kanaal / Enkanini	552	111	R0.888
	Des West	240	48	R0.384
Caledon	Riemvasmaak	446	90	R0.720
Rural	Farms	880	880	R7.040
Total		6 472	2 005	R16.040

Note: The above communal sanitation services allows for at least one toilet facility per 5 households in the informal areas.

Theewaterskloof Municipality is faced with various challenges with regard to the provision of services on private owned land (Farms) in a financial sustainable manner (enabling the on-going operation of services and adequate maintenance and rehabilitation of the assets), which include the following:

Free basic sanitation policy:

- Provision of the most viable sanitation facility to the poor household.
- Health and hygiene promotion must be provided in a co-ordinated manner and must be properly managed and adequately funded if free basic sanitation is to become a reality. This requires close collaboration between the EHPs of the Overberg District Municipality responsible for environmental health and Theewaterskloof Municipality.
- Subsidising the operating and maintenance costs. If the basic service is to be provided free to the poor, then Theewaterskloof Municipality must ensure that the costs of providing the service are covered by the local government equitable share and / or through cross-subsidies within Theewaterskloof Municipality's Management Area.



3.2.2 SANITATION SERVICE DELIVERY LEVELS

The below mentioned tables reflect the latest available data.

Sanitation Service Delivery Levels				
*Households				
Description	Year 2019/20	Year 2020/21	Year 2021/22	Year 2022/23 ¹³
	Outcome	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Sanitation/sewerage:</u> (above minimum level)				
Flush toilet (connected to sewerage)	29 745	30 638	30 638	34 088
Flush toilet (with septic tank)	867	867	867	2132
Chemical toilet	-	-	-	262
Pit toilet (ventilated)	-	-	-	42
Other toilet provisions (above min.service level)	-	-	-	243
Minimum Service Level and Above sub-total	30 612	31 505	31 505	36 767
Minimum Service Level and Above Percentage	84%	84%	84%	85%
<u>Sanitation/sewerage:</u> (below minimum level)				
Bucket toilet	-	-	-	1268
Other toilet provisions (below min.service level)	4 309	4 309	4 309	387
No toilet provisions	1 571	1 571	1 571	4 705
Below Minimum Service Level sub-total	5 880	5 880	5 880	6 360
Below Minimum Service Level Percentage	16%	16%	16%	15%
Total households	36 492	37 385	37 385	43 127
*Total number of households including informal settlements				T3.2.2

¹³ Census 2022

3.2.3 HOUSEHOLD: SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM

The below mentioned tables reflect the latest available data.

Households - Sanitation Service Delivery Levels below the minimum			
Households			
Description	Year 2022/23		
	Original Budget	Adjusted Budget	Actual ¹⁴
	No.	No.	No.
Formal Settlements			
Total households	34 510	34 510	34 510
Households below minimum service level	0	0	630
Proportion of households below minimum service level	0%	0%	2%
Informal Settlements			
Total households	8 617	8 617	8 617
Households ts below minimum service level	0	0	5 730
Proportion of households ts below minimum service level	0%	0%	66%
*The municipality stives to provide each household with at least the minimum services as required by law and policy			T3.2.3

3.2.4 ACCESS TO SANITATION

The below mentioned tables reflect the latest available data.

Access to Sanitation	
	Proportion of households with access to sanitation
2019/20	32 271
2020/21	21 366
2021/22 ¹⁵	21 366
2022/23 ¹⁶	38 417

The Grabouw WWTW was upgraded from 3.6 MI/day to 8.5 MI/day during 2012 to 2015. The capacity of the new WTW is adequate to meet the future treatment requirements. The average operation flow during 2022/2023 was 51% of the hydraulic design capacity of the plant.

¹⁴ Census 2022

¹⁵ Latest info available for given year.

¹⁶ Census 2022

The Municipality originally planned that the Greyton WWTW will be decommissioned in the future and the sewage will be pumped to the Genadendal WWTW, but objections were received from the Genadendal community. For Greyton WWTW, analysis of pond sizes shows that the anaerobic ponds and primary aerobic pond are adequately sized for current flow quantities, but the secondary aerobic ponds are inadequate in size resulting in inadequate retention time that leads to failure of the works as a whole to achieve effective sewage treatment with respect to the final effluent. The Genadendal WWTW was upgraded during 2007 and the current hydraulic design capacity of the WWTW is 0.721 Ml/day, which is adequate to meet the future treatment requirements. The average operational flow during 2022/2023 was 37% of the hydraulic design capacity.

The Riviersonderend WWTW consists of an oxidation pond system and has an estimated capacity of 0.7 Ml/day. The pond system allows for long retention times which produce effluent of high standard which is used for irrigating of the neighbouring golf course. The WWTW is operating close to its maximum hydraulic capacity and will need to be upgraded in the nearby future. The average operational flow during 2022/2023 was 100% of the hydraulic design capacity.

The Tesselaarsdal WWTW consists of a package plant. The low-cost housing development was provided with a full waterborne sanitation system connected to the package plant. The other households make use of either conservancy tanks or septic tanks.

The capacity of the Villiersdorp WWTW was upgraded over the period 2013 to 2015 to a hydraulic design capacity of 3.5 Ml/day in order to comply with the special effluent quality standards as required by the DWS and to meet future treatment requirements. The average operational flow during 2022/2023 was 57% of the hydraulic design capacity.

It can be noted from the above that the Caledon- and Greyton WWTW are the most critical for immediate upgrading and thereafter the Riviersonderend- and Bot River WWTW.

The WWTWs to be upgraded in Theewaterskloof Municipality are summarised in the table below:

WWTWs to be upgraded in the future WWTW	Short, Medium, Long Term
Caledon Upgrade of WWTW	Short
New Package Plant for Greyton	Short
Bot River Upgrade of WWTW Phase 2	Medium
Riviersonderend upgrade of WWTW	Medium
Villiersdorp WWTW Upgrade	Long Term

3.2.5 MAJOR MILESTONES 2022/23 - SANITATION

CALEDON WASTEWATER TREATMENT WORKS

- The aim of this project is to facilitate the provision of basic services to more households, specifically those users with no formal form of sanitation and those using dry sanitation system, the provision of other support services has to be secured. This includes adequate bulk water and a sanitation network, which in turn will rely on an adequate wastewater treatment system that can treat the future wastewater flows to a standard that is acceptable for release into the environment.
- In summary, the upgrade and extension of the Caledon WWTW and associated bulk sewer infrastructure is a priority for the following reasons:
 - Upgrading the treatment process to ensure compliance with the requirements of the National Water Act and the Water Services Act in terms of water discharge authorization.

- To enable the sustainable provision of basic services to the community, including the further eradication of housing backlogs and connection of those even not currently linked to the WWTW.
- The diversification of the water sources in the Municipal Area through the re-use of effluent, to reduce dependence on a single water source during, for example, a drought or other emergency.
- To facilitate further economic growth and development in the Theewaterskloof Municipal area.
- With the successful completion of this project the municipality has sufficient capacity for the future growth of Caledon as well as for the following developments:
 - 1 290 low-cost housing units at Site Saviva, Uitsig, Caledon Site N and Myddleton.
 - The Blue Crane Development at the Casino and Spa with 400 new properties, a golf club and course, as well as a new filling station with shops.
 - Extension 12, north of the N2 main road.
 - The entire CBD area of Caledon. This includes, inter alia, SA Maltsters, other commercial entities, restaurants, take-aways and delis.
 - The proposed Flight Park Industrial development to the southern side of the CBD.
 - The proposed development of 73 industrial sites in Chavonnes street.
- The full cost of implementing this project was R70 896 296 over 7 financial years. This project provided work opportunities for 63 individuals from Caledon.



GREYTON WASTEWATER TREATMENT WORKS

The existing Greyton Wastewater Treatment Works utilises an oxidation pond system for the treatment of raw wastewater emanating from the town of Greyton. Greyton, including Boschmanskloof and Heuwelkroon, has approximately 3 000 inhabitants and + 700 households, of which approximately 50% are serviced by waterborne sewage, currently treated at the Greyton Wastewater Treatment Works. The balance uses septic and conservancy tanks. The conservancy tank contents are discharged at the Genadendal Wastewater Treatment Works due to a lack of facilities to receive the latter discharge at the Greyton WWTW.

When comparing Raw sewage test result and the Treated Effluent test result there is an observable reduction in values of conductivity, oxygen demand, COD and ammonia nitrogen from raw sewage to treated effluent, but the treatment process is incomplete, and these values generally exceeded the allowable limits for final effluent. This can be expected due to the limited treatment capacity of the tertiary ponds.

With the completion of the current phase of this project the Newly Built Greyton WWTW has sufficient capacity up to 20-year population growth as well as the proposed low-cost housing project.

The full estimate for the works is R34 604 052.97 of which council implemented R 25 352 961 to install the bear minimum to have a functional treatment plant to provide capacity for the growth of the town as well as the proposed development. The full scope of the project will be implemented as budget allows. This project provided employment opportunities for 16 individuals from Greyton and Genadendal area.



3.2.6 EMPLOYEES: SANITATION SERVICES

Employees: Sanitation Services (Water and Sewage Purification Works) incl. Suction Tank Services					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (Budgeted)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	22	22	20	2	9%
4 - 6	15	16	13	3	19%
7 - 9	12	13	11	2	15%
10 - 12	6	6	6	0	0%
13 - 15	0	0	0	0	-
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	-
Total	56	58	51	7	12%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.2.6

3.2.7 FINANCIAL PERFORMANCE: SANITATION SERVICES

Financial Performance: Wastewater Management					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(50 188)	53,032	53,001	53,964	2%
Expenditure:					
Employees		18,449	17,621	17,432	-1%
Repairs and Maintenance	29,606	32,273	31,507	29,992	-5%
Other	18,053	,837	2,962	3,105	5%
Total Operational Expenditure	47,659	51,559	52,090	50,530	-3%
Net Operational Expenditure	(2 529)	104,591	105,090	104,494	-1%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>					T3.2.7

3.2.8 CAPITAL EXPENDITURE: SANITATION SERVICES

Capital Expenditure: Wastewater Management					
R' 000					
Capital Projects	Year 2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	32,899	32,586	31,056	-6%	
Caledon - Bulk outfall sewer	,470	,470	,470	0%	
Caledon - WWTW upgrade	,273	,273	,273	0%	
Caledon - Bulk outfall sewer upgrade	,250	,250	,236	-5%	
Botrivier sewer network upgrading (septic tank eradication)	,850	,850	,865	2%	
Upgrade wastewater treatment plant ph 4	12,585	12,585	12,546	0%	
Riviersonderend WWTW upgrade	,905	,905	,905	0%	
Upgrading wastewater treatment plant	2,633	2,633	2,633	0%	
Upgrading wastewater treatment plant	9,930	9,616	9,030	-6%	
Greyton WWTW Fence	,809	,809	,757	-6%	

Upgrading of wastewater treatment plant Phase 1	,905	,905	,905	0%	
Supply and Delivery of New Sewerage Pump for RSE Disa Laan Pumpstation	,419	,419	,50	-88%	
Upgrading wastewater treatment plant - Greyton	,771	,771	,771	0%	
Botrivier Sewer Network upgrading (Septic tank eradication)	2,100	2,100	1,615	-23%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.2.8

3.2.9 COMMENT ON THE WASTEWATER SERVICES PERFORMANCE OVERALL

Supply and Delivery of New Sewerage Pump for RSE Disa Laan Pumpstation - The official order for the import from Nederland and installation of the pumps was generated and provided to Robot Pumps Africa on 10 March 2023. Upon receiving the order, the service provider notified us that the factory in Nederland's did not have the pumps in stock and had to manufacture it. The delivery date to South Africa was scheduled for 22 July 2023. The pumps were eventually installed in September 2023. There was no roll-over of the capital funds for the 2023/24 financial year and payment was requested out of our operational budget for 2023/24.

The Botrivier septic tank eradication reached practical completion in the 2022/23 financial year.

3.3 ELECTRICITY

3.3.1 INTRODUCTION TO ELECTRICITY

Theewaterskloof municipality is responsible for distribution of electricity in the towns of Caledon, Greyton, Riviersonderend and Villiersdorp. Eskom directly supplies electricity to Botrivier, Genadendal, Grabouw, Tesselaarsdal and the agricultural areas. Theewaterskloof's biggest challenge remains the fact that Theewaterskloof does not supply electricity in all of its towns and to some of the biggest industrial consumers e.g., SAM.

ELECTRICITY (DISTRIBUTION)

Activity

The quality of electricity supply impacts the economic growth of the municipality. Moreover, the constant supply of electricity is a necessary tool to improve the socio-economic conditions of Households and communities.

Theewaterskloof Municipality is responsible for the distribution and reticulation of electrical energy to all its consumers in a cost effective and safe manner.

The municipality has a mandate to distribute electricity subject to license conditions set by NERSA.

Strategic Objectives

- To evaluate all restraints placed on the department and develop strategies to ensure that the minimum service delivery standards of the Electrical Service Department are maintained.

- To ensure a safe, effective, economical and continued supply of electricity within the TWK Municipal supply area.

ELECTRICITY (STREET LIGHTING)

Activity

The Management of all installations and maintenance of streetlights for the municipal area forms part of Directorate Operational Services Key Performance areas.

The maintenance of streetlights in towns where Eskom distributes electricity was taken over by the municipality.

Provision of Prepayment Electricity.

Electricity can be purchased at all Municipal offices for the towns where the municipality is responsible for the provision of electricity.

Other stores or locations where electricity can be purchased are:

ELECTRICITY VENDOR'S LIST

CALEDON:

- **BEEHIVE/SAVERITE** - 15 PLEIN STREET
- **MASLAH TUCK SHOP** - 20 ZAMBEZI STREET
- **VLEI VIEW CAFÉ** - 22 SECOND AVENUE
- **UITSIG SUPERMARKET** - 23 SYSIE STREET
- **CAREN SHOP** - 67 STERLING STREET
- **LUCKY SHOP** - 44 FIRST AVENUE
- **CORNER MINI SHOP** - 80 PLAKKERSKAMP
- **SOMSTAR SHOP** - 19 CHARTER STREET
- **HIRAANS SPAZA SHOP** - 4 KWARTEL STREET
- **DEON'S CAFÉ** - 56 STERLING STREET
- **AMANO SHOP** - 34 3RD AVENUE
- **MERA SUPERETTE** - 34 PRINCE ALFRED STREET
- **HOOSAIN TUCK SHOP** - 41 HOOF STREET
- **MAMA AFRICA SHOP** - 12 G12, RIEMVASKMAAK
- **DD'S DEN** - 37 BLOUKRAAN WEG
- **CALEDON - SPAR** 1 PIONEER STREET OVERBERG
- **SH SUPERETTE** - 120 MAIN ROAD
- **MEGA SWEETS WHOLESALE & RETAIL** - 13 DONKIN STREET
- **CALEDON SUPERETTE** - 8 MILL STREET
- **CALEDON MINI MARKET** - 11 PLEIN STREET
- **BIGTIME TUCKSHOP** - 38 5TH AVENUE

BOTRIVIER:

- **BOTRIVIER SUPERETTE** – HOOFWEG

VILLIERSDORP:

- **SCUBA SCUBA SPAZA SHOP** - 1 MAGNOLIA STREET
- **N.E. STORES** - 145 DISA STREET
- **YELLOW SPAZA SHOP** - 340 GONIWE PARK
- **MAXWELL SHOP** - 96 FH96CGONIWE PARK
- **NANCY SHOP 1** - 020 FJ GONIWE PARK
- **BRINKS – SPAR** - 29 HOOF STREET
- **SUPER SAVE VILLIERSDORP** - 7 B MAIN ROAD OK FOOD CENTRE
- **YONA YETHU SPAZA SHOP** - 288 MAIN ROAD
- **ESETHU SPAZA SHOP VILLIERSDORP** - 2DE LAAN, 26 GONIWE PARK
- **1 PRICE STORE VILLIERSDORP** - 14 MAIN ROAD
- **AL BARAKA SHOP** - 1214 GONIWE PARK
- **NASIR SPAZA SHOP** - 135 DISA STRAAT, GONIWE PARK
- **GIZA SHOP** - 25 MAGNOLIA STREET
- **ONS WINKEL** - 205 DISA STRAAT, GONIWE PARK
- **QUAYYUM GENERAL TRADING STORE** - 1A BUITENKANI STREET

GREYTON:

- **GREYTON TUCK SHOP** - 32 PLANTASIE ROAD
- **GREYTON SUPERMARKET** - 43 MAIN ROAD

RIVIERSONDEREND:

- **MATUWS SHOP** - 57 FULLARD STREET
- **ABDUL SHOP** - 20 JASMYN STREET
- **CARICA CASH STORE** - 15 MAIN ROAD
- **CONTINENTAL CAFÉ** - 22 MAIN ROAD
- **SHELL RIVIERSONDEREND T/A BUYISIWE TRADING (PTY) LTD**
- **CONTINENTAL SUPERETTE T/A MAXI MARKET** - 11 MAIN ROAD

- **ESKASI SPAZA SHOP** - 34 DEVOS STREET, MCKENZIE
- **ALKHEYA SHOP** - 48 ERF GONIWE PARK
- **SEEGALE SHOP** - 2935 ERF GONIWE PARK
- **SHABALALA SHOP** - 85 PROTEA HEIGHTS
- **AL HIDAAYA SHOP** - 172 KERSHOUTSTRAAT
- **ISMAIL ABRAHAM SHOP** - ERF 3096, MOUNTAIN HILL
- **LAFOOLE SPAZA SHOP** - 1861 GONIWE PARK
- **YONA YETHU SHOP** - 296 SHACK ROAD, GONIWE PARK

GRABOUW:

- **AGRIMARK ELGIN**
- **GRABOUW - SUPERSPAR**
- **VILLAGE SUPERMARKET**
- **GRABOUW BUILD IT**

The Electrical Department is committed to supply existing and new customers with electrical energy of acceptable quality in a safe and sustainable way. The aim of the department is to deliver services that are above the industry standards.

3.3.2 ELECTRICITY SERVICE DELIVERY LEVELS

The below mentioned tables reflect the latest available data. The data will be updated with the release of the census data.

Electricity Service Delivery Levels				
Description	Households			
	Year 2019/20	Year 2020/21	Year 2021/22	Year 2022/23
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Energy: (above minimum level)</u>				
Electricity (at least min. service level)	53	55	51	49
Electricity - prepaid (min. service level)	7 637	7 921	7 949	7 541
Minimum Service Level and Above sub-total	7 690	7 976	8 000	7 690
Minimum Service Level and Above Percentage	100%	100%	100%	100%
<u>Energy: (below minimum level)</u>				
Electricity (< min. service level)				
Electricity - prepaid (< min. service level)				
Other energy sources				
Below Minimum Service Level sub-total	-	-	-	-
Below Minimum Service Level Percentage	-	-	-	-
Total number of households	7 690			
T3.3.2				

3.3.3 EMPLOYEES ELECTRICITY SERVICES

Employees: Electricity Services					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (Budgeted)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	7	4	3	1	25%
4 - 6	1	9	9	0	0%
7 - 9	5	5	5	0	0%
10 - 12	5	5	5	0	0%
13 - 15	1	1	1	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	-
Total	20	25	24	1	4%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.3.3

3.3.4 FINANCIAL PERFORMANCE: ELECTRICITY SERVICES

Financial Performance: Electricity Distribution					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(125 039)	(130 262)	(125 601)	(119 313)	-5%
Expenditure:					
Employees		10,539	9,584	9,197	-4%
Repairs and Maintenance	14,073	-	-	-	0%
Other	96,388	113,920	105,968	106,065	0%
Total Operational Expenditure	110,462	124,459	115,552	115,261	0%
Net Operational Expenditure	(14 578)	(5,803)	(10,049)	(4,052)	-60%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.3.4

3.3.5 CAPITAL EXPENDITURE: ELECTRICITY SERVICES

Capital Expenditure: Electricity Services					
R' 000					
Capital Projects	2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	25,400	23,900	23,175	-9%	
Replace and upgrade MV and LV Networks Caledon Street	1,513	1,513	,805	-47%	
Personell Bucket (Street Lights)	1,168	1,168	1,167	0%	
Vehicle (Street Lights)	,380	,380	,380	0%	
Machinery and Equipment (New)	,250	,250	,250	0%	
Replacement of Miniature substations	,32	,32	,32	0%	
Upgrading network Uitsig Caledon	1,450	1,450	1,450	0%	
Machinery and Equipment (New)	,57	,57	,45	-21%	
High mast lighting	7,619	7,619	7,619	0%	
High mast lighting	,975	,975	,898	-8%	
Replace overhead line Protea and Disa street	,50	,50	,50	0%	
Replace MV and LV Overhead networks.	,27	,27	,27	0%	
Replace Overhead line Caledon Street	,92	,92	,92	0%	
Electrification of Greyton Madiba Park	,73	,73	,73	0%	
Vehicle (Assistant Technical Officer)	,211	,211	,184	-13%	
Upgrading network Uitsig Caledon	,350	,350	,335	-4%	
Replace overhead line Protea and Disa street	,69	,69	,69	0%	
Grabouw High Mast Lightning (Streetlights)	,883	,883	,883	0%	
Machinery and Equipment (New)	10,200	8,700	8,817	-14%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.3.5

3.3.6 COMMENTS ON ELECTICITY SERVICES PERFORMANCE OVERALL

The installation of the high mast lights in Grabouw is completed. The electrification of Greyton Madiba Park was cancelled. The tenders for the remaining projects were awarded late due to BAC meetings not taking place between October 2022 and February 2023. The projects started in May 2023 and due to the long lead time was carried over to the new financial year and is in process to be completed.

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

3.4.1 INTRODUCTION TO WASTE MANAGEMENT

Theewaterskloof Municipality is committed to a system of waste management that will see the least possible amount of waste going to modern engineered landfills. This will be achieved through the use of education, law enforcement and material recovery and treatment plants. New and emerging technologies, where applicable and affordable, will also play a part in overall waste management. This will need a mind shift from all in Theewaterskloof Municipal area.

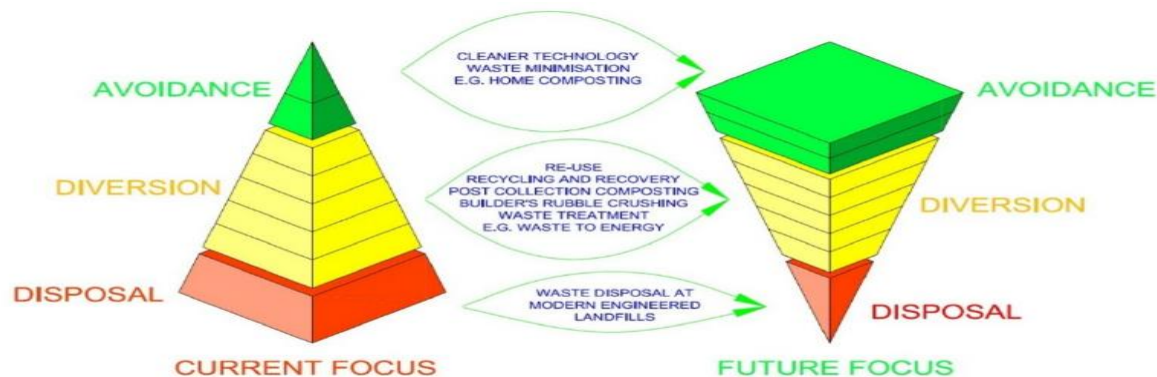


Figure 3-1: Waste Hierarchy

The analysis of the current waste management system has shown the following:

- All formal residential erven are receiving a weekly door-to-door waste collection service.
- Only builder's rubble and mix waste are disposed at the municipality's waste disposal site in Riviersonderend. This site has received a closure license and is due closure by 2024.
- Collected waste in Caledon are disposed at the municipality's licensed Caledon landfill.
- All collected waste in Grabouw, Villiersdorp, Genadendal, Greyton, Riviersonderend, Tesselaarsdal and Botrivier are disposed at the regional landfill site Karwyderskraal.
- Genadendal and Greyton landfill sites have received closure licenses and are due closure by 2024 and 2025 respectively.
- Recycling and waste recovery is currently done in Grabouw, Villiersdorp, Caledon, Greyton and Riviersonderend.
- Waste avoidance is not currently addressed by Municipal intervention but by national through the promulgation of legislation.
- Caledon, Greyton, Genadendal and RSE landfill sites, Villiersdorp and Grabouw Transfer Stations are currently audited internally and externally for permit/license compliance.
- the Villiersdorp and Botrivier landfill sites has been closed, but not yet rehabilitated
- The latest by-laws on waste management were promulgated in 2015.

- External Service provider is used to collect containerised waste from RSE, Grabouw, Villiersdorp, Genadendal, Greyton, Riviersonderend, Botrivier and Tesselaarsdal and delivered to the Regional Landfill Karwyderskraal.

Top priorities for Waste Management are the completion of transfer stations and MRF's in Riviersonderend. The Material Transfer Station in Caledon was completed in December 2022. Rehabilitation of landfill sites at Riviersonderend, Villiersdorp, Botrivier, Greyton, Genadendal and Caledon is also a top priority for the municipality although funding is a challenge.

3.4.2 SOLID WASTE SERVICE DELIVERY LEVELS

The below mentioned tables reflect the latest available data.

Solid Waste Service Delivery Levels				
Description		Households		
	Year 2019/20	Year 2020/21	Year 2021/22	Year 2022/23 ¹⁷
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	36 492	36 492	36 492	32 841
<i>Minimum Service Level and Above sub-total</i>	36 492	36 492	36 492	32 841
<i>Minimum Service Level and Above percentage</i>	100%	100%	100%	76%
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	-	-	-	656
Using communal refuse dump	-	-	-	2470
Using own refuse dump	-	-	-	3605
Other rubbish disposal	-	-	-	373
No rubbish disposal	-	-	-	3169
<i>Below Minimum Service Level sub-total</i>	-	-	-	10273
<i>Below Minimum Service Level percentage</i>	-	-	-	24%
Total number of households	36 492	36 492	36 492	43 114

¹⁷ Census 2022

3.4.3 HOUSEHOLDS: SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM

The below mentioned tables reflect the latest available data.

Households - Solid Waste Service Delivery Levels below the minimum			
Households			
Description	Year 2022/23		
	Original Budget	Adjusted Budget	Actual ¹⁸
	No.	No.	No.
Formal Settlements			
Total households	34 509	34 509	34 509
Households below minimum service level	0	0	4 336
Proportion of households below minimum service level	0%	0%	13%
Informal Settlements			
Total households	8 612	8 612	8 605
Households ts below minimum service level	0	0	5 937
Proportion of households ts below minimum service level	0%	0%	69%
*The municipality strives to provide each household with at least the minimum services as required by law and policy			T3.4.3

3.4.4 MAJOR MILESTONES 2022/23 - SOLID WASTE MANAGEMENT

GREYTON DROP OFF

According to the decommissioning license, decommissioning should commence on or before 07 November 2025 whereafter the site will have to be decommissioned and rehabilitated. The Drop Off will be the alternative waste management system where waste will have to be temporarily stored before it will be transported to the regional landfill site, Karwyderskraal, for disposal.

The cost of constructing the Drop Off was R 7 708 122, over 2 financial years and provided employment for 25 local individuals.

CALEDON WASTE TRANSFER STATION AND MATERIAL RECOVERY FACILITY

According to the latest Airspace determination the Caledon landfill site has sufficient airspace until Aug 2028 where after the site will have to be decommissioned and rehabilitated. It is uneconomical for the collection vehicles from Caledon to drive directly to the regional landfill site, Karwyderskraal, due to the location thereof, therefore the transfer station will be the alternative waste management system where waste will have to be temporarily stored before it will be transported to the regional landfill site for disposal. To promote reduction in disposal a Material Recovery Facility was constructed with the transfer station. The material recovery facility will assist the municipality to achieve desired targets w.r.t waste diversion.

¹⁸ Census 2022

The cost of constructing the Caledon WTF and MRF was R 30 780 637, over 6 financial years and provided employment for 25 local individuals over this period.

The dedicated entrance lane from the N2 will still have to be constructed as required by SANRAL, this is currently in planning phase.

CALEDON WTF AND MRF



GREYTON DROP OFF



3.4.5 EMPLOYEES SOLID WASTE MANAGEMENT (TRANSFER AND STREET CLEANSING)

Employees: Solid Waste Management Services (Transfer and Street Cleansing)

Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (Budgeted)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	74	80	75	5	6%
4 - 6	5	5	5	0	0%
7 - 9	12	13	12	1	8%
10 - 12	5	5	5	0	0%
13 - 15	0	0	0	0	-
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	96	103	97	6	6%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.4.5

3.4.6 FINANCIAL PERFORMANCE: WASTE MANAGEMENT SERVICES

Financial Performance: Solid Waste Management Services					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(49 409)	54,810	54,088	72,003	33%
Expenditure:					
Employees	16,434	17,721	17,350	17,176	-1%
Repairs and Maintenance	5,208	-	-	-	0%
Other	39,035	50,904	51,828	47,921	-6%
Total Operational Expenditure	60,678	68,625	69,178	65,097	11%
Net Operational Expenditure	11,268	123,435	123,266	137,100	11%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>					T3.4.6

3.4.7 CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES

Capital Expenditure: Solid Waste Management Services					
R' 000					
Capital Projects	2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	7,372	6,996	6,766	-8%	
Caledon WTF & MRF Entrance N2	,926	,178	,83	-91%	
Villiersdorp- Landfill rehabilitation	-	-	-	-	
Greyton landfill rehab	-	,373	,373	0%	
RSE WTF & MRF Phase 4	3,538	3,538	3,403	-4%	
RSE WTF & MRF Phase 3	2,908	2,908	2,908	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.4.7

3.4.8 COMMENT ON THE WASTE MANAGEMENT SERVICES SERVICE PERFORMANCE OVERALL

The variance is due to a non-exchange transaction of R17m that was not budgeted for.

Caledon WTF & MRF Entrance N2: Tender prices exceeds the cost estimate and budget, the tender was cancelled. We are revising the design and cost estimate with SANRAL and submitting for budget and will go out on tender for the revised design.

3.5 HUMAN SETTLEMENTS



3.5.1 INTRODUCTION TO HUMAN SETTLEMENTS

The Human Settlements is responsible for; facilitating the development of low-cost housing subsidy programmes; implementing incremental approaches to informal settlement upgrading; managing the grants allocated for the purposes; supporting and containing the informal settlements growth through education projects and land management; educating consumers of our services through targeted housing consumer education programmes; providing security of tenure through the title deeds restoration programme.

Human Settlements Development Grants make up 16% (R 24 447 148) of the municipal capital budget (R149 741 761.00) the third biggest contributor after MIG and loans, to the total municipal capital budget. Theewaterskloof currently has 36 informal settlements with a total of 20 826 informal structures in the various towns. Grabouw accounts for 15 informal settlements with a total of 15 235 informal structures which amounts to 73% of the total informal structures.

The total housing demand as per the housing demand database amounts to 14 456. Towns with the most informal settlements evidently have the highest demand, Grabouw 41% of the total demand (5987) and Villiersdorp 24% (3516) of the total demand. Over the next Medium-Term Expenditure Framework (MTEF) it is estimated as per the draft human settlements business plan that approximately 3451 serviced sites and 350 top structures will be delivered over the next three financial years. This indicates that the demand is far higher than what can be provided in the medium term.

HOUSING DEMAND

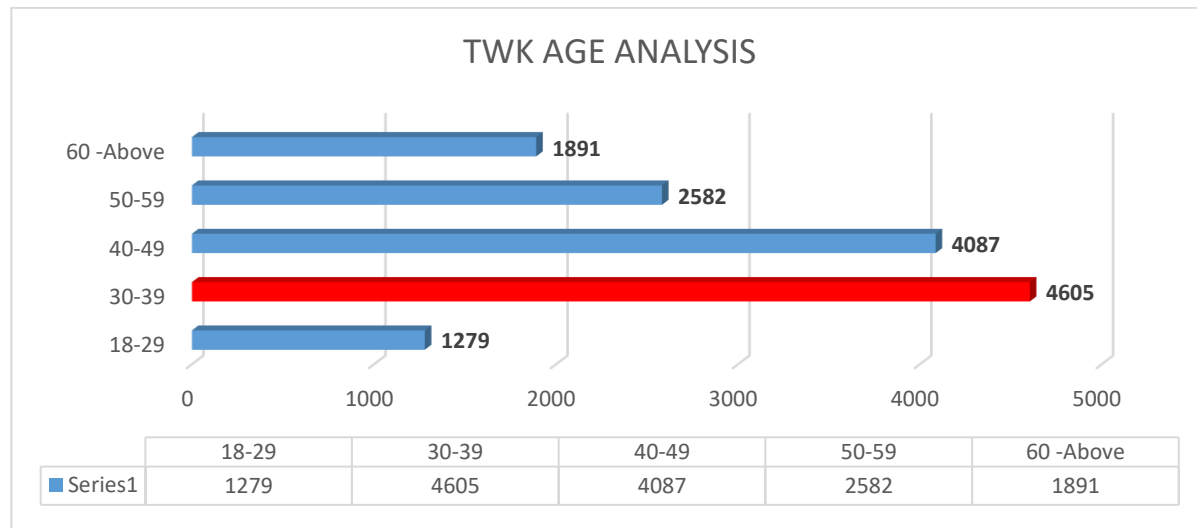
- **Analysis**

- Total registered housing demand 14 456.
 - o Towns with the most informal settlements have the highest demand.
 - o It is highly likely that the demand is much higher based on the number of informal settlements and its rapid growth.
- Unpacking the demand reveals that.
 - o 81% of the total demand falls within the low-cost housing qualification income bracket.
 - o 19% of the total demand falls within the affordable housing market.
 - o 69% of the demand falls in the age category 49 and under.

- Statistics

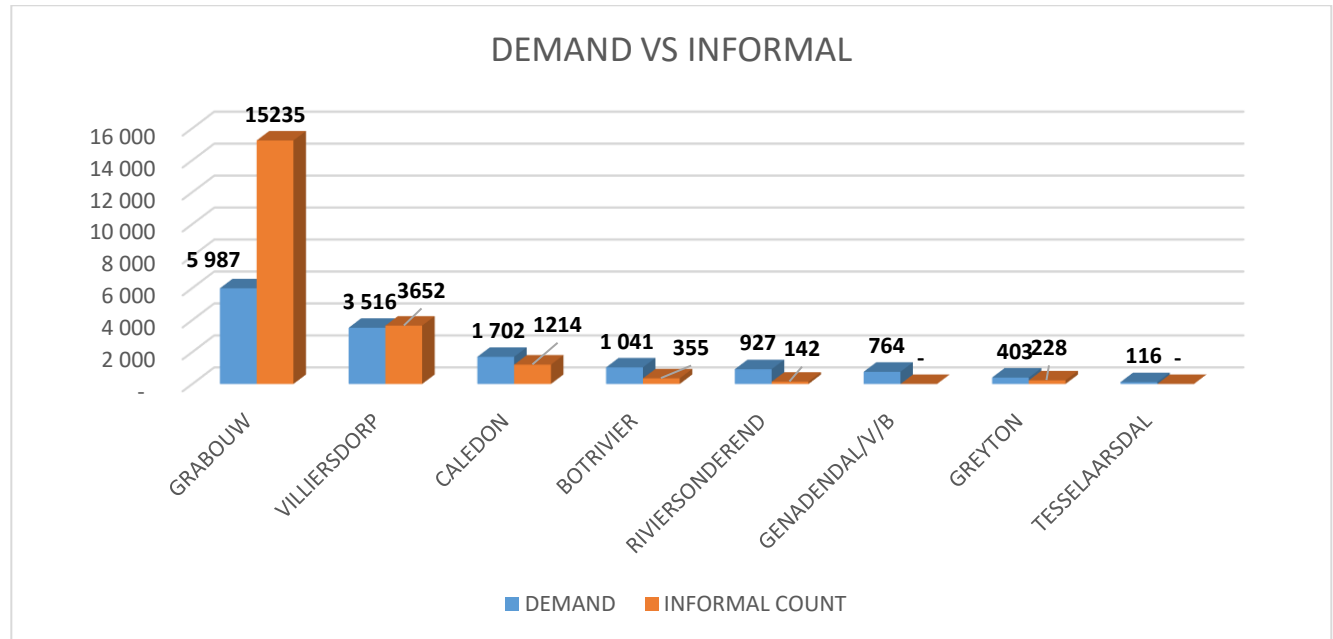
		AGE ANALYSIS					CATEGORY			
TOWN	DEMAND PER TOWN	ABOVE 60	50-59	40-49	30-39	18-29	DISABLED	ABOVE 3500	BACKYARDERS	FARMWORKERS
BOTRIVIER	1041	94	126	263	386	172	8	77	156	96
CALEDON	1702	170	300	465	622	143	23	150	214	102
GENADENDAL	764	113	110	199	258	84	5	37	16	0
GRABOUW	5987	749	1030	1742	1925	535	68	1275	897	685
GREYTON	403	42	50	126	140	45	3	46	104	25
RIVIERSONDEREND	927	124	154	242	329	76	17	102	134	73
TESSELAARSDAL	116	19	20	21	40	16	1	9	26	11
VILLIERSDORP	3516	580	792	1029	905	208	44	614	207	676
	14456	1891	2582	4087	4605	1279	169	2310	1754	1668

- Demand Age Analysis



As per the above graphical illustration 32% of the housing demand is within the 30-39 age category.

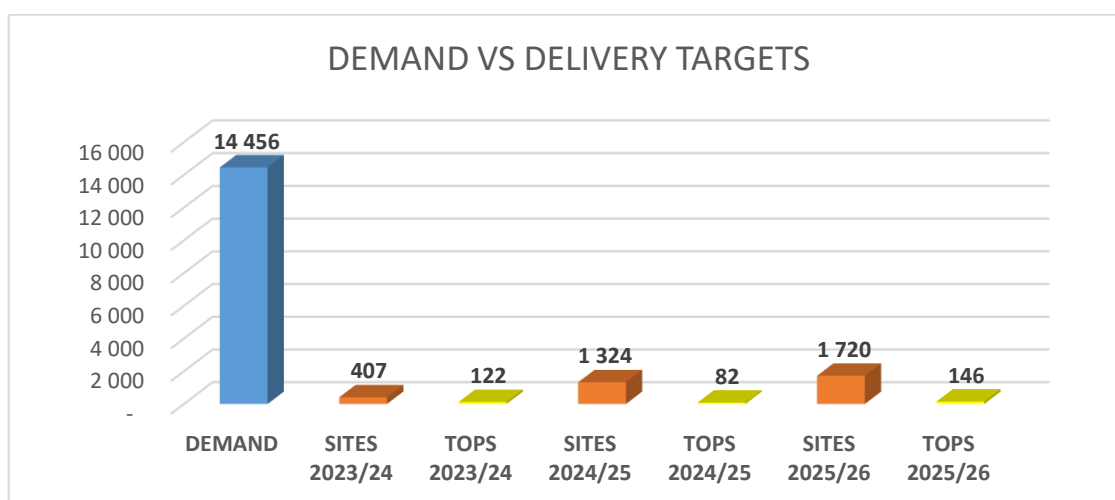
- **Demand vs Informal Structures**



The above illustration shows that the informal structure count for informal settlements for Grabouw and Villiersdorp is higher than the housing demand.

- **Housing Demand vs Planned Delivery Targets**

TOWN	DEMAND	2023/24		2024/25		2025/26	
		SITES	TOPS	SITES	TOPS	SITES	TOPS
		2023/24	2023/24	2024/25	2024/25	2025/26	2025/26
Grabouw	5987	-	74	250	82	282	146
Villiersdorp	3516	407	-	500	-	533	-
Caledon	1702	-	-	370	-	370	-
Botrivier	1041	-	-	104	-	258	-
Riviersonderend	927	-	48	-	-	-	-
Genadendal/V/B	764	-	-	-	-	-	-
Greyton	403	-	-	100	-	277	-
Tesselaarsdal	116	-	-	-	-	-	-
Totals	14 456	407	122	1 324	82	1 720	146



As per the above charts it is evident that the human settlements delivery approach has changed with the prioritisation of improved services informal settlements and the provision serviced plots. Over the next 3 years 3451 serviced plots is planned and only 350 top structures planned.

INFORMAL SETTLEMENTS MANAGEMENT

TWK has experienced growth in the number of informal structures erected in the various informal settlements. The Municipality is experiencing a spate of illegal occupation and invasion of land in all towns and had to appoint security companies to safeguards land earmarked for future human settlement development. The exponential growth of informal settlements can be attributed to various socio-economic factors.

Several interrelated factors have driven the emergence of informal settlements: population growth; rural-urban migration; lack of affordable housing; poor governance (particularly in policy, planning, containment, and urban management); economic vulnerability and seasonality of work.

• Overview

TOWN	NUMBER OF SETTLEMENTS	STRUCTURE COUNT
Grabouw	15	15 235
Villiersdorp	12	3652
Caledon	1	1214
Botrivier	2	355
Riviersonderend	1	142
Greyton/Genadendal	2	228
Total	36	20 826

It needs to be mentioned that the municipality has initiated a number of housing projects, and this will lead to the reduction in the current number of informal structures. There are however various challenges that remains. These relates to insecure tenure, lack of basic services, renting and selling of structures, lack of social and economic amenities as well as illegal activities within the various informal settlements.

- Current Status

<u>SETTLEMENT NAME :</u>	<u>NO. OF WATER POINTS</u>	<u>NO. OF WATER POINTS NOT WORKING</u>	<u>NO. OF TOILETS WORKING</u>	<u>NO. OF TOILETS NOT WORKING</u>	<u>NO OF STRUCTURES ELECTRIFIED</u>	<u>NO OF STRUCTURES NOT ELECTRIFIED</u>	<u>NO. OF STRUCTURES</u>
CALEDON							
Riemvasmaak -A	20	0	27	2	627	587	1214
TOTAL CALEDON	20	0	27	2	627	587	1214
BOTRIVIER							
New France	3	0	5	5	0	131	131
BEAMONT TRA	112	0	111	1	194	30	224
TOTAL BOTRIVIER	115	0	116	6	194	161	355
RIVIERSONDEREND							
Joe Slovo	117	12	14	1	117	0	117
New Serviced Plots	25	0	25	0	25	0	25
TOTAL RIVIERSONEREND	142	12	39	1	142	0	142
GENDENDAL							
GENADENDAL	0	0	0	0	0	0	5
Madiba Park	2	2	5	5	0	0	198
BERIAVILLE	1	0	3	0	0	0	25
VOORSTEKRAAL	0	0	0	0	0	0	0
TOTAL GENADENDAL	3	2	8	5	0	0	228
GENDENDAL							
GRABOUW							
Waterworks	19	0	46	0	560	234	794
Beverly Hills	6	0	11	0	350	27	377
Lost city	8	0	13	0	179	1	180
Phumlani	8	0	4	0	0	0	453
Siteview	7	0	12	0	216	10	226
Darkside	2	0	13	0	116	0	116
Klip Heuwel	0	0	0	0	0	0	76
Siyanyanzela	12	0	101	40	1700	6579	8297
Kgotsoong/Covid	15	0	37	0	1300	1312	2612
Marikana	4	0	0	2	490	70	560
Marikana Extension	15	0	10	0	0	0	239
Rail way	0	0	10	0	0	0	388
Zola	10	0	6	0	300	197	497
Iraq Service Plots	420	0	420	0	353	67	420
TOTAL GRABOUW	526	0	683	42	5564	8497	15235
VILLIERSDORP							
Villiersdorp							
Poekom	17	0	51	4	157	248	405
Enkanini	0	0	0	0	0	0	552
Nature Garden	0	0	0	0	0	0	66
Goniwe Park	5	0	115	10	372	207	579
Westside	4	0	28	0	216	0	216
Lower westside	0	0	0	0	0	0	208
Bergendal	183	0	180	0	180	3	183
Protea Heights V p	188	0	45	0	188	1	188
Protea Heights Block	5	0	6	0	98	6	104
Deswest	0	0	0	0	0	0	386
Protea Heights PX	0	0	0	0	0	0	276
Protea Heights DX	0	0	0	0	0	0	489
TOTAL	402	0	425	14	1211	465	3652
TOTAL	1208	14	1298	70	7738	9710	20826

The management of informal settlements and the prevention of illegal invasion and occupation of land remains a complex conundrum, not immune to Theewaterskloof taking into consideration the following:

- Migration/search for economic opportunity
- Slow rate of low-cost housing delivery
- Inadequate provision of basic services
- Limited resources and capacity constraints (Local Government)
- Slow rate of affordable housing delivery
- Limited available land suitable for housing
- Rental of informal structure/shack farming

The municipality remains committed to the improvement of basic services in informal settlements in all towns.

TITLE DEEDS PROVISION

There is a legal duty on the municipality to ensure that where ownership of immovable property is transferred to housing beneficiaries, and that a title deed is eventually delivered. Many beneficiaries, in a number of historic subsidized human settlement developments, have not yet received formal ownership.

A Title deed is critical to ensuring not only security of tenure, but also that poor households could use their house as an asset to build wealth. In addition, such properties contribute to the operation of the property market. The value of a title deed is that it protects title to a property and facilitates market and financial transactions. Its key functions are that it:

- Protects rights
- Records changes
- Facilitates property transactions
- Facilitates financial transactions

Theewaterskloof Municipality intends to expedite the delivery of title deeds to its communities, to ensure security of tenure to our communities and ensure the rights and values listed above to our communities. We require funding to deliver the title deeds to its communities and this document sets out the plans on how the municipality has developed to eradicate its' title deeds backlog during its 2023/2024 financial year.

• Overview of Title Deeds Backlog

The municipality has an estimated 4 140 outstanding transfers.

The delay in the registration is due to some of the property (Rooidakke) belonging to the National Department of public works. For these developments, the municipality received an authorisation from the NDPW to occupy and build on the land. These houses have already been handed over to the beneficiaries and is occupied by the beneficiaries.

The land surveying, subdivisions and Township establishment were never finalised and consequently the transfer to the approved subsidy beneficiary could never take place. In Genadendal properties are constructed on Transformation land where an active court interdict is blocking transfers to beneficiaries.

Lack of funding was a factor until the introduction of the Title Deed Restoration Programme (TRP), however, we still had the challenge of land that was not registered in the name of the

Municipality. Grabouw Snake Park, consisting of 805 units was the first parcel of land to be transferred to the municipality and 306 of these units was transferred to the beneficiaries in 2022.

SCOPE STATEMENT

The 1- year delivery plan presents a delivery programme for Theewaterskloof Local Municipality in response the delivery of title deeds to beneficiaries while also enabling the municipality to perform its human settlement duties and functions.

The initiative entails the completion of the following activities across various towns in the municipality:

Finalisation of township establishment process which may entail amendment to the approved layout plan, conditions of establishment and the General Plan; proclamation; and opening of township register.

Verification of beneficiaries to ensure that properties are transferred to the rightful project beneficiaries.

Registration of each property in the Deeds Office and handover of title deed to the respective beneficiary.

3.5.2 EMPLOYEES HUMAN SETTLEMENTS

Employees: Human Settlements (Including Informal Settlements)					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (Budgeted)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	2	2	1	1	50%
7 - 9	3	2	2	0	0%
10 - 12	5	9	4	5	56%
13 - 15	0	1	0	1	100%
16 - 18	0	1	1	0	0%
19 - 20	0	0	0	0	-
Total	10	15	8	7	47%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.5.2

3.5.3 FINANCIAL PERFORMANCE: HOUSING SERVICES

Financial Performance: Housing Services					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(19 241)	(29 240)	(37 621)	(26 714)	-29%
Expenditure:					
Employees	5,532	5,905	6,574	4,558	-31%
Repairs and Maintenance	1356	8	4	5	33%
Other	2,489	13,781	12,616	12,524	-1%
Total Operational Expenditure	9,378	19,694	19,194	17,088	-11%
Net Operational Expenditure	(9,863)	(9,546)	(18,426)	(9,626)	-48%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>					T3.5.3

3.5.4 CAPITAL EXPENDITURE: HOUSING SERVICES

Capital Expenditure: Housing Services					
R' 000					
Capital Projects	2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	21,500	27,045	26,343	23%	
Caledon Riemvasmaak Planning	2,000	,501	,350	-83%	
Rooidakke 1169: Installation of Civil Engineering Services (Water)	1,000	1,000	1,000	0%	
Rooidakke 1169: Installation of Civil Engineering Services (Sewerage)	1,000	1,000	1,000	0%	
Rooidakke 1169: Installation of Civil Engineering Services (Road)	1,000	1,000	1,000	0%	
Rooidakke 1169: Installation of Civil Engineering Services (Stormwater)	1,000	1,000	1,000	0%	
Villiersdorp Berg en Dal: Installation of Civil Engineering (Water)	2,000	5,684	5,684	184%	
Villiersdorp Berg en Dal: Installation of Civil Engineering (Sewerage)	2,000	5,078	4,876	144%	

Villiersdorp Berg en Dal: Installation of Civil Engineering (Stormwater)	2,000	2,350	2,350	18%	
Villiersdorp Berg en Dal: Installation of Civil Engineering (Roads)	2,000	2,350	2,350	18%	
Grabouw - Gypsey Queen Planning	1,000	-	-	-100%	
Greater Grabouw Planning	3,000	2,333	2,032	-32%	
Grabouw Hillside: Installation of Civil Engineering (Storm Water)	-	,150	,101	0%	
Grabouw Hillside: Installation of Civil Engineering (Water)	-	-	-	-	
Grabouw Hillside: Installation of Civil Engineering (Sewerage)	-	-	-	-	
Grabouw Hillside: Installation of Civil Engineering (Roads)	-	-	-	-	
Destiny Link Bulk Sewer	-	2,598	2,598	0%	
Villiersdorp Destiny Farm: Installation of Civil Engineering (Water)	,250	-	-	-100%	
Villiersdorp Destiny Farm: Installation of Civil Engineering (Sewerage)	,250	-	-	-100%	
Villiersdorp Destiny Farm: Installation of Civil Engineering (Roads)	,250	-	-	-100%	
Villiersdorp Destiny Farm: Installation of Civil Engineering (Storm Water)	,250	-	-	-100%	
Greyton 595: Planning	2,000	,826	,826	-59%	
Botrivier Beaumont (New France): Installation of Civil Engineering (Water)	,125	,109	,109	-13%	
Botrivier Beaumont (New France): Installation of Civil Engineering (Sewerage)	,125	,109	,109	-13%	
Botrivier Beaumont (New France): Installation of Civil Engineering (Stormwater)	,125	,109	,109	-13%	
Botrivier Beaumont (New France): Installation of Civil Engineering (Roads)	,125	,850	,850	580%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T3.5.4

3.5.5 COMMENT ON THE HOUSING SERVICES PERFORMANCE OVERALL

Grabouw Hillside: Installation of Civil Engineering

The funding for the project was not sufficient to complete the project, Theewaterskloof Municipality applied for revised financial details of the project from Department of Human Settlements which was subsequently approved only in May 2023, which resulted in limited time to fully spend the budget.

Caledon Riemvasmaak Planning

Delay was in the funding approval from the Provincial Department of Human Settlement to sign the funding contract agreement that allows Theewaterskloof Municipality to claim the funds to appoint a consulting engineer for planning and the design of engineering service for the project.

Villiersdorp Berg en Dal: Installation of Civil Engineering

The Original budget was reduced during the adjustment budget, as the revised approval from the Department of Human Settlements was only obtained 02 December 2022 leaving the department with little time to spend the funding.

Villiersdorp Destiny Farm: Installation of Civil Engineering

The original budget was revised during adjustment budget as it was anticipated that funding approval would be obtained by March 2023 in order for the contractor to commence with the works on Destiny Farm. The funding was only approved on the 1st of September 2023 (2023/24 Financial Year) hence the municipality could not spend the budgeted funding on the project.

Grabouw - Gypsy Queen Planning

The human settlements department is in the process of obtaining all statutory approval through the appoint of a consulting engineer hence the expenditure on the project. Based on the Project Implementation Plan the Project Implementation Readiness Report is to be submitted in March 2024, projected funding approval to be obtained in July 2024. Envisage to start tender process for civil engineering service in July 2024

Greater Grabouw Planning

The human settlements department is in the process of obtaining all statutory approval through the appoint of a consulting engineer hence the expenditure on the project. Based on the Project Implementation Plan the Project Implementation Readiness Report is to be submitted in March 2024, projected funding approval to be obtained in July 2024. Envisage to start tender process for civil engineering service in July 2024

Greyton 595: Planning

The pre-planning (tranche 1.1) on the project is well underway and the municipality submitted a Project Feasibility Report (PFR) to the Department of Human Settlements which was supported by its Project Approval Committee (PAC) awaiting the funding resolution.

Once the funding resolution is received and a contract agreement was signed the municipality can claim the funding from the Department to pay the appointed professional team which will improve expenditure patterns on the project.

Botrivier Beaumont (New France): Installation of Civil Engineering

The draft Environmental Impact Assessment report was circulated for 1st round of public participation and notification. Based on the public comments received regarding the storm water management, a part 2 amendment in terms of the National Environmental Management Act was required. The aforementioned submission is to be submitted to the Department of Environmental Affairs & Development Planning in October 2023, whom in turn has 180-day statutory period to approve the submission. It is envisaged that approval should be obtained March 2024 thereafter which the procurement for a contractor can proceed. The limited spending can therefore be attributed to the non-finalisation of the statutory environmental process.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

3.6.1 INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The objective of the Theewaterskloof Municipality is to ensure that the procedures and guidelines, regarding indigent and poor household subsidies, are known to all. This is done by having permanent offices in different areas where applications for a subsidy can be made with the assistance of a person in charge of the office.

In accordance with the approved indigent policy of the municipality the following qualifying criteria apply: a household where the combined or joint gross income of all occupants/residents/dependents, over the age of 18 years or who have potential earning capacity, is less than twice the monthly pension grant and can no longer afford to pay for the services provided by the council (subject to verification by Ward Councillor in consultation with the Ward Committee).

The "Spouse support/Care Grant" or "Child support Grant" should not be added to the Indigent Qualifying income threshold.

The municipality provides the following Free Basic Services to indigent households:

- Water: 6kl (all households)
- Electricity: 70kwh
- Weekly refuse Removal
- Free Sanitation

Council approved the broadening of the indigent scope by including two more categories:

1. Deemed indigents

- **The National Framework for Municipal Indigent Policies** makes different provisions in terms of targeting the indigent.
- Municipalities are moving towards the application of **multiple targeting** and or **combination targeting approaches**. They therefore cater for a **broader scope of indigent applications** and implement **various levels of indigent relief** based on their **own unique circumstances**.
 - **Geographical (zonal) targeting** where a particular area within the municipality is identified as poor and the tariffs for services provided in this area are adjusted accordingly.
 - **Targeting through lack of credit control:** in this case consumers of the service are billed but there is inadequate follow up to ensure payment. This non-sustainable approach is unfortunately widely applied, particularly in low-cost housing areas where poverty prevail, and lack of credit control tools exist.

2. Indigent Relief for Old Age Homes

The qualification criteria for old age homes in order to receive indigent assistance on water, refuse and sewerage services are as follows:

- A 50% indigent assistance when more than 50% of the residence within an old age home receives less than twice the monthly grant for elderly persons;
- A 40% indigent assistance when between 40% and 50% of the residence within the old age home receives less than twice the monthly grant for elderly persons;
- A 30% indigent assistance when between 30% and 40% of the residence within the old age home receives less than twice the monthly grant for elderly persons;
- A 20% indigent assistance when between 20% and 30% of the residence within the old age home receives less than twice the monthly grant for elderly persons;
- 10% indigent assistance when between 10% and 20% of the residence within the old age home receives less than twice the monthly grant for elderly persons;
- 5% indigent assistance when between 0% and 10% of the residence within the old age home receives less than twice the monthly grant for elderly persons; and
- An application on the prescribed form, fully completed with the required information and signed, must be provided.

The table below indicates the number of households that have access to free basic services.

Free Basic Services to Low Income Households										
	Number of households									
	Total	Households earning less than R 3 200 per month (Registered Indigents)								
		Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
			Access	%	Access	%	Access	%	Access	%
2020/21	35 594	5792	5744	99%	5677	98%	2586	45%	5713	99%
2021/22		6442	6245	97%	6283	98%	2663	41%	6318	98%
2022/23		6473	6336	98%	6396	99%	2644	41%	6347	98%
T 3.6.1										

3.6.2 FINANCIAL PERFORMANCE: FREE BASIC SERVICES DELIVERED

Financial Performance: Cost to Municipality of Free Basic Services Delivered					
R '000					
Services Delivered	Year 2021/22		Year 2022/23		
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	10,359	10,723	12,445	11,869	-5%
Wastewater (Sanitation)	13,205	13,504	14,331	13,450	-6%
Electricity	5,055	4,280	5,209	5,156	-1%
Waste Management (Solid Waste)	14,824	15,168	16,063	15,079	-6%
Total	43,443	43,675	48,048	45,554	-5%
T3.6.2					

COMPONENT B: ROAD TRANSPORT

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

3.7 ROADS

3.7.1 INTRODUCTION TO ROADS

Due to ageing of current infrastructure the focus has shifted from only upgrading of roads from gravel to paved, and now also includes rehabilitation, resealing and maintenance projects funded out of capital funding.

Roads are being upgraded on a contract basis. A five-year maintenance programme with priorities and budgets is available in the PMS as well as Integrated Transport Plan. There is little provision for pedestrian and bicycle travel in the municipal area apart from conventional sidewalks in the central business districts.

Roads that have been upgraded from gravel (with no storm water infrastructure) to a paved/surfaced road with drainage facilities are:

Project Discription	Upgrading of Roads in Botrivier
Contract Nr.	ENG 09/2022/23, ENG 11 & 10/2022/23 (materials and plant)
Funding	072512701231 – R1 032 781
Contractor	SR CIVILS
Start Date	MAY 2023
Completion Date	30 JUNE 2023
Spending	100%



Local Spending – Botrivier Roads Upgrade

First name	Initials	Last name	I.D. Number	DOB	Gender	Has disability	Education level	Start date
				dd/mm/yyyy	M or F	Y or N	See codes at bottom of list	dd/mm/yyyy
Luvuyo	L	Magoqwana	8605126055084	12/15/1985	M	N	1	14/06/2023
Ju-Wayne	J	Adams	0012155345080	15/12/2000	M	N	1	14/06/2023
Gary Edwin	GE	Diedericks	9602255215083	25/02/1996	M	N	1	15/06/2023
Francois Pierre	FP	Williams	9610095186083	09/10/1996	M	N	1	15/06/2023
Brendin Reshaat	BR	Oliver	7901245118080	24/01/1979	M	N	1	20/06/2023
Diliza	D	Sikoti	9708156328089	15/08/1997	M	N	1	21/06/2023
Janine	J	Maart	8205200072087	20/05/1982	F	N	1	21/06/2023

- Education Levels – use the codes (1,2,3) on the excel spreadsheet

- (1) Unknown
- (2) No Schooling
- (3) Grade 1-3 (Sub A – Std 1)
- (4) Grad 4 (Std 2) ABET 1
- (5) Grade 5-6 (Std 3-4) ABET 2
- (6) Grade 7-8 (Std 5-6) ABET 3
- (7) Grade 9 (Std 7) ABET 4
- (8) Grade 10-11 (Std 8-9)
- (9) Grade 12 (Std 10)
- (10) Post Matric

Project Description	Upgrading of Roads in Genadendal
Contract Nr.	ENG 08/2022/23, ENG 11 & 10/2022/23 (materials and plant)
Funding	072512500190 – R2 710 582
Contractor	SR CIVILS
Start Date	MAY 2023
Completion Date	30 JUNE 2023
Spending	100%



Local Spending – Genadendal Roads Upgrade

First name	Initials	Last name	I.D. Number	DOB	Gender	Has disability	Education level	Start date
				dd/mm/yyyy	M or F	Y or N	See codes at bottom of list	dd/mm/yyyy
Keenan	K	September	9403035279089	03/03/1994	M	N	1	13/05/2023
Justin	J	Sauls	9210075432084	07/10/1992	M	N	1	13/05/2023
Saul	S	Ontong	6608155268083	15/08/1966	M	N	1	13/05/2023
Colin	C	Swarts	8909255241089	25/09/1989	M	N	1	13/05/2023
Jamarique	J	Swarts	0203215209081	21/03/2002	M	N	1	12/06/2023
Veyonever	V	Jansen	8609275174084	27/09/1986	M	N	1	21/06/2023
- Education Levels – use the codes (1,2,3) on the excel spreadsheet (1) Unknown (2) No Schooling (3) Grade 1-3 (Sub A – Std 1) (4) Grad 4 (Std 2) ABET 1 (5) Grade 5-6 (Std 3-4) ABET 2 (6) Grade 7-8 (Std 5-6) ABET 3 (7) Grade 9 (Std 7) ABET 4 (8) Grade 10-11 (Std 8-9) (9) Grade 12 (Std 10) (10) Post Matric								

3.7.2 GRAVEL ROAD INFRASTRUCTURE

Gravel Road Infrastructure				
				Kilometres
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year 2019/20	93.7	0	1.5	103.3
Year 2020/21	90.7	0	3	85
Year 2021/22	90,7	0	1,1	90
Year 2022/23	88	0	2,7	75
T3.7.2				

3.7.3 TARRED ROAD INFRASTRUCTURE

Asphalt Road Infrastructure					
					Kilometres
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2019/20	164.3	0	1.5	0	operations
2020/21	167.3	3	0.28	0	operations
2021/22	168,4	1,1	3	0,5	operations
2022/23	171,1	2	2,5	2	operations
T3.7.3					

3.7.4 COST OF CONSTRUCTION/MAINTENANCE

Cost of Construction/Maintenance						
R' 000						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2019/20	no budget operational budget applies	no budget operational budget applies	operations	no budget operational budget applies	no budget operational budget applies	operations
2020/21	No new gravel roads	R13 572 069	operations	R13 572 069	R46 000	operations
2021/22	No new gravel roads	R7 200 000	operations	operations	operations	operations
2022/23	2,5	R5 000 000	75	2,5	R0	operations
T3.7.4						

3.7.5 EMPLOYEES: ROAD SERVICES

Employees: Road Services (Streets and Storm water) - including building maintenance					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (Budgeted)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	45	50	46	4	8%
4 - 6	12	12	5	7	58%
7 - 9	11	11	8	3	27%
10 - 12	7	7	6	1	14%
13 - 15	5	5	5	0	0%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	80	85	70	15	18%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.7.5

3.7.6 FINANCIAL PERFORMANCE: ROAD SERVICES

Financial Performance: Road Services					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(7 270)	(2 000)	(404)	(274)	-32%
Expenditure:					
Employees	7,878	19,739	22,561	20,792	-8%
Repairs and Maintenance	24,499	-	-	-	0%
Other	8,029	17,688	15,817	17,277	9%
Total Operational Expenditure	40,406	37,427	38,379	38,069	-1%
Net Operational Expenditure	33,136	35,427	37,974	37,795	0%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.7.6

3.7.7 CAPITAL EXPENDITURE: ROAD SERVICES

Capital Expenditure: Road Services					
					R' 000
Capital Projects	2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	6 658	7 125	6 275	-6%	
Grabouw Hop-On Drop-Off PT Facility	2 000	,404	,274	-86%	
Grabouw Upgrade of roads, stormwater at Rooidakke (Phase 2)	1 897	2,610	2,103	11%	
Rehabilitation of the damaged to road infrastructure at Grabouw Rooi Dakke area	-	-	-	-	
Upgrading Renkewitz / Kloof / Kuhnel / Wildscut / Koornlands	1 761	-	-	-100%	
Upgrading Koornlandskloof street	-	1,761	1,761	0%	
Upgrading Koornlandskloof Street (Roads and Stormwater)	-	,950	,897	0%	
Upgrading Park/Bluebell/Pine Street	1 000	,4	,4	-100%	
Upgrading Bluebell Street	-	1,397	1,237	0%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.7.7

3.7.8 COMMENT ON THE ROAD SERVICES PERFORMANCE OVERALL

Reason for the Adjustment is that the proposals that came in after date of closing, exceeded the Tender amounts. Four tenders were advertised: Machinery/Paver, Materials, Construction for Genadendal and Construction for Botrivier.

The budget was adjusted between Road Upgrading Votes (Capital) for the successful completion of Both Genadendal and Botrivier Projects.

Grabouw Hop-On Drop-Off PT Facility - The original budget/commitment from SANRAL was R4.3mil. The allocated budget for the 2022/23 Financial Year was R2mil however due to delays in terms of information required the project could not meet the targeted outcome. The scope of the project was reduced to finalize the designs and tender documents, thus a reduction in budget allocated to the project in the 2022/23 financial year.

3.8 TRANSPORT (INCLUDING VEHICLE LICENCING & PUBLIC BUS OPERATION)

Key Challenges

- The western parts of Botrivier have poor access to the N2 National Road.
- Illegal access off the N2
- The northern and southern parts of the town are divided by the N2 National Road and there is no direct physical link between these two areas
- High level of poverty with 63% of the population earning less than R3 200 per month.
- There is no secondary school within or near Botrivier
- Lack of commercial development and investment in the town.
- The subsidised housing backlog is 735 persons (DoHS database, 2018).

Proposed Projects that affect Roads and Transport

- Tourism development should be encouraged as one of the main economic growth sectors.
- Development of the vintage rail initiative and upgrading the rail link between Cape Town and the Overberg District as a primary freight and passenger route. Terminates at the Elgin Station
- Two larger areas (Areas 9 and 10, as shown below) for mixed use development are also proposed along the R43 road, thus access and NMT would be required.
- To accommodate the possible future demand for rail-based freight, space and opportunity should be provided along the railway line for freight and logistics related facilities and infrastructure, e.g., cold storage, transfer stations, turntable/turnaround area, etc. This could be accommodated in Areas 13, 14, 15 and 18, as shown below.
- Proposed activity streets along Waterkant and Plantation Streets
- Extending Plantation Street will link the proposed industrial and residential areas to the south of the N2 with the residential areas to the north of the N2.
- Pedestrian walkways and cycle routes (NMT) should be developed along Waterkant and Plantation Streets.

Caledon

Key Challenges:

- Southern neighbourhoods of Caledon are spatially isolated from the primary services and employment opportunities.
- Limited employment opportunities, schools, clinics and community facilities exist within easy walking distance (1 km and less) from existing residential areas south of the railway line
- The upgrading of Chavonnes Road is required to unlock the development potential in the south.
- The subsidised housing backlog is 1 415 persons (DoHS database, 2018).

Proposed Transport Projects

- Sufficient space exists to accommodate an electric vehicle charging station, strategically located along the N2 national road, given the expected average battery life of electric vehicles and distance from Cape Town.
- The opportunity exists to establish a public-private partnership with Transnet to develop a cultural/entertainment precinct at the Caledon Station
- Activity route along Charter and Sterling Streets
- Increased need for houses, thus additional streets, NMT and PT will be required
- Hope Street is proposed as an activity street which could enable higher intensity economic development
- Secondary business nodes, proposed along the eastern end of Prince Albert Road, along Sterling Street, within the eastern part of Myddleton and at the intersection of the R316 route and the proposed collector route.
- Non-motorised transport routes (i.e., pedestrian walkways and cycle routes) are proposed along: Hope, Donkin, New, Church, sterling, Meul St and along the northern end of Cavonnes Street.

Genadendal

Key Challenges:

- Poverty
- Lack of industrial and business erven
- No clearly demarcated town centre in any of the settlements.
- The subsidised housing backlog is 79 persons (DoHS database, 2018)

Proposed Transport Projects

The development of a peripheral economic zone along the main access road into Genadendal will improve accessibility to non-residential land uses and community facilities. A pedestrian walkway and cycle route (NMT) should be encouraged along this street.

Grabouw

Key Challenges:

- Critical need for cemetery expansion. Suitable areas would need to be identified
- High level of seasonal migration to Grabouw linked with fruit farming
- High level of poverty
- Limited opportunity for industrial development exists within the town.
- The subsidised housing backlog is 5 2771 persons (DoHS database, 2018).

Proposed Transport Projects

The vintage rail initiative between Cape Town, Elgin, Botrivier and Caledon, had been proposed as a major initiative to unlock the tourism potential of the TWKM area.

- Many proposed residential and economic areas will require traffic impact assessments, new roads and PT.
- Activity streets along Ou Kaapse Weg and Oudebrug Road should improve accessibility to businesses and community facilities located in the central part of town
- Pedestrian walkways and cycle routes (NMT) and mix use development should be encouraged to develop along these streets.

Greyton

Key Challenges:

- Spatial integration between Boschmanskloof and Greyton is needed to limit duplication of public facilities
- Lack of off-street parking for businesses in Primary Economic Area.
- A growing demand for commercial and tourism development
- The subsidised housing backlog is 306 persons (DoHS database, 2018)

Proposed Transport Projects

The intersection of Main Road and High Street forms the main tourism node for the town. A secondary tourism node is proposed at the intersection of Main Road and Caledon Street.

- An investigation must be conducted into the overall movement system of Greyton to provide much needed recommendations with regard to direction of traffic flow, the development of NMT, the provision of satellite parking areas and heavy vehicle movement through the primary economic node.
- Activity street along Main Road to improve accessibility to businesses and community facilities.
- A system of pedestrian routes is proposed along Main Road, Plantation Street and Park Street.

Riviersonderend

Key Challenges:

- The N2 National Road bisects the town into northern and southern halves, which is a barrier for spatial integration
- North-south linkages across the N2 are partly restricted by traffic and safety concerns.
- There is a poor sense of place due to a poor streetscape along the N2.
- Infiltration of service trades/business uses into residential areas have affected the character of these neighbourhoods.
- The subsidised housing backlog is 850 persons (DoHS database, 2018).
- Lack of economic opportunities in areas further than 1 km (15 min walking distance) from the N2.

Proposed Transport Projects

- The Sonderend Mountain Range and the scenery of the Sonderend River valley, the Kleinberg Mountain and the town's strategic location along to the N2 to provide ideal opportunities for tourism development.
- Miller Street and Alpha Street have been identified as important activity linkages/routes between Oostergloed and the Primary Economic Area. NMT facilities should facilitate integration and should improve accessibility to business and community facilities located near the CBD.
- Alpha Street links the proposed secondary business node with the CBD and pedestrian movement should be improved along this route which should also improve accessibility to the Primary Economic Area

Tesselaarsdal

Key Challenges:

- Limited economic and employment opportunities exist in Tesselaarsdal
- There is a lack of road hierarchy to demarcate areas with different land use intensities.
- Not all properties have direct access to higher order, public roads and access to certain individual properties are by means of mutual agreement or servitudes right-of-way.

Proposed Transport Projects

- No areas have been identified which require more detailed studies and precinct plans.

Villiersdorp

Key Challenges:

- Physical, biophysical and ecological constraints such as the Elands River, steep slopes and valuable agricultural land limit opportunities for urban development and expansion.
- The main economic activities and employment opportunities are located along and to the east of the R43 Road, far to walk.
- Limited lower order convenience retail and community facilities within easy walking distance (1 km and less) from Goniwe Park.
- High levels of poverty exist.
- here is a large, subsidised housing backlog, 3 644 persons in total (DoHS database, 2018)

Proposed Transport Projects

- Appropriate commercial development surrounding the taxi rank located at the intersection of the R43 and Buitekant Street must also be encouraged.
- Buitekant Street links Goniwe Park with the town centre and its designation as an activity street should improve accessibility to businesses and community facilities. A pedestrian walkway and cycle route could be developed along the street to strengthen its connectivity.
- A detailed study to determine the development potential and options for the proposed tourism node around the intersection of Main Road and Buitekant Street.
- With the proposed developments, additional roads will be required for the township establishments.

Roads Network

TWKM has a relatively good road connectivity provided by an extensive road network. There are three kinds of roads, which make up the TWKM road network: national, provincial and local roads. These roads are owned and maintained by different government bodies.

National roads are the responsibility of the National Roads Agency, SANRAL. Provincial roads are the responsibility of the Provincial Government of the Western Cape under the Road Network Management Chief Directorate of the Department of Transport and Public Works. Local roads are the responsibility of the local authority, which is TWKM.

Extent of Road Network

The road network in TWKM consists of 1 177.05 kilometres of national, provincial and local roads. Provincial roads are classified into four categories according to their function as follows:

- Trunk roads- Access to neighbouring district municipalities and link large towns;
- Main roads- Access to neighbouring district municipalities and link large towns;
- Divisional roads- Link rural areas to trunk and main roads; and
- Minor roads- Provide local access.

Needs Identified from Stakeholder Consultation

Meetings were held with the TWKM on the 31/10/2019 in Caledon. The meeting was attended by Mr L Parnel and Mr E Prollius. In addition, stakeholder consultations with the Grabouw taxi association were conducted in November 2018 and again in the week of the 27th of November 2019 to 30th November 2019 as when the surveys were conducted in TWKM. During the stakeholder consultation meetings with the local municipality, the following points were discussed:

- The Pavement Management Strategy and Road Masterplan includes reseal and upgrade projects for the next five years.
- Traffic, NMT and PT issues are documented in the SDF and Roads Masterplan.
- The municipality has recently bought a repair machine for road repairs.
- A three-year capital project has been approved for new roads in the municipality.
- A new rank location in Caledon is required.
- Freight in Caledon is damaging the CBD roads and these trucks must ideally use the periphery gravel roads.
- The stretch of the N2 running through the municipality is currently being upgraded between Caledon and Riviersonderend. The remainder of the construction duration is two years
- NMT throughout the municipality is an issue and needs to be a priority. The five small towns are a major priority.

List of Prioritised Projects

To prioritise the projects, which are currently planned from 2019 to 2024, the following criteria is used:

- Planned projects are prioritised according to the budgeted financial year;
- Projects identified from the needs assessment are prioritised according to works, for future financial years;
- NMT projects are prioritised as this need was emphasized by the municipality. However, the prioritising of the projects is post already planned funded projects. Following this, rehabilitation and maintenance projects are prioritised above upgrade projects.

Using these criteria, the projects are prioritised as follows:

PRIORITY	PROJECT	ESTIMATED COST (ZAR)
1	RAMP Maintenance Programme	R 117 549 170
2	C984 Grabouw-Villiersdorp reseal	2 000 000
3	C1093 N2 Villiersdorp	21 000 000
4	C1088 PRMG Stanford-Riviersonderend reseal	58 000 000
5	C1088 Stanford-Riviersonderend reseal	2 000 000
6	Grabouw taxi rank	4 310 998
7	C1011 Draaiberg Road	100 000 000
8	C1119 Tesselaarsdal area bridges	20 000 000
9	Roads & SW upgrade – Botrivier	1 304 348
10	Upgrade Disa Street – Riviersonderend	652 174
11	Beverly Hills: Reinstatement of Bos Street road	500 000
12	Upgrading of streets – Grabouw	1 066 000
13	Upgrading of streets – Riviersonderend	2 021 567

PRIORITY	PROJECT	ESTIMATED COST (ZAR)
14	Feasibility study – Caledon taxi rank	50 000
15	Increase Villiersdorp Taxi Rank	2 000 000
15	Maintenance – Villiersdorp	200 000
16	NMT – Hoogstraat	100 000
17	Green safe route	100 000
18	Cycle routes – Ward 14	200 000
19	Bus shelter – Ward 4	70 000
20	SDF identified NMT	R5 920 000
21	Additional NMT walkways	11 960 000
22	Bus shelter – Main Road	70 000
23	Taxi Rank – Riemvasmaak area	500 000
24	Speedbumps – Voortrekker Road	60 000
25	Traffic calming – Santa New Extension	50 000
26	Traffic calming – Mountain Hill	60 000
27	Traffic calming – Serruria	80 000
28	Paving of roads – Bosbou Water Works	2 000 000
29	Paving – De La Vigne Street	3 675 000

3.9 WASTEWATER (STORMWATER DRAINAGE)

3.9.1 INTRODUCTION TO STORMWATER DRAINAGE

Storm water maintenance is done by the operations department. Maintenance on storm water is done in warmer months to prevent damage during the rainy season. Storm water networks were upgraded as part of the Roads Upgrading Programs.

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

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

3.9.2 STORMWATER INFRASTRUCTURE

Stormwater Infrastructure				
				Kilometres
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2019/20	165.2	0.2	0	operations
2020/21	165.7	0.5	0	operations
2021/22	166,55	0,35	0	operations
2022/23	167	0,45	0,5	operations
				T3.9.2

3.9.3 COST OF CONSTRUCTION/MAINTENANCE

Cost of Construction/Maintenance			
			R' 000
Stormwater Measures			
	New	Upgraded	Maintained
2019/20	200 000	0	operations
2020/21	3 891 000	0	operations
2021/22	500 000	0	operations
2022/23	250 000	0,5	operations
			T3.9.3

3.9.4 EMPLOYEES: STORMWATER SERVICES

Stormwater services employees are included with Road services employees.

COMPONENT C: PLANNING AND DEVELOPMENT

3.10 INTRODUCTION TO PLANNING AND DEVELOPMENT

This component includes planning and local economic development.

3.10.1 INTRODUCTION TO PLANNING

Spatial Planning, Land Use Management, Building Control and Geographic Information System (GIS) services are rendered by the Town Planning and Building Control Section. These functions are done in accordance with the applicable National, Provincial and Municipal legislation as well as National and Provincial directives and Council policy. The function aims to facilitate sustainable urban and rural development.

The town planning section embarked on a process to review and amend the current Theewaterskloof Municipality Bylaw on Municipal Land Use Planning. The aforementioned bylaw was first implemented within the municipality on 1 December 2015. The objective of the amendment process was to address certain issues that were experienced during the implementation of the 2015 bylaw which include the amendment of exemption criteria and amendment of powers in terms court order applications. Council approved the proposed amendments, and the new bylaw was published in the Provincial Gazette on 4 March 2022.

The town planning section is responsible for the processing of all types of land use applications as listed in Section 15(2) of the Theewaterskloof Municipality Bylaw on Municipal Land Use Planning. Decisions are either made by the Municipal Planning Tribunal, established in terms of Section 70 of the Theewaterskloof Municipality Bylaw on Municipal Land Use Planning, or the Authorised Official, as determined by Section 68 of the Theewaterskloof Municipality Bylaw on Municipal Land Use Planning.

Table T3.10.2(1) illustrates the breakdown of the types of land use applications that were considered and finalized during the course of the financial year. In total, 98 land use applications were finalized, which comprised the different types of applications as contained in the aforementioned table. This is an increase from the 2021/2022 financial year, where a total of 97 land use applications were finalized. The Municipality has experienced a steady increase in the number of land use applications since the end of the 2020 COVID-19 national lockdown, a measure that can help generate much needed revenue for the Municipality.

The building control section in turn finalized a total of 197 building plan applications through the course of the financial year. In the 2021/2022 financial year a total of 268 plans were finalized. A decrease in the number of building plans processed can therefore be observed. The estimated total value of all building plans approved is R 151 788 9880,00. It should be noted that this estimated value is provided by service providers (architects, draftspersons, etc) of clients, upon submission of building plans. The actual value of all building plans approved may therefore vary.

3.10.2 APPLICATIONS FOR LAND USE DEVELOPMENT

Applications for Land Use Development											
Planning applications finalised	Departure	Consent use	Rezoning	Subdivision	RO R	Extension of validity period	Consolidation	Amendment of SDP	Closure of Public Place	Permissi on of the zoning scheme	Amendment of subdivisional plan
	47	11	8	14	5	2	6	1	1	1	2
T 3.10.2											

3.10.3 PLANNING POLICY OBJECTIVES

Planning Policy Objectives							
Service Objectives	Outline service targets	2020/2021		2021/2022		2022/2023	
		Target	Actual	Target	Actual	Target	Actual
Determine applications within a reasonable timescale	Approve building plans within 30 days for buildings less than 500m2 and 60 days for buildings larger than 500m2 after all information required is correctly submitted.	85%	98%	90%	99%	95%	82%
	Process land use applications within 60 days (delegated official) after receipt of all outstanding and relevant information and documents.	85%	94%	85%	93%	90%	97%

	Process land use applications within 120 days (MPT) after receipt of all outstanding and relevant information and documents.	85%	98%	90%	98%	95%	100%
Conduct inspections within a reasonable timescale	Conduct building site inspections of approved building plans within 10 working days after receipt of request.	N/A	N/A	100%	100%	100%	100%
	Percentage occupation certificates issued within 10 working days.	N/A	N/A	100%	94%	100%	92%
T 3.10.3							

3.10.4 EMPLOYEES: PLANNING SERVICES AND IDP

Employees: Planning Services (Building Control)					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (Budgeted)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	0	0	0	0	-
7 - 9	4	4	4	0	0%
10 - 12	5	5	5	0	0%
13 - 15	3	3	3	0	0%
16 - 18	2	2	1	1	50%
19 - 20	0	0	0	0	-
Total	14	14	13	1	7%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					T3.10.4.1

Employees: IDP					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	0	0	0	0	-
7 - 9	0	0	0	0	-
10 - 12	2	2	2	0	0%
13 - 15	0	0	0	0	-
16 - 18	1	2	1	1	50%
19 - 20	0	0	0	0	-

Total	3	4	3	1	25%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.10.4.2

3.10.5 FINANCIAL PERFORMANCE: PLANNING SERVICES

Financial Performance: Planning Services					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,712	59,604	67,908	56,895	-16%
Expenditure:					
Employees	4,662	17,768	15,999	15,963	0%
Repairs and Maintenance	-	162	133	122	-9%
Other	,750	28 258	27 531	24 948	-9%
Total Operational Expenditure	5,411	46,188	43,663	41,033	-6%
Net Operational Expenditure	7,123	105,793	111,571	97,928	-12%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.10.5

3.10.6 COMMENT ON THE PLANNING SERVICES PERFORMANCE OVERALL

The under spending is attributed to two items, Planning Tribunal Meetings and Legal costs. Planning Tribunal Meetings are held on a needs basis when there are items for the Tribunal to consider. When there are no items, meetings are then cancelled. Legal services are also subject to the same issue of needs based and utilised only if there are planning matters that require expertise legal services. When there is little or no services needed in a financial year, there is no spending against the item.

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

3.11.1 INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT SERVICES



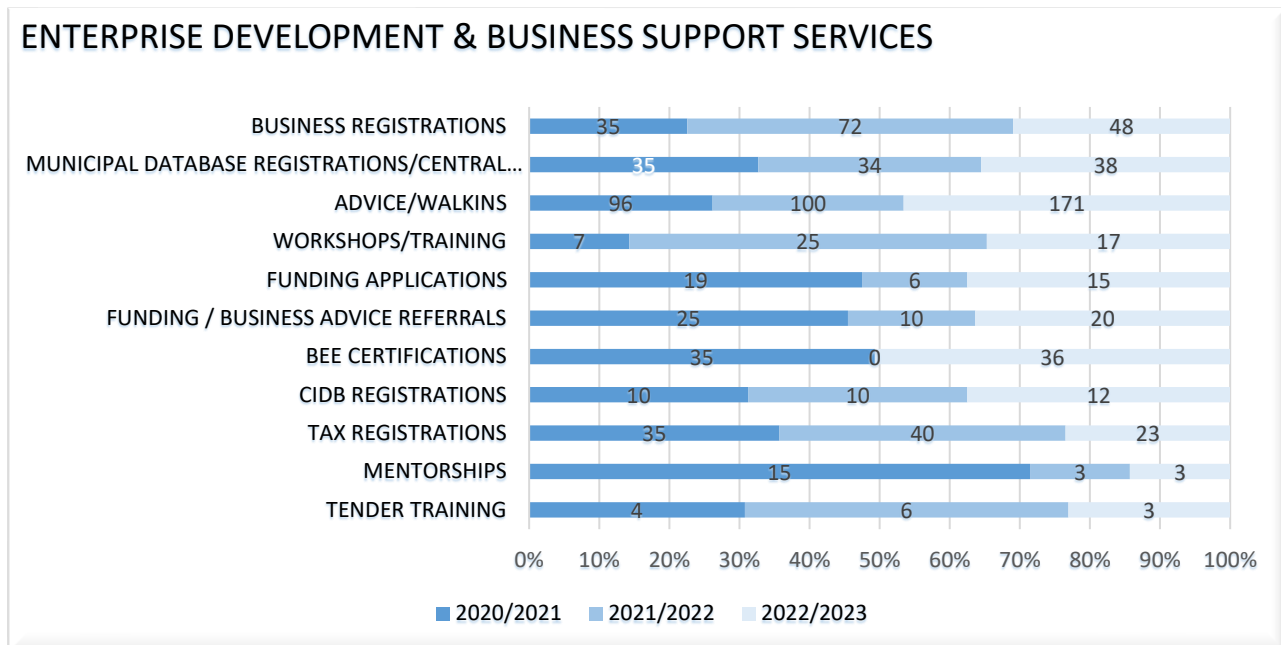
The purpose of local economic development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business, and non-governmental sector partners work collectively to create better conditions, economic growth, and employment.

Theewaterskloof Municipality adopted the Local Economic Development Strategy in 2020 with the vision to sustainably expand the Theewaterskloof economy by supporting and retaining existing businesses whilst creating new inclusive opportunities within priority sectors that support the regions unique natural characteristics. The core focus/strategic pillars of business support and retention, agricultural development, tourism expansion and development, enterprise support, implementation of employment fund programmes and investment promotion was identified to give effect and to achieve the vision as set out in the policy. Given the above, the department continued with the implementation of key programmes. Following an overview of the performance highlights of the economic development and tourism programmes for the 2022/2023 financial year.

ENTERPRISE DEVELOPMENT & SUPPORT SERVICES

Enterprise Development houses strategic Enterprise and Supplier (ESD) programmes and customised projects in order to grow the entrepreneurial sector through advancing the sustainable growth of small Black-owned businesses. Services offered include business awareness, structured training programmes and support services that enables entrepreneurs to maximize business potential, make profits and grow their businesses.

Given the above the following services were offered during the 2022/2023 financial year.



The Biggest Deal PLUS 2023 Youth Entrepreneurship Competition

The annual Biggest Deal Plus competition took place from 24 April 2023 until 14 June 2023, whereby the prize ceremony was held on 14 June 2023 during youth month as part of celebrating youth and youth in business.

ORIENTATION SESSION – 26 APRIL 2023



The objective of the Youth Entrepreneurship Competition is to support and develop youth owned businesses and start-ups by competing for resources to boost their business.

Through a partnership agreement spearheaded by the LED Department, Standard Bank (SBSA) partnered with the Municipality and sponsored the prize money valued at R120 000.00, as well as covering the cost of the specialized Marketing & Financial Management training to the value of R65 000.00.

MARKET DAY EVENT – 27 MAY 2023



BUSINESS PITCH SESSIONS – 26 – 30 JUNE 2023



Twenty-Five (25) entries were received from local entrepreneurs from across the Theewaterskloof Municipal Area (5x Caledon, 1x Riviersonderend, 1x Botrivier, 4x Villiersdorp & 14x Grabouw), of which eighteen completed the competition which took place from 24 April 2023 until 14 June 2023. This is an increase of 53% in entries compared to the 2021/2022 financial year. Participants took part in a 5-week programme ranging from business training, market day events, business pitch sessions and theoretical exercises to gain and accumulate points to win the competition. The competition made provision for two (2) categories i.e., New Biz Category and Existing Biz Category, with each category having three prizes the

runner up, the winning entrepreneur and most outstanding business. The last category was a new category addition to the competition. The competition judges for this year's competition were business advisors from Standard Bank Small Business Department, SEDA which were assisted by the LED Office to ensure that all the logistical and administrative tasks were in place to make the competition a success. The prizes per category were as follow: 1st prize winners receive equipment or business resources to the value of R30 000.00; 2nd prize winners receive equipment or business resources to the value of R20 000.00 and 3rd prize winners receives equipment or business resources to the value of R10 000.00.

The winners for the two categories were as follow:

NEW BIZ CATEGORY	EXISTING BIZ CATEGORY
1 st Prize Winner: Donovan Hanekom (Villiersdorp: Food Services & Carwash)	1 st Prize Winner: Siyabonga Thembani (Villiersdorp: Shoe Cleaning & Repair Services),
2 nd Place Winner: Chadwin Gertze (Grabouw: Personalized Gifts),	2 nd Place Winner: Jaeun-Pierre Mentoer (Grabouw: Butchery),
3 rd Place Winner: Kyle Hendricks (Grabouw: Online Marketing Services).	3 rd Place Winner: Athini Makeleni (Grabouw: Alien Clearing)

The condition of the competition that all winners enter into a formal memorandum of agreement with SBSA and TWK to ensure winning are managed responsibly and that each business gets the necessary support and mentorship to increase their sustainability and growth. All other entrants are still eligible for non-business support services and mentorships to assist with the growth and expansion of their businesses.

BIGGEST DEAL PLUS 2023 AWARD CEREMONY GRADUATES



BIGGEST DEAL PLUS 2023 CATEGORY WINNERS

SMME DEVELOPMENT TRAINING/AWARENESS WORKSHOPS

As part of the business development and support services, several training and workshops were held during the 2022/2023 Financial Year to support the growth and development of local smme's. These workshops were facilitated and coordinated in partnership with external stakeholders such as the Small Enterprise Development Agency [SEDA], the National Housing Board Registration Council [NHBRC], the Construction Industry Development Board [CIDB], Standard Bank South Africa [SBSA] etc. The purpose of these sessions was information sharing and compliance requirements with industry standards, as well as financial training and access to funding support available.

SMME OUTREACH SESSIONS - TWK-Seda Genadendal to create awareness and bring business



support services by the LED Department and Seda to the Genadendal Community and establishing a client base in the town. The focus areas included Seda's support services, funding opportunities and networking. Nineteen (19) local SMME's attended the session year.

WOMEN-IN-CATERING INITIATIVE was hosted by TWK municipality in partnership with Seda. The session stems from the issue of non-compliant caterers in the TWK area which means a loss in possible procurement opportunities for local entrepreneurs in the region.



CONTRACTOR DEVELOPMENT TRAINING & INFORMATION sessions facilitated in Caledon, Grabouw



and Botrivier which was a five-day training session attended by 19 local contractors. In addition, one Construction Info Expo held attended by 59 entrepreneurs and Contractor Training facilitated by SANRAL.

THREE – DAY SEDA BUSINESS TRAINING IN RIVIERSONDEREND



TOWNSHIP ECONOMY SUPPORT & DEVELOPMENT

As part of supporting the informal sector/economy Phase II of the Upgrade of the Villiersdorp Trading continued in the 2022/2023 financial year. The Villiersdorp Trading Market and Taxi Rank Upgrade Project commenced in 2021, with the aim to formalise the existing taxi rank and informal traders, on the corner of Main Road, Buitekant and Muller Streets, Villiersdorp, which serves as a major public transport hub for Villiersdorp and by spatially transforming as well as improving the appearance of the site for the informal traders as well as the taxi operators. The initial project cost for the upgrade of the facility were calculated at R4 7 million in 2020. Due to budget constraints a phased approach for the completion of the site was adopted. External funding was sourced from various national and provincial departments. The Municipality's funding application to the Regional Socio-Economic Programme from the Department of Environmental Affairs and Planning was successful, whereby R500 000.00 was received for the fencing project in the 2021/2022 financial year. Subsequently, an additional funding application was submitted for Phase II: The upgrade of the Trading Kiosks and the construction of additional kiosks due to the demand.

Phase II comprised of the upgrading of the six existing trading kiosks to lockable facilities and construction of six additional lockable kiosks. All the trading kiosks have been equipped with pre-paid electricity meters, lockable facilities which is more secure and durable against the extreme weather conditions especially during winter season. The main objective of this project is to integrate the previously disadvantaged neighbourhood of Villiersdorp and surrounds with the CBD with access to opportunities by providing socio-economic infrastructure facilities. This project aims to transform the existing public transport and informal business activity area into a prospering and

improved activity node, which will strengthen and promote transport linkages between communities and towns and economic opportunities.

A service provider was appointed through the supply chain management process for tender LED01/2022/2023 with completion date 30 June 2023. Due to challenges on site and extreme weather conditions, the project could only be completed 80%. A rollover application has been submitted for the remainder of the 26% funds to complete the project by 30 September 2023.

BEFORE



AFTER



The existing kiosk upgraded with shutter doors and prepaid electricity.

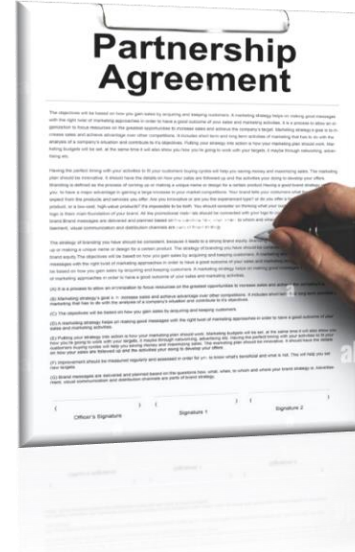


Inside the enclosed trading bay



PARTNERSHIP/s

The Municipality entered into a partnership agreement with Standard Bank South Africa collaborating on the Biggest Deal Plus Youth Entrepreneurship Competition, whereby the parties Standard Bank through its Enterprise Development division wishes to support the development and growth of the Beneficiaries who participate in the Competition and have agreed to provide the Municipality with the Funding required, subject to the management of the BDSP Agreement. The Municipality and Standard Bank have agreed on the deliverables and activities required to successfully drive and implement the Competition and wish to collaborate with each other in this respect.



INFORMAL TRADING PERMITTING & LICENCING

The Businesses Act 72 of 1991 (the Businesses Act) is the primary piece of legislation governing informal trade in South Africa. The Act brought about a significant shift in how informal trade was governed in South Africa by effectively inverting the legal framework – from a framework primarily aimed at repressing, persecuting and prosecuting informal economic activities; to a framework which recognises informal trade as a critical sector that contributes to the economy and peoples' ability to support themselves. The Act was a key measure in deregulating business activities by removing the barriers to informal trade.



Theewaterskloof Municipality adopted its Informal Trading Policy in 2016, which sought to standardise processed of issuing informal trading permits throughout the towns in the Theewaterskloof Municipal Area.

Following the statistics of trading permits issued during the 2022/2023 financial year:

2020/2021	2021/2022	2022/2023
270	88	88

AGRICULTURAL DEVELOPMENT & SUPPORT

AGRICULTURAL & COOPERATIVE TRAINING was conducted by Seda in partnership with Theewaterskloof Municipality's LED Department to develop the local agricultural forum and cooperatives of the Botrivier and Grabouw. The training focused on business (cooperative) management and general business advice based on their economic activities.

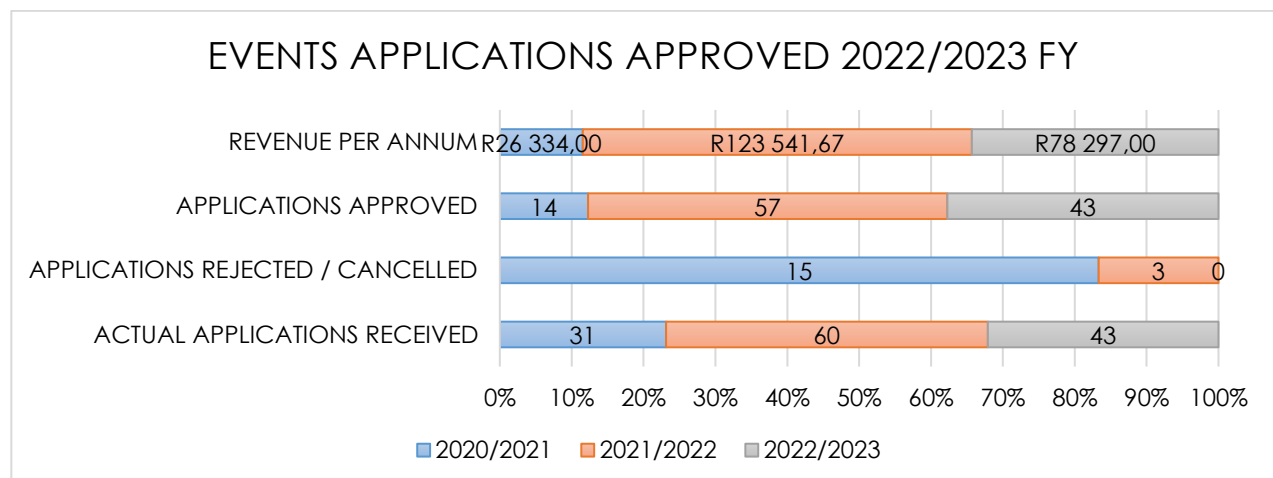
During 2021/2022 continuous search for agricultural land to assist small farmers. Continuous consultations and engagements with small farmer forum took place. However, the main challenge is access to available agricultural land to establish and expand their farming operations. Little progress is made regarding the application to the Department of Public Works in the 2022/2023 to transfer state-owned agricultural land for farming activity in the Theewaterskloof Municipal Area.



EVENTS ADMINISTRATION

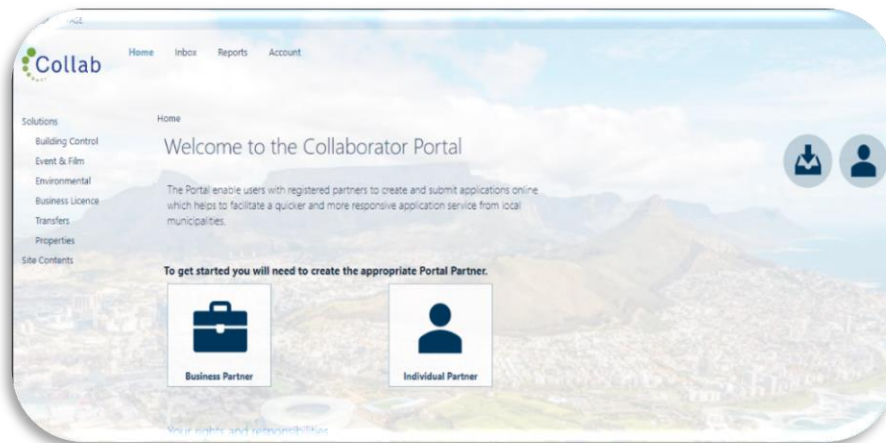
Theewaterskloof Local Municipality recognizes that the hosting of events is a significant part of its competitiveness strategy and acknowledges that the hosting of events enhances cultural and social cohesion in communities and support economic growth. The municipal by-law regulating the holding of events [Local Municipality's By-law (Published in the Western Cape Government Gazette, No. 7754, 7 April 2017)] in a manner that ensures proper management thereof and Theewaterskloof Local Municipality wishes to support the co-ordination and collaboration between all role-players, to promote partnerships and to enhance the effect of events in the municipal area.

SUMMARY OF EVENTS APPLICATIONS PROCESSED AND APPROVED



Online Theewaterskloof Local Municipal Events Portal

In lieu of combatting red tape and ease of doing business with the Municipality, the Events Portal has been piloted in March 2022, whereby all events can be submitted via this electronic platform. The objective of the events portal is to expedite the turnaround time for the approvals of event applications. The events portal has ensured the efficient and effective processing of events applications.



*Images of Theewaterskloof
Municipal Events Portal
Online Platform
(Link:*

<https://westerncape.collaboratoronline.com/default.aspx>)

TOURISM MARKETING & DEVELOPMENT

Tourism has been a growth sector and is recognized as a sector with high potential for stimulating the local economy and creating local jobs. The development of the tourism sector in Theewaterskloof depends largely on the investment and efforts of the private sector, in collaboration and support from the local Municipality, to develop competitive tourism offerings.

The potential of an area to develop as a sought-after tourist destination is largely dependent on the match between the activities and resources that are offered (tourism products, visitor facilities and infrastructure) and the characteristics and desires of the potential tourist community. Ultimately, of course, the success of this match is strongly linked to effective communication and marketing.

Given the above, following the highlights pertaining to tourism marketing and development for the 2022/2023 financial year:

TOURISM SIGNAGE ADVERTISEMENT

In order to encourage local tourism establishments to become compliant and assist with marketing of their establishments, quarterly advertisements have been placed on the various municipal platforms. The importance of proper tourism signs contributes to the marketing of a tourism product. The total number of hits on the municipal website on the advert for the financial year was an estimate of 400 hits.

✚ TOURISM SIGNAGE APPLICATIONS

In total four (4) tourism signage applications were processed and tabled to the Regional Tourism Liaison Committee for consideration. In total all four applications were approved.



✚ TOURISM INITIATIVES

In total six (6) tourism initiatives were held during the 2022/2023 financial year. The objective of these initiatives was marketing of the area, capacity building and training and creating awareness of the opportunities available to local product owners to expand their businesses.

Women in Tourism - Objective to this session was information sharing and marketing opportunities for local products to expand their tourism business opportunities. The Women in Tourism (WiT) Programme is an initiative that propels and supports the development and empowerment of women in the tourism sector. Since its inception in 2013, the programme serves as a mechanism to



elevate the status of women in tourism by providing training, empowerment and networking opportunities that facilitate their competitiveness as entrepreneurs, professionals, and leaders. In total seventeen (17) local women and entrepreneurs attended this session.



The Christmas Lights Event was held on 23 December 2022, hosted by the Executive Mayor, Deputy Mayor and the Speaker. This is a local municipal funded event, showcasing local talents such as the local brass band of Genadendal, the Marimba Band of Botriver and other local artists. Nissen Holdings was responsible for the live streaming of the event (please view <https://youtu.be/LPZ6a36s9Sg> for video of the event). The Executive Mayor handed over the stationery to representatives of the local schools



after the official turn on of the Christmas lights. After the official opening the locals were kept entertained by the local artists through dance and singing. In total twenty-five (25) local traders from Theewaterskloof Municipal Area traded during the evening of the event, selling food, toys, clothing, arts, craft etc. It can be surmised that this event indeed fostered public pride and made everyone feel valued and can be considered as the starting point in building trust between the local communities in Caledon and other communities within Theewaterskloof Municipal Area.

EASTER WEEKEND SAFETY CAMPAIGNS were held in Villiersdorp and Caledon during the Easter



Holidays. This was a collaboration between the Municipality (LED & Tourism Department and the Public Safety Department), South African Police Services [SAPS] and the Villiersdorp Tourism Association and Beyond Black Mountain (Caledon). The



objective of this campaign to raise awareness and encourage motorists to take caution on the road during Easter holidays. Safety tips and promotional material was distributed and to market the local areas tourism products and services. Marketing material was distributed to approximately 500 vehicles in Villiersdorp, as well as in Caledon.

Other initiatives during the financial year were as follow:

13 weeks Radio slot on Caledon FM to market the area in the region.



Facilitated local images to produce cape epic footage.



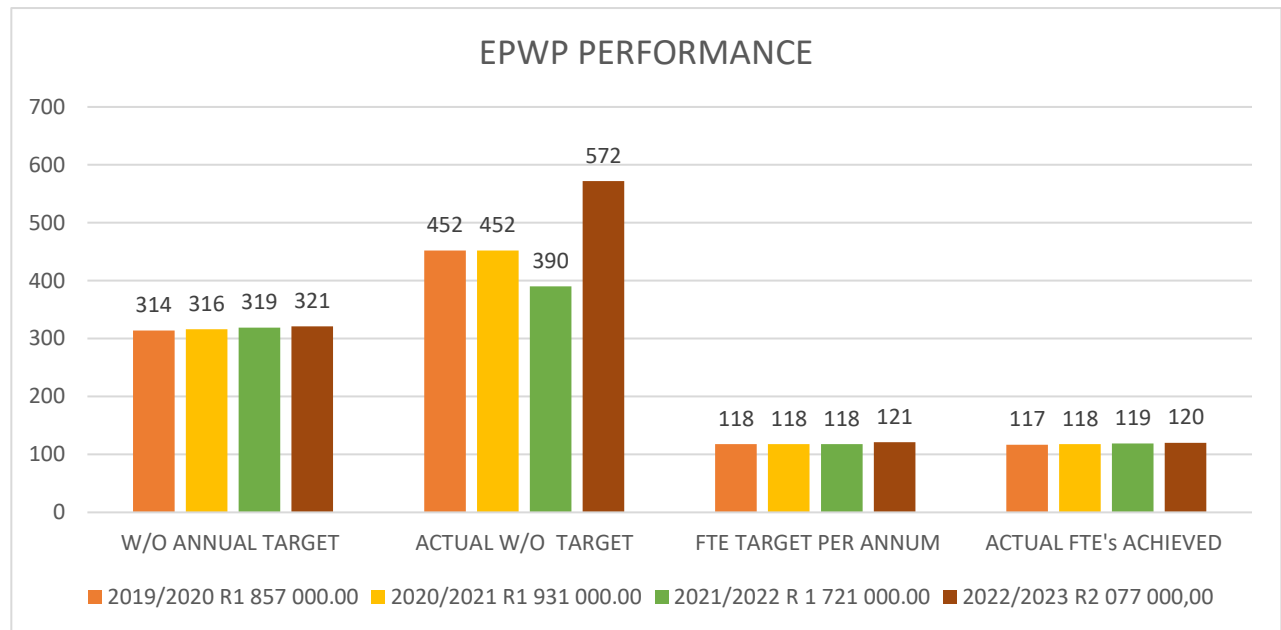
EXPANDED PUBLIC WORKS PROGRAMME 2022/2023 PERFORMANCE

The Expanded Public Works Programme is an initiative which provides public assets or services through a labour –intensive programme initiated by government and funded from public resources. The allocation of grant funding to the municipality, is based on a framework for the said programme, which the Municipality must adhere to in order to qualify for the disbursement of grant fund i.e., adoption of an EPWP Policy, Protocol Agreement, compliance to legislative mandates and frameworks with reference to the most critical legislative requirements i.e., Constitution of South Africa (1996), Section 153.

SUMMARY OF CONFIRMED W/O TARGETS 2022/2023 AS PER THE APPROVED EPWP DETAILED AND PROJECT PLAN (ALL GRANT AND OPERATIONAL PROJECTS) APPENDIX

PROJECT TYPE	NR	PROJECTED FTEs	PROJECTED WOS	BUDGET
EPWP Grant Funded Projects	10	49.06	59	R 2 077 000.00
No. of MIG Projects	6	43.4	59	R 1 180 000.00
No. of Housing Projects	1	3	8	R 200 000.00
No. of Own Funded Projects	27	115.35	154	R 4 372 153.00
No. of Unfunded Projects	0	0	0	0
TOTAL NO OF PROJECTS & BUDGET	44	210.81	280	R 7 829 153.00

EPWP PERFORMANCE FOR 2022/2023 FINANCIAL YEAR



AS PART OF MONITORING THE EPWP PROGRAMME, A NUMBER OF SITE INSPECTIONS WERE CONDUCTED THROUGHOUT THE FINANCIAL YEAR.

CALEDON LANDFILL SITE



CALEDON CCTV SITE



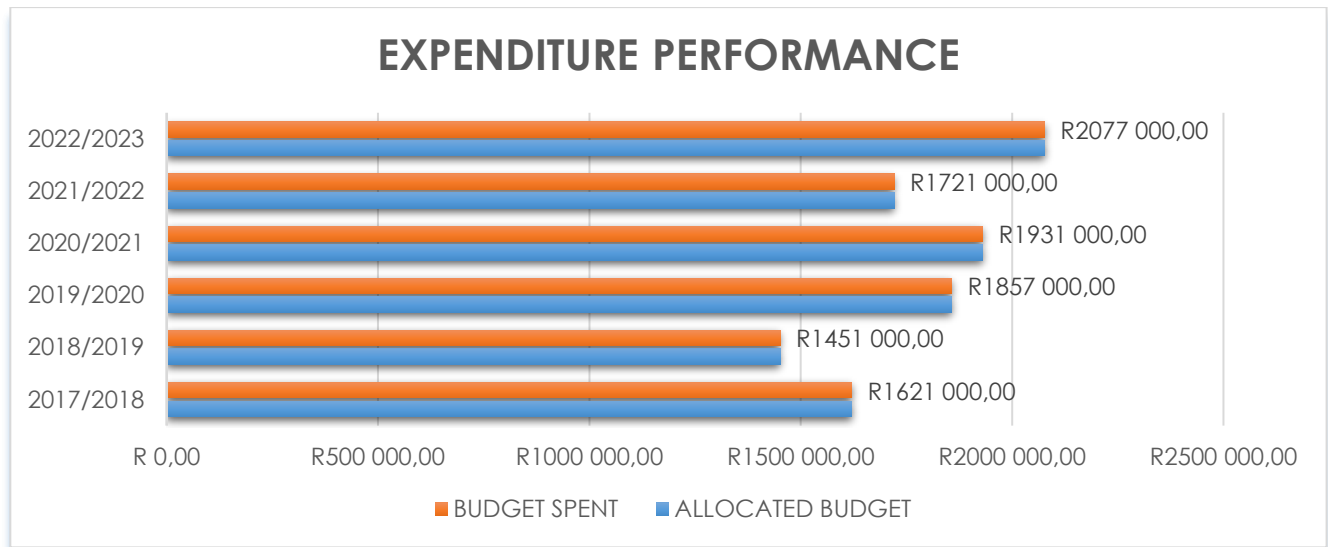
VILLIERSDORP CLEANING OF CEMETERIES



VILLIERSDORP MAINTENANCE OF ROADS & STORMWATER



In accordance with the Division of Revenue Act [DORA enacted annually], the Municipality must report monthly and annually on Grant Expenditure. For the 2022/2023 financial year the grant was spent 100% as per the signed EPWP Business Plan for the said financial year.



LED Challenges

These challenges are encountered by the local economic development department during the 2022/2023 financial year.

- Lack of agricultural land for small scale agricultural production and expansion
 - The application has been submitted in July / August 2021 via the Joint District Management Approach (JDMA) structure, for the transfer of state-owned agricultural land to the Municipality. To date no feedback has been received. Concerted effort is being made to follow-up on this matter. This matter needs to be escalated and taken up at a more senior leadership level to resolve this challenge.
- Lack of staff capacity / Understaffing of LED & Tourism Department
 - To provide budget for skilled staffed to focus on specific sector development and support i.e., agricultural sector and investment promotion to drive economic development in Theewaterskloof Municipal Area.
- Institutional challenges and lack of strategic support and direction by top management.
- Lack of municipal budget and /or budget cuts, the lack of strategic policies i.e., updated land availability policy to fast-track investment into the area, sector specific strategies to support key sectors i.e., Tourism Strategy Revision, LED Strategy Revision, Investment Promotion Policy and SOP which can assist in the alleviating of the unemployment and skills deficit within the municipal area.

3.11.2 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES

Employees: Local Economic Development Services (LED)					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	1	1	1	0	0%
7 - 9	0	1	1	0	0%
10 - 12	2	2	2	0	0%
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	4	5	5	0	0%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.11.2

3.11.3 FINANCIAL PERFORMANCE: LOCAL ECONOMIC DEVELOPMENT SERVICES

Financial Performance: Local Economic Development Services					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(1 650)	40544	71311	63722	-11%
Expenditure:					
Employees	2,041	13,493	13,868	11,900	-14%
Repairs and Maintenance	3	944	762	900	18%
Other	1502	214436	244328	238416	-2%
Total Operational Expenditure	3546	228,873	258,957	251215	-3%
Net Operational Expenditure	1,896	269,417	330,268	314,937	-5%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.11.3

3.11.4 CAPITAL EXPENDITURE: LOCAL ECONOMIC DEVELOPMENT SERVICES

Capital Expenditure: Local Economic Development Services					
					R' 000
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 500	1 651	1 146	-30,60%	
Upgrade of Villiersdorp Taxi Rank / Informal Trading Area	1 000	1 000	727	-27,25%	
Furniture and Office Equipment (Upgrade)	500	651	419	-35,74%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.11.4

3.11.5 COMMENT ON THE LOCAL ECONOMIC DEVELOPMENT SERVICES

The -5% variance to the total operational budget is due to mSCOA Configuration.

The -27% variance to the capital budget is due to the following:

- RSEP grant funding was transferred for the upgrades of existing local economic development (LED) units and the construction of additional LED units at the Villiersdorp Market in Villiersdorp. The initially anticipated project completion date was 30 June 2023.
- A service provider, Dynamic R Consultants has been appointed on 12 May 2023, through the supply chain management process for Tender LED 01/2022/2023 for the minor upgrade and construction of additional LED units with a tender price of R 1 116 888.41. A separate procurement process was followed for the installation of work for an amount of R337 032.87. The total project cost amounts to R 1 452 921.00. The contractor established site on 22 May 2023 and is currently busy with construction. The RSEP funds are therefore committed before 30 June 2023 which complies with the prescripts of Treasury Circular Mun No. 7 of 2023.
- The R 453 921.00 shortfall was covered with Municipal funds which were only available with the approval of the adjustment budget end of February 2023, whereafter the tender process could commence.
- Due to continued abnormal heavy rainfall in early June 2023 during the construction phase, and community contestation, the project was delayed by three weeks since the handover of the site.
- The construction of the project by the service provider is 74% completed as per the project schedule.
- Total expenditure from RSEP funds on the project by 30 June 2023 is R 727 463,67. There is a commitment to complete the project once the roll-over application has been approved end of August 2023.
- The rollover was approved, and the final completion of the project is underway.
- The anticipated completion of the project is 30 October 2023.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.12 INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

3.12.1 SUSTAINABLE & COMMUNITY DEVELOPMENT SERVICE DELIVERY

HIGHLIGHTS

- **PERSONS WITH DISABILITIES (PWD)**

- **TWK Disability Network**

- 4 x quarterly networking sessions hosted.
 - Between 30 to 35 institutions (CSOs, private sector, government departments) in attendance per session.
 - Sessions focused on capacity building, introduction to Community-based outreach clinics, sensitization workshops, parent support networks.
 - The network was introduced to the National Department of Social Development initiative: *Disability Empowerment Model (DEM) Approach – a model aimed at gathering data and addressing matters of concern on inclusivity of persons with disabilities holistically in our communities (Disability mainstreaming).*
 - DSD Regional has indicated that because TWK Disability network is a structured network, it would like to pilot the DEM Approach in Theewaterskloof Municipality – who will be the 1st in Western Cape that will run with this.
 - This will be rolled out during 2023/2024 together with DSD.
 - TWK Disability Network has strategic partnerships with Western Cape Association for Persons with Disabilities (WC APD), Shonaquip Enterprise, Innovation for the Blind, National Institute for the Deaf (NID), SALGA, DSD Province & Regional

- **Highlights**

From one of our Disability groups (Tools4Life Omgee Groep): the special needs group in Villiersdorp who forms part of TWK Disability network (this is an excerpt from Tools4Life Newsletter 2023):

The Care Group with the help of an occupational therapist from Senecio in Somerset West has dealt with various diagnoses of disabilities in the last term. There have been members of the group that have spontaneously told how they dealt with their diagnosis, and this has meant that there is more empathy and understanding within the group. The group enjoys Maranè Roux's music classes. When she is sitting at the piano, the singing starts, instruments are played and lots of laughing together. A few of the Care Group are still going ahead with the entrepreneurs' course and sales – they have a vegetable garden and crops are sold on market days.

The Cynergy Foundation in Gordons Bay presented classes in the village and are busy training us to share the information at the Swap Shop to step by step teach people how to sell a product or service and how to make a profit. The course has enriched many lives. Now there are people saving some of their SASSA grants to fulfil a need like fixing a "wendy house". Or there will be a baking of a cake to resell thus stretching their money.

In this manner it means they do not need to borrow money and thus trap them in debt. The group is also taught how to share this knowledge with others, especially at the Swap Shop where many people congregate. We want to train people to not have to be reliant in the long term on the Swap Shop and they will thus become more independent."

We as a municipality continue to support this group, connecting them to relevant to the needs of the group and provide space for them to host their sessions with the beneficiaries and their caregivers.

- **YOUTH**

- **Villiersdorp Youth Café (VYC)**

VYC general, daily and weekly programmes include the Afterschool game changer program, sports & educational games, homework & study support Internet support services as well as assistance with applications to tertiary and bursary institutions. Support is also provided to youth who want to apply for jobs and develop their business ideas.

The following are activities offered at the centre regularly.

- Basic computer training
- Job readiness programme
- Business support programme
- Street Shop Clothing Donation Drive
- Variety of afterschool game changer programmes – in and outdoor activities
- Back to school support programme

Key activities run at the VYC during the reporting period – all in partnership with other external stakeholders:

Daily afterschool programmes (indoor & outdoor)	Self-defence classes in partnership with Villiersdorp SAPS	Daily afterschool programmes (indoor & outdoor)	Cancer Awareness program with Right to Care	Mini Soccer tournament Pool Tournament Spelling Bee Competition
Mini soccer & netball tournaments	Women's month virtual campaign – honouring women from Villiersdorp	Basic Computer training	Emergency First Aid responder training hosted by Metro EMS	Job Readiness training Basic Computer skills & "Streetwise" Finance Training
Hot choc social evenings	Women's day – young ladies tea event	International Literacy Day – event with youth, children and YeBoneers	Stop Child Trafficking Event with young learners	Men's' Health Awareness Month event: Prostate Cancer program
Mobile Career Café partnered with Cape Winelands Biosphere focusing job readiness for youth between 16 – 28 years (30 youth participants)	Homework and research support Basic Computer training	Boland College visited the VYC – recruitment and application drive for the new semester intake	Social Entrepreneurship Training Job Readiness Workshop	GBV Awareness Campaign with SAPS & Neighbourhood watch
Madiba Day Quiz – online campaign on VYC Facebook page	Daily afterschool programmes (indoor & outdoor)	4 weeks Level 2 Computer training	Netball tournament	Study support to matriculants and other learners

- **TWK Youth Exchange Program (PILOT)**

A follow up intervention from the Grabouw Youth Engagement session (February 2023) led to a virtual discussion between Designers without Borders SA (DWBSA in Grabouw) and Villiersdorp Youth Café (VYC) – facilitated by TWK on 31 May. An in-person session between the 2 organisations' youth and project managers were hosted on 08 June at Villiersdorp Youth Café.

Purpose of engagements: Create a platform and develop a concept to establish a local youth exchange program. This program will allow for youth from these 2 organisations to be seconded to their counterpart youth organisation.

This program will be a horizontal and holistic learning experience between local youth development champions and organisations which aims to engage, exchange, and empower one another to combat the challenges faced in the development space; specifically relating to the inclusion as youth champions, facilitators, activators, and interns that are categorized within the NEET (Not Employment Education and Training) category. The exchange would be piloted between DWBSA and VYC and will consist of integrated interactive cross learning engagement such as workshops, community, and stakeholder engagements (in their respective service areas).

- **Overberg District Youth Summit**

On 27 June 2023, the Overberg District Municipality hosted a Youth Summit in Caledon with 120 youth (30 youth from each B-municipality in the district) in attendance. The theme of the summit was: THE POWER OF YOUTH IN MOTION.

The summit focused on dialogues on the following topics and the youth were actively involved during the discussions:

- o Mental Health
- o Youth Wellness
- o Cyber Bullying
- o Connecting and networking
- o Decision-making
- o Driving change



Theewaterskloof Youth present at the ODM Youth Summit: 27 June 2023

– **Other**

- The National Youth Development Agency (NYDA) hosted 4 workshops in Grabouw (2) & Villiersdorp (2) respectively in August and September 2022. The August workshops focused on introducing the products and services to unemployed and business orientated youth. The NYDA regional manager came out to both August sessions to interact with our youth. In September the workshops focused on youth-in-business to take them through NYDA grant application process as well as how to pitch a business proposal. 43 youth were reached.
- During our Villiersdorp & Caledon stakeholder engagements (August & September 2022), our unit engaged with new youth-driven organisations from Tesselaarsdal & Myddelton – religious, training, and social organisations.
- NYDA offered Business Management Training from 23 to 27 January 2023 with 10 young men in Grabouw.
- 2 x workshops in Grabouw that focused on life skills on 01 & 02 March 2023 respectively with 36 youth in total.
- Life skills workshop with 20 youth at Hottentots reserve.



Youth Engagement session in Grabouw: February 2023

● **EARLY CHILDHOOD DEVELOPMENT (ECDs)**

Since April 2022 the mandate and oversight of ECD sector has been transferred to the Department of Basic Education (DBE). The Elgin Community College (ECC) remained the service provider for the department (Overberg District) to ensure that ECD facilities are registered and fully compliant with DBE regulations to operate as a facility. Community Development (CD) unit has a good working relationship with ECC, and attend their town based ECD Forum meetings as invited to quarterly.

– **Support to Theewaterskloof ECD and after care centres**

Networking/stakeholder connection:

CD unit was approached by SALGA to identify ECDs that are unable to source tools and equipment for their centres. This is the SALGA Mandela Day initiative. Grabouw was identified as the area SALGA staff wanted to focus on. We connected SALGA to ECC who was able to identify 12 unregistered ECDs in Grabouw.

On **7 March 2023**, SALGA had a small handover ceremony with the 12(twelve) identified centres in Grabouw with a donation value of **R 300 000. 00**. According to ECC about 600 children (who are part of these centres) will benefit from this donation of educational material that will really add value to the children's development.

Our department also gave a small donation of kitchenware, towels, cloths and hand sanitizer to these creches.

- **Globeleq/Genadendal/Greyton ECD support initiative update**

ECC and Globeleq drafted 'n project plan and to date the following activities took place:

Twelve (12) students were on ECD NQF level4 training and completed all 7 modules at the end of June 2023.

Assessments of challenges experienced by 2 ECDs (Vrolike Vinkies & Voorstekraal Day care Centre) from Greyton & Genadendal were done by ECC and full report was submitted to Globeleq. Globeleq selected **Vrolike Vinkies Daycare** where the following restorations will be done by end of 2023:

- The infrastructure development needs.
- The level of resourcing with educational material.
- The levels of education of the educators in the facility.
- Repair of all outside equipment.

- **Newly registered ECDs**

ECC reported that during this period, 10 ECD/After school centres received their registration documents from the Dept of Basic Education. Newly Registered entities per towns are as follows:

- Grabouw = 5
- Villiersdorp = 1
- Botrivier = 4
- Caledon = 1
- Greyton = 2
- Riviersonderend = 2

- **ECDs funded by Department of Social Services**

At present 11 ECDs are receiving funding from DSD:

- Grabouw: 11
- Botrivier: 1
- Riviersonderend: 1

Most of the ECDs are raising own funds and depend mainly on school fees paid parents/caregivers but is also not always received as most of their service users are not by means to pay on a regular.

- **Unregistered ECDs**

As per ECC feedback report, there are 59 unregistered ECDs in Theewaterskloof and are the breakdown per towns are as follows:

- Grabouw = 23
- Villiersdorp = 14
- Botrivier = 6
- Caledon = 7
- Riviersonderend = 9

Reasons for these facilities not registered are the following:

- Infrastructure is not suitable for the purpose.
- No building plans and rezoning certificates
- Health & fire certificates cannot be issued to these facilities.
- Shortage or no funds to have audited financial statements drafted.

As a department, we have approached our town planning department as well as Overberg District Municipality to explore various ways of mitigating the above challenges to get our ECD facilities fully compliant not just for operational purpose but also to ensure access to funding from government and private sector.

– **Challenges identified by ECD's**

- Parents who do not pay any school fees – implicates operational costs of the ECDs.
- Cost of municipal documents such as Zoning certificates, Fire & Health inspections are a big expense for most if not all ECD centres. These are required documents for ECDs to be compliant for registration with DBE.
- ECDs find it extremely challenging to obtain approved buildings plans from municipality.
- Infrastructure assistance and support needed to make ECD centres safe spaces for the children daily.
- Rental agreements between municipality and ECD centres (who applied and have been granted approval for rental) that is not received on time, delays the registration of these centres.
- There is a growing need for land to be availed to build/erect more ECD centres in TWK – children not of school-going age are still roaming around unsupervised on the streets.

Our department is now also a member of the Early Childhood Development Action Network (ECDAN) to engage with global stakeholders who can share best practices and information to help capacitate and develop our rural ECD facilities - The Early Childhood Development Action Networks catalyses collective action on behalf of young children and their families around the world by connecting with global and regional partners, facilitating knowledge exchange and learning and coordinating advocacy for increased investment for quality services.



SALGA donation of educational toys and equipment to 12 Grabouw ECDs on 07 March 2023

- **SUBSTANCE ABUSE (LOCAL DRUG ACTION COMMITTEE)**

Below is an overview (table 1) of all the interventions (Goals 1,5, 6 and 7 of the National Drug Master Plan 2019 -2024) for the Theewaterskloof Municipality's Local Drug Action Committee (LDAC) for the 2022/23 financial year.

In May 2022 the new term of Theewaterskloof Local Drug Action Committee (TWK LDAC) members was elected with the Executive Mayor of the municipality as the Chairperson of the TWK LDAC. These members will serve the TWK LDAC, the broader Substance Abuse Disorder (SUD) Stakeholders and the communities of Theewaterskloof for the period 2022 – 2025. As a structure we have issued the 2nd edition of our TWK LDAC Family Support Directory – distributed about 1000 booklets to our SUD stakeholders, municipal public facilities (libraries and centres) and during outreach events in the different towns. Another initiative that we embarked on, was the Love Alliance Project in partnership with STAND ACTION – this project (in progress) aims to address the barriers of linkage to comprehensive health including HIV and Sexual Reproductive & Health Care (SHRC) services for Women Who Use Drugs (WWUD) in the rural region (refer to 2.1)

Four of our LDAC member organisations (Solution Base, Badisa, Theewaterskloof Municipality Traffic & Dept of Agriculture) have partnered with FASFACTS to capacitate 10 women from Riviersonderend to initiate awareness campaigns, provide and support pregnant mothers to access clinic services during pregnancy and even after giving birth (refer to 2.2)

STAND LOVE ALLIANCE PROJECT: THEEWATERSKLOOF

Love Alliance - is a five-year program (2021-2025) that brings together diverse but like-minded allies across governments, funders, civil society, and community groups to prioritize and invest in challenging the structural barriers of underfunding, criminalization, and exclusion of vulnerable key population groups.

This project in partnerships with District, Municipal and Local NGO partner networks, wish to address these critical key concerns with the appropriate Government entities considering Constitutional rights - and provide sensitization and capacitation training to mitigate further harms.

- **Project Outcomes:**

- By **December 2023** - 40 women who use drugs (including transgendered women) from Theewaterskloof are linked to comprehensive health care services, including HIV and SRHC Screening, testing and treatment.
- By **November 2023** – 3 x Sector trainings in the Theewaterskloof addressing Stigma and discrimination experienced by Women who use Drugs by providing WWUD friendly guidelines and services for Health Care Services, Law Enforcement and Social Services. The training material will be developed by STAND and SANPUD.
- By **December 2023** - 3 x capacitation sessions held with Women who Use Drug Networks, assist with formulating their networks, electing their leaders, registering their network with SANPUD, technical training, support with small grant applications to SANPUD.

- **Objective of forming independent networks** - to provide a voice for WWUD to advocate for gender centric, drug user friendly healthcare, social welfare, and law enforcement treatment services and to assist in advocating for the network representatives to be included in Policy development at a Local and District Level.

- **Project implementation to date:**

- Focus group session with 20 women who use drugs (WWUD) – **February 2023**
- 87 Community Healthcare Workers and SAPS Social Crime Prevention Officers successfully completed the Sensitization and Reducing Harms training – **8 & 9 March 2023**
- WWUD Training for 40 women, Link 40 WWUD to HIV Testing & SRHC, WWUD Network Leads Only Technical Training – March 2023
- Mid-year review with all relevant project stakeholders – 12 June 2023

RIVIERSONDEREND SUBSTANCE ABUSE AWARENESS AND PREVENTION PROJECT

One of our TWK LDAC member organisations, The Department of Agriculture (Rural Development unit) has partnered with Badisa Riviersonderend, Solution Base Riviersonderend and Theewaterskloof Municipality's Traffic Department to initiate this project. 10 women from the area were trained by FASFACTS in September 2022 and are the champions of this program – it should be noted that these women are volunteers for this project. The 3-day training program focused on Foetal Alcohol Syndrome, Alcohol and Drug Abuse and Gender-Based Violence (GBV) and Mentorship. In March 2023, the 10 women also went through Communication Skills training program.

(It should be noted that these women are volunteers for this project. The 3-day training program focused on Foetal Alcohol Syndrome, Alcohol and Drug Abuse and Gender-Based Violence (GBV) and Mentorship. In March 2023, the 10 women also went through Communication Skills training program.)

- **Purpose:**

- To identify Champions in the identified areas to create awareness of substances and GBV and to assist with the prevention of abuse and the devastating impacts on households and communities.
- To inform farming-and rural communities of local support groups and networks (DSD, SAPS, LDAC, NPO's who render substance prevention and after-care services) that can be utilized to assist with these challenging situations.
- To provide support in the form of after-care and counselling and to refer to appropriate services.

The Champions do awareness programs monthly at the clinic and in the community, door-to-door campaigns and will look at expanding their project to include the Flourish initiative that focus on ante- and post-natal classes from pregnant mothers.

Table 1:**GOAL 1:** Reduce demand for drug dependency.

Objective: To create awareness campaigns and educational sessions to promote healthy living.

Key deliverables	Key actions	Functionary	KPI	Time frame	Resolutions
➤ Awareness campaigns through events, door-to-door sharing of pamphlets	➤ 43 Awareness campaigns done mainly in Riversonderend, Ward 2, Grabouw, Caledon & Villiersdorp ➤ Target audiences were mainly Primary and secondary school learners.	➤ Badisa Riversonderend ➤ Bowl Community Centre ➤ CFLD ➤ TWO-A-DAY ➤ Changing Lives ➤ Dept of Social Development (Caledon District office) ➤ Solution Base ➤ SAPS ➤ Theewaterskloof Municipality: Traffic & Community Development ➤ Overberg Education Department	Over 4000 learners reached	2022/2023	Awareness campaigns will continue, especially in schools as substance use amongst learners seem to be increasing. Sessions at schools were also focused on Body awareness, teenage pregnancy, suicide awareness & GBVF
	➤ Riversonderend FASFACTS Substance Abuse & GBV Awareness Project driven by Dept of Agriculture ➤ Target audience is pregnant moms and women, GBV victims (from	➤ Dept of Agriculture ➤ Badisa Riversonderend ➤ Solution Base Riversonderend ➤ Theewaterskloof Municipality Traffic ➤ Riversonderend Clinic	10 women were trained as Champions to drive the substance abuse & GBV awareness campaigns. Over 200 women have been reached	2022/2023	This is an ongoing project, and the project will connect with Overberg Flourish Host to offer ante- and post-natal classes to

	Riviersonderend & surrounding farms) who want to have babies – educating them on the dangers of alcohol use.		through awareness session		pregnant moms.
	➤ 3 x TWK LDAC outreach & information days in Riviersonderend, Grabouw & Villiersdorp	➤ LDAC and SUD Stakeholders in these towns ➤ Joint venture to make community members aware of all the services available in their towns.	150	2022/2023	This joint venture is ongoing and spans across all TWK towns.
	➤ 24 x Life skills programmes completed with youth in Riviersonderend, Greyton, Bereaaville	➤ Solution Base ➤ Riviersonderend Primary & High schools ➤ Greyton Primary School ➤ Bereaaville Primary School	300 learners	2022/2023	
	➤ 6 MOD Centres in TWK offers after school programmes to 40 learners per session. 3 sessions per day	➤ Department of Cultural Affairs & Sports ➤ Overberg Education Department	120 learners per school per day	2022/2023	Ongoing DCAS initiative
Dual diagnosis client care services	➤ Overberg Dept of Health's Mental Health Practitioner conducts weekly visits to TWK clinics to provide services to dual diagnosed (mental illness &	➤ Overberg DOH Mental Health Practitioner	30	2022/2023	

	comorbid substance use disorder) services users.				
TWK LDAC & SUD Stakeholders individual counselling sessions done	A total of 442 individual counselling sessions were done by our registered and qualified social auxiliary and social workers who form part of the TWK LDAC structure (as reported)	TWK LDAC and SUD stakeholders	442 service users – including offenders in correctional facilities	2022/23	
TWK LDAC & SUD Stakeholders Group & family support services rendered	51 x Group and family support group sessions were offered	TWK LDAC and SUD stakeholders	378 (learners and service users, including offenders in correctional facilities)	2022/23	ongoing
TWK LDAC & SUD Stakeholders service users in Aftercare program	For the reporting period, 91 service users were active in aftercare programs	TWK LDAC and SUD stakeholders	91 service users	2022/23	ongoing
Referrals to inpatient treatment facilities/ inpatient medical detoxification	33 x service users were referred to inpatient treatment facilities. 5 x service users were referred for individual medical detoxification	TWK LDAC & SUD Stakeholders Department of Health (Overberg)	38 service users	2022/23	
Additional interventions related to capacity building, recreational programs, and support by TWK LDAC & SUD Stakeholders	➤ GBV training with educators & staff ➤ Social support and counselling for youth ➤ Training with Educators and staff on sexual behavior that harms children ➤ Launch pf Project Drug Buzz	Overberg Education Department (OED) ABBA & Reeds Asylum Association Overberg Education Department (OED) Solution Base – Ward 2 Solution Base – Riviersonderend TWK SUD stakeholders	510 people reached with all interventions	2022/23	

	➤ Soccer programs ➤ 2 x Holiday programmes for children				
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GOAL 5: Promote governance, leadership and accountability for an effective response.

Objective: Percentage annual performance plans containing funded NDMP2019 – 2024 implementation plan

Key deliverables	Key actions	Functionary	KPI	Time frame	Resolutions
➤ Theewaterskloof LDAC Quarterly meetings	➤ 4 x meetings conducted	➤ Theewaterskloof Municipality ➤ TWK LDAC & SUD Stakeholders ➤ Western Cape Substance Abuse Forum (WCSAF) ➤ Central Drug Authority (CDA) ➤ Western Cape Liquor Authority (WCLA) ➤ Western Cape Dept of Social Development: Policy Development	112	2022/2023	Ongoing – quarterly sessions are used to plan, inform, and capacitate our SUD Stakeholders based on the guidance on NDMP. The CDA forms a integral part of the TWK LDAC and has committed to strengthen our structure through regular engagements with us and visits to our sites
➤ WCSAF biannual meetings	➤ 2 x virtual meetings with CDA and WCSAF	➤ Dept of Social Development (Province) ➤ Central Drug Authority ➤ Western Cape LDACs	N/A	2022/2023	Capacity building for WC LDACs

GOAL 6: Strengthen data collection, monitoring, evaluation and research evidence to achieve goals.

Objective: To ensure baseline available to measure impact of NDMP 2019 - 2024

Key deliverables	Key actions	Functionary	KPI	Time frame	Resolutions
➤ TWK LDAC secretariat designed a reporting template for TWK LDAC members & SUD Stakeholders to complete and submit to our office.	➤ Information submitted on monthly and quarterly basis. ➤ Information shared is based on various interventions: counselling, awareness campaigns, support groups, referrals, after care, early intervention, and trainings	➤ Theewaterskloof Municipality ➤ TWK LDAC and SUD stakeholders	Over 20 civil society organisations and government departments form part of the TWK SUD stakeholders' structure	2022/2023	Ongoing
➤ Monthly, quarterly, biannual, and annual reports	➤ TWK LDAC and SUD stakeholders send reports, and it is collated by TWK LDAC Secretariat. ➤ Quarterly & biannual reports submitted to Community Services Portfolio Committee	➤ Theewaterskloof Municipality ➤ TWK LDAC and SUD stakeholders ➤ Community Services Portfolio Committee ➤ Overberg District Municipality ➤ WCSAF & CDA	4 X Quarterly reports 2 x biannual report 1 x annual report	2022/2023	

GOAL 7: Stimulate robust and sustainable Economic Growth aimed at reducing poverty, unemployment, inequality and substance abuse in communities

Objective: To ensure baseline available to measure impact of NDMP 2019 - 2024

Key deliverables	Key actions	Functionary	KPI	Time frame	Resolutions
➤ Job readiness workshops and skills training for youth	➤ Workshops were hosted with youth in the different towns. ➤ CV writing, applying for work & interview skills were covered. ➤ Basic Computer training ➤ 1 x 5-day Business management training program ➤ 2 x Youth Ministry Leadership Workshops	➤ Villiersdorp youth Café ➤ Theewaterskloof Youth organisations ➤ Theewaterskloof Municipality ➤ National Youth Development Agency (NYDA) ➤ Reeds Asylum Association	60 youth 10 youth 35 youth	2022/2023	
➤ Youth work placement programs	➤ In the reporting period: In partnership with Provincial Libraries & YearBeyond a 2 nd and 3 rd intake of youth started in the Youth in service programs: @homelearning, Reading Champions & ICT cadets. ➤ Safe Schools programs in TWK	➤ YearBeyond (DCAS) ➤ Provincial Libraries ➤ Theewaterskloof Municipality – Library services and Community Development Department ➤ ECD centres in TWK ➤ Solution Base ➤ Dept Of Community Safety	103 youth	2022/2023	

➤ 3 x Funding workshops	➤ Mayoral Grant-in-Aid, National Lotteries Commission (NLC) Fund & DCAS funding workshops hosted online and in-person.	➤ Theewaterskloof Municipality ➤ NLC ➤ DCAS Overberg	N/A	2022/2023	
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TWK LDAC Quarterly meetings: November 2023 and February 2023

The TWK LDAC Coordinator formed part of the CELL C SEE YOUTH GBV & Substance Abuse engagement session with the learners of Emil Weder High School on 23 February. This engagement allowed learners to engage on a discussion with the panellists represented by TWK Municipality, SAPS, Overberg Education Department, The Principal & student councillor of Emil Weder High School and youth motivational speaker on these two topics that seems to be a growing problem in Genadendal. We will continue to engage, support, and implement relevant actions with learners and the broader Genadendal community.

- **Challenges & Blockages identified by the TWK LDAC:**

- General concern and an extreme need identified by the District Department of Health: there is no designated ward at the Hospital for 72-hours detoxification – the only one for this region is Worcester Hospital; psychotic patients are admitted to general wards within the district hospital, and this comes with its own challenges and safety concerns for general patients.
- Employment of clients after they return from in-patient treatment centres, is also a big gap: if they are in employment (constructively occupied) and attend after care programmes, it should potentially decrease their relapse. We have requested statistics from our SUD stakeholders to determine the need for employment of clients who have returned from rehab centres and will explore options via EPWP and other government department initiatives.

STAKEHOLDER MANAGEMENT

Sustainable development department has four formal networks (TWK Disability Network, TWK LDAC, ECD Forums and Arts) that continue to operate, capacitate, and share information

relevant to the participants and stakeholders, adding value to the work done by its members. The Youth network will be initiated as of the new financial year.

3.12.2 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Child Protection Week takes place annually between 29 May to 5 June 2023 and aims to raise awareness of the rights of children. This year as the country commemorated Child Protection Week, we as a municipality also partnered with non-governmental organisations (NGOs), schools and various other stakeholders to do our part in creating awareness around this important topic. Throughout the week our Yeboneers in Botrivier, Grabouw, Genadendal, Caledon and Villiersdorp took part in awareness activities at ECD's and primary schools as well as displays at libraries. Outreaches were also done in partnership with other stakeholders.



3.12.3 EMPLOYEES: SUSTAINABLE DEVELOPMENT

Employees: Sustainable Development					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	0	0	0	0	-
10 - 12	2	2	1	1	50%
13 - 15	0	0	0	0	-
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	-
Total	5	5	4	1	20%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.12.3

3.12.4 INTRODUCTION TO LIBRARY SERVICES

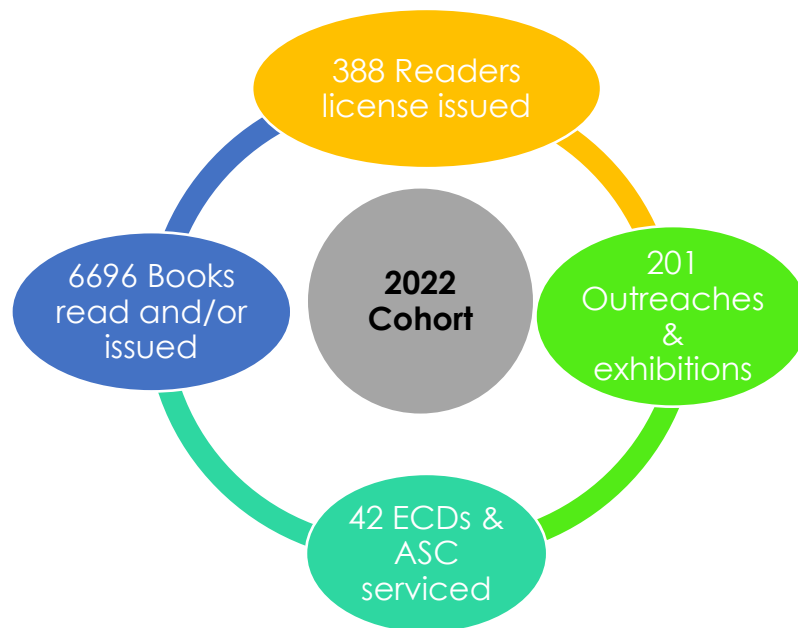
3.12.4.1 LIBRARY SERVICES HIGHLIGHTS

1000 STORIES LIBRARY PROJECT (YEBONEERS)

The Yeboneers (Youth in Service) in partnership with YearBeyond and Provincial Libraries continued with the 1000 Stories Library project and implemented a variety of programs at ECD and after school centres, old age homes, at schools, museums and at the libraries as well. The 8-months Youth-In-Service project ended on 30 November with a Graduation Day Ceremony hosted to the youth who have completed their placement period.

The Yeboneers participated in MOCK Interviews – work readiness day – on 04 October: youth were interviewed for various positions and were given feedback and tips on how to prepare and conduct oneself during interviews. On 28 October, our Yeboneers attend the Cape Winelands Career Fair (hosted by YearBeyond office) to allow for them to explore the various study, job and business opportunities available to take to their next level.

Below are some data of the impact the project has made.



Yeboneer Graduates with Director: Community Services on 30 November 2022

Online Applications for this program opened in March 2023 for youth from our towns to apply – shortlisting and interviewing was done in the beginning of April and 30 youth – 6 ICT cadets and 24 reading champions started their 8-month placement in the Youth-In-Service program at 5 libraries. The Yeboneers (youth in this program) has variety of programs at ECDs and after school centres, old age homes, at schools and at the libraries. This is an 8-month Youth in Service project that will include a cohort of ICT cadets as well. The Yeboneers are guided and supported by a mentor to form part of the career development process for the duration of their placement on the program.

Current statistics for 2023 Yeboneer cohort for May & June, are as follows:



3.12.4.2 EMPLOYEES: LIBRARY SERVICES

Employees: Libraries					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	12	20	18	2	10%
7 - 9	7	9	9	0	0%
10 - 12	3	3	3	0	0%
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	23	33	31	2	6%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.12.4.2

3.12.4.3 FINANCIAL PERFORMANCE: LIBRARIES

Financial Performance: Libraries					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(9 783)	(9 889)	(10 612)	(10 400)	-2%
Expenditure:					
Employees	8,037	8,659	8,706	8,415	-3%
Repairs and Maintenance	289	100	65	69	7%
Other	785	2508	2687	2698	0%
Total Operational Expenditure	9,111	11,268	11,458	11,182	-2%
Net Operational Expenditure	(673)	1,379	,846	,782	-8%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>					T3.12.4.3

3.12.4.4 CAPITAL EXPENDITURE: LIBRARIES SERVICES

Capital Expenditure: Libraries					
					R' 000
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	35	725	634	1713%	
Modular Library	-	690	600	0%	
Furniture and Office Equipment (New)	35	34	34	-2%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.12.4.4

3.12.4.5 COMMENT ON THE LIBRARIES SERVICES PERFORMANCE OVERALL

The Modular library was not part of the original budget of 2022/2023 as this was depended on approval of the roll-over application to provincial treasury, once approval was received it was included in the adjustment budget and the funding was spent. Comparing the actual spending with the adjustment budget, the variance is only 10% due to competitive prices received via the SCM processes.

3.13 CEMETERIES AND CREMATORIUMS

3.13.1 INTRODUCTION CEMETERIES AND CREMATORIUMS

A study was conducted with regards to the establishment of a crematorium in the Theewaterskloof Municipal area, however the outcome was that it is not feasible nor affordable.

In terms of our cemeteries, all the towns in the TWK area consist of at least one cemetery. Our cemeteries are at high risk due to capacity and constant vandalism and theft.

In the new financial year, the municipality will focus on projects to expand our cemeteries, for example Chavonnis Cemetery in Caledon is one of the capital projects for the 2023/24 financial year.

Our town offices remain positive and attempt to do regular maintenance, cleaning and weed control at our cemeteries. The town offices also appointed dedicated teams (EPWP's) to focus on the upkeep of the cemeteries.

3.13.2 FINANCIAL PERFORMANCE: CEMETERIES & CREMATORIUMS

Financial Performance: Cemeteries and Crematoriums					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(910)	(954)	(954)	(686)	-28%
Expenditure:					
Employees	-	-	-	-	-
Repairs and Maintenance	104	289	209	94	-55%
Other	38	469	430	383	-11%
Total Operational Expenditure	142	758	639	477	-25%
Net Operational Expenditure	(768)	(196)	(315)	(209)	-33%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>					T3.13.2

3.13.3 CAPITAL EXPENDITURE: CEMETERIES & CREMATORIUMS

Capital Expenditure: Cemeteries & Crematoriums					
R' 000					
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 831	2	-	-100%	
Chavonnes street extension	2 263	-	-	-100%	
Chavonnes street extension	,568	,2	-	-100%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.13.3

3.13.4 COMMENT ON CEMETERIES & CREMATORIAL SERVICES PERFORMANCE OVERALL

Funding was either removed or reduced to other more prevalent needs and priorities. The funding that remained was insufficient to procure anything significant that would make an impact.

COMPONENT E: ENVIRONMENTAL PROTECTION



3.14 BIO-DIVERSITY AND POLLUTION CONTROL

3.14.1 INTRODUCTION TO BIO-DIVERSITY AND POLLUTION CONTROL

OVERVIEW

The Theewaterskloof Region is characterized by a rich biodiversity due to its varied landscapes and ecological niches. The fynbos biome, which is unique to the Western Cape, is a major contributor to the region's biodiversity, including many species of proteas, ericas, and restios. Many of these plants are endemic to the region, meaning they are found nowhere else in the world. The region also supports a variety of animal species, including reptiles, birds, and small mammals.



Climate:

The Mediterranean climate of the Theewaterskloof Region is characterized by warm, dry summers and mild, wet winters. The majority of rainfall occurs during the winter months, supporting the growth of vegetation during this period.



Topology:

The Theewaterskloof Region's topography is varied and includes rolling hills, valleys, and mountain ranges. The Western area of the municipality is the Elgin Valley, drained by the Palmiet River. The northern part is the valley of the Sonderend River including the Theewaterskloof Dam. The southeastern part is in the Overberg plain, drained by the Bot and Klein Rivers. Almost all the towns lay in the close proximity to a mountain range from Grabouw in the west followed by Villiersdorp, Greyton & Genadendal to Riviersonderend in the East.



Ecology:

The fynbos biome in the Theewaterskloof Region is adapted to a Mediterranean-type climate, with hot, dry summers and mild, wet winters.

- **National Environmental Management Act (NEMA) (ACT 107 OF 1998):**

Section 28 of NEMA creates a general duty of care on every person to take reasonable measures to prevent significant pollution or degradation of the environment from occurring, continuing, or recurring, or, in so far as such harm to the environment is authorized by law or cannot reasonably be avoided or stopped, to minimize and rectify such pollution or degradation of the environment.

Environmental protection within TWK municipal jurisdiction is managed and protected in terms of Section 24 of the Constitution, the National Environmental Management Act, 1998 [Act 107 of 1998 (NEMA)], the National Environmental Management Waste Act, 2008 (Act 59 of 2008), the Environmental Management Air Quality Act, 2004 (Act 39 of 2004) and the National Health Act, 2003 (Act 61 of 2003).

THEEWATERSKLOOF INTEGRATED FIRE MANAGEMENT PLAN (TWKFMP)

Theewaterskloof Municipality, like the rest of the Western Cape, continue to be threatened by veld fires. The dominant vegetation type within the region is both fire-prone and fire-dependent. This is exacerbated by expansion of urban areas, infestation of alien vegetation and windy, hot, and dry summer periods typical of the region.

- **Goals and Objectives:**

The primary purpose of the TWKFMP is to ensure that veld fires can serve greater good than harm.

It aims to eliminate loss of life, human injury, and economic and environmental losses because of veld fires.

The focus of the Municipality with regards to fires is to do the following:



AWARENESS



**PREVENTION AND
PREPAREDNESS**



RESPONSE

- **Protect life and property:**

- Minimize fire risks.
- Provide for the safety of residents, visitors, firefighters, and staff.
- Directly protect real and personal property from the effects of fire.
- Achieve full compliance with the National Veld and Forest Fire Act, 101 of 1998.
- Reduce fuels with prescribed fire and thinning in places where wildfire is a threat to people and property.
- Implement programs to prevent unplanned human-caused ignitions and reduce human-caused wildfires.
- Ensure organized, professional, and coordinated response to fires.
- Strive to meet health and safety standards that relate to fire, particularly for air quality and on-the-job safety.

- **Protect natural and cultural resources from undesirable effects of fire and suppression:**
 - Reduce fuels with prescribed fire and thinning in places where fire would adversely affect estate resources.
 - Avoid negative effects to sensitive areas.
 - Employ minimum impact suppression tactics, particularly in ecologically sensitive areas.
- **Risk Assessment for Theewaterskloof Municipality**

Risks and/or hazards identified in the Disaster Hazard, Vulnerability and Risk Assessment for Theewaterskloof Municipality include:

 - Sufficient funding to administer effective alien clearing and prepare firebreaks on all municipal owned land.
 - Field fires
 - Council liability in terms of the National Veld and Forest Fire Act for the potential origin or spread of fire from municipal land under lease agreement.
 - Coordination between other agencies for the implementation and maintenance of fire prevention measures on land not owned by the Municipality but identified in the Disaster Hazard, Vulnerability and Risk Assessment. These areas include vacant (municipal owned) areas, areas along transport routes, powerlines, the urban fringe, open (recreational) areas and informal settlements.
 - Old forestry areas with limited access control used for recreational purposes.
 - Having in place the required insurance should the Municipality be found to be liable in terms of its responsibilities as prescribed by the National Veld and Forest Fire Act or any other legislation guiding the prevention and suppression of veld fires.

POLLUTION CONTROL

Pollution control in the Theewaterskloof area is a critical concern and in addition to this, Illegal dumping also has significant environmental challenges that can have serious consequences for ecosystems, water quality, and public health.

Addressing these issues requires a comprehensive and collaborative approach involving government agencies, local communities, NGOs, and other stakeholders.

Initiatives to improve and protect biodiversity and control pollution of the 2022/23 year were as follow:

- **Public Awareness and Education:** Raising awareness about the negative impacts of illegal dumping and pollution on the environment and public health and trying to encourage responsible behaviour through social media broadcasts.
- **Regular Town Clean-ups.**
- **Environmental awareness campaigns in informal settlements.**
- **Other projects:**
 - **MISA/ KhaboKhedi Solid Waste programme**

The pilot project was established by MISA and Grabouw had 120 youth participants working in the Solid Waste programme. The duration of the project was for 3 months from Dec 2022 up until Feb 2023. General tasks included cleaning of open spaces and cleaning of river streams and cleaning up. This project overall improved the appearance of the Grabouw Town.

– **Department of Forestry, Fisheries, and the Environment Affairs – Greening and Cleaning Programme**

Greening and Cleaning Programme funded by the DFFE people in all of our towns.

Participants in the project are tasked with cleaning open spaces, removal of alien vegetation, cleaning solid waste from river streams, cleaning illegal dumping areas. This project overall improved the appearance of all our towns and informal areas.

3.14.2 FINANCIAL PERFORMANCE: POLLUTION CONTROL

Financial Performance: Pollution Control					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	0	159	76	-	-100%
Total Operational Expenditure	0	159	76	-	-100%
Net Operational Expenditure	0	159	76	-	-100%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>					T3.14.2

COMPONENT F: HEALTH



3.15 CLINICS

Health services are managed by the Provincial Department of Health.

3.16 AMBULANCE SERVICES

Ambulance services are provided by the Overberg District Municipality.

3.17 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC.

The above-mentioned services are provided by the Overberg District Municipality.

COMPONENT G: SECURITY AND SAFETY

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

3.18 PUBLIC SAFETY

VISION

Empowering Safety, Security, and Community Well-being

We aspire to be a leading force in promoting safety, security, and community well-being within Theewaterskloof Municipality. Our dedicated team of professionals, specializing in Traffic, Law Enforcement, and Registration & Licensing Services, is committed to achieving excellence through collaborative partnerships with the people of our community.

Our vision is to create an environment that fosters a sense of security and promotes responsible use of roads in South Africa. Through a holistic approach encompassing education, enforcement, engineering, evaluation, planning, and coordination, we strive to ensure the utmost safety for all residents and visitors.

MISSION

- **Promoting Safety, Collaboration, and Community Empowerment**

At Theewaterskloof Municipality, Division Public Safety, our mission is to proactively promote safety, foster collaboration, and empower our community to create a secure and harmonious environment. We are committed to delivering high-quality services in Traffic, Law Enforcement, and Registration & Licensing through a customer-centric approach that prioritizes the well-being and needs of our residents and visitors.

- **Our mission encompasses the following key pillars:**

Ensuring Safety and Security: We prioritize the safety of individuals and the community at large. By enforcing traffic regulations, implementing effective law enforcement strategies, and facilitating secure registration and licensing services, we strive to prevent accidents, deter criminal activities, and maintain order.

Collaboration and Partnerships: We believe in the power of collaboration and recognize that building strong partnerships with community members, government agencies, and relevant stakeholders is essential for achieving sustainable results. Through open communication, active engagement, and shared responsibility, we aim to create a united front in addressing safety challenges and enhancing public trust.

Education and Empowerment: We are committed to promoting awareness, education, and empowerment among our community members. By organizing informative campaigns, workshops, and training sessions, we aim to equip individuals with the knowledge and skills necessary to make responsible choices, thereby fostering a culture of safety and compliance.

Innovation and Adaptability: We embrace innovation and continually strive to stay ahead of emerging safety trends and technologies. By leveraging advancements in data analysis, technology, and best practices, we seek to enhance our operations, improve response times, and optimize resource allocation, ensuring efficient and effective service delivery.

Accountability and Transparency: We uphold the values of integrity, accountability, and transparency. We are dedicated to maintaining the highest standards of professionalism, ethical conduct, and respect for individual rights. By fostering a culture of accountability and open communication, we aim to build trust and confidence in our services.

Through the diligent pursuit of our mission, we aim to create a safe, inclusive, and thriving community in Theewaterskloof Municipality. By working hand in hand with our community members and stakeholders, we strive to empower individuals, inspire positive change, and ensure the well-being of all those who call Theewaterskloof home.

TRAFFIC SERVICES

- **Core Functions**

The core functions of Traffic Services that collectively contribute to enhancing traffic safety, enforcing traffic laws, managing traffic flow, and promoting responsible driving behaviours within the jurisdiction typically include the following:

1. **Traffic Law Enforcement:** Enforcing traffic laws and regulations to ensure compliance and promote safe driving practices. This involves conducting patrols, traffic stops, and issuing citations for violations such as speeding, reckless driving, and DUI (Driving Under the Influence).
2. **Accident Investigation and Management:** Responding to traffic accidents, securing the scene, providing assistance to injured parties, and conducting thorough investigations to determine the causes and contributing factors. Traffic Services may also be responsible for coordinating with emergency services, documenting evidence, and preparing accident reports.
3. **Traffic Control and Management:** Managing and regulating traffic flow to maintain order and prevent congestion. This includes deploying traffic officers at busy intersections, construction zones, and special events to direct traffic, control intersections, and ensure the smooth flow of vehicles and pedestrians.
4. **Public Safety Education and Awareness:** Conducting educational campaigns and programs to promote traffic safety and raise awareness about responsible driving behaviours. This may involve organizing workshops, seminars, and awareness campaigns targeting different road users, including drivers, pedestrians, and cyclists.
5. **Road Safety Inspections and Compliance:** Conducting routine inspections of vehicles to ensure compliance with roadworthiness standards, proper licensing, and documentation. This may involve inspecting vehicle safety features, license plates, and verifying driver licenses, permits, and other relevant documentation.
6. **Speed Control and Traffic Calming Measures:** Implementing measures to control speeding and improve road safety. This may include setting up speed cameras, speed bumps, and signage, as well as conducting speed enforcement operations and raising awareness about the dangers of speeding.

7. **Parking Management:** Enforcing parking regulations, issuing parking citations, and managing parking spaces to ensure fair access and minimize traffic disruptions caused by illegal or improper parking.
8. **Traffic Engineering and Planning:** Collaborating with traffic engineers and urban planners to assess road infrastructure, propose improvements, and contribute to traffic management plans. This may involve analysing traffic patterns, evaluating road signage and markings, and providing input on traffic-related aspects of new development projects.
9. **Collaboration and Coordination:** Collaborating with other law enforcement agencies, local authorities, and community organizations to address traffic-related issues and develop integrated approaches to enhance road safety. This includes sharing information, participating in joint operations, and engaging in community outreach initiatives.
10. **Data Analysis and Reporting:** Collecting and analysing traffic-related data to identify trends, evaluate the effectiveness of enforcement and road safety measures, and inform decision-making. Traffic Services may also be responsible for preparing reports on traffic statistics, accident data, and enforcement activities.

- **Focus Areas**

By focusing on the following areas, Theewaterskloof Municipality's Traffic Services department can work towards creating a safer, more compliant, and efficient traffic environment for the community.

1. **Traffic Enforcement and Compliance:** Emphasize strict enforcement of traffic laws to ensure compliance among road users. This includes regular patrols, speed enforcement, tackling reckless driving behaviours, and addressing other traffic violations to create a safer road environment.
2. **Road Safety Education and Awareness:** Continue to prioritize traffic safety education initiatives targeted at all age groups, with a specific focus on schools and educational institutions. Develop and implement comprehensive road safety campaigns, including pedestrian safety, driver education, and awareness programs for cyclists and motorcyclists.
3. **Public Transport Regulation:** Strengthen efforts to regulate public transport, especially the Minibus Taxi (MBT) industry, by enforcing relevant legislation and promoting compliance with regulations. Focus on improving safety standards, driver training, vehicle roadworthiness, and minimizing conflicts within the industry.
4. **Infrastructure and Engineering:** Collaborate with relevant departments to identify and address road infrastructure issues that contribute to traffic congestion, accidents, or other safety concerns. Prioritize improvements such as traffic signal optimization, road markings, signage, and pedestrian-friendly infrastructure to enhance overall traffic flow and safety.

5. **Data Analysis and Technology Integration:** Leverage data analysis and technology solutions to identify high-risk areas, patterns of traffic violations, and trends in road safety. Utilize tools such as Automatic Number Plate Recognition (ANPR) systems, intelligent traffic management systems, and traffic incident management systems to optimize operations and enhance efficiency.
6. **Collaboration with Stakeholders:** Strengthen collaboration with law enforcement agencies, community organizations, educational institutions, and road user associations to foster a collective approach to road safety. Work closely with these stakeholders to address specific concerns, gather feedback, and implement targeted solutions.
7. **Community Engagement and Partnerships:** Actively engage with the community through public meetings, awareness campaigns, and community events to promote road safety and establish a culture of responsible road behaviour. Foster partnerships with local businesses, community groups, and road safety organizations to amplify outreach efforts.
8. **Continuous Training and Professional Development:** Invest in ongoing training and professional development programs for Traffic Services personnel. Enhance their knowledge and skills in traffic enforcement, road safety, communication, and technological advancements to ensure they are equipped to handle evolving challenges effectively.

- **Achievements**

1. **Strengthened Collaboration with Law Enforcement Agencies:** The continued integrated approach with other law enforcement agencies, such as the Provincial Traffic Authority, SAPS, and relevant stakeholders, has resulted in successful collaborations and improved coordination. This partnership has led to joint operations that effectively address traffic violations and enhance overall public safety.
2. **Ensured Compliance and Support During COVID-19:** The Traffic Services department successfully ensured compliance with COVID-19 regulations during the lockdown period. Through high visibility and proactive enforcement efforts, the department played a vital role in supporting public health measures and maintaining community safety.
3. **Improved Payment Rate of Traffic Offenses:** The execution of successful operations utilizing Automatic Number Plate Recognition (ANPR) technology has improved the payment rate of traffic offenses. This streamlined approach to detecting and processing violations has resulted in increased compliance and contributed to safer road conditions.
4. **Enhanced Traffic Safety Education and Training:** Collaborative initiatives with the Provincial Road Safety Department and educational institutions have made significant contributions to traffic safety education. The Traffic Services department's efforts in conducting educational programs and training sessions have effectively raised awareness and promoted responsible behaviour among road users, particularly students.
5. **Minimized Conflict in the Public Transport Industry:** Through the enforcement of relevant Public Transport Legislation, the Traffic Services department has successfully minimized conflicts within the public transport industry. Their efforts have helped regulate the operations of Minibus Taxis (MBTs) and ensure a safer and more harmonious transport system, without any incidents of violence in Theewaterskloof's municipal jurisdiction.

6. **Achieved Zero Fatalities During Peak Festive Seasons:** Through careful planning, intensified enforcement, and public awareness campaigns, the Traffic Services department has achieved zero fatalities on the road networks within Theewaterskloof during peak festive seasons. This accomplishment highlights their commitment to road safety and the protection of residents and visitors.
7. **Addressed Learner Transportation Concerns:** The Traffic Services department has successfully addressed concerns related to the transportation of learners in light-duty vehicles (LDVs). By implementing appropriate regulations and enforcement measures, they have improved the safety and well-being of learners during their daily commute.
8. **Successful Prosecution of Moving Violations:** Through the use of camera footage and evidence-gathering techniques, the Traffic Services department has successfully prosecuted moving violations. Their diligent efforts in upholding traffic laws and ensuring accountability have contributed to safer roads and a stronger culture of compliance.

These achievements reflect the dedication, professionalism, and commitment of Theewaterskloof Municipality, Division Public Safety, in their ongoing efforts to promote traffic safety, enforce regulations, and enhance community well-being.

- **Challenges and possible solutions**

1. **Insufficient Resources:** Despite the improvement in the COVID-19 situation, the lack of resources such as vehicles, equipment, and human resources continue to pose challenges for the Traffic Services department. Adequate allocation of resources is crucial to effectively carry out enforcement, patrols, and traffic management operations.
2. **Modernizing Communication Systems:** The absence of a reliable radio communication system hinders effective coordination and response times. Upgrading communication infrastructure and implementing robust radio systems will be essential for seamless communication between Traffic Services personnel and other relevant stakeholders.
3. **Budget Limitations:** Limited budget provisions impacts the operations of the Traffic Services department. Adequate funding is crucial to invest in technology upgrades, training programs, road infrastructure improvements, and public awareness campaigns.
4. **Re-establishing Traffic Safety Education and Training:** With the lifting of COVID-19 restrictions, resuming traffic safety education and training programs became essential. Efforts were and should be made to revitalize educational initiatives, including driver education, pedestrian safety programs, and awareness campaigns, to enhance road safety knowledge and promote responsible behaviour among road users.
5. **Ensuring Effective Use of Tools:** The optimal usage of breathalysers for DUI (Driving Under the Influence) operations might have been hampered during the pandemic. Ensuring that breathalysers and other necessary tools are readily available, calibrated, and used effectively is crucial for maintaining effective enforcement against drunk driving and ensuring road safety.
6. **Implementing Traffic Monitoring Systems:** The absence of semi-fixed camera sites limits the ability to monitor traffic violations and enforce road regulations effectively. Identifying suitable locations and implementing a network of semi-fixed camera sites can significantly contribute to deterring traffic offenses and improving overall traffic management.

- **Awareness and Educational Initiatives**

- **Roadshows**

- To improve service delivery within traffic services, the department held Roadshows, in the following towns, as an initiative to bring services closer to communities that are faced with transportation challenges.
 - Tesselaarsdal
 - Genadendal
 - Greyton
 - Botrivier.

PUBLIC SAFETY ROADSHOW



WHEN WILL IT TAKE PLACE?

On the 8th of
December 2022 at
Tesselaarsdal
Library from 10:00
until 12:00.

WHICH SERVICES WILL I RECEIVE INFORMATION ON?



- Learner and driver licence
- PRDP Applications
- Parking permit for disabled persons
- Roadworthy Tests

Plus so much more.



VALUABLE INFORMATION

An information pamphlet will be distributed at the roadshow with all the prices and documents needed when applying for services and items at the Traffic Department.

WHAT IS THE PURPOSE?

To provide information to the public regarding the various services, applications and processes at the Traffic Department.

WHICH TOWNS ARE NEXT?

Future dates for Greyton, Genadendal and Botrivier will be communicated.



WHAT ABOUT TRAFFIC FINES?

Traffic fine queries and payments can also be done on the day.

www.twk.gov.za

- Road Safety Week

- o As an initiative to create awareness on Pedestrian Safety, the division Public Safety visited the towns of Genadendal, Berea and Grabouw to educate learners on how to use roads safely.



- Winter Holiday Program

- o The division Public Safety visited the towns of Riviersonderend and Genadendal on 14 June 2023 to create awareness on road safety during the holidays.



• Integrated Operations

- During the 2022/23 financial year the traffic department took part in 132 integrated operations.
- The following are a few of numerous integrated operations that took place in Grabouw.
 - o On 19 May the operation generated an amount of R14 150.00
 - o On 28 May the operation generated an amount of R21 700.00, one (1) arrest for driving under the influence of alcohol were executed, one (1) minibus taxi was impounded, seventeen (17) Section 56's was issued, and 43 vehicles was stopped.
 - o On 23 June an operation, together with Grabouw SAPS, was executed in Ou Kaapse weg, where eighteen (18) vehicles were stopped and surged, and seven (7) summonses were issued.



REGISTRATION AND LICENSING SERVICE

- **Core functions**

The following functions collectively contribute to ensuring the proper registration, licensing, and documentation of vehicles and drivers within the jurisdiction, while promoting compliance with regulatory requirements and enhancing public safety on the roads.

1. **Vehicle Registration:** Facilitating the registration process for motor vehicles, including cars, motorcycles, trucks, and other types of vehicles. This involves verifying ownership, validating vehicle documentation, issuing license plates, and updating registration records.
2. **Driver Licensing:** Administering driver's license services, including conducting driver's license tests, issuing learner's permits and driver's licenses, and renewing or replacing driver's licenses. This may involve evaluating applicants' knowledge, skills, and vision to ensure they meet the required standards for safe driving.
3. **Vehicle Licensing and Renewal:** Managing the licensing and renewal of vehicle licenses (discs) to ensure compliance with regulatory requirements. This involves collecting fees, verifying vehicle ownership and documentation, and issuing vehicle license discs.
4. **Permit and Certification Services:** Handling permits, and certifications related to specialized vehicles, such as public transportation vehicles (taxis, buses), heavy-duty vehicles, and oversize/overweight vehicles. This includes reviewing applications, conducting inspections, and issuing permits or certifications.
5. **Title Transfers and Ownership Changes:** Facilitating the transfer of vehicle ownership when a vehicle is sold or changes hands. This involves verifying documentation, updating ownership records, and issuing new registration certificates reflecting the change in ownership.
6. **Records and Database Management:** Maintaining accurate and up-to-date records of registered vehicles, licensed drivers, and related information. This includes managing databases, ensuring data integrity, and responding to inquiries or requests for information.
7. **Compliance and Enforcement:** Monitoring compliance with registration and licensing regulations and taking appropriate enforcement actions against individuals or vehicles that are non-compliant. This may involve conducting audits, inspections, or targeted enforcement operations to identify and address violations.
8. **Customer Service:** Providing assistance, guidance, and information to the public regarding registration and licensing services. This includes answering inquiries, resolving issues or complaints, and guiding individuals through the registration or licensing process.
9. **Financial Management:** Collecting and managing fees, fines, and penalties associated with registration and licensing services. This includes ensuring accurate financial records, reconciling accounts, and collaborating with relevant departments for revenue collection and financial reporting.
10. **Process Improvement and Policy Development:** Continuously evaluating and improving processes and procedures related to registration and licensing services. This involves identifying opportunities for streamlining, enhancing customer experience, and aligning with changing regulations or best practices. It may also include participating in policy development and providing input on legislative changes affecting registration and licensing processes.

- **Focus Areas**

By focusing on these areas, the Registration and Licensing Service department can enhance process efficiency, deliver exceptional customer service, ensure compliance with regulations, and foster a culture of continual improvement.

1. **Process Efficiency:** Continuously improve the efficiency of registration and licensing processes by identifying and eliminating any bottlenecks or unnecessary steps. Streamline workflows, implement automation where possible, and leverage technology solutions to enhance the speed and accuracy of service delivery.
2. **Customer Experience:** Place a strong focus on providing excellent customer service throughout the registration and licensing journey. Enhance communication channels, ensure prompt and courteous responses to inquiries, and implement user-friendly interfaces for online applications. Regularly collect feedback from customers to identify areas for improvement.
3. **Digital Transformation:** Accelerate the digital transformation of registration and licensing services by expanding online self-service options. Develop a user-friendly online portal where residents can conveniently submit applications, access information, and make payments. Invest in secure data management systems to protect sensitive information.
4. **Compliance and Regulatory Adherence:** Stay up to date with relevant regulations and laws pertaining to registration and licensing services. Ensure strict adherence to all requirements and implement internal controls to prevent non-compliance. Collaborate with regulatory bodies and legal advisors to ensure accurate interpretation and implementation of regulations.
5. **Staff Training and Development:** Continuously invest in the training and development of staff members to enhance their knowledge and skills. Provide regular updates on new regulations, procedural changes, and technological advancements. Offer professional development opportunities to ensure staff members are equipped to deliver high-quality services.
6. **Collaboration and Stakeholder Engagement:** Foster collaboration with other departments, external agencies, and stakeholders involved in registration and licensing processes. Strengthen partnerships with law enforcement agencies, business associations, and community organizations to streamline processes and exchange information. Seek feedback from stakeholders to identify areas for improvement.
7. **Data Analytics and Reporting:** Utilize data analytics tools to gain insights into registration and licensing trends, identify areas of improvement, and make data-driven decisions. Generate accurate and comprehensive reports on key performance indicators to monitor progress, identify bottlenecks, and optimize processes.
8. **Continual Process Evaluation and Improvement:** Regularly evaluate the effectiveness of registration and licensing processes, seeking opportunities for further improvement. Conduct process audits, collect customer feedback, and engage staff members in identifying areas for enhancement. Implement a culture of continuous improvement to ensure ongoing optimization of services.

- **Achievements**

1. **Streamlined Application Processes:** The department has successfully streamlined the registration and licensing application processes, reduced administrative bottlenecks and improved the efficiency of service delivery. Residents experience faster processing times and smoother transactions, resulting in increased customer satisfaction.
2. **Enhanced Compliance and Fraud Prevention:** Through stringent verification procedures and the implementation of robust fraud prevention measures, the department has successfully enhanced compliance with registration and licensing requirements. The integrity of the process is maintained, reducing the risk of fraudulent activities and ensuring accurate record-keeping.
3. **Modernized Technology Infrastructure:** The department has invested in modernizing its technology infrastructure, implementing digital solutions and upgrading IT systems. This has improved the overall efficiency and accuracy of registration and licensing processes, enabling residents to access services more conveniently and reducing the reliance on manual paperwork.
4. **Staff Training and Skill Development:** The department has prioritized staff training and skill development initiatives to enhance the knowledge and expertise of employees. Staff members are equipped with the necessary skills to handle complex registration and licensing tasks effectively, resulting in improved service quality and customer satisfaction.
5. **Efficient Backlog Management:** The department has implemented effective strategies to address backlogs, ensuring prompt processing of applications even during peak periods or unexpected surges. By allocating additional resources, streamlining processes, and employing efficient backlog management techniques, the department has reduced waiting times and improved service delivery.
6. **Improved Customer Service and Communication:** The department has focused on enhancing customer service and communication channels. Residents receive prompt and accurate responses to inquiries, benefit from clear and transparent communication, and have a positive experience when interacting with the Registration and Licensing Service department.
7. **Proactive Legal and Regulatory Compliance:** The department maintains up-to-date knowledge of legal and regulatory requirements, ensuring compliance and adherence to all applicable laws. Regular review of processes and collaboration with legal advisors have contributed to effective compliance management within the department.
8. **Optimal Resource Allocation:** Despite budget constraints, the department has achieved optimal resource allocation, making the most efficient use of available resources to deliver high-quality registration and licensing services. Resource allocation strategies have been implemented to maximize service delivery within budgetary limitations.

These achievements demonstrate the commitment of Theewaterskloof Municipality's Registration and Licensing Service department to providing efficient and customer-centric services while ensuring compliance with regulations and fostering a positive customer experience.

- **Challenges and possible solutions**

1. **Administrative Bottlenecks:** Dealing with a large volume of registration and licensing applications lead to administrative bottlenecks, causing delays and frustrations for residents. Streamlining internal processes and implementing efficient systems can help overcome this challenge.

2. **Compliance and Fraud Prevention:** Ensuring compliance with registration and licensing requirements while preventing fraudulent activities is a significant challenge. The department needs to stay updated with evolving regulations, implement robust verification procedures, and employ fraud prevention measures to maintain the integrity of the registration and licensing process.
3. **Technology and System Upgrades:** Outdated or insufficient technology infrastructure hinders the department's ability to efficiently process applications and maintain accurate records. Investing in modernizing systems, implementing digital solutions, and upgrading IT infrastructure can help overcome technological challenges.
4. **Staff Training and Skill Development:** Providing adequate training and skill development opportunities for staff members is essential to ensure they are equipped with the necessary knowledge and expertise to handle complex registration and licensing processes. Ongoing training programs can help address any skills gaps and keep staff up to date with regulatory changes.
5. **Managing Backlogs:** The accumulation of backlogs occurs due to unforeseen circumstances, such as sudden surges in applications, system failures, or staff shortages. Implementing strategies to address backlogs, such as allocating additional resources, implementing streamlined processes, or outsourcing certain tasks, can help mitigate this challenge.
6. **Customer Service and Communication:** Providing satisfactory customer service and effective communication with residents can be challenging, especially during peak periods or when dealing with complex inquiries. Ensuring prompt and accurate responses, maintaining clear lines of communication, and employing customer-centric approaches can help address these challenges.
7. **Legal and Regulatory Compliance:** Keeping up with changing legislation and ensuring compliance with regulatory requirements poses challenges for the Registration and Licensing Service department. Regular review of processes and procedures, collaboration with legal advisors, and participation in relevant training programs can help navigate this challenge.
8. **Budget Constraints:** Adequate budgetary allocations are essential to maintain and upgrade registration and licensing systems, implement staff training initiatives, and address any infrastructure requirements. Limited budgets can present challenges in meeting the department's objectives and delivering efficient services.

LAW ENFORCEMENT SERVICE

The Law Enforcement Unit of the Theewaterskloof Municipality focusses on all the municipal by-laws, land invasion, managing the animal pound, monitoring of 24 hours CCTV control room and access control at the TWK Municipal Head Office

Other services rendered by the Law Enforcement Unit includes assistance in rendering services to other internal stakeholders (Town Planning, Building Control, etc.) by delivering infringement notices to members contravening statutory laws and/or Council by-laws.

- **Core functions**

The following functions collectively contribute to maintaining public safety, preventing and investigating crimes, enforcing laws and regulations, and fostering positive relationships with the community:

1. **Crime Prevention and Investigation:** Conducting proactive patrols and surveillance to deter criminal activity and respond to incidents. Investigating crimes, gathering evidence, interviewing witnesses, and apprehending suspects to ensure public safety and maintain law and order.
2. **Public Safety and Security:** Enforcing laws and regulations to protect the community and maintain public order. Responding to emergency situations, providing assistance during accidents or crises, and implementing measures to prevent and respond to threats to public safety.
3. **Traffic Law Enforcement:** Enforcing traffic laws and regulations to ensure safe and responsible road use. Conducting traffic stops, issuing citations, and investigating traffic-related offenses such as speeding, reckless driving, and driving under the influence (DUI) to promote traffic safety and reduce accidents.
4. **Community Policing:** Engaging with the community, building relationships, and fostering trust to address community concerns and improve public safety. Collaborating with community organizations, attending public meetings, and implementing programs that encourage community involvement in crime prevention efforts.
5. **Crowd Control and Event Security:** Providing security and maintaining order during public events, gatherings, and demonstrations. Managing crowds, ensuring compliance with regulations, and responding to any incidents or disturbances that may arise.
6. **Crisis Management and Emergency Response:** Developing and implementing plans and protocols to respond effectively to emergencies and critical incidents. Coordinating with other emergency services, providing support to victims, and mitigating the impact of emergencies on the community.
7. **Investigation and Intelligence:** Conducting thorough investigations into criminal activities, collecting evidence, and gathering intelligence to identify and apprehend perpetrators. Collaborating with other law enforcement agencies and utilizing technological resources to enhance investigative capabilities.
8. **Community Outreach and Education:** Conducting educational programs, workshops, and awareness campaigns to educate the community about crime prevention, safety measures, and emergency preparedness. Engaging with schools, businesses, and community groups to foster positive relationships and build trust.
9. **Enforcement of Laws and Regulations:** Enforcing local, state, and national laws and regulations within the jurisdiction. This includes monitoring compliance with regulations related to public safety, traffic, noise control, liquor licensing, and other relevant areas.
10. **Collaboration and Partnerships:** Collaborating with other law enforcement agencies, government departments, community organizations, and stakeholders to address crime and safety issues holistically. Sharing information, resources, and expertise to enhance collective efforts in maintaining law and order.

- **Focus Areas**

By focusing on these areas, Theewaterskloof Municipality's Law Enforcement department can improve public safety, strengthen community relationships, and address the evolving needs and challenges within the municipality.

1. **Crime Prevention and Reduction:** Place a strong emphasis on proactive crime prevention strategies to reduce overall crime rates within the municipality. This includes targeted patrols, community engagement programs, and partnerships with other law enforcement agencies to address specific crime trends.
2. **Community Policing:** Strengthen community policing initiatives by fostering positive relationships with residents, promoting two-way communication, and encouraging community involvement in crime prevention efforts. Implement neighbourhood watch programs, community forums, and collaborative problem-solving approaches.
3. **Traffic Safety and Enforcement:** Enhance traffic safety measures through increased enforcement of traffic laws, targeted campaigns to raise awareness about safe driving practices, and collaboration with relevant stakeholders to improve road infrastructure and signage. Focus on reducing traffic accidents and ensuring compliance with traffic regulations.
4. **Emergency Preparedness and Response:** Improve emergency response capabilities by conducting regular training exercises, enhancing coordination with emergency services, and ensuring effective communication systems. Develop protocols for handling emergencies and natural disasters and engage with the community to promote preparedness.
5. **Technology and Innovation:** Embrace technological advancements to enhance law enforcement capabilities. This includes adopting digital solutions for data management, utilizing advanced analytics for crime mapping and predictive policing, and exploring the use of emerging technologies like drones and surveillance systems.
6. **Professional Development and Training:** Invest in ongoing professional development and training programs for law enforcement personnel. Provide comprehensive training on topics such as de-escalation techniques, cultural sensitivity, forensic investigations, and emerging crime trends. Foster a culture of continuous learning and improvement.
7. **Community Engagement and Public Relations:** Strengthen relationships with the community through open and transparent communication. Implement community engagement initiatives, such as town hall meetings, safety awareness campaigns, and community events. Actively address community concerns, promote trust, and enhance public relations.
8. **Collaboration with Stakeholders:** Foster collaboration and partnerships with other law enforcement agencies, community organizations, schools, businesses, and relevant stakeholders. Establish information-sharing protocols, joint operations, and mutual support to address common goals and enhance public safety.
9. **Youth Outreach and Crime Prevention:** Develop targeted programs to engage youth in positive activities, provide mentorship opportunities, and educate them about the consequences of criminal behaviour. Collaborate with schools, youth centres, and community organizations to offer youth-focused initiatives that promote positive choices and crime prevention.

10. **Data-Driven Approaches:** Utilize data analysis and intelligence-led policing techniques to identify crime patterns, allocate resources effectively, and enhance strategic decision-making. Leverage data to inform resource allocation, patrol strategies, and crime prevention initiatives.

- **Achievements**

1. **Crime Reduction:** Implementing effective crime prevention strategies that result in a noticeable reduction in overall crime rates within the municipality. This includes proactive patrolling, targeted enforcement initiatives, and community engagement programs aimed at addressing specific crime trends.
2. **Community Partnership:** Establishing strong partnerships and collaborations with community organizations, neighbourhood watch groups, and residents to create a safe and cohesive community. Building trust, fostering open lines of communication, and encouraging residents to actively participate in crime prevention efforts.
3. **Swift Emergency Response:** Developing and implementing efficient emergency response protocols that enable law enforcement personnel to promptly respond to incidents, ensuring the safety and well-being of the community during emergencies or critical situations.
4. **Traffic Safety:** Successfully improving traffic safety within the municipality through proactive traffic law enforcement, education campaigns, and infrastructure enhancements. Achieving a significant reduction in traffic accidents, injuries, and fatalities through targeted initiatives.
5. **Drug Enforcement:** Implementing effective strategies to combat drug-related offenses, including successful investigations, arrests, and the disruption of drug supply chains within the municipality. Collaborating with relevant agencies to address the root causes of drug-related crime and providing support to individuals seeking rehabilitation.
6. **Community Engagement:** Developing and executing community engagement initiatives that facilitate positive interactions between law enforcement officers and community members. Hosting events, participating in community forums, and implementing outreach programs that enhance public relations and foster mutual understanding.
7. **Professional Development:** Investing in the professional development and training of law enforcement personnel to enhance their skills, knowledge, and effectiveness. Providing ongoing training on evolving crime trends, new technologies, de-escalation techniques, and community policing strategies.
8. **Public Safety Education:** Conducting educational programs and workshops in collaboration with schools, community centres, and other organizations to raise awareness about public safety, crime prevention, and emergency preparedness. Equipping community members with the knowledge and tools to enhance their personal safety.

9. **Technology Integration:** Implementing and utilizing advanced technology solutions, such as CCTV systems, predictive analytics, and digital evidence management systems, to enhance investigative capabilities, improve response times, and support efficient crime prevention efforts.
10. **Recognition and Awards:** Receiving recognition from external bodies or organizations for outstanding performance, innovative initiatives, or exemplary service. Such recognition highlights the department's commitment to public safety and its efforts to make a positive impact in the community.

These achievements demonstrate Theewaterskloof Municipality's Law Enforcement department's commitment to ensuring public safety, building community trust, and effectively addressing crime and security concerns within the municipality.

- **Challenges and possible solutions**

1. **Limited Resources:** One of the common challenges for law enforcement agencies is the availability of limited resources. This includes insufficient staff, vehicles, equipment, and funding, which can hinder their ability to effectively enforce laws and maintain public safety. Securing adequate resources is crucial to address this challenge.
2. **Increasing Crime Rates:** The department faces challenges related to increasing crime rates or specific types of crime prevalent in the area. This includes addressing issues such as theft, vandalism, drug-related offenses, and organized crime. Staying proactive and adapting strategies to tackle emerging crime trends is essential.
3. **Community Engagement and Trust:** Building and maintaining trust and collaboration with the community can be challenging. Overcoming barriers, establishing open lines of communication, and fostering positive relationships with residents can lead to effective crime prevention and better cooperation in reporting incidents.
4. **Technology and Cybercrime:** The rapid advancement of technology presents challenges related to cybercrime and digital evidence collection. Law enforcement agencies must stay updated with evolving technology, enhance digital forensic capabilities, and develop strategies to combat cyber threats effectively.
5. **Specialized Training and Skill Development:** Law enforcement personnel need to possess the necessary knowledge and skills to handle diverse situations. Providing ongoing specialized training and professional development programs can address this challenge and ensure that officers are equipped with the latest techniques and best practices.
6. **Officer Safety and Well-being:** Ensuring the safety and well-being of law enforcement officers is a significant challenge. This includes providing adequate protective gear, addressing mental health concerns, and implementing comprehensive officer safety protocols and training.
7. **Legal and Procedural Compliance:** Compliance with legal and procedural requirements can be challenging, as law enforcement personnel must navigate complex legal frameworks while ensuring due process and respecting civil rights. Regular training and staying updated with changes in laws and regulations are crucial in addressing this challenge.

8. **Community Perception and Public Relations:** Managing public perception and maintaining positive public relations can be challenging for law enforcement agencies. Transparency, effective communication, and community outreach initiatives are essential to foster trust, address misconceptions, and maintain public support.
 9. **Emergency Response and Disaster Preparedness:** Law enforcement agencies often play a crucial role in emergency response and disaster management. Being prepared for natural disasters, coordinating with other agencies, and ensuring efficient emergency response capabilities are vital challenges to address.
- **Social Crime Prevention**
 - **Gender Based Violence (GBV)**
 - On 02 June 2023 an information session on GBV was held in Genadendal. The theme of this session was "Break the Silence of GBV". During the session pamphlets were handed out, door-to-door visits were executed, information of group and family support was offered to those affected by GBV and the domestic violence act was discussed to protect the rights of victims and survivors of GBV.

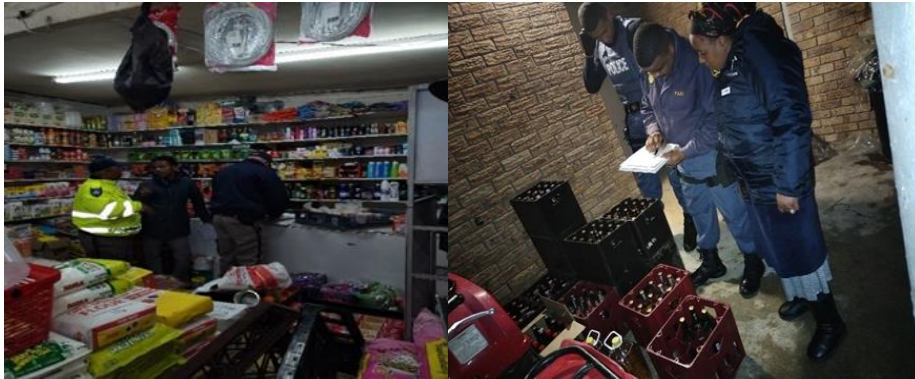


- **Substance Abuse Awareness Session**
 - On 16 June 2023 an awareness session on Drug and Alcohol Abuse was held in Riviersonderend. The purpose for this session was to make learners and the community aware of the danger that drugs, and alcohol hold and where one can find help.



- **High-density Operations in the Overberg - Grabouw**

- The High-density Operations is a SAPS lead initiative, integrated with other role players, stakeholders and Law Enforcement Agencies across the Overberg. The objective of this operations is to combat and reduce crime, create high visibility of all Law Enforcement Agencies in the area and to ensure a safer environment to all.
- On 23 June TWK Officers participated in a high-density operation, integrated with all stakeholders across the broader Overberg District, where SAPS was the leading Law Enforcement Agency.
- A total of ninety-seven (97) members were operationally deployed at strategic locations in the Grabouw area.
- The objective of this high-density operation were illegal liquor sales and spaza shops.
- The operation had multiple successes consisting of the following:
 - o 2 x drug arrests;
 - o 4 x Dealing in liquor arrests (34 620 liters of alcohol confiscated);
 - o 3 x By-law Section 56's issued for expired goods and trading after hours;
 - o 12 x drug outlets searched;
 - o 26 x shebeens searched;
 - o 350 x persons searched and
 - o 6 x licensed liquor premises searched



- **Law Enforcement Special Operations**

AREA	COMPLAINT / OPERATION DETAILS	OUTCOME
GRABOUW	INTEGRATED OPS (STRAY ANIMALS)	Hotspot area patrolled. 1 sow and 4 piglets impounded.
VILLIERSDORP	INTEGRATED OPS	High visibility vehicle patrols were conducted. Five (5) businesses in CBD were visited. All five were issued fines for the selling of expired goods. VCP was conducted. 41 vehicles stopped for routine checks. 1 NRTA fine were issued. Operation was a success.

VILLIERSDORP	INTEGRATED OPS	Five (5) formal businesses were visited in the CBD. Two of the shops were closed as they did not comply with the inspection from the Health Inspectors. Four (4) Spaza Shops were visited. Two spaza shops were closed due to noncompliance with health regulations. Counterfeit goods were also found at these spaza shops and were confiscated. Seven (7) Sec 56s were issued for expired goods and flammable substances. One (1) Sec 341 were issued for road traffic offence.
GRABOUW	INTEGRATED OPS	Four (4) formal businesses were visited. Two of the shops were closed as they did not comply with from the Health Inspectors. Three (3) Spaza Shops were visited. Two spaza shops were closed due to noncompliance with health regulations. Counterfeit goods were also found at one of the spaza shops and were confiscated by the officer of Counterfeit. Four (4) Sec 56s were issued for expired goods and no Food Certificate.
CALEDON	INTEGRATED OPS	Spaza shops were visited in Uitsig and Riemvasmaak. Focus was on trading hours and legality of the various spaza shops. Owner id / Asylum paperwork was checked. 5 x 56 Notices was issued to guilty parties.
GRABOUW	INTEGRATED OPS	13 shebeens visited and closed. 2 arrests were made for domestic violence and drugs.
GRABOUW	INTEGRATED OPS (SOCIAL CRIME)	Arrieskraal Primary School had an awareness campaign for Child Protection week. Several role players were invited to attend and do either demonstrations or have awareness talks with the pupils.
RIVIERSONDEREND	INTEGRATED OPS	Operation started in the Main Road where a VCP was conducted, and 65 vehicles were stopped. Traffic infringement notices were issued with monetary value of R5500-00. By law infringement notices were issued in town with monetary value of R2000-00. Due to loadshedding and darkness, blue light patrols were conducted in the neighbourhoods and building of the municipality.

GRABOUW	INTEGRATED OPS	High visibility vehicle patrols conducted in hotspot areas. Stop and searches conducted. Six (6) illegal shebeens were closed, and 41 spaza shop visited. All municipal buildings monitored. Weather played a big role during the operation as it was rainy and windy (winter storm).
RIVIERSONDEREND	INTEGRATED OPS	Operation started in CBD where high visible foot patrols were conducted. All shops in the CBD were visited to protect elderly people from criminals. Municipal bylaws were also addressed in the Main Road. Focus was on ATM's and business premises to prevent crimes.
GENADENDAL / GREYTON	INTEGRATED OPS	enforcement operational plan for June. Operation was held as per TWK's Law All Municipal premises were visited to prevent the theft of electrical cables as well as burglaries. Streets were also patrolled for suspicious vehicles and persons. One infringement notice was issued for unlicensed mv by SAPS.
VILLIERSDORP	INTEGRATED OPS (UNDOCUMENTED PERSONS)	A VCP was setup in Buitenkant Street, and farm trucks were targeted. Some of the non-nationals working on farms, were requested to give identification papers. If they could not produce any such documentation, they were taken to SAPS Villiersdorp for verification by Immigration officials. A number of 36 were brought in for verification. 23 will be deported as are illegal in South Africa. Immigration will start the deportation process.
GRABOUW	INTEGRATED OPS	Several formal and informal businesses were visited to do compliance inspections with the health inspector. Two (2) spaza shops, one (1) take aways were visited in Siyanyanzela informal settlement, and two formal shops were visited in the CBD. The take-aways was closed by the health inspector as it did not comply with ODM regulations with regards to take away businesses. Three (3) infringement notices to the value of R2000 were issued.
RIVIERSONDEREND	FOOT PATROLS	Operation started in the main road with high visibility in the CBD to prevent crime. We were visible at the ATMs in the main road no crime was committed in our presence. Five spaza shops were visited. While on foot patrol we enforce all bylaws in the CBD.

VILLIERSDORP	INTEGRATED OPS (HIGH DENSITY)	Two (2) shebeens and two (2) drug houses were visited in Vyeboom. No success. A VCP was conducted at Haarnaalddraai and at BETCO. A number of 51 vehicles were stopped and checked. Nine (9) fines were issued to the value of R8300.00 Another suspected illegal shebeen was visited in Goniwe Parl. One (1) arrest was made for dealing in liquor. Villiersdorp CAS 37/06/2023 refer. An arrest for possession of Dangerous weapon Villiersdorp CAS 40/06/2023 refers. Two (2) police vehicles were damaged when people started throwing stones. Cases of Malicious damage to state vehicles have been opened. Murder case was also registered while we were conducting the operation. Villiersdorp CAS 38/06/2023 refers. Murder is a taxi related incident.
RIVIERSONDEREND	ILLEGAL DUMPING OPS	Patrols conducted in Alpha Street, Disalaan, Heideweg, Joe Slovo squarew, Pleinstreet and Marais Street. Pamphlets were spread into the community to advise them, together with the consequences about the bylaw.
RIVIERSONDEREND	INTEGRATED OPS	Compliance inspections at seven house and spaza shops were conducted. One shop was closed. 3 infringement notices were issued to the monetary value of R1500-00.
BREDASDORP	INTEGRATED OPS (LAND INVASION)	One structure demolished.
GRABOUW	INTEGRATED OPS (HIGH DENSITY)	Twelve (12) Formal and Informal shops were visited by the above members. Compliance inspections were done at theses shops. Two (2) shops were closed because of non-compliance. Expired goods were taken off the shelves, and owners were asked to remove and dispose of it. Counterfeit products such as Kiwi shoe polish and Yeast were confiscated by the counterfeit officers. Chicken liver products were also confiscated from one shop. This product was apparently stolen from schools and are being sold. This product is only delivered to schools for free (food scheme). Eight (8) infringement notices were issued for the expired goods.

GREYTON / GENADENDAL	FOOT PATROLS	Operation was conducted as per Law enforcement operational plan for June 2023. Foot patrols were done in CBD, Main Road, Oak Street, High Street and DFs Botha Street. Shops in CBD were also visited. Visits were done at three possible illegal dumping sites.
GREYTON / GENADENDAL	STRAY ANIMALS	Operation was conducted as per Law enforcement operational plan. Patrols were done in Greyton, R406, Genadendal to address stray animals. One dog was impounded. No stray pigs could be found during patrols. No infringement notices issued.

- Animal Pound Achievements**

AREA	COMPLAINT/ OPERATION DETAILS	SUCCESS
Villiersdorp	Complaint	Complaint of dogs on the R43. On arrival we found two (2) stray dogs and impounded
Grabouw	Complaint	Stray Pigs in Grabouw one (1) sow plus four (4) piglets impounded, three pigs died and buried
Botrivier	Complaint	After the complaint received spotted one (1) small pig stray impounded
Botrivier	Complaint	After the complaint received spotted one (1) small pig stray impounded
Botrivier	Special Operations	Impounded two cows. The owner paid the penalties and impounded fees upon release of animals
Greyton	Complaint	Complaint of stray dog, one (1) dog impounded
Villiersdorp	Complaint	Four (4) stray pigs impounded. The owner paid the penalties and impounded fees upon release of animals one week after the impoundment
Greyton	Complaint	One (1) stray pig impounded
Genadendal	Complaint	Complaint of a dangerous dog. One (1)

		dog impounded and euthanized.
Caledon	Complaint	Complaint of stray dog, one (1) dog impounded
Villiersdorp	Complaint	Complaint of nuisance in 74 Main Rd, Villiersdorp. On arrival we found four (4) dogs on the property which was zoned for business purposes and impounded the dogs.
Caledon	Complaint	Complaint of stray dog, one (1) dog impounded and euthanized.
TWK	Auction	Thirty-three (33) pigs, four (4) horses and one (1) Ox Auctioned by BKB. The animal pound is empty.

"The Law Enforcement Unit is committed in creating a safe environment for all the communities and/or visitors within the Theewaterskloof Municipal Area"

OTHER INITIATIVES

- Career Exhibition
 - On 20 May 2023 we held a Career Exhibition to give guidance, consultancy, and exploration of multiple career options to students/unemployed individuals. These exhibitions do not only provide knowledge, guidance and assistance to find a job, but it also promotes the creation of networks for futuristic ventures.



3.18.1 EMPLOYEES: PUBLIC SAFETY

Employees: Traffic (Public Safety)					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	3	1	2	67%
4 - 6	12	13	12	1	8%
7 - 9	25	39	35	4	10%
10 - 12	12	12	10	2	17%
13 - 15	3	4	3	1	25%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	55	71	61	10	14%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.18.1

3.18.2 FINANCIAL PERFORMANCE: TRAFFIC AND LAW ENFORCEMENT

Financial Performance: Traffic and Law Enforcement					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(24 649)	15,397	38,374	33,554	-13%
Expenditure:					
Employees	11,312	19,739	22,744	20,792	-9%
Repairs and Maintenance	,269	,672	,442	,245	-44%
Other	21,759	19,563	35,952	35,440	-1%
Total Operational Expenditure	33,340	39,974	59,138	56,477	-4%
Net Operational Expenditure	8 690	55 372	97 511	90 031	-8%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.18.2

3.18.3 CAPITAL EXPENDITURE: TRAFFIC AND LAW ENFORCEMENT

Capital Expenditure: Traffic and Law Enforcement					
R' 000					
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	200 000,00	224 587,00	210 432,96	5%	
Machinery and Equipment (New)	,100	,45	,45	-55%	
Machinery and Equipment (New)	,100	,90	,90	-10%	
Machinery and Equipment	-	,90	,76	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.18.3

3.18.4 FINANCIAL PERFORMANCE: ANIMAL LICENCING AND CONTROL

Financial Performance: Animal Licensing and Control					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(431)	(127)	(127)	(316)	0%
Expenditure:					
Employees	-	-	-	-	-
Repairs and Maintenance	91	258	124	76	-39%
Other	562	912	736	716	-3%
Total Operational Expenditure	653	1170	860	792	-8%
Net Operational Expenditure	223	1 043	732	476	-35%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.18.4

3.18.5 CAPITAL EXPENDITURE: ANIMAL LICENCING AND CONTROL

Capital Expenditure: Animal Licensing and Control					
					R' 000
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	20 800,00	15 035,00	15 034,79	-28%	
Machinery and Equipment (New)	,21	,15	,15	-28%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.67.6

3.18.6 COMMENT ON THE TRAFFIC SERVICES, LAW ENFORCEMENT, AND ANIMAL LICENCING AND CONTROL PERFORMANCE OVERALL

Financial Performance: Traffic and Law Enforcement

Repairs and Maintenance – Most of vehicle maintenance and repair votes has been depleted outstanding votes will be utilized in the second quarter.

Capital Expenditure: Traffic and Law Enforcement

Machinery and Equipment (New) - TWK2 handheld devices in process and to be advertised.

Financial Performance: Animal Licensing and Control

Repairs and Maintenance – Most of vehicle maintenance and repair votes has been depleted outstanding votes will be utilized in the second quarter.

Net Operational Expenditure – TWK2 for uniforms has been advertised. Awaiting authorisation to order uniforms from National Treasury Transversal Tender.

Capital Expenditure: Animal Licensing and Control

Machinery and Equipment (New) - Was advertised with reference number AA01/2023/24. The instruction to supply chain was to cancel and re-advertised as soon as possible.

3.19 DISASTER MANAGEMENT

3.19.1 INTRODUCTION TO DISASTER MANAGEMENT

OVERVIEW

“Disaster Management” refers to a continuous and integrated multi-sectoral, multi-disciplinary process of planning, and implementation of measures, aimed at:

- Preventing or reducing the risk of disasters;
- Mitigating the severity or consequences of disasters;
- Emergency preparedness;
- A rapid and effective response to disasters; and
- Post-disaster recovery and rehabilitation.

Theewaterskloof Local Municipality is the largest local authority in the Overberg District Region with an area of approximately 3258km². The municipality consists of 14 Wards. It is the most populous municipality in the Overberg District with 42% of the total district population. Theewaterskloof Municipality can be categorized as a rural area with open spaces and farming activities as it is clear from the land and areas occupied by agriculture, small holdings, and other land uses.

The area of the TWKMUN is constantly threatened by hazards of natural, technological, and environmental origin. It is increasingly exposed to the devastating effects of a range of severe hydro meteorological events including severe storms, floods, severe winds, and veld fires.

TWK Municipality works in conjunction with the Overberg District Municipality to perform the disaster management functions, the municipality however has a Disaster Management Plan in place which gets reviewed yearly and submitted to council for approval.

DISASTER MANAGEMENT FUNCTIONS

- Manage and Administer Disaster Management activities.
- Provide guidance to other departments and Town Managers with regards to disaster management issues.
- Attend, manages, guide and administer disaster meetings with regards to fires, floods, river management, river and environmental rehabilitation, and control of alien vegetation as fire risk.
- Participate as key member of a joint operational centre (JOC) during a disaster in conjunction with other emergency departments.
- Represent the Council on disaster management meetings such as Overberg District Municipality, provincial and Red Cross meetings.
- Plan, manage, guide, evaluate, programs regarding alien eradication, rehabilitation, and river management to prevent and minimise disasters.
- Plan and compile standard operating procedures, management documentation and relevant strategic management documentation as well as by-law related documentation for council relating to disaster management.
- Respond to enquiries and complaints regarding disaster management.
- Plan, manage, administrate and control the effective expenditure for disaster management related to disaster management, fires, floods, community relieve with food, blankets and shelter, helicopter relief and rescue and water.
- Coordinate and manage, advise, and facilitate, fire protection associations, being the chairperson of the Caledon Fire Protection Association, attending the Nuweberg and Groenland Fire Protection Associations.
- Manage and control volunteer firefighters.

- Plan, manage, administrate, and control project with external service providers related to disaster management projects, e.g., alien vegetation control, fire breaks, flood control measurements, etc.

HIGHLIGHTS

- **Establishment of Disaster Management Centre**
- **Appointment of Head: Disaster Management Centre** (in accordance with Section 45 of the Disaster Management Act, No. 57 of 2002, it directs municipal councils, subject to the applicable provisions of the Local Government – Municipal Systems Act, No. 32 of 2000, to appoint a person as head of the municipal disaster management centre).

RESPONSE TO INCIDENTS

During 2022/2023, the Disaster Risk Management Department was involved in dealing with several storm damages, flood incidents and fires. This included frontal storm systems that hit the Theewaterskloof area during the month of June and July 2022, December 2022 and March 2023 causing major flood damages.

In terms of responses to the above-mentioned incidents, temporary relief in the form of food parcels, blankets and emergency housing kits were issued to assist the affected communities. Damages which incurred from the flooding to municipal infrastructure were reported and necessary funding for repairs were applied for.

PROJECTS: DISASTER RISK ASSESSMENT

The current risk assessment which was undertaken by a service provider with the support of Western Cape Provincial Disaster Management.

The risk assessment confirmed 24 hazards that could impact the Theewaterskloof Municipality ranging on a risk rating of **Extreme high to Low**.

The top five hazards being:

1. Civil Unrest(conflict);
2. Structural Fires (Informal);
3. Sewage and Drainage;
4. Wildfire; and
5. Floods

GENERAL ACTIVITIES

General activities included updating existing and creating additional Standard Operating Procedures (SOPs), Policies, Plans and Reports such as:

- Section 30 NEMA Control of Emergency Incidents SOP;
- Disaster Management Plan;
- Disaster Risk Management Assessment;
- Disaster Management Policy;
- Disaster Management Framework;
- Disaster Operations Manual; and
- Fire Management Plan

MONITORING, PREVENTION & MITIGATION INITIATIVES

During the period under review, preventative and mitigation measures were conducted.

- **Winter Readiness Plan:**

- Winter readiness sessions were held with internal departments in preparation of the winter season starting in July 2022. These sessions were held to develop a program which is assigned to help prevent, alleviate and mitigate the impact of the winter weather circumstances; seeing that the Theewaterskloof area experiences several storms and flash floods during winter season.
- The purpose of the Winter Readiness plan is to provide a guideline stipulating the procedures to identify and respond to winter specific threats and incidents in a coordinated effort.

- **UNDRR International Disaster Risk Reduction Day**

- The main focus of the day was creating fire awareness and the municipality worked hand-in-hand with Working on Fire. The purpose was to launch a series of Fire Awareness Activities and events that were rolled out throughout the Overberg Region starting from 13 October 2022 up until the start of the Fire Season.
- The main goal of the day was to bring together active members of the communities and key stakeholders who will be embarking on various activities allowing them to engage and collaborate with each other. The local schools also formed part of the event, we had a small competition where the learners had to design posters illustrating climate change and fire awareness.
- As part of the fire awareness day, Working on Fire distributed 40 smoke alarms to ECD centres as well as assist with firebreaks.

- **Emergency Exercises**

No full-scale exercises took place under the period of review. The following desktop exercises were done:

- Winter Readiness Sessions:
 - o The developing of programs which is assigned to help prevent, alleviate, and mitigate the impact of flooding and storm incidents.

3.19.2 EMPLOYEES: DISASTER MANAGEMENT

Employees: Disaster Management					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	0	0	0	0	-
7 - 9	0	0	0	0	-
10 - 12	0	0	0	0	-
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	1	1	1	0	0%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.	T3.19.2
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3.19.3 FINANCIAL PERFORMANCES: DISASTER MANAGEMENT

Financial Performance: Disaster Management					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Fire fighters	2358	2208	2606	2392	-8%
Other employees	-	-	-	-	-
Repairs and Maintenance	107	529	334	244	-27%
Other	343	638	468	464	-1%
Total Operational Expenditure	2808	3375	3408	3100	-9%
Net Operational Expenditure	2808	3375	3408	3100	-9%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>					T3.19.3

COMPONENT H: SPORT AND RECREATION

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

3.20 SPORT AND RECREATION

Summary Sport activities for the Community Development unit for 2022/23.

FOCUS AREA	INPUTS	OUTCOMES
SPORT	Funding for upgrading of sport facilities in all the towns	Funding for the maintenance and upgrading of the sport facilities in Theewaterskloof Municipality is limited and alternative sources need to be found in order to address this gap.
	Genadendal Ablution and Cloakroom facility	This facility was vandalised to such an extent where it was not fit for use by the sporting codes.

	Bergsig Mini Sport Grounds – Darts and Pool facility	This facility is being used by the darts and pool clubs.
	Lotto Workshop	Another workshop was held by the Western Cape Lotto for sport federations. No more funding from the Lottery is allocated to sport clubs but only make available for sport federations.

Highlights

HIGHLIGHT	DESCRIPTION
TWK: Sport Grounds (All Towns)	After numerous business plans and meetings with the Provincial Department (Sport) funding was made available for the upgrading of Pineview Park in Grabouw. This project includes resurface of the playing field, upgrading of ablution facilities, fencing as well as the current challenge with poor drainage.
SAFCOL Rugby Club	This rugby club won the prestigious Saldanha tournament during the Easter Weekend. This is a remarkable achievement as this tournament was represented by the top clubs in the Boland region.
Riviersonderend Rugby Club	The Riviersonderend Rugby Club was sponsored by the Executive Mayor with sporting equipment and this club managed to excel to the top division in the Boland rugby League for 2023.
Grabouw: Upgrading of the Pineview Park Sport Facility	National Sport and Recreation South Africa made available funding for the upgrading of Pineview Park Sport Facility. This includes upgrading of rugby, soccer, netball and cricket facility, as well as the ablution/ cloakroom and the lights.

Challenges

CHALLENGE	ACTIONS TO ADDRESS
Vandalism and Theft	Vandalism and Theft still remains our biggest challenge as this not just jeopardise the sporting activities but also have a huge impact on the availability of funding to maintain and upgrade our sport facilities.

3.20.1 EMPLOYEES: SPORT AND RECREATION

Employees: Sport and Recreation					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	0	0	0	0	-
7 - 9	0	0	0	0	-
10 - 12	0	0	0	0	-
13 - 15	1	1	1	0	0%

16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	1	1	1	0	0%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.20.1

3.20.2 EMPLOYEES: PARKS

Employees: Parks (Botanical Gardens)					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	37	18	18	0	0%
4 - 6	10	28	27	1	4%
7 - 9	4	5	5	0	0%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	-
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	52	52	51	1	2%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.20.2

3.20.3 FINANCIAL PERFORMANCE: SPORT AND RECREATION

Financial Performance: Sport and Recreation					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(17)	(12)	(12)	(37)	218%
Expenditure:					
Employees	-	7,811	6,822	6,770	0%

Repairs and Maintenance	9,574	1,336	,945	,612	-35%
Other	183	4867	4762	9804	106%
Total Operational Expenditure	9,757	14,014	12,529	17,187	37%
Net Operational Expenditure	9,740	14,002	12,518	17,150	37%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.20.3

3.20.4 CAPITAL EXPENDITURE: SPORT AND RECREATION

Capital Expenditure: Sport and Recreation					
R' 000					
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	,500	,500	,441	-12%	
Grabouw sport ground upgrading	500	500	441	-12%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.20.4

3.20.5 COMMENT ON THE SPORT AND RECREATION PERFORMANCE OVERALL

The National funding for upgrading of Pineview Park has been approved and the Service Provider will start 2023/ 2024. This project will be done in phases with the first phase dealing with the ablution facility, fencing as well as addressing the drainage problem.

Vandalism and theft at sport facilities remains a challenge which have a huge financial implication.

The cricket pitch at Caledon sport grounds was upgraded with a completely new playing surface.

A workshop was held with the Provincial Lottery Board to assist clubs with the completion of their applications.

The Council approved the application of a Soccer Sport Academy as received by the Overberg Soccer Sport Federation. This will be a great achievement and the first one in the Western Cape.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

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

3.21 EXECUTIVE AND COUNCIL

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

3.21.1 EMPLOYEES: EXECUTIVE, ADMINISTRATION AND INTERNAL AUDITING

Employees: The Executive (Top Management)					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
SEC 56	2	6	1	5	83%
Total	2	6	1	5	83%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.21.1.1

Employees: Administration (INCLUDING T/M positions)					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	6	6	6	0	0%
4 - 6	26	22	22	0	0%
7 - 9	16	16	16	0	0%
10 - 12	12	16	11	5	31%
13 - 15	4	4	3	1	25%
16 - 18	5	5	4	1	20%
19 - 20	0	0	0	0	-
Total	69	69	62	7	10%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.21.1.2

Employees: Internal Audit					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	0	0	0	0	-
7 - 9	0	0	0	0	-
10 - 12	2	2	2	0	0%
13 - 15	0	0	0	0	-
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	-
Total	3	3	3	0	0%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.21.1.3

3.21.2 FINANCIAL PERFORMANCE: EXECUTIVE AND COUNCIL

Financial Performance: The Executive and Council					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(869)	(1 252)	(1 387)	(515)	-63%
Expenditure:					
Employee Related Cost	7,416	9,785	10,211	7,328	-28%
Remuneration of Councillors	-	13,708	13,099	12,831	-2%
Repairs and Maintenance	-	-	-	-	0%
Other	17,509	2,081	5,977	6,157	3%
Total Operational Expenditure	24,926	25,574	29,288	26,316	-10%
Net Operational Expenditure	24,057	24,322	27,900	25,801	-8%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.21.2

3.21.3 CAPITAL EXPENDITURE: THE EXECUTIVE AND COUNCIL

Capital Expenditure: The Executive and Council					
R' 000					
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	24	18	18	-25%	
Furniture and Office Equipment (New)	6	3	3	-49%	
Computer Equipment (New)	18	15	15	-16%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.21.3

3.21.4 COMMENT ON THE EXECUTIVE AND COUNCIL PERFORMANCE OVERALL

Funding was either removed or reduced to other more prevalent needs and priorities.

3.22 FINANCIAL SERVICES

3.22.1 INTRODUCTION TO FINANCIAL SERVICES

Financial Sustainability remains a challenge to the Municipality and is a crucial objective which is difficult to achieve due to the economic conditions globally, nationally and provincially. It was again the subject and focus area of the latest strategic planning session of the Municipality. The financial position of the Municipality has improved during the year under review.

The directorate's purpose and overall objective is to implement sound and transparent financial management to improve efficiency and delivery. The directorate remains committed to establishing an effective financial administration in accordance with applicable legislation.

The Finance Department manages the financial affairs of the municipality. The objective is to ensure the efficient and effective management of the financial resources to ensure the financial sustainability of the municipality. It is the chief of all municipal assets and must ensure the prudent financial management of public funds. The department is responsible for the management of all revenue collected by assessment rates, service fees, other charges and sundry revenue.

Mission

The Finance Directorate is committed to the objective of improving the quality of the lives of local citizens of Theewaterskloof Municipality and ensures good governance by:

- Providing a support and advisory service to the Accounting Officer, Senior Managers, Council and Service Delivery Directorates on Financial matters, MFMA compliance and Financial Reforms.
- To create an enabling environment for effective, efficient and economic service delivery.
- Ensuring that the municipality maintains Financial Sustainability and Financial Health.
- Ensure good customer service.

- Ensure Financial Risk Management to safeguard council's financial resources.
- Regular, accurate, relevant and meaningful reporting to foster accountability, transparency and improved decision-making.
- Setting and maintaining high standards in financial management and best practices.
- Improved Accounting and Financial Management Services.
- Implementation of Activity-based Costing to improve affordability and sustainability of services.

Core Functions

Finance Directorate is not a direct service delivery directorate but provides a support service and assist in creating an enabling environment for effective, efficient and economic service delivery.

Expenditure and SCM

This section is responsible for the following functions:

- Salaries: Implementation of approved payroll, payment of salaries, allowances, statutory deductions, IRP5 certificates and accounting for payroll implementation.
- Creditors: Payment within 30 days and recording of creditors' payments and reconciliations. It is also responsible for Bank Reconciliations, Investments and Loans Management.
- Supply Chain Management: Responsible for procurement of goods and services according to Supply Chain Management Policy and Regulations including logistics, disposal and performance management. Ensure that the principles of fair, transparent, equitable, competitive and cost-effective procurement are adhered to.

Revenue Section

This section is responsible for administration of Revenue and Councils Debtors which includes, inter alia, the following core functions:

- Facilitate application and termination of municipal services
- Debtors Database Update
- Billing of Debtors on financial system
- Meter reading and processing thereof
- Rendering of monthly consumer/rates debtors accounts.
- Receipting, Banking and Reconciliation of monies collected
- Credit Control, Debt Collection, and Indigent Management.
- Issuing of Clearance Certificates
- Debtors Customer Care and Query Administration

Budget Office

This section is responsible for the following functions:

- Budgeting and implementation of Budget Reforms
- In-year Reporting (Section 71 and Other Statutory Reports)
- Annual Financial Statements
- Budgetary Management and Control

- Asset Management
- Insurance Management
- Risk Management
- Costing Services
- Co-ordinate Financial Policy Formulation

3.22.2 EMPLOYEES: FINANCIAL SERVICES

Employees: Financial Services					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	28	27	26	1	4%
7 - 9	32	32	27	5	16%
10 - 12	14	16	14	2	13%
13 - 15	8	8	7	1	13%
16 - 18	2	2	1	1	50%
19 - 20	0	0	0	0	-
Total	84	85	75	10	12%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					T3.22.2

3.22.3 FINANCIAL PERFORMANCE: FINANCIAL SERVICES

Financial Performance: Financial Services					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(100 792)	(168 064)	(170 638)	(162 020)	-5%
Expenditure:					
Employees	22,843	31,161	29,527	29,447	0%
Repairs and Maintenance	,553	,323	,214	,96	-55%
Other	26,751	28,359	38,783	39,535	2%

Total Operational Expenditure	50,147	59,843	68,525	69,077	1%
Net Operational Expenditure	645) (50	(108,221)	(102,114)	(92,942)	-9%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.22.3

3.22.4 CAPITAL EXPENDITURE: FINANCIAL SERVICES

Capital Expenditure: Financial Services					
R' 000					
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4 011	4	4	-100%	
Renovation of Fire Station	4 000	-	-	-100%	
Furniture and Office Equipment (New)	11	4	4	-62%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.22.4

3.22.5 COMMENT ON FINANCIAL SERVICES PERFORMANCE OVERALL

Due to the unforeseen circumstances the need has changed for the renovations and the budget was prioritised for another project in the adjustment budget.

3.22.6 ASSESSMENT OF ARREARS ON MUNICIPAL SERVICES AND PROPERTY RATES

Debt Recovery			
R' 000			
Details of the types of account raised and recovered			
	Billed in year	Payment	Percentage Collection
Rates	121,164	117,845	97%
Service Charges	260,821	241,746	93%
Total	381,985	359,591	94%
			T3.22.6

3.22.7 COMMENT ON ASSESSMENT OF ARREARS ON MUNICIPAL SERVICES AND PROPERTY RATES

The management of consumer debtors is one of the most important tasks and a prerequisite for financial sustainability. The older the debt, the more difficult it becomes to acquire the debt. It is therefore essential and critical that effective credit control measures be taken against defaulting consumers as soon as an account becomes in arrears.

Despite all the challenges such as high unemployment and poverty, an extremely high indigent population, the Genadendal transformation issue which remains unresolved, obstacles for debt

collection and credit control and the lack of an effective credit control mechanism in Grabouw, Tessaarsdal, Genadendal and Botrivier, it is incumbent upon us to develop strategies and innovative approach to credit control and debt collection to improve the ratio to at least 90%. Grabouw and Genadendal where the municipality is not providing electricity has the highest percentage outstanding debt.

The 2022/23 financial year was a major challenge due to the lack of a debt collection system.

Credit control was implemented with manual processing, which has numerous challenges.

The measures that will be taken during 2022/23 to try and improve revenue collection are as follows:

- Continue the installation of water demand management devices as a credit control mechanism in especially Grabouw, Tessaarsdal, Genadendal and Botrivier.
- Rollout a fully functional credit control and debt collection system. The credit control system is functional, and the debt collection system has been developed and ready for implementation
- Continue the implementation of the Revenue Enhancement Strategy which consist of developing incentives as a method to transform debt collection function into a rehabilitative rather than a punitive action. In addition, the newly created community development function will be utilized to rehabilitate defaulters.
- Continue discussions and engagements to resolve the Genadendal transformation issue.
- Undertaking a meter replacement programme in Genadendal to facilitate credit control.
- Continued lobbying with SALGA and CoGTA to amend legislation and to introduce new enabling legislation that will support debt collection efforts.
- Continued discussions and engagements with SALGA to enter into service delivery agreements with Eskom in areas where Eskom is providing electricity.
- Explore the use of technology to ensure timeous delivery of consumer accounts.

3.23 HUMAN RESOURCE SERVICES

Human Resource Division (HR) has primary responsibility for managing, assisting and dealing with all employees related matters including such functions as policy administration, recruitment process, benefits administration, employment and labour laws, new employee orientation, training and development, labour relations, personnel records retention, wage and salary administration, and employee assistance program. HR works closely with all Municipal departments to support and respond to their needs.

HR handles a variety of work products and creates and processes several different documents.

The following represents the organizational structure of the Human Resources department:

- HR Strategy
- Labour Relations / IR
- Health & Safety
- Risk Management
- Benefits & HR Administration
- Staffing & Workforce Planning
- Training and Development
- Organizational Development
- Employee Assistance and
- Individual Performance Management

The HR department use the following pillars as a basis:

- **Employee Wellness**
 - Where employees are assisted in balancing their career, home and personal life through supportive human resource policies and management approaches.
- **A Learning Organisation**
 - Establish a commitment to align career development practices with employee's personal goals and existing corporate objectives.
- **Leadership**
 - Develop leaders within all levels of the organization who will share enthusiasm, a sense of purpose and direction, and reflect the values of the organisation.
- **Service excellence**
 - Providing business and service excellence by revisiting our business objectives, effectively using technology, ensuring staff are well trained, effectively managing change and objectively measuring performance for continuous improvement.

CONCLUSION

The Human Resources staff knows that without the support and assistance of Management and staff, we would not be able to successfully carry out our duties. Their support and assistance are highly appreciated. In addition, HR appreciates the support received from Council.

3.23.1 EMPLOYEES: HUMAN RESOURCE SERVICES

Employees: Human Resource Services					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	1	0	0	0	-
7 - 9	1	3	2	1	33%
10 - 12	3	5	3	2	40%
13 - 15	2	2	2	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	-
Total	8	11	8	3	27%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.23.1

3.23.2 FINANCIAL PERFORMANCE: HUMAN RESOURCE SERVICES

Financial Performance: Human Resource Services					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(412)	(15 341)	(15 706)	(15 607)	-1%
Expenditure:					
Employees	5,258	6,462	8,022	6,187	-23%
Repairs and Maintenance	–	–	–	–	–
Other	5,936	9,055	9,314	9,452	1%
Total Operational Expenditure	11,193	15,517	17,335	15,639	-10%
Net Operational Expenditure	10,781	,176	1,629	,32	-98%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>					T3.23.2

3.23.3 CAPITAL EXPENDITURE: HUMAN RESOURCE SERVICES

Capital Expenditure: Human Resource Services					
					R' 000
Capital Projects	2022/2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	,14	-	-	0%	
Furniture and Office Equipment (Renewal)	,8	-	-	0%	
Furniture and Office Equipment (New)	,6	-	-	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.23.3

2.23.4 COMMENT ON HUMAN RESOURCE SERVICES PERFORMANCE OVERALL

The variances are a result of adjustments that was made based on projected expenditure specifically in respect of staff cost. This expenditure is of such a nature that it cannot be predicted.

3.24 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes Information and Communication Technology (ICT) services

3.24.1 INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Information and Communication Technology (ICT) is a support enabling tool for the implementation of Theewaterskloof Municipality's long term strategic plans and visions. The focus and intention are to provide and implement an international standard to adhere too, coupled with basic principles to provide a sufficient and productive workplace environment.

The ICT department which resides under the Corporate Directorate is a dynamic and well-balanced team, which consists primarily out of versatile and driven intellectuals striving to revolutionise ICT.

The ICT Department is responsible for the following:

- ICT Infrastructure
- ICT Software and Systems
- ICT Governance and Administration
- Managing, planning, directing and overseeing systems alignments and integration.

ICT Infrastructure

Our department is proud to share that we have been incorporating point-to-point links between buildings to minimise cost to company constraints from a service providers perspective. We also intent to acquire/build or own local area network (LAN) and wide area network (WAN) to empower and taking back control and endorsing/envisioning smart city concepts.

ICT Software and Systems

Technology is everchanging, therefore adoption and migration plans were implemented to "Fast Track" our in-use software to Microsoft Office 365, adopting cloud services, digitisation and allowed for a smooth transition between in person and virtualisation.

Cybersecurity, probably the most talked about topic in ICT, have been the core focus of the ICT department and rightfully so, coupled with monitoring and implementing adequate software and systems.

A newly developed helpdesk ticketing system is making its appearance in August 2023 to ensure that users be able to communicate relevant inadequacies, struggles and faults to allow for a conducive and productive environment to flourish.

ICT Governance and Administration

Governance has always played a vital role in all aspects of the ICT environment over the past year. Focusing on infrastructure, systems, security, risk management and human interventions.

ICT also assists and guides business processes for user departments to enhance experience and allow for better productivity.

The ICT department is also reaching out to other neighbouring municipalities to allow for shared services in regard to joint transversal tenders, webhosting, managing and maintaining ICT network infrastructure.

Managing, planning, directing and overseeing systems alignments and integration.

The ICT department's aim is to please and therefor finding ways to better communication and to align and link departments, offices and communities with one another.

3.24.2 EMPLOYEES: ICT SERVICES

Employees: ICT Services					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	0	0	0	0	-
7 - 9	1	1	1	0	0%
10 - 12	2	3	1	2	0%
13 - 15	2	2	1	1	50%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	5	6	3	3	50%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					
T3.24.2					

3.24.3 FINANCIAL PERFORMANCE: ICT SERVICES

Financial Performance: ICT Services					
					R'000
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	2414	2888	2875	2496	-13%
Repairs and Maintenance	8754				0%
Other	,998	8,427	11,516	10,684	-7%
Total Operational Expenditure	12,166	11,315	14,391	13,180	-8%
Net Operational Expenditure	12,166	11,315	14,391	13,180	-8%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>					T3.24.3

3.24.4 CAPITAL EXPENDITURE: ICT SERVICES

Capital Expenditure Year 2022/23: ICT Services					
R' 000					
Capital Projects	Year 2022/23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	118	107	107	-9%	
Computer Equipment (New)	100	91	91	-9%	
Computer Equipment (NEW)	18	16	16	-9%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.24.4

3.25 PROPERTY MANAGEMENT

3.25.1 PROPERTY MANAGEMENT ACHIEVEMENTS

- The Land Disposal Strategy of the Municipality was revised. A much more detailed and informative guide was required to focus on creating spatially informed, economically viable decisions and identify opportunities around municipal properties and disposal thereof. The objective of this Land Disposal Strategy is therefore to aid in unlocking and accelerating the release of surplus municipal land for the creation of additional municipal income as well as the creation of residential, business and industrial opportunities.
- An Immovable Property By-Law was passed in order to enable the Municipality to transfer public land, which includes unregistered state land. A big part of Caledon's roads, sidewalks and alleys is still unregistered state land and needs to be transferred to the Municipality. The by-law also makes provision for the acquisition of immovable property and rights in immovable property as well as the closure of public places.
- A portion of farmland was made available to a group of previously disadvantaged farmers for a piggery. The leasing of the property on a long-term basis will enable the farmers to access funding for the improvement of their piggery.
- Council aided non-profit crèches by making land available at nominal prices to construct crèches on Council's contribution in terms of the land is part of its constitutional mandate, namely childcare. Special town planning tariffs were also given to help crèches with the town planning processes.
- As the Venster property adjacent to the N2 is ideally located for the promotion of tourism related businesses, Council resolved to make the land available to possible developers. The lengthy planning processes to subdivide and rezone the properties was finalised. The land will be offered via a tender process to be leased on a long-term basis in order to make it feasible for investors. This development will have a big impact on the region and make available much needed job opportunities. It is seen as project that will have a significant impact on the economy of Caledon.
- As the need arose in the Theewaterskloof area for a private hospital, not only for its inhabitants but also to make the development of much needed retirement villages feasible, Council resolved to make land available adjacent to the Provincial hospital. As the land is adjacent to the N2 it makes it an ideal location for such a facility. The planning processes were finalised. The

land was subdivided and rezoned. However, a portion of land from the Provincial hospital was needed to provide suitable access to the land. The small portion of land from the Provincial government is in the process of being transferred to the Municipality. Interest was shown by several developing companies when it was advertised to test the market. The land will be sold via auction to the highest bidder.

- 76 Un-serviced Industrial properties in Caledon were put on the market via a tender process. This project will create much needed job opportunities and is regarded as one of the biggest opportunities to make a change in the economy of Caledon. It will also attract industries in need of more affordable land but at the same time be near the Cape Town markets.

3.25.2 PROPERTY MANAGEMENT CHALLENGES

- The national economy has the biggest influence on the property sales. There is less spent on the purchasing of properties in general.
- Less Developers are interest in investing in developments.
- Red tape discourages developers because of the lengthy processes involved.
- The criteria set by banks for the allocation of loans is still very strict and prohibits buyers from obtaining property.
- The backlog in the provision of bulk services in all of the towns restricts development.
- The high cost of infrastructure and construction discourages developers from spending.

3.25.3 EMPLOYEES: PROPERTY MANAGEMENT AND VALUATIONS

Employees: Property Management					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	0	0	0	0	-
7 - 9	1	1	1	0	0%
10 - 12	1	1	1	0	0%
13 - 15	1	1	0	1	100%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	3	3	2	1	33%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.25.3.1

Employees: Valuations					
Job Level	Year 2021/2022	Year 2022/2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	-
4 - 6	0	0	0	0	-
7 - 9	0	0	0	0	-
10 - 12	0	0	0	0	-
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	-
19 - 20	0	0	0	0	-
Total	1	1	1	0	0%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					T3.25.3.2

3.25.4 FINANCIAL PERFORMANCE: PROPERTY SERVICES

Financial Performance: Property Services					
R'000					
Details	Year 2021/22	Year 2022/23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	(2 209)	(2 238)	(2 238)	(1 881)	-16%
Expenditure:					
Employees		3,594	2,847	2,826	-1%
Repairs and Maintenance	3,432	,683	,634	,355	-44%
Other	3,495	20,020	20,172	25,450	26%
Total Operational Expenditure	6,927	24,297	23,652	28,631	21%
Net Operational Expenditure	4,718	22,059	21,414	26,751	25%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.					T3.25.4

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

As municipal employees, we ascribe to the values as underpinned by Batho Pele, a Sesotho word which means “People First”. This initiative was launched in 1997 to transform the Public Service at all levels. Batho Pele was launched because post 1994 South Africa inherited a public service that was not people-friendly and lacked the skills and attitudes to meet the developmental challenges facing the country. Batho Pele is based on the following eight principles:

- **Consultation:** citizens should be consulted about their needs
- **Standards:** all citizens should know what service to expect
- **Redress:** all citizens should be offered an apology and solution when standards are not met
- **Access:** all citizens should have equal access to services
- **Courtesy:** all citizens should be treated courteously
- **Information:** all citizens are entitled to full, accurate information
- **Openness and transparency:** all citizens should know how decisions are made and departments are run
- **Value for money:** all services provided should offer value for money

The municipality currently has a staff component of **625 staff members** who are responsible for ensuring effective service delivery to the community and collectively contribute towards the achievement of the municipality's strategic objectives.

The Human Resource Management department has as its main aim to ensure competent staff is recruited as well as the development of current staff members and the unemployed youth.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

4.1.1 EMPLOYEES

Employees					
Description	Year 2021/2022	Year 2022/2023			
	Employees	Approved Posts Budgeted	Employees	Vacancies Budgeted	Vacancies
	No.	No.	No.	No.	%
Water and Sewerage Networks	43	49	47	2	5%
Sanitation Services (Water and Sewerage Purification)	56	58	51	7	12%
Electricity	20	25	24	1	4%
Solid Waste Management Services	96	103	97	6	6%
Human Settlements (Including Informal Settlements)	10	15	8	7	47%
Roads Services (Streets and Storm water)	80	85	70	15	19%

Planning Services (Building Control)	14	14	13	1	7%
Sustainable Development	5	5	4	1	20%
Local Economic Development	4	5	5	0	0%
IDP	3	4	3	1	25%
Libraries	23	33	31	2	6%
Valuations	1	1	1	0	0%
Internal Audit	3	3	3	0	0%
Public Safety (Traffic)	55	71	61	10	14%
Parks (Including Botanical Gardens and Cemeteries)	52	52	51	1	2%
Administration	69	69	62	7	10%
Disaster Management	1	1	1	0	0%
Sport and Recreation	1	1	1	0	0%
The Executive (Top Management)	2	6	1	5	83%
ICT Services	5	6	3	3	50%
Financial Services	84	85	75	10	12%
Property Management	3	3	2	1	33%
Legal Services	1	1	1	0	0%
Fleet	2	2	2	0	0%
Human Resources	8	11	8	3	27%
Totals	641	708	625	83	
<i>Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June.</i>					0%

4.1.2 VACANCY RATE

Vacancy Rate: Year 2022/23			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (As a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	1	100%
CFO	1	1	100%
Other S57 Managers (excluding Finance Posts)	3	2	40%
Other S57 Managers (Finance posts)	0	0	0
Police officers	0	0	0
Traffic & Law Enforcement	39	4	10,00%
Senior management: Levels 13-17 (excluding Finance Posts)	21	8	38,00%
Senior management: Levels 13-17 (Finance posts)	8	2	25%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	24	9	37,00%
Highly skilled supervision: levels 9-12 (Finance posts)	17	1	5%
Total	114	28	24%
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.			T4.1.2

Details	Total Appointments as of beginning of Financial Year (including promotions)	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2019/20	639	28	4,38%
2020/21	628	29	4.60%
2021/22	636	32	5,00%
2022/23	625	42	6,00%
* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year			5%

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 MANAGING THE MUNICIPAL WORKFORCE

4.2.1 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipal Systems Act, 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 1998.

The Human Resource division comprises of the following sections namely: HR Administration, Labour Relations, Recruitment & selection, Training and development, OH&S and Risk Management as well as Organisational Development and Employee Assistance

4.2.2 HUMAN RESOURCE POLICIES AND PLANS

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Employment Equity Policy	100%		15-Sep-11
2	Medical Assistance for Former Emp	100%		05-May-11
3	EAP Policy	100%		01-Jun-12
4	HIV/Aids Policy	100%		30-Mar-13
5	Leave Policy	100%		01-Apr-13
6	Payment of Travel and Subsistence	100%		Reviewed by Council on 21 February 2020
7	Employment Practice Policy	100%		Policy was reviewed by Council on 31 October 2019 (C138/2019)
8	Induction Policy	100%		07-Aug-12
9	Policy Use of Protective Equipment	100%		14-Jan-10
10	Sexual Harassment Policy	100%		01-Sep-11
11	Smoking Policy	100%		26-May-08
12	Training Policy	100%		31-Oct-13
13	Bursary Scheme Policy	100%		15-Oct-08

14	Health and Safety Policy	100%		01-May-08
15	Scarce Skills Policy	100%		20-Mar-13
16	Vehicle Allowance Policy	100%		29-Mar-17
17	Appointment of Retired Professional	100%		01-Jul-17
18	Policy Transport Allowance for Councillors	100%		Policy was reviewed by Council on 29 March 2017
19	Cellular Allowance Policy	100%		01-Nov-16
20	Overtime Policy	100%		01-Nov-16
21	Acting Allowance	100%		31-Oct-19
22	Payment of professional Fees	100%		31-Oct-19
Use name of local policies if different from above and at any other HR policies not listed.				T4.2.2

4.3 INJURIES, SICKNESS AND SUSPENSIONS

4.3.1 NUMBER AND COST OF INJURIES ON DUTY

The municipality always strives to reduce the injuries on duty in order to contain cost as well as to maintain optimum levels of service delivery. To this end, regular safety meetings are conducted where safety concerns are addressed as well as weekly toolbox discussions and flash reports to staff.

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	676,5	48	7.49%	14.10	635
Temporary total disablement	187	1	0,16%	187	602
Permanent disablement	0	0	0,00%	0	0
Fatal	0	0	0,00%	0	0
Total	863,5	49	7.64%	187	1 237

4.3.2 NUMBER OF DAYS AND COST OF SICK LEAVE (EXCLUDING INJURY ON DUTY)

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	987	23%	134	208	4,75	479

Skilled (Levels 3-5)	3356	54%	226	246	13,64	1 956
Highly skilled production (levels 6-8)	624	12%	106	32	19,50	585
Highly skilled supervision (levels 9-12)	601	10%	76	92	6,53	997
Senior management (Levels 13-18)	54	1%	11	62	0,87	200
MM and S57	0			1	0	0
Total	5622	100	553	641	45,29	4 219
* - Number of employees in post at the beginning of the year						
*Average is calculated by taking sick leave in column 2 divided by total employees in column 5						T4.3.2

4.3.3 COMMENT ON INJURY AND SICK LEAVE

The effective management of sick leave is important for the Municipality and impacts directly on service delivery. Management receives quarterly sick leave reports in order to identify possible abuse of sick leave and to apply corrective measures to curb it.

4.3.4 NUMBER AND PERIOD OF SUSPENSIONS

The Disciplinary Procedure Collective Agreement, entered into at the SALGBC between the employer organisation (SALGA), and the two recognised unions, SAMWU and IMATU put measures in place on how to deal with misconduct. Its main aim to ensure a fair common and uniform procedure for the management of discipline in the workplace. This collective agreement is applicable to all staff members except the Accounting Officer and Senior Management.

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken, or Status of Case and Reasons why not Finalised	Date Finalised
Manager Public Safety	Gross Negligence	12-May-22	Employee went on retirement	31-Mar-23
Town Manager	Gross Negligence	30-Mar-23	Investigation ongoing	Ongoing
Regional Inspector	Gross Negligence	24-Jan-23	Disciplinary Hearing scheduled for 01-Aug-23	Ongoing
General Assistant	Insubordination	31-Oct-22	Disciplinary Hearing Finalised - Employee dismissed	12-Apr-23
General Assistant	Gross Negligence	13-Feb-23	Investigation Ongoing	Ongoing
Senior Clerk	Gross Negligence	31-Oct-22	Disciplinary Hearing Finalised - Not guilty	27-Jun-23
Senior Debtors Clerk	Gross Negligence	31-Oct-22	Disciplinary Hearing finalised - Not guilty	12-Jun-23

4.3.5 DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
None			

4.4 PERFORMANCE REWARDS

4.4.1 PERFORMANCE REWARDS BY GENDER

Performance Rewards by Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 2022/23	Proportion of beneficiaries within group
				R' 000	%
Lower skilled (Levels 1-2)	Female	-	-	-	-
	Male	-	-	-	-
Skilled (Levels 3-5)	Female	-	-	-	-
	Male	-	-	-	-
Highly skilled production (levels 6-8)	Female	-	-	-	-
	Male	-	-	-	-
Highly skilled supervision (levels 9-12)	Female	-	-	-	-
	Male	-	-	-	-
Senior management (Levels 13-15)	Female	-	-	-	-
	Male	-	-	-	-
MM and S57	Female	-	-	-	-
	Male	2	2	143 754,75	100%
Total					100%
Has the statutory municipal calculator been used as part of the evaluation process?					No
Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).					T4.4.1

4.4.2 COMMENT ON PERFORMANCE REWARDS

No performance rewards were paid to staff below S56/57 as performance management was not rolled out to lower levels of staff. In terms of the Municipal Staff Regulations, Performance Management is to be implemented from 1 July 2023 and to this end the Municipality is committed to address this in order to ensure not only compliance but also to manage the performance at all levels in the Municipality.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 SKILLS DEVELOPMENT AND TRAINING

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

4.5.1 NUMBER OF SKILLED EMPLOYEES

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 2023	Number of skilled employees required and actual as at 30 June Year 2022											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year 2022	Actual: End of Year 2023	Target	Actual: End of Year 2022	Actual: End of Year 2023	Target	Actual: End of Year 2022	Actual: End of Year 2023	Target	Actual: End of Year 2022	Actual: End of Year 2023	Target
MM and s57	Female	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	1	0	0	0	0	1	0	0	0	0	0	1	1
Councilors, senior officials and managers	Female	24	0	3	0	0	2	0	0	0	0	0	5	28
	Male	39	0	1	0	10	0	0	0	0	0	10	11	34
Technicians and associate professionals*	Female	11	0	0	0	0	7	0	0	0	0	0	7	31
	Male	17	0	3	0	10	7	0	0	0	0	10	30	61
Professionals	Female	66	0	0	0	0	0	0	0	0	0	0	0	12
	Male	82	0	0	0	0	3	0	0	0		0	3	20
Sub total	Female	101	0	3	0	0	9	0	0	0	0	0	12	71
	Male	139	0	4	0	20	11	0	0	0	0	20	45	116
Total		240	0	7	0	20	20	0	0	0	0	20	57	187
*Registered with professional Associate Body e.g CA (SA)													T4.5.1	

4.5.2 FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, chief financial officer 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.

The table below provides details of the financial competency development progress and training needs of the Municipality thus far:

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	0	0	0	0	0	0
Senior managers	1	0	1	0	1	0
Any other financial officials		0	0	0	0	0
Supply Chain Management Officials		0	0	0	0	0
Heads of supply chain management units		0	0	0	0	0
Supply chain management senior managers	1	0	1	0	0	0
TOTAL	3	0	3	1	2	1
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						T4.5.2

4.5.3 SKILLS DEVELOPMENT EXPENDITURE

Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development 2022/2023							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget†	Actual	Original Budget†	Actual	Original Budget†	Actual	Original Budget†	Actual
MM and S57	Female	0	0		0	0	0	0	0	0
	Male	1	0	0	0	0	0	0	0	0
Legislators, senior officials, and managers	Female	2	25000	0	25000	25000	0	0	50000	17553,65
	Male	6	25000	0	25000	25000	0	0	50000	0
Professionals	Female	11	0	0	25000	25000	0	0	25000	25000
	Male	17	0	0	25000	25000	0	0	25000	25000
Technicians and associate professionals	Female	56	50000	0	30000	30000	0	0	80000	30000
	Male	82	0	0	50000	50000	0	0	50000	50000
Clerks	Female	55	0	0	30000	30000		0	30000	30000
	Male	101	0	0	50000	50000	0	0	50000	50000
Service and sales workers	Female	41	0	0	30000	30000	0	0	30000	30000
	Male	77	0	0	50000	50000	0	0	50000	50000
Plant and machine operators and assemblers	Female	18	R0	R0	R30 000	R30 000	0	0	30000	30000
	Male	58	R0	R0	R50 000	R50 000	0	0	50000	50000
Elementary occupations	Female	39	0	0	100000	90000	0	0	100000	90000
	Male	92	0	0	100000	90000	0	0	100000	90000
Sub total	Female	222	75000	0	270000	260000	0	0	345000	252553,65
	Male	434	25000	0	350000	340000	0	0	375000	315000
Total		656	100000	0	620000	600000	0	0	720000	567553,65
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									0.22%	*R620000
										14.5.3

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The percentage of the municipal budget that was spent on salaries and allowance (excluding councillor remuneration) for this financial year is 38% which is within the national norm of between 35 to 40%.

4.6 EMPLOYEE EXPENDITURE

4.6.1 NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITION BEING UPGRADED

Number Of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	-
	Male	-
Skilled (Levels 3-5)	Female	15
	Male	43
Highly skilled production (Levels 6-8)	Female	5
	Male	11
Highly skilled supervision (Levels 9-12)	Female	4
	Male	3
Senior management (Levels 13-18)	Female	-
	Male	2
MM and S 57	Female	-
	Male	-
Total		83
<i>Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).</i>		T4.6.1

4.6.2 EMPLOYEES WHOSE SALARY LEVELS EXCEEDED 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
Manager Corporate Services	1	T14	T15	Position evaluated lower
Head HR Administration	1	T13	T14	Position evaluated lower
Meter Readers	6	T5	T6	Position evaluated lower
				T4.6.2

4.6.3 EMPLOYEES APPOINTED TO POSTS NOT APPROVED

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exists
None				

CHAPTER 5 – FINANCIAL PERFORMANCE

5.1 INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments.

This chapter comprises four components:

Component A: Statement of Financial Performance

Component B: Spending Against Capital Budget

Component C: Cash Flow Management and Investment

Component D: Other Financial Matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.2 STATEMENTS OF FINANCIAL PERFORMANCE

Financial Summary						
						R' 000
Description	2021/22	2022/23		2022/23 Variance		
	Actual	Budget	Adjustment to Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	127,715	138,377	139,310	136,354	-1,46%	-2,12%
Service charges	267,671	290,725	276,757	273,786	-5,83%	-1,07%
Investment revenue	10,542	10,200	10,200	11,469	12,44%	12,44%
Transfers recognised - operational	128,147	146,021	159,317	144,515	-1,03%	-9,29%
Other own revenue	68,649	67,570	93,314	97,976	45,00%	5,00%
Total Revenue (excluding capital transfers and contributions)	548,525	652,893	678,898	664,099	1,72%	-2,18%
Employee costs	238,699	275,056	257,593	246,990	-10,20%	-4,12%
Remuneration of councillors	11,900	13,556	12,947	12,686	-6,42%	-2,02%
Debt impairment	83,302	63,104	90,230	99,603	57,84%	10,39%
Depreciation and asset impairment	31,651	29,311	33,710	32,476	10,80%	-3,66%
Finance charges	20,011	25,189	29,276	32,479	28,94%	10,94%
Bulk purchases	86,239	96,105	88,154	87,774	-8,67%	-0,43%
Inventory Consumed	34,528	37,600	37,074	35,230	-6,30%	-4,97%
Contracted services	46,710	57,585	72,787	122,692	113,06%	68,56%
Transfers and subsidies	1,766	8,735	11,007	8,528	-2,37%	-22,53%
Other expenditure	58,269	65,361	83,022	126,825	94,04%	52,76%
Losses	,610	-	2,000	,46	0,00%	-97,69%

Total Expenditure	519,020	671,602	717,800	805,328	19,91%	12,19%
Surplus/(Deficit)	29,505	(18 709)	(38 903)	(141 229)	654,86%	263,03%
Transfers and subsidies - capital (monetary) - Government	44,302	47,882	54,540	52,856	10,39%	-3,09%
Transfers and subsidies - capital (monetary) - Other	73,808	2,000	,449	2,568	28,42%	472,05%
Share of surplus/ (deficit) of associate	-				-	-
Surplus/(Deficit) for the year	73,808	31,173	16,086	(85 804)	-375,25%	-633,41%
<u>Capital expenditure & funds sources</u>						
Capital expenditure	99,142	158,778	149,742	144,799	-8,80%	-3,30%
Transfers recognised - capital	44,269	49,882	57,238	55,441	11,15%	-3,14%
Borrowing	44,244	91,234	69,566	64,750	-29,03%	-6,92%
Internally generated funds	10,629	17,662	22,937	24,608	39,33%	7,29%
Total sources of capital funds	99,142	158,778	149,742	144,799	-8,80%	-3,30%
<u>Financial position</u>						
Total current assets	241,586	217 449	273,662	172,427	-20,70%	-36,99%
Total non-current assets	1 111,567	1 293 721	1 228 626	1 217 523	-5,89%	-0,90%
Total current liabilities	136,045	139,566	200,881	165,014	18,23%	-17,85%
Total noncurrent liabilities	228,737	392,642	357,521	361,204	-8,01%	1,03%
Community wealth/Equity	927,383	978,963	943,886	863,732	-11,77%	-8,49%
<u>Cash flows</u>						
Net cash from (used) operating	77,467	72,751	108,124	(25 220)	-134,67%	-123,33%
Net cash from (used) investing	(97 452)	(159,402)	(148,267)	(141,433)	-11,27%	-4,61%
Net cash from (used) financing	21,878	72,683	53,078	86,587	19,13%	63,13%
Cash/cash equivalents at beginning of year	164,090	159,277	165,982	165,982	4,21%	0,00%
Cash/cash equivalents at the year end	165,982	145,309	178,918	85,916	-40,87%	-51,98%
<u>Cash backing/surplus reconciliation</u>						
Cash and investments available	165,982	158,416	192,782	99,745	-37,04%	-48,26%
Application of cash and investments	78,052	39,150	113,297	104,277	166,35%	-7,96%
Balance - surplus (shortfall)	87,931	119,266	79,485	(4 532)	-103,80%	-105,70%
<u>Asset management</u>						

Asset register summary (WDV)	1 147,850	1 277,317	1 212,456	1 212,456	-5,08%	0,00%
Depreciation & asset impairment	34,782	29,311	33,710	33,710	15,01%	0,00%
Renewal of Existing Assets	103,393	104,584	217,967	217,967	108,41%	0,00%
Repairs and Maintenance	127,339	126,780	124,342	59,961	-52,71%	-51,78%
<u>Free services</u>						
Cost of Free Basic Services provided	60,046	43,675	48,048	55,336	26,70%	15,17%
Revenue cost of free services provided	5,942	9,867	9,867	4,749	-51,87%	-51,87%
<u>Households below minimum service level</u>						
Water:	,1	,1	,1	,1	0,00%	0,00%
Sanitation/sewerage:	,2	,2	,2	,2	0,00%	0,00%
Energy:	-	-	-	-	0,00%	0,00%
Refuse:	-	-	-	-	0,00%	0,00%
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1</i>						T 5.2

5.3 COST CONTAINMENT

Cost Containment In-Year Report							
Measures	Original Budget	Adjustment Budget	Q1	Q2	Q3	Q4	Savings
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Use of consultants	19 934	11 195	3 198	2 153	2 278	1 888	1 677
Travel and subsistence	392	1 460	166	203	115	1 019	(43)
Domestic accommodation	144	153	94	74	7	86	(108)
Sponsorships	1 245	843	179	369	192	(11)	113
Events and catering	441	388	64	170	55	237	(139)
Communication	1 862	1 469	438	457	327	250	(3)
Other related expenditure items	6 016	20 046	313	2 303	5 518	5 600	6 312
Total	30 033	35 554	4 453	5 730	8 492	9 070	7 810

The Municipal Cost Containment measurements is required in terms of the Municipal Cost Containment Regulations (MCCR), 2019. The object of the regulation is in line with Sections 62(1)(a), 78(1)(b), 95(a) and 105(1)(b) of the Act (MFMA), is to ensure that resources of a municipality and municipal entity are used effectively, efficiently, and economically by implementing cost containment measures. The national government has been aware of the need to contain costs and Cabinet resolved that all spheres of government, including municipalities and municipal entities must implement measures to contain operational costs and eliminate all non-essential expenditure. These can then be re-prioritized to address service delivery backlogs.

5.4 GRANTS

The Municipality had a total amount of R198 000m for operational and capital expenditure available that was received in the form of grants from National and Provincial Governments during the 2022/23 financial year.

The performance in the spending of these grants is summarised as follows:

Grant Performance						
R' 000						
Description	2021/22	2022/23			2022/23 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
National Government:	139 549	153 556	158 591	154 832		
Equitable share	106 976	120 101	120 101	120 101	0%	0%
Local Government Financial Management Grant (FMG)	1 636	1 650	1 650	1 650	0%	0%
Municipal Infrastructure Grant (MIG)	21 080	29 728	29 728	29 088	-2%	-2%
National Electrification Programme	2 116	-	-	-	0%	0%
Expanded public works programme (EPWP)	1 721	2 077	2 077	2 077	0%	0%
Emergency Housing Grant	-	-	4 600	1 916	0%	-58%
Energy Efficiency & Demand Side Management Grant	3 519	-	-	-	0%	0%
Water Service Infrastructure Grant (WSIG)	2 500	-	-	-	0%	0%
Municipal Disaster Recovery Grant	-	-	435	-	0%	0%
Provincial Government:	32 682	40 347	54 676	42 075		
Housing	19 403	25 180	31 239	24 142	-4%	-23%
LG Public Employment Support Grant	1 210	-	390	390	0%	0%
Municipal Service Delivery and Capacity Building Grant	1 000	-	120	105	0%	-12%
CDW Operational Support Grant	140	112	210	160	43%	-24%
Maintenance of proclaimed main roads	130	180	180	144	-20%	-20%
Library Service conditional Grant	9 724	9 815	10 538	10 329	5%	-2%
Joint District and Metro Grant	-	-	1 384	384	0%	0%

WC Financial Management Capability Grant	-	-	1 350	1 260	0%	-7%
Municipal Capacity Building Grant	373	-	84	61	0%	-27%
Emergency Municipal Load-Shedding Relief Grant	-	-	1 800	1 800	0%	0%
Roodakke	-	4 060	6 382	2 572	0%	-60%
Regional socio-economic projects (RSEP)	441	1 000	1 000	727	0%	-27%
Municipal Intervention Grant	148	-	-	-	0%	0%
Municipal Drought Relief (MDR)	113	-	-	-	0%	0%
Financial Management Support Grant (FMSG)	1	-	-	-	0%	0%
District Municipality:	-	-	225	193	-	-
Safety Project Grant	-	-	135	117	0%	0%
Community Safety Grant	-	-	90	76	0%	0%
Other grant providers:	348	3 140	1 947	900	1	1
DBSA GIS	-	-	-	-		0%
SETA	348	-	365	270	0%	-26%
DBSA LEDI	-	-	-	-	0%	0%
HAN	-	1 140	1 178	355	-69%	-70%
SANRAL	-	2 000	404	274	0%	-32%
Total Operating Transfers and Grants	172 579	197 043	215 439	198 muni000		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T5.4

5.4.1 COMMENT ON OPERATING TRANSFERS AND GRANTS

Equitable Share - The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

Finance Management Grant (FMG) - The Financial Management Grant is a conditional grant to assist municipalities in the implementation of financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The grant is also utilised to cover expenditure relating to the Financial Management Internship Programme.

Municipal Infrastructure Grant (MIG) - The MIG grant is a conditional grant used to upgrade infrastructure in the municipal area with the main focus on previously disadvantaged areas.

Expanded Public Works Programme (EPWP) - The EPWP grant is a conditional grant to incentivise municipalities to expand work creation efforts through the use of labour-intensive delivery methods in the identified focus areas in compliance with the EPWP guidelines.

Integrated National Electrification Programme (INEP) - The INEP grant is a conditional grant to provide capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings and the installation of bulk infrastructure.

Municipal Drought Relieve (MDR) - The grant will be utilised for boreholes.

Municipal Disaster Relief Grant - This grant was utilised to provide for the immediate release of funds for disaster purpose.

Housing - Housing grants was utilised for the development of erven and the erection of top structures.

Housing - Title Deeds- This grant will be utilised to transfers properties to the respective beneficiaries.

CDW Contribution - The CDW Contribution was used to finance the activities of Community Development Workers.

Thusong Multi-Purpose Centre - The grant is intended to be utilised for the improvement of financial governance.

Main Roads Subsidy - The subsidy is utilised for the maintenance of the provincial main roads which runs through the town centres.

Financial Support Grant - The grant is intended to be utilised for the improvement of financial governance.

Library Subsidy - The subsidy is utilised for the operational costs of libraries which is a provincial function.

Municipal Capacity Building Grant - To develop financial human capacity within municipal areas to enable a sustainable local financial skills pipeline that is responsive to municipalities' requirements to enable sound and sustainable financial management and good financial governance.

Local Government Graduate Internship Allocation - This grant will be utilised for the recruitment of interns.

Municipal Disaster Recovery (Water Supply Grant) - This grant will be utilised for boreholes.

Sport and Recreation - This grant will be utilised for boreholes.

Local Government Support Grant - This grant is utilised to provide financial assistance to local municipalities to augment and support current humanitarian relief initiatives.

Expenditure for the provision of free basic services from the Equitable Share Grant is incurred monthly. Expenditure in respect of the Finance Management Grant and MIG, are incurred in accordance with business plans. Expenditure in respect of the Low-Cost Housing is once off payments and are done in accordance with claims submitted to either Provincial or National Government.

5.4.2 CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES

Grants Received from Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant 2021/2022	Actual Grant 2022/2023	2021/22 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
HAN students	730	469	-			
SANRAL	-	-	-			
Safety Project Grant (ODM)	-	170	-			
National Skills Fund (SETA)	348	478	-			
Community Safety Grant	-	-	-			
Private Sector / Organisations						
None						
Provide a comprehensive response to this schedule						T5.4.2

SETA - This grant is for the training and development of municipal officials.

Hogeschool van Arnhem en Nijmegen (HAN) - The grant gives students from abroad the opportunity to engage in community upliftment of previously disadvantaged communities' projects.

DBSA Local Economic Development - This grant is utilised for the replacement of bulk sewerage line between Caledon and Myddleton.

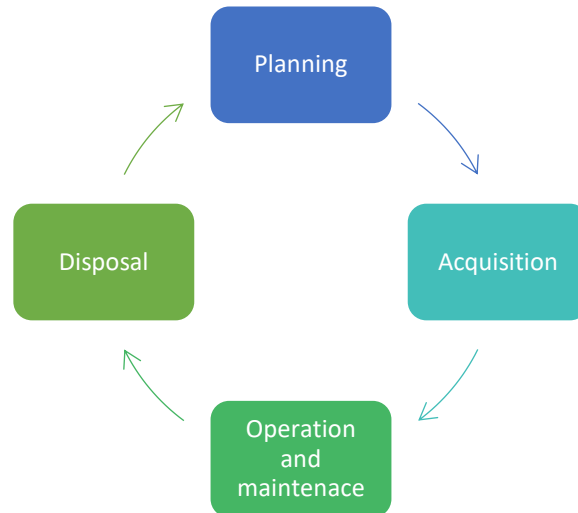
SANRAL - This grant will be utilised for the construction of a taxi rank / bus stop in Grabouw.

The municipality received a total of R0,837 m from Donors other than the division of revenue act. The HAN grant gives students from abroad the opportunity to engage with previously disadvantage communities and launch projects aimed at uplifting these communities. SETA is utilised from skills development and training within the organisation.

5.5 ASSET MANAGEMENT

Theewaterskloof Municipality have a centralised Asset Management Unit based in Caledon. The unit is responsible for all assets related functions throughout the entire region consisting of eight (8) towns.

5.5.1 ASSET MANAGEMENT LIFECYCLE



Assets refer to items or things that have potential or actual value to a municipality. The managing of the assets is essential to achieve the highest return on investment and to attain the municipality's main and constitutional objectives. An essential part of asset management understands the asset management lifecycle, which is broken down into four stages.

Planning

The first stage of the asset lifecycle is planning. At this stage asset requirements is determined, by evaluating existing assets and their potential to meet service delivery needs and give consideration to IDP objectives.

Acquisition

The acquisition planning phase includes all activities involved with purchasing an asset with the end goal of making the acquisition as cost-efficient as possible. This phase consists of the procurement department in making sure all legislation is adhered to when purchasing an asset. When considering cost of an asset, it's crucial not only to consider the initial investment but the lifecycle cost or the total cost of ownership.

Operation and Maintenance

In this stage, the asset is being used. All operation and maintenance activities are performed and tracked during this stage. At this point, the focus should be on keeping the asset in good running order so that it can continue to provide the service required. The better maintained the assets are from the beginning, the longer the asset tends to last.

Disposal

When an asset reaches the end of a useful life, it can be treated as a surplus, or otherwise is considered as an underperforming asset. Disposal should be treated in the perspective of the effects of the decision on service delivery and any departmental responsibilities.

ASSET MANAGEMENT POLICY (AMP)

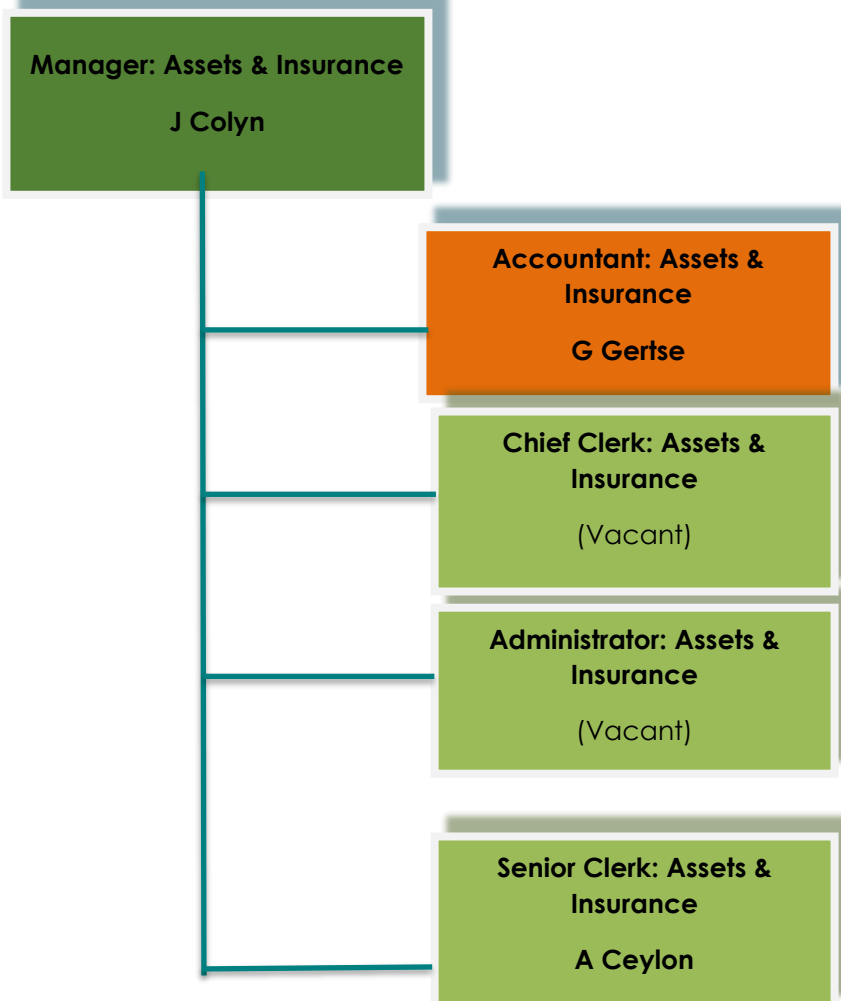
The proper utilization and management of assets is one of the prime mechanisms by which a municipality can fulfil its constitutional objectives for:

- The municipality has a legal and moral obligation to ensure it implements policies to provide for the effective and efficient usage of its assets over the useful life thereof.
- The asset management policy deals with the municipal rules required to ensure the enforcement of appropriate stewardship of assets.
- Stewardship has three components being the:
 - Management, utilization, and control by the Municipal Officials.
 - Financial administration by the Chief Financial Officer, and
 - Physical administration by the Asset and Property Managers
- Accounting standards are set to ensure the appropriate financial treatment for property, plant, and equipment. The requirements of these accounting standards include:
 - The compilation of asset registers recording all assets controlled by the municipality.
 - Accounting treatment for the acquisition, disposal, recording and depreciation of property, plant, and equipment.
 - The standards to which these financial records must be maintained.

ASSET MANAGEMENT UNIT (AMU)

The organogram extract of the AMU on the next page represents the current human resource allocation.

There are currently no capacity development initiatives in terms of the AMU.



5.6 REPAIRS AND MAINTENANCE EXPENDITURE

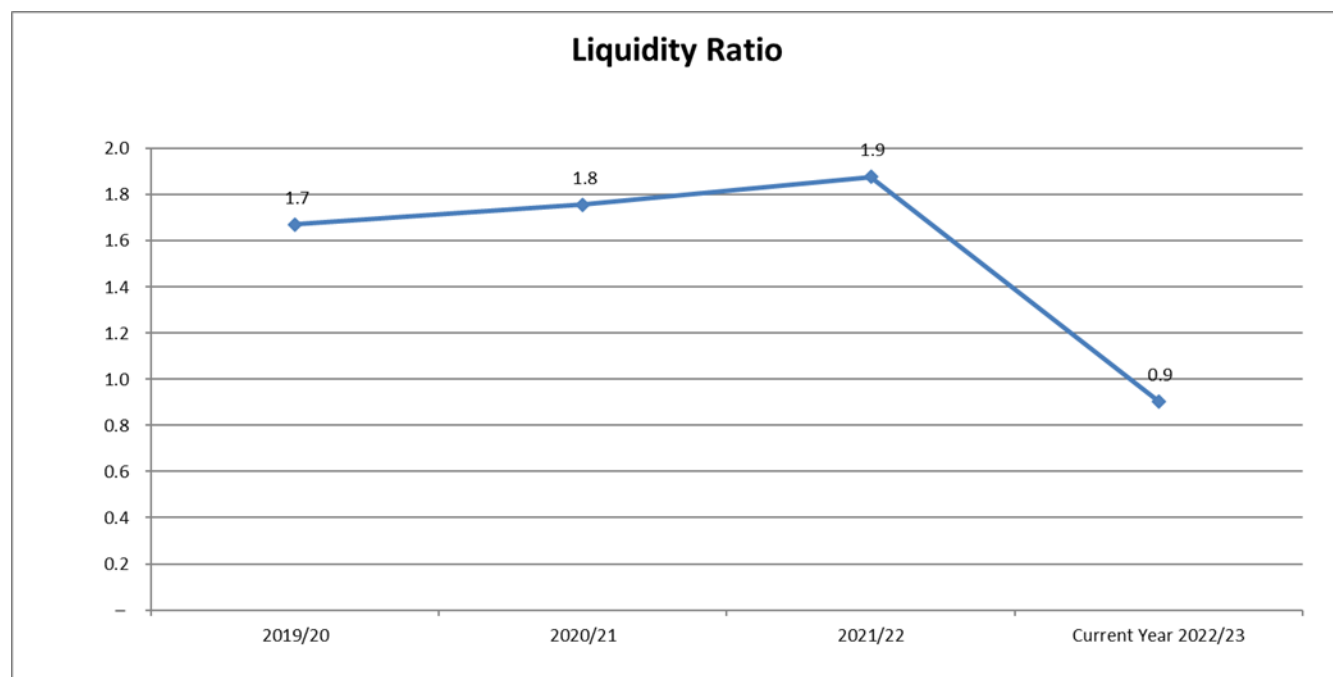
Repair and Maintenance Expenditure: 2022/23				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	126,780	124,342	65,706	47,16%
				T5.6

In 2022/23 Theewaterskloof municipality budgeted R671 602m for repairs and maintenance. This was adjusted to R717 800m. The actual repairs and maintenance for the year 2022/23 amounted to R759 952m, meaning that there was an overspending of 5,54 % of the repairs and maintenance budget.

5.7 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS¹⁹

Liquidity ratio: Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

The following graph indicates the liquidity financial ratio for 2022/23:

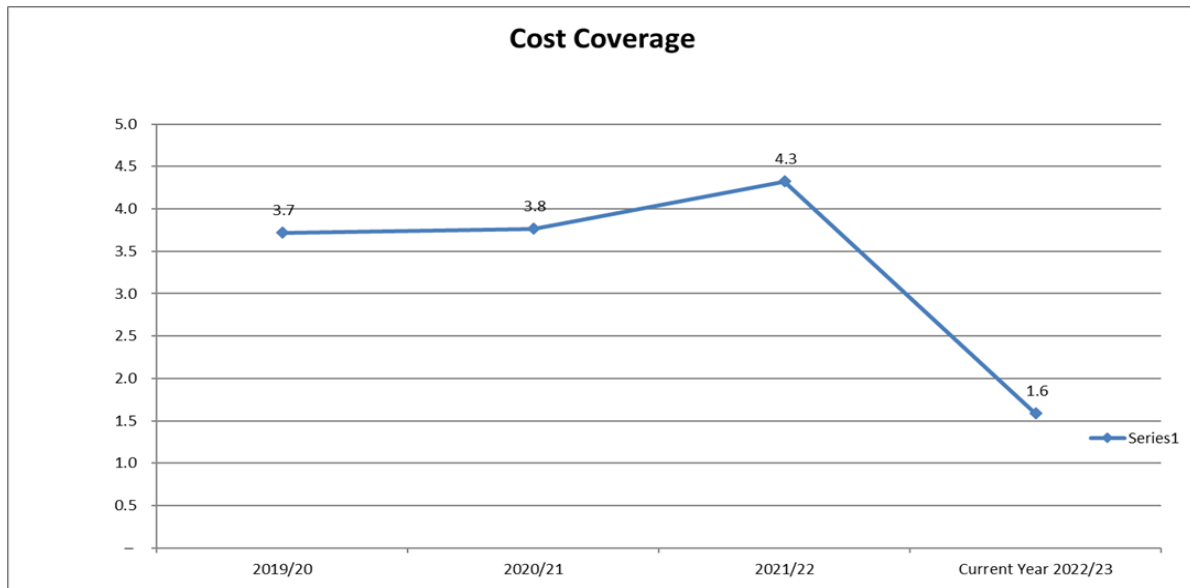


The current ratio is a liquidity ratio that measures whether a firm has enough resources to meet its short-term obligations. It compares the municipality's current assets to its current liabilities and is expressed as follows: The current ratio is an indication of a municipality's liquidity. The liquidity has decreased from 1.9 to 0.9 in 2022/23.

¹⁹ Data used from MBRR SC2

Cost Coverage: It explains how many months expenditure can be covered by cash and liquid assets available to the Municipality excluding utilisation of grants calculated.

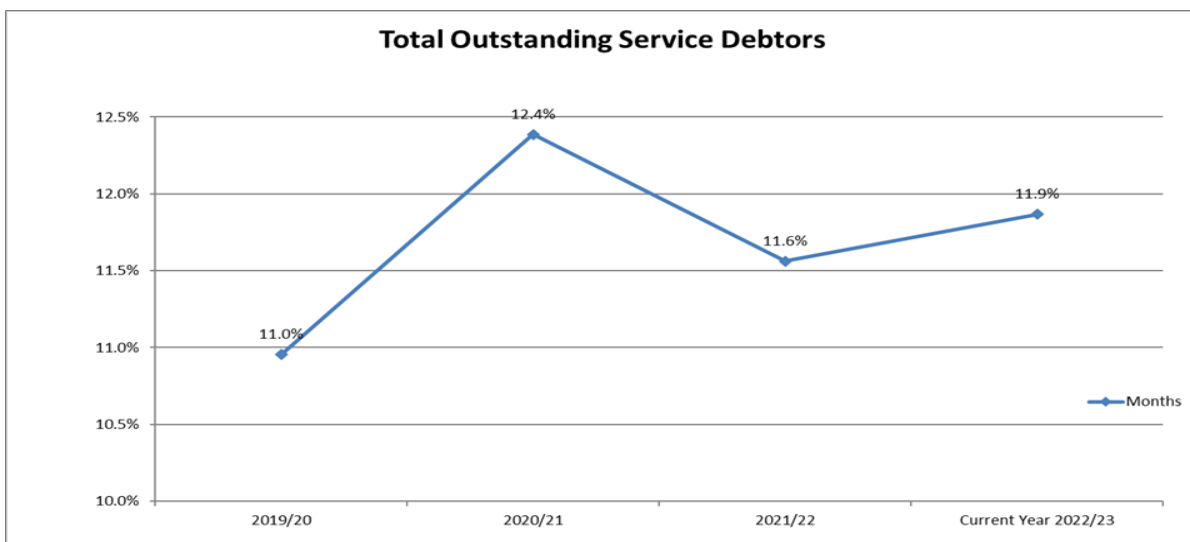
The following graph indicates the liquidity financial ratio for 2022/23:



Cost coverage ratio has decrease from 4.3 months to 1.6 months in 2022/23.

Total outstanding Service debtors: Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the annual revenue. A lower score is better.

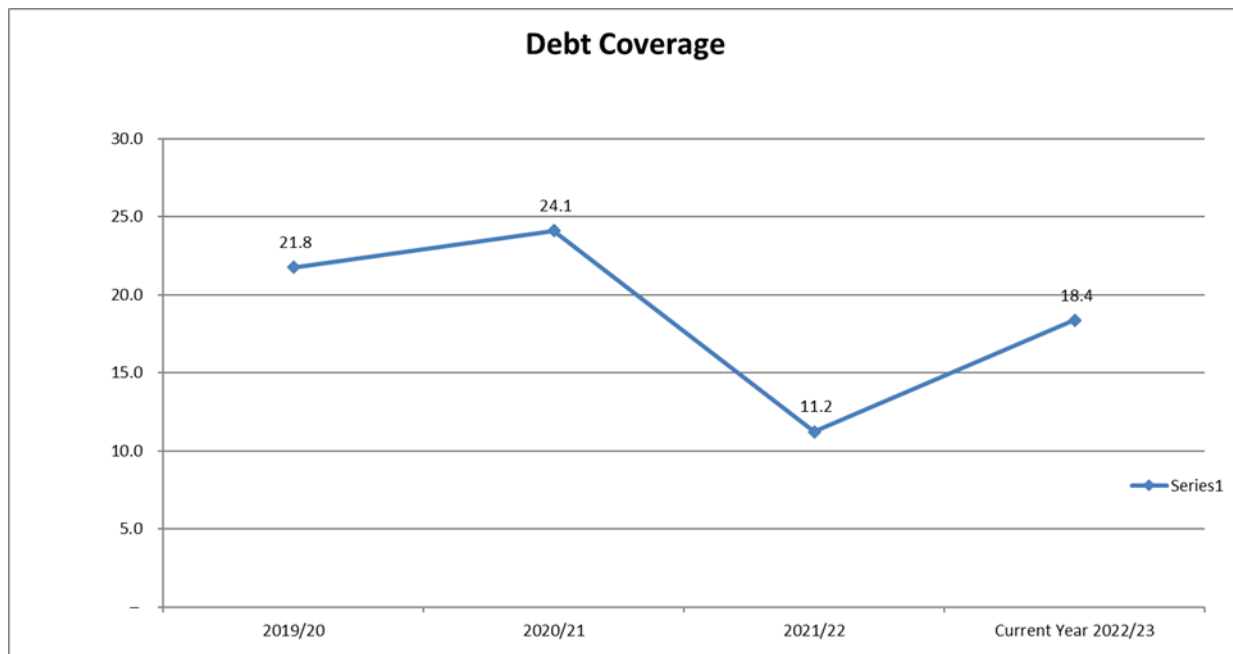
The following graph indicates the Total Outstanding Service Debtors financial ratio for 2022/23:



The municipality will embark on a public relations and awareness campaign to encourage payment for municipal services and rates, improve the relationship between the municipality and stakeholders and develop educational tools to change the culture surrounding the payments of municipal accounts.

Debt Coverage: The number of times debt payments can be accommodated within operating revenue (excluding grants). This in turn represents the ease with which debt payments can be accommodated by the municipality.

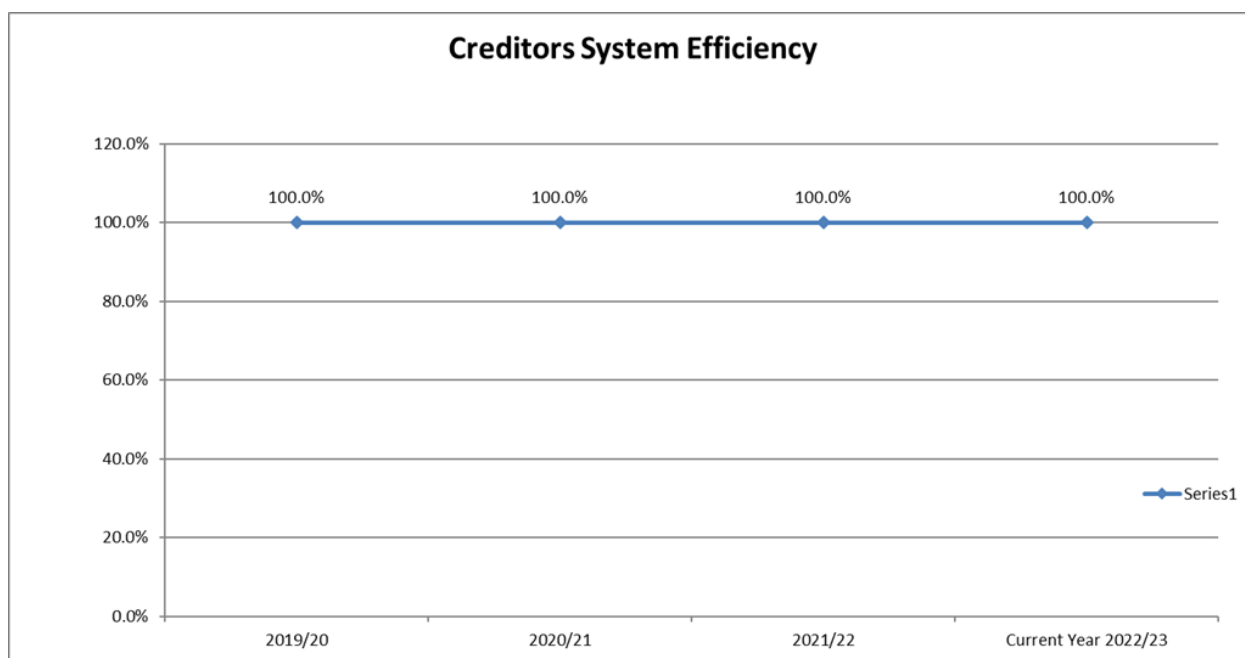
The following graph indicates the Debt Coverage financial ratio for 2022/23:



The debt coverage ratio increases from 11.2 in 2021/22 to 18.4 in 2022/23.

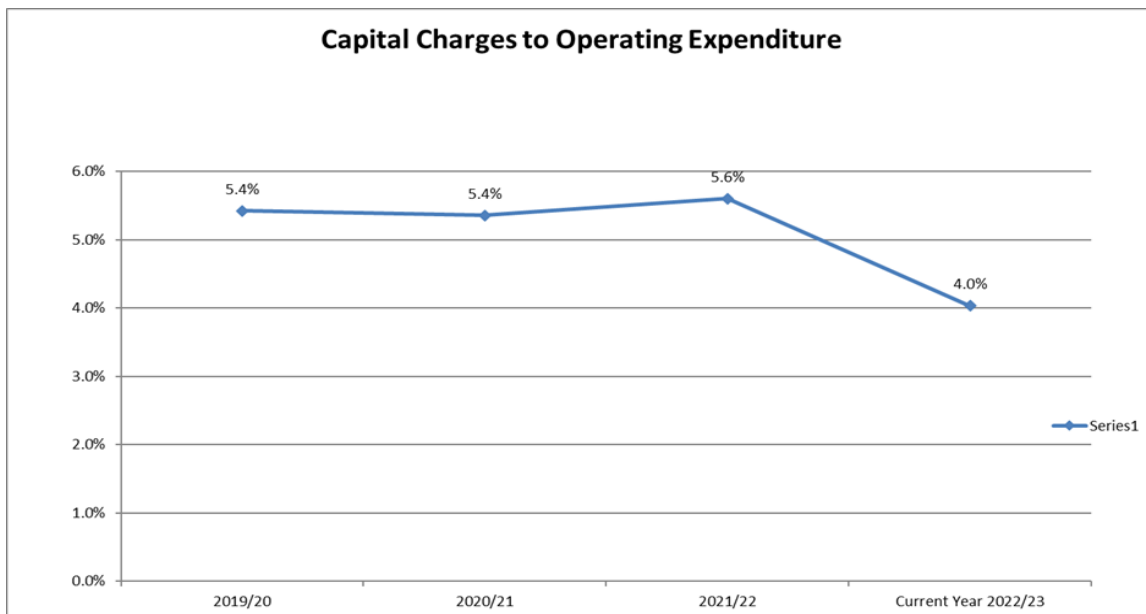
Creditors System Efficiency: The proportion of creditors paid within 30 days. This ratio is calculated by outstanding trade creditors divided by credit purchases.

The following graph indicates the Creditors System Efficiency financial ratio for 2022/23:



Capital charges to operating expenditure: Is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

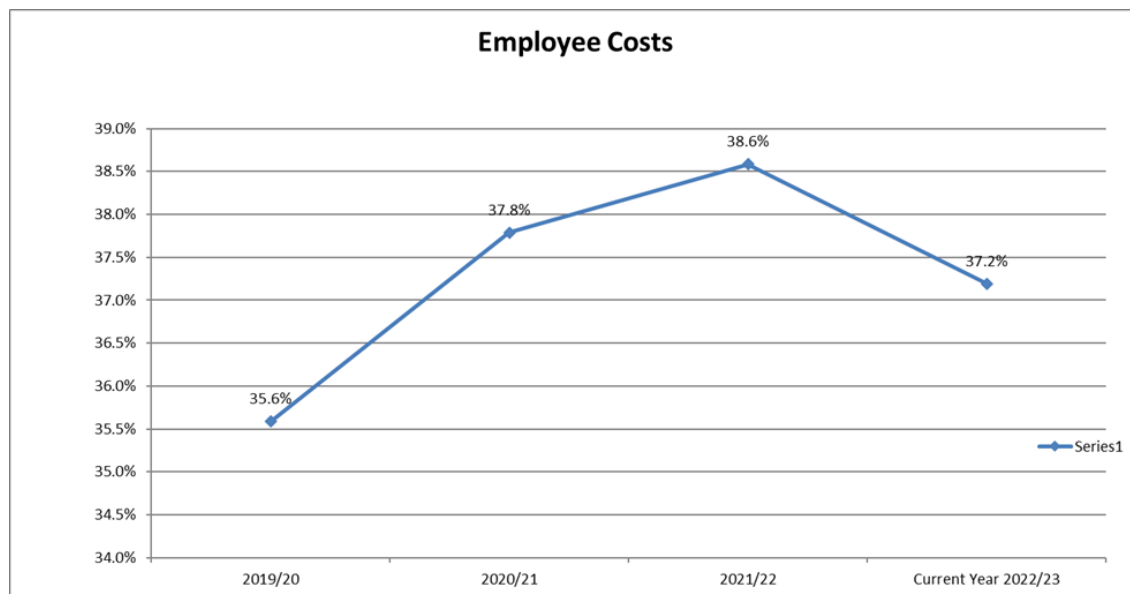
The following graph indicates the Capital Charges to Operating Expenditure financial ratio for 2022/23:



Capital charges to operating expenditure has decrease from 5,6% to 4.0%.

Employee Cost: Measures what portion of the revenue was spent on paying employee cost. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

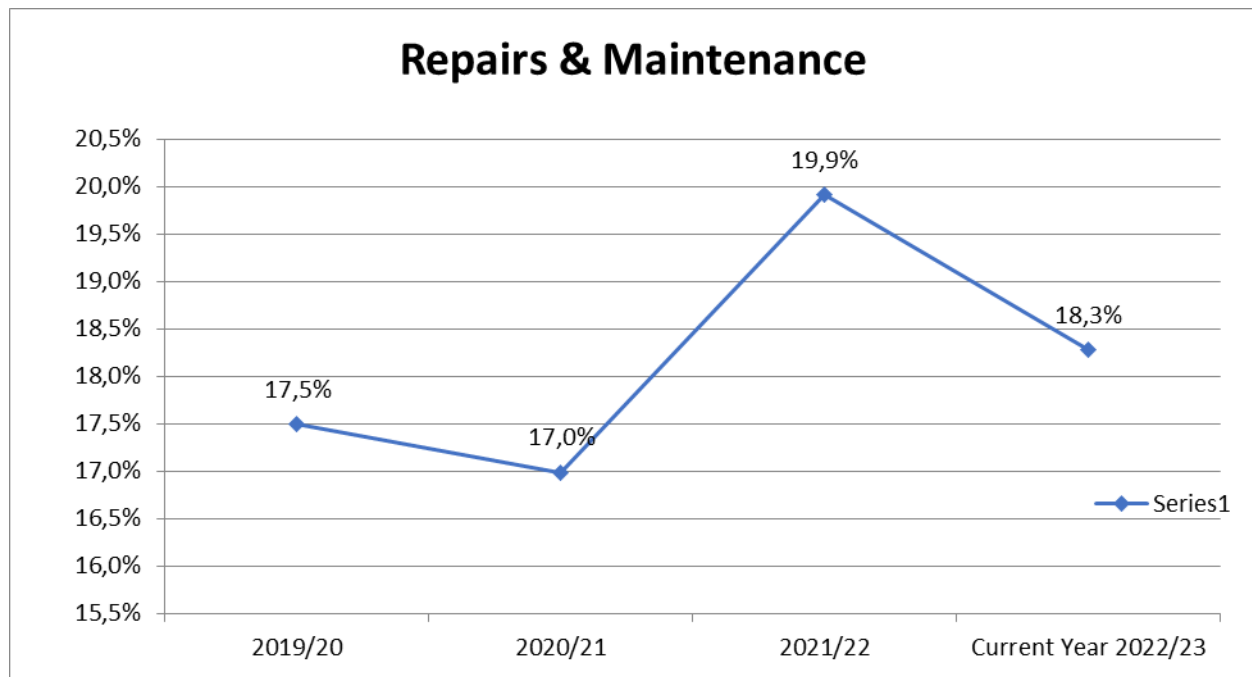
The following graph indicates the Employee Costs financial ratio for 2022/23:



Employee Cost has decrease from 38,6% to 37,2%. The National Treasury norm is between 25% and 40 %. Theewaterskloof municipality is below the norm.

Repairs and Maintenance: Measures what portion of the revenue was spent on paying for repairs and maintenance costs. It is calculated by dividing total repairs and maintenance cost by the difference between total revenue and capital revenue.

The following graph indicates the Repairs and Maintenance financial ratio for 2022/23:

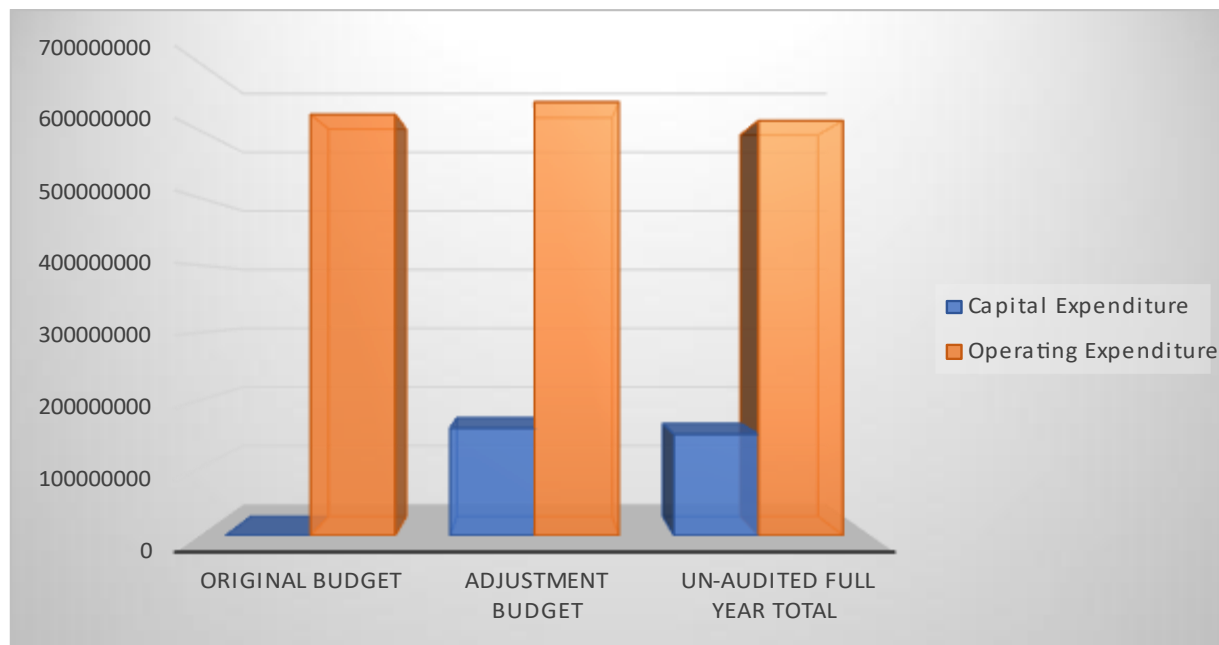


COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.8 INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. The municipality recently adopted its long-term financial plan. One of the main focuses of the plan was to identify future capital needs (demand) and the funding sources thereof (affordability). As indicated by the table below the municipality has shown tremendous growth in its capital expenditure and percentage of capital budget spent.

In 2022-2023 Theewaterskloof municipality approved a capital budget of R 158 778m which was decreased to R 149 742m. The Total Capital Expenditure for the year ended 30 June 2023 amounts to R 149 318 million.



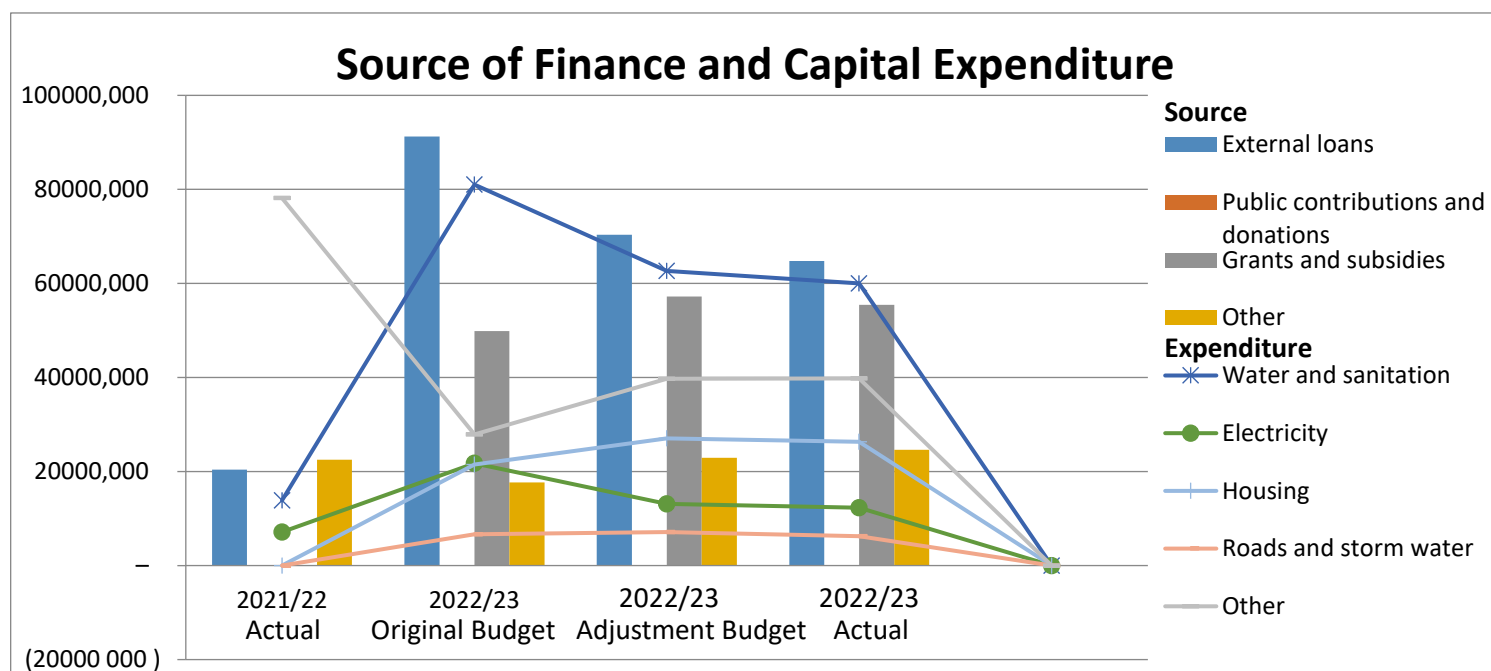
R million	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	158,778	149,742	149,318	6,0%	0,3%
Operating Expenditure	622 978	641 239	613 685	1,5%	4,3%
Total expenditure	781 756	790 981	763 003	2,4%	3,5%
Water and sanitation	108 285	116 780	175 495	-62,1%	-50,3%
Electricity	113 986	113 062	110 462	3,1%	2,3%
Housing	0	0	0		
Roads, Pavements, Bridges and storm water	0	0	0		
Other	400 707	411 397	327 728	18,2%	20,3%
	622 978	641 239	613 685	1,5%	4,3%
External Loans	91 234	70 380	64 750	29,0%	8,0%
Internal contributions	0	0	0		
Grants and subsidies	49 882	54 944	53 243	-6,7%	3,1%
Other	17 662	24 418	31 325	-77,4%	-28,3%
	158 778	149 742	149 318	6,0%	0,3%
Investments Redeemed					
Statutory Receipts (including VAT)					
Other Receipts					
	0	0	0		
Salaries, wages and allowances	268 016	252 353	250 599	6,5%	0,7%
Cash and creditor payments	180 830	174 016	167 477	7,4%	3,8%

Capital payments	16 399	14 683	1 766	89,2%	88,0%
Investments made					
External loans repaid					
Statutory Payments (including VAT)	102 736	135 905	134 964	-31,4%	0,7%
Other payments	54 998	64 282	58 879	-7,1%	8,4%
	622 978	641 239	613 685	1,5%	4,3%
				Original Budget variance	Adjusted Budget Variance
Property rates	124 584	126 035	127 715	-2,5%	-1,3%
Service charges	277 189	272 094	267 671	3,4%	1,6%
Other own revenue	67 746	68 471	79 191	-16,9%	-15,7%
Grants & subsidies	142 866	143 697	128 202	10,3%	10,8%
Employee related costs	268 016	252 353	250 599	6,5%	0,7%
Provision for working capital				0,0%	0,0%
Repairs and maintenance	126 780	124 342	65 706	48,2%	47,2%
Bulk purchases	87 217	86 357	86 239	1,1%	0,1%
Other expenditure	228 182	178 187	211 141	7,5%	-18,5%
Service charges: Electricity	119 225	117 226	114 625	3,9%	2,2%
Grants & subsidies: Electricity	136 590	135 219	125 039	8,5%	7,5%
Other revenue: Electricity					
Employee related costs: Electricity	10 539	9 584	9 197	12,7%	4,0%
Provision for working capital: Electricity					
Repairs and maintenance: Electricity					
Bulk purchases: Electricity	87 212	86 352	86 239	1,1%	0,1%
Other expenditure: Electricity	113 920	105 968	106 065	6,9%	-0,1%
Service charges: Water	80 576	79 183	78 378	2,7%	1,0%
Grants & subsidies: Water	141 060	142 424	141 538	-0,3%	0,6%
Other revenue: Water					
Employee related costs: Water	10 339	9 899	9 806	5,2%	0,9%
Provision for working capital: Water					
Repairs and maintenance: Water	29 917	46 447	115 347	-285,6%	-148,3%
Bulk purchases: Water	14 835	14 835	29 670	-100,0%	-100,0%
Other expenditure: Water	26 321	31 745	41 537	-57,8%	-30,8%

5.8.1 CAPITAL EXPENDITURE AND SOURCES OF FINANCE

Capital Expenditure - Funding Sources Year 2021 to 2023							
R' 000							
Details		2021 /22	2022/23				
		Actual	Original Budget (OB)	Adjust ment Budget	Actual	Adjust ment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	20,378	91,234	70,380	64,750	-22,86%	-29,03%
	Public contributions and donations	0	0	0	0	0,00%	0,00%
	Grants and subsidies		49,882	57,238	55,441	14,75%	11,15%
	Other	22,501	17,662	22,937	24,608	29,87%	39,33%
Total		99,142	158,778	150,555	144,799	-5,18%	21,45%
Percentage of finance							
	External loans	20,6%	57,5%	46,7%	44,7%	441,4%	-135,4%
	Public contributions and donations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
	Grants and subsidies	0,0%	0,0%	0,0%	0,0%	-284,8%	52,0%
	Other	22,7%	11,1%	15,2%	17,0%	-576,7%	183,4%
Capital expenditure							
	Water and sanitation	13,880	81,018	62,687	60,024	-22,63%	-25,91%
	Electricity	7,111	21,734	13,134	12,332	-39,57%	-43,26%
	Housing	-	21,500	27,045	26,343	0,00%	0,00%
	Roads and storm water	-	6,658	7,125	6,275	0,00%	0,00%
	Other	78,151	27,868	39,751	39,824	42,64%	42,90%
Total		99,142	158,778	149,742	144,799	-19,56%	-26,27%

Percentage of expenditure							
	Water and sanitation	14,0 %	51,0 %	41,9%	41,5%	115,7%	98,6%
	Electricity	7,2%	13,7 %	8,8%	8,5%	202,3%	164,7 %
	Housing	0,0%	13,5 %	18,1%	18,2%	0,0%	0,0%
	Roads and storm water	0,0%	4,2%	4,8%	4,3%	0,0%	0,0%
	Other	78,8 %	17,6 %	26,5%	27,5%	-218,0%	- 163,3 %
T5.8.1							



5.9 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current Year: 2022/23			Variance Current Year: 2022/23	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Upgrade wastewater treatment plant ph 4	12 585	12 585	12 546		
Upgrading wastewater treatment plant	9 930	9 930	9 030		
Machinery and Equipment (New)		10 200	8 697		
High mast lighting	8 613	7 619	7 619		

Bulk water upgrading Grabouw	9 341	6 976	6 951		
* Projects with the highest capital expenditure in Year 2022/23					
Name of Project - A	Upgrade wastewater treatment plant ph 4				
Objective of Project	Providing low-cost housing for communities				
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - B	Upgrading wastewater treatment plant				
Objective of Project	Upgrading of sewers that convey the wastewater from collectors to the purification works.				
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - C	Machinery and Equipment (New)				
Objective of Project	Upgrading processing site for the temporary deposition of waste.				
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - D	High mast lighting				
Objective of Project	Upgrading processing site for the temporary deposition of waste.				
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - E	Bulk water upgrading Grabouw				
Objective of Project	Upgrading service delivery purposes				
Delays					
Future Challenges					
Anticipated citizen benefits					
	T5.9				

5.10 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

5.10.1 INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The municipality is currently experiencing a rise in people living together as one family unit, due to the unavailability of affordable housing for many families. There has been a drastic increase in backyard dwellers, mainly due to the influx of people from other provinces creating a social and

economic problem. Children live in the backyard of their parents placing additional pressure on available resources.

Infrastructure is over utilized and cannot carry the higher demand with the increasing numbers. Pipes and other infrastructure tend to break more easily. The need for suitable housing and the eradication of backlogs in proper housing facilities is of great importance. Our Municipality is in the process of facilitating various housing projects to supply proper housing facilities. The Indigent Policy was reviewed and adjusted allowing backyard dwellers to apply for the subsidy, in order to receive the 70Kwh electricity units and 6kl of water free of charge. This will aid the poor communities making housing and basic services more affordable.

Municipal Infrastructure Grant (MIG)* Expenditure 2022/23 on Service backlogs						
						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Infrastructure - Road transport						
<i>Grabouw Upgrade of roads, stormwater at Rooidakke (Phase 2)</i>	-	2 600	2 103	100%	-24%	
<i>Upgrading Renkewitz / Kloof / Kuhnel / Wildscut / Koornlands</i>	1 761	-	0	0%	0%	
<i>Upgrading Koornlandskloof street</i>	-	1 761	1,761	100%	0%	
<i>Upgrading Park/Bluebell/Pine Street</i>	633	-	-	0%	0%	
<i>Upgrading Bluebell Street</i>	-	633	633	100%	0%	
Infrastructure - Electricity						
<i>Highmast lighting</i>	8 613	7 619	7,619	-13%	0%	
Infrastructure - Water						
<i>Upgrading of Tesselaarsdal water network</i>	0	1 930	1 929	100%	0%	
<i>Grabouw Bulk Water (Water Distribution)</i>	0	2 598	2,598	100%	0%	
<i>Upgrading of water purification plant</i>	8 155	1 845	1 845	-342%	0%	
<i>Upgrading of Botrivier water purification plant</i>	0	3 733	3 733	100%	0%	

Infrastructure - Sanitation						
<i>Upgrading wastewater treatment plant</i>	3 404	2 633	2 633	0%	0%	
<i>Grabouw sport ground upgrading</i>	500	500	441	-13%	-13%	
Infrastructure - Other						
Waste Management						
Transportation						
Gas						
Other Specify:						
<i>Chavonnes street extension - Cemetery</i>	2 263	0	-	0%	0%	
<i>PMU</i>	600	0	-	0%	0%	
Total	25 929	25 850	25,294	-3%	-2%	
<i>* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						T5.10.1

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow management is critical to the municipality as it enables the organisation to assess whether enough cash is available at any point in time to cover the council's commitments. Cash flow is rigorously managed and monitored daily.

5.11 CASH FLOW

Cash Flow Outcomes				
R'000				
Description	2021/22	Current Year: 2022/23		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates, penalties & collection charges	117 845	121 615	128 722	130 393
Service charges	232 458	255 509	233 011	228 345
Other revenue	31 869	31 182	33 910	16 807
Government Grants	177 298	195 903	267 417	198 019
Interest	9 226	29 950	12 065	10 653
Suppliers and employees	(475 642)	(537 052)	(534 212)	(586 937)
Finance charges	(11 218)	(15 621)	(10 782)	(14 073)
Transfers and Grants	(4 717)	(8 735)	(22 007)	(8 427)

NET CASH FROM/(USED) OPERATING ACTIVITIES	71 977	72 751	108 124	(25 220)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	1 240	-	2 502	1 072
Decrease/(Increase) in Other Non-Current Investments		(624)	(1 027)	-
Payments				
Capital assets	(98 208)	(158 778)	(149 742)	(142 504)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(144 997)	(159 402)	(148 267)	(141 433)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Borrowing long term/refinancing	34 863	91 234	70 380	103 715
Increase/(Decrease) in Consumer Deposits		254	298	518
Payments				
Repayment of borrowing	(13 121)	(18 805)	(17 600)	(17 646)
NET CASH FROM/(USED) FINANCING ACTIVITIES	47 217	72 683	53 078	86 587
NET INCREASE/ (DECREASE) IN CASH HELD	(4 117)	(13 968)	12 935	(80 066)
Cash/cash equivalents at the year begin:	164 090	159 277	165 982	165 982
Cash/cash equivalents at the yearend:	165 982	145 309	178 918	85 916
Source: MBRR SA7				T5.11

5.12 BORROWING AND INVESTMENTS

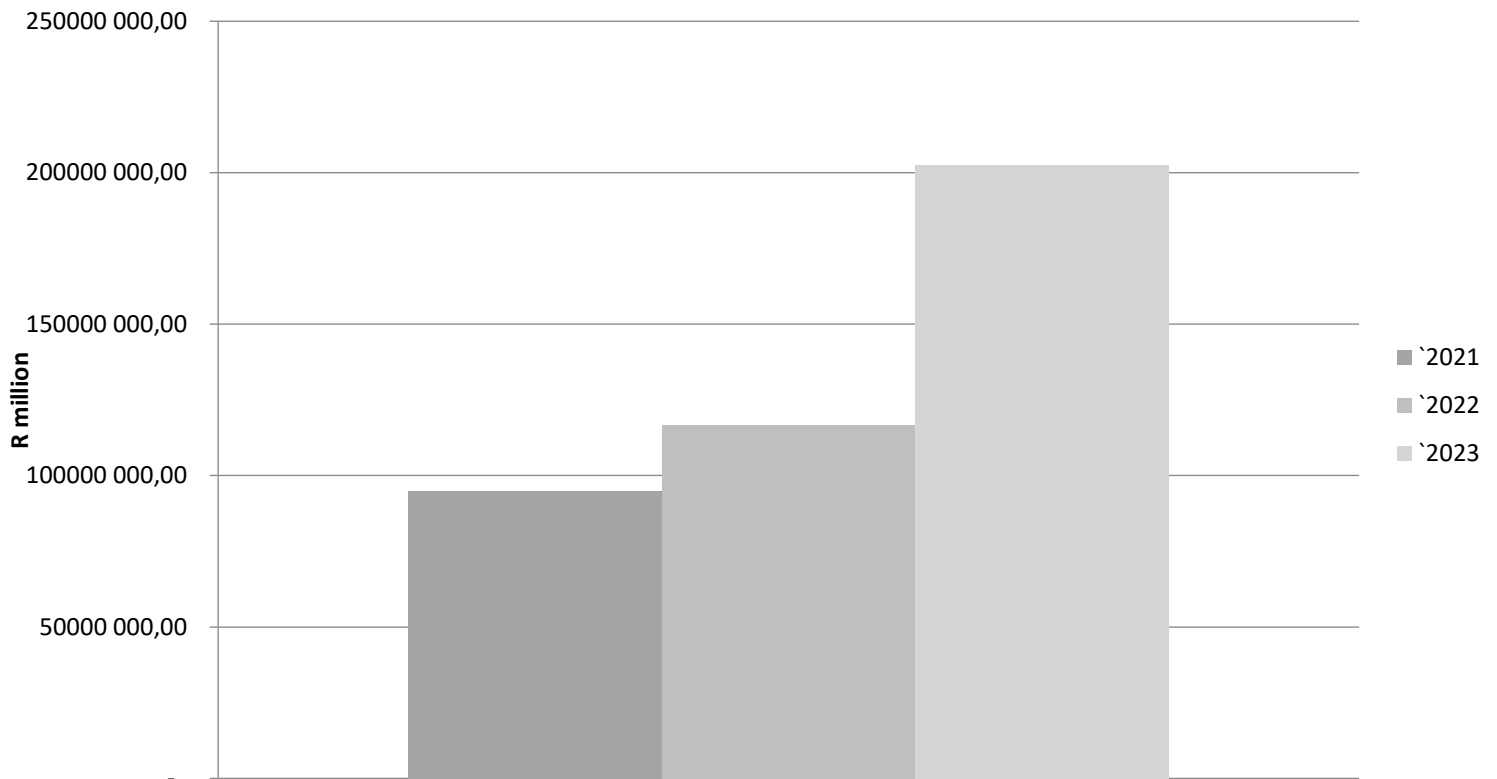
Any growing urban area requires substantial investments in infrastructure, and there are very few municipalities who receive enough in capital grants from national governments to finance all their requirements. This shortfall requires that municipalities look for alternative funding sources, or face the prospect that infrastructure backlogs become insurmountable, with serious negative implications for the quality of life and the economic growth of the urban area.

One of these funding sources is to take up loans. Although taking up loans are an acceptable alternative financing source, particularly for huge infrastructure projects, the cost of credit must be considered, and one must strike a balance between community needs and affordability. It should always be remembered that the decision on loans today could pose major affordability risks for future generations.

Borrowings increased from R 116,586 m in 2021/22 to R 202,655 in 2022/23.

Actual Borrowings 2021 to 2023			
			R' 000
Instrument	`2021	`2022	`2023
<u>Municipality</u>			
Long-Term Loans (annuity/reducing balance)	78 822	102 117	188 186
Long-Term Loans (Stock loans)	16 023	14 470	14 470
Local registered stock			
Instalment Credit			
Financial Leases	-	-	-
PPP liabilities			
Finance Granted by Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	94 844 483,00	116 586 408,00	202 655 539,00
<u>Municipal Entities</u>			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (Stock loans)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted by Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total			
			T5.12.1

Actual Borrowings



Municipal and Entity Investments			
R' 000			
Investment* type	`2020/21	`2021/22	`2022/23
	Actual	Actual	Actual
<u>Municipality</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	47,530	49,099	-
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			

Municipal Bonds			
Other			
Municipality sub-total			
<u>Municipal Entities</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	-	-	
Consolidated total:	47,530	49,099	-
			T5.12.2

5.13 PUBLIC PRIVATE PARTNERSHIPS

The municipality currently have no public private partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS

5.14 SUPPLY CHAIN MANAGEMENT

Competitive Bids in Excess of R200 000

Bid Committee Meetings the following table details the number of bid committee meetings held for the 2022/23 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
58	56	57

Total Awards Made

A total of 18 bids of an estimated value of R49 302 800.91 (excluding term tenders or tenders where rates are applicable) were awarded during 2022/23.

Awards made by the Bid Adjudication Committee

In terms of paragraph 5(2)(b) of Council's Supply Chain Management policy, only the Bid Adjudication Committee may award a bid between R200 000 and below R10 000 000. These

powers were subdelegated to the Bid Adjudication Committee as prescribed in terms of the Regulations. The Bid Adjudication Committee awarded 18 bids of an estimated value of R 49 302 800.91 (excluding term tenders or tenders where rates are applicable).

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

Bid Number	Title of bid	Directorate	Successful Bidder	Value of bidder awarded
ELEC 01/2022/23	Supply, Delivery and Installation of New High Mast Lighting in Grabouw, Theewaterskloof Municipal Area	Technical Services	MDL Engineering Company (Pty) Ltd.	R 8,182,769.13
ENG 01/2022/23	Rehabilitation Of Roads And Stormwater In Rooidakke, Grabouw - Phase 2	Technical Services	Matamela Enterprise cc	R 2,997,610.06
ENG 04/2022/23	Construction of The Riviersonderend Solid Waste Transfer Station and Material Recovery Facility - Phase 4	Technical Services	AmandlaGCF Construction cc	R 3,448,908.65
ENG 12/2022/23	Upgrading Of Botrivier Water Treatment Works Ph 1 A	Technical Services	Hidro- Tech Systems (Pty) Ltd.	R 5,223,641.67
ELEC 02/2022/23	Replace And Upgrade Medium Voltage (MV) And Low Voltage (LV) Electrical Network in Caledon St, Greyton	Technical Services	JT Maritz Electrical cc	R 4,974,000.00
ENG 03/2022/23	Eradication Of Septic Tanks at Botrivier: Phase 2	Technical Services	Lwazi Construction	R 2,657,858.61
ENG 05/2022/23	Upgrading Grabouw Bulk Water Services Phase 5,2: Bulk Water Raising Mains	Technical Services	Umzali Civils (Pty) Ltd.	R 9,974,712.70
ENG 08/2022/23	Upgrading Of Roads and Stormwater In Genadendal	Technical Services	SR Civils Contractors (Pty) Ltd.	R 1,859,368.88
ENG 13/2022/23	Upgrading of Tesselaarsdal Water Network, Phase 1	Technical Services	Umzali Civils (Pty) Ltd.	R 5,530,101.44
ELEC 03/2022/23	Medium And Low Voltage Electrical Upgrading In Caledon, Villiersdorp, Riviersonderend and Greyton	Technical Services	JT Maritz Electrical cc	R 7 383 144.84

Awards made by the Accounting Officer

In terms of paragraph 5(2)(a) of Council's Supply Chain Management policy, only the Accounting Officer may award a bid which is in excess of R10 000 000. The power to make such an award may not be sub-delegated by the Accounting Officer.

The Municipal Manager awarded 2 bids of an estimated value of R 84 870 189.16 (excluding term tenders or tenders where rates are applicable).

Bid Number	Title of bid	Directorate	Successful Bidder	Value of bidder awarded
FIN 11/2022/23	Raising of Loans	Finance	Absa Bank Limited	74 202 778.00
COR 05/2022/23	Group Life Insurance Scheme For the Period From 01 July 2023 to 30 June 2026	Corporate	Verso Financial Services	10 667 411.16

Appeals Lodged by Aggrieved Bidders

No successful appeals were lodged against the municipality in a court of law in the 2022/23 financial year.

Deviation from normal Procurement Processes

Deviations amounting R 42 713 038.73 (including minor breaches) was approved by the Accounting Officer or delegated officials.

The following table provides a summary of deviations approved for 2022/23:

Type of deviation	Number of deviations	Value of deviation	Percentage of total deviations value
Emergency	32	R 8 861 437.33	20.75%
Sole Supplier	5	R 123 711.14	0.29%
Impractical or exceptional case	287	R 33 727 890.26	78.96%

Logistics Management

As at 30 June 2023, the value of stock at the municipal stores amounted to R 11 764 717,72. For the 2022/23 financial year a total of R35 220.75 were accounted for as surpluses, R 22 396.87 as deficits, R 19 727.77 as stock past the expiry date and R0.00 as damaged stock items.

5.15 GRAP COMPLIANCE

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (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.

CHAPTER 6 - AUDITOR GENERAL AUDIT FINDINGS

Report of the auditor-general to Western Cape Provincial Parliament and council on Theewaterskloof Municipality 2021/22 (Previous Year)

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

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Theewaterskloof Municipality set out on pages 04 to 98, 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 the 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.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Theewaterskloof 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 Division of Revenue Act 09 of 2021 (Dora).

Basis for opinion

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.

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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

As disclosed in note 49 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Material impairments

As disclosed in note 3 to the financial statements, the municipality provided for debt impairment of receivables from exchange transactions of R232,9 million (2020-21: R190,5 million).

As disclosed in note 4 to the financial statements, the municipality provided for debt impairment of receivables from non-exchange transactions of R75,7 million (2020-21: R59,1 million).

Material losses- water

As disclosed in note 54 to the financial statements, material water losses of 1 758 211 kilolitres (2020-21: 1 748 286 kilolitres) was incurred, which represents 33,88% (2020-21: 34,82%) of total water disinfected, purified and purchased.

Underspending of capital budget

As disclosed in note 52.2 to the financial statements, the municipality materially underspent the capital budget.

Other matters

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

Unaudited supplementary schedules

The supplementary information set out on pages 99 to 107 of the financial statements does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Unaudited disclosure notes

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

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

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

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.

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

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 the selected municipal key performance area presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

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.

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 municipal key performance area presented in the municipality's annual performance report for the year ended 30 June 2022:

Municipal key performance area	Pages in the annual performance report
Basic service delivery	9, 14 - 17, 20 - 26, 31 - 52

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.

I did not identify any material findings on the usefulness and reliability of the reported performance information for this municipal key performance area.

Other matter

I draw attention to the matter below.

Achievement of planned targets

Refer to the annual performance report on pages 9, 14 - 17, 20 - 26, 31 - 52 for information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

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.

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

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected municipal key performance areas presented in the annual performance report that have been specifically reported in this auditor's report.

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.

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 municipal key performance area presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

I have nothing to report in this regard.

Internal control deficiencies

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.

Cape Town

30 November 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

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 the selected municipal key performance area and on the municipality’s compliance with respect to the selected subject matters.

Financial statements

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

identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control

obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control

evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made 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 Theewaterskloof municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease operating as a going concern

evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate 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.

Report of the auditor-general to Western Cape Provincial Parliament and council on Theewaterskloof Municipality 2022/23

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

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Theewaterskloof Municipality set out on pages 4 to 96, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Theewaterskloof Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Material impairments

7. As disclosed in note 3 to the financial statements, the municipality provided for impairment of receivables from exchange transactions amounting to R215,1 million (2021-22: R232,9 million).

8. As disclosed in note 4 to the financial statements, the municipality provided for impairment of receivables from non-exchange transactions amounting to R85,2 million (2021-22: R75,7 million).

Irregular expenditure

9. As disclosed in note 53.3 to the financial statements, irregular expenditure of R196,9 million was incurred, as proper tender processes were not followed.

Unauthorised expenditure

10. As disclosed in note 53.1 to the financial statements, unauthorised expenditure of R104,3 million were incurred for the current financial year.

Other matters

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

Unaudited supplementary schedules

12. The supplementary information set out on pages 97 to 105 of the financial statements does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Unaudited disclosure notes

13. 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 thereon.

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
15. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

16. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

18. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected municipal key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
19. I selected the following municipal key performance area presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a municipal key performance area that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Municipal key performance area	Page numbers	Purpose
Basic service delivery	7, 12, 13, 14 and 16-38	To maintain and improve basic service delivery and social amenities for the community

20. I evaluated the reported performance information for the selected municipal key performance area against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
21. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

- the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets and measures taken to improve performance.
22. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
23. I did not identify any material findings on the reported performance information for the municipal key performance area, basic service delivery.
- Basic service delivery.

Other matters

24. I draw attention to the matter below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

Report on compliance with legislation
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26. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
28. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

30. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

31. Material misstatements of payables, property, plant and equipment, capital commitments and repairs and maintenance identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

32. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM Regulation 17(1)(a) and (c).
33. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM Regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1).

Expenditure management

34. Reasonable steps were not taken to prevent irregular expenditure amounting to R196,9 as disclosed in note 53.3 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with SCM Regulation 17(1)(a) and 19(a).

Other information in the annual report

35. The accounting officer is responsible for the other information included in the annual report, which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected municipal key performance area presented in the annual performance report that have been specifically reported on in this auditor's report.
36. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
37. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected municipal key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
38. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
39. I have nothing to report in this regard.

Internal control deficiencies

40. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

41. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
42. Managements review processes during the preparation of the financial statements were not adequate to prevent misstatements in the financial statements.
43. Management review and monitoring processes of compliance with applicable laws and regulations relating to expenditure management and procurement and contract management were not adequate and resulted in non-compliance with the Municipal Supply Chain Management Regulations and the MFMA.

Auditor General

Cape Town

30 November 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected municipal key performance area and on the municipality's compliance with selected requirements in key legislation.

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 126(1)(a), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2005	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a) Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b), 22(2), 27(2)(a) Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b) Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c) Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43 Regulations 44, 46(2)(e), 46(2)(f)

Legislation	Sections or regulations
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b) Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a) Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8) Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2) Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES

Comment on MFMA Section 71 Responsibilities

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National and Provincial Treasury at specified intervals throughout the year.

All reports for the financial year were submitted.

Signed (Chief Financial Officer)Dated.....

GLOSSARY AND ABBREVIATIONS

GLOSSARY	
Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	• Service delivery & infrastructure
	• Economic development
	• Municipal transformation and institutional development
	• Financial viability and management
	• Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution’s strategic goals and objectives set out in its plans. Outcomes are “what we wish to achieve”.
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as “what we produce or deliver”. An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.

Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>
ABBREVIATIONS	
AC	Asbestos cement
AFS	Annual Financial Statements
AG	Auditor General
AMP	Asset Management Policy
AMU	Asset Management Unit
ANC	African National Congress
ANDR	Automatic Number Plate Recognition
APR	Annual Performance Report
AR	Annual Report
ATM	Automated teller machine
BAC	Bid Adjudication Committee
BEE	Black Economic Empowerment
BOCMA	Breede Gouritz Catchment Management Agency
CBD	Central Business District
CCTV	Closed-circuit television
CD	Community Development
CDA	Central Drug Authority
CDW	Community Development Workers
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
COD	Chemical oxygen demand

COGTA	Cooperative Governance and Traditional Affairs
CRO	Chief Risk Officer
CS	Community Survey
CSD	Central Supplier Database
DA	Democratic Alliance
DALRRD	Department of Agricultural, Land Reform and Rural Development
DBE	Department of Basic Education
DBSA	Development Bank of South Africa
DCAS	Department of Cultural Affairs and Sport
DEADP	Department of Environmental Affairs and Development Planning
DEM	Disability Empowerment Model
DFFE	Department of Forestry, Fisheries and Environment Affairs
DLG	Department of Local Government
DM	District Municipality
DOH	Department of Health
DoHS	Department of Human Settlements
DoRA	Division of Revenue Act
DOTP	Department of the Premier
DPWI	Department of Public Works and Infrastructure
Drftmcc	District Road Traffic Management Coordinating Committee
DSD	Department of Social Development
DSD	Department of Social Development
DUI	Driving under the influence
DWA	Department of Water Affairs
DWBSA	Designers without Borders South Africa
DWS	Department of Water and Sanitation
ECC	Elgin Community College
ECD	Early Childhood Development
ECDAN	Early Childhood Development Action Network
EFF	Economic Freedom Fighters
EHP	Environmental Health Practitioner
EIA	Environmental Impact Assessment
EMS	Emergency Medical Services
EPWP	Expanded Public Works Programme
ESD	Enterprise and Supplier Development
FARMCO	Fraud and Risk Management Committee
FF+	Freedom Front Plus
FMG	Financial Management Grant
FMSG	Financial Management Support Grant
FY	Financial year
GBV	Gender Based Violence
GIS	Geographic Information System
HAN	Hogeschool van Arnhem en Nijmegen
HIV	Human Immunodeficiency virus

HR	Human Resources
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IGR	Intergovernmental relations
IMATU	Independent Municipal & Allied Trade Union
INEP	Integrated National Electrification Programme
IR	Industrial relations
JDMA	Joint District and Metro Approach
JOC	Joint operational centre
KPA	Key Performance Area
KPI	Key Performance Indicator
LAN	Local Area Network
LDAC	Local Drug Action Committee
LDVs	Light duty vehicle
LED	Local Economic Development
LETCOM	Law Enforcement and Transport Committee
LGICT	Local Government ICT
LGSETA	Local Government Sector Education & Training Authority
LM	Local Municipality
LV	Low Voltage
MBRR	Municipal Budget and Reporting Regulations
MBTs	Minibus Taxis
MCCR	Municipal Cost Containment Regulations
MDR	Municipal Drought Relief
MERO	Municipal Economic Review Outlook
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agency
MOD	Mass participation; Opportunity and access; Development and growth
MPAC	Municipal Public Accounts Committee
MRF	Material Recovery Facility
MSA	Municipal Systems Act
mSCOA	Municipal Standard Chart of Accounts
MTEF	Medium-Term Expenditure Framework
MV	Medium Voltage
NATJOINTS	National Joint Operational and Intelligence Structure
NDPW	National Department of Public Works
NEET	Not Employment Education and Training
NEMA	National Environmental Management Act
NERSA	National Energy Regulator of South Africa
NGO	Non-Governmental Organisation
NHBRC	National Housing Board Registration Council

NID	National Institute for the Deaf
NLC	National Lotteries Commission
NMT	Non-motorised Transport
NPO	Non-profit Organisation
NQF	National Qualifications Framework
NRTCC	National Road Traffic Management Coordinating Committee
NRW	Non-Revenue Water
NYDA	National Youth Development Agency
OD	Overberg District
ODM	Overberg District Municipality
OED	Overberg Education Department
OHS	Occupational Health and Safety
OICT	Overberg ICT
OPEX	Operating expense
OPEX	Operating expenses
OWB	Overberg Water Board
PA	Patriotic Alliance
PAC	Performance and Audit Committee
PAC	Project Approval Committee
PCF	Premier's Coordinating Forum
PFR	Project Feasibility Study
PLETCOM	Provincial Law Enforcement and Transport Committee
PMS	Pavement Management System
PROVJOINTS	Provincial Joint Operational and Intelligence Structure
PRTMCC	Provincial road traffic management coordinating committee
PRV	Pressure relief valve
PWD	People with Disabilities
RDP	Reconstruction and Development Programme
RFP	Request for proposals

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	Ward Represented/ Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
D Appel	FT	Council Meeting	PR	100%	0%
KIJ Papier	FT	Executive Mayoral Committee	PR	100%	0%
JR Michels	FT	Economic Development Committee and Executive Mayoral Committee	PR	100%	0%
RM Nongxaza	FT	Human Settlements and Planning Committee, Community Services Committee and Executive Mayoral Committee	PR	100%	0%
TP Lesesa	FT	Community Services Committee; Corporate Services Committee; Executive Mayoral Committee	PR	100%	0%
ML Mathews	FT	Corporate Services Committee, Economic Development Committee, Human Settlements Committee and Executive Mayoral Committee	PR	100%	0%
RL Mienies	FT	Financial Services Committee; Community Services Committee; Executive Mayoral Committee	Ward Represented	100%	0%
H Syster	FT	Technical and Infrastructure Implementation Services Committee; Human Settlements and Planning Committee; Executive Mayoral Committee	PR	95%	5%

UN Mabulu	PT	Financial Services Committee	PR	95%	5%
S Fredericks	PT	Human Settlements and Planning Committee, Economic Development Committee	Ward Represented	100%	0%
PJ Stander	PT	Technical and Infrastructure Implementation Services Committee; Human Settlements and Planning Committee	Ward Represented	100%	0%
CT Cloete	PT	Financial Services Committee; Economic Development Committee	Ward Represented	100%	0%
CA Benjamin	PT	Financial Services Committee; Community Services Committee	Ward Represented	100%	0%
YM van Tonder	PT	Community Services Committee	Ward Represented	100%	0%
M Botes	PT	Corporate Services; Financial Services	Ward Represented	100%	0%
M Plato-Mentoor	PT	Human Settlements and Planning Committee	Ward Represented	100%	0%
M Mpambani	PT	Financial Services Committee	Ward Represented	100%	0%
D Jooste	PT	Technical and Infrastructure Implementation Services Committee	Ward Represented	100%	0%
C Smith	PT	Corporate Services Committee	Ward Represented	100%	0%
DA Jacobs	PT	Community Services Committee	Ward Represented	100%	0%
MS Shale	PT	Corporate Services Committee	Ward Represented	100%	0%

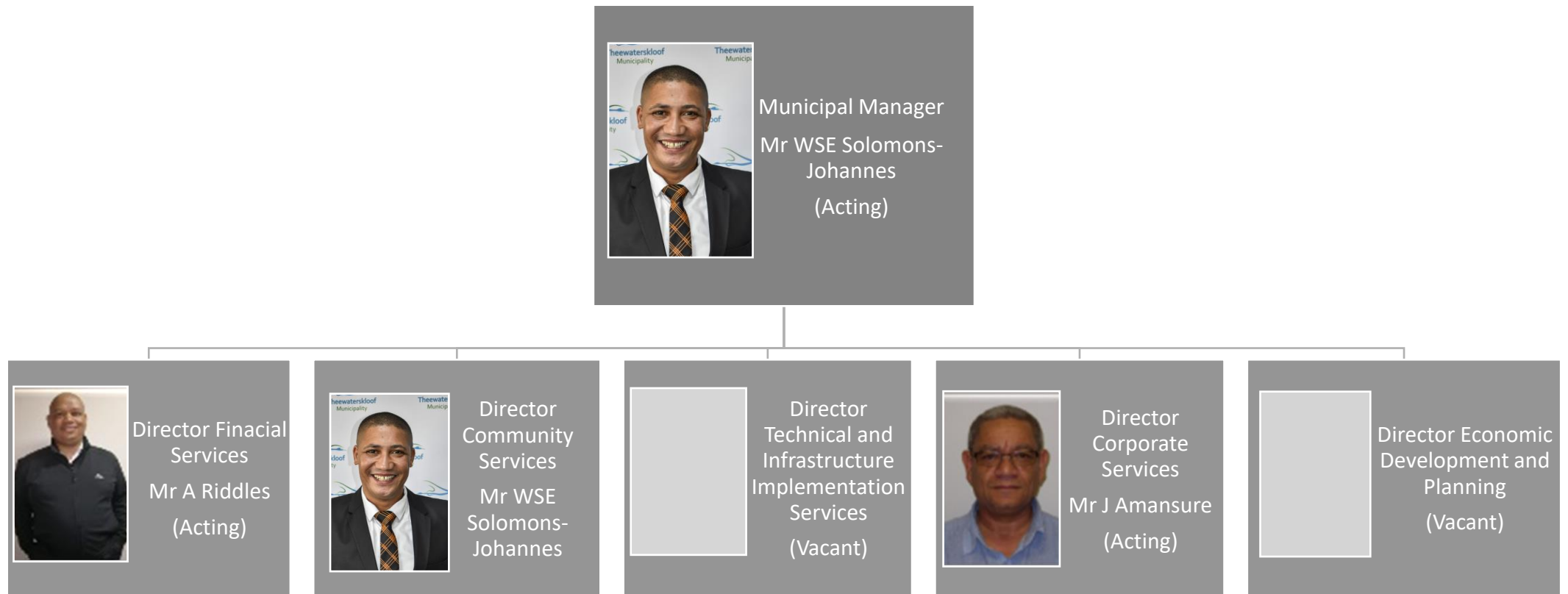
MA Nomkoko	PT	Technical and Infrastructure Implementation Services Committee	Ward Represented	100%	0%
J Mckenzie	PT	Financial Services Committee; Community Services Committee	PR	100%	0%
BB Mkhwibiso	PT	Technical and Infrastructure Implementation Services Committee; Human Settlements and Planning Committee; Economic Development Committee	PR	100%	0%
TB Zimmermann	PT	Economic Development Committee	PR	100%	0%
T Mangcayi	PT	MPAC Chair; Corporate Services Committee	PR	80%	20%
M Gana	PT	Technical and Infrastructure Implementation Services	PR	90%	10%

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Performance and Audit Committee	The Performance and Audit Committee is an assurance provider to Council that evaluates the effective, efficient and transparent systems of financial and risk management and internal control that are maintained by the Council, which contribute to the efficient and effective utilisation of resources, safeguarding of assets and the accomplishments of established goals for operations or programs.
Oversight Committee	Undertake a review and analysis of the annual report; invite, receive and consider inputs from Councillors and Portfolio committees on the Annual Report; Consider written comments received on the Annual Report from the public consultation process, Conduct public hearings to allow the local community or any organs of state to make representations on the Annual report; Receive and consider Councils' Performance and Audit Committee views and comments on the annual financial statements and the performance report; preparation of the draft Oversight report; taking into considerations the views and inputs of the public, representatives of the Auditor-General, Organ of State, Council's Performance and Audit Committee and Councillors .
Risk Management Committee	The Risk Management committee is responsible for assisting the Accounting Officer in addressing his oversight requirements of risk management and evaluating and monitoring the institution's performance with regards to risk management. The Risk Management committee is appointed by the Accounting officer and its role is to formulate, promote and review the institution's ERM objectives, strategy and policy to monitor the process at strategic, management and operational levels.
Combined Management, Speaker and Executive Mayoral Committee	To share information, to obtain input from Politicians and determine policy direction.
Management Committee	To deal with and consider various managerial aspects and items.
Portfolio Committees	As per legislation.

ICT Committee	The purpose of this is to establish an ICT Steering committee to govern and be accountable for the municipality's ICT environment and ensure that ICT conforms to legislation. The committee will advise in terms of an oversight role to Management/ Council on all matters relating to ICT and be responsible for: i) the investigating, considering and steering of high level/ impact ICT projects; ii) The prioritising of proposed high level projects; iii) The constant reviewing of approved projects; iv) Facilitating the achievement of optimal ICT management; v) Enhancing the understanding and satisfaction with the value of ICT investments; vi) Encouraging constituent ownership of ICT projects and endorsement of ICT policies; vii) Fusing the ICT and business strategies, goals and resources and achieving competitive advantage through ICT; viii). Encouraging collaborative work environment and fosters trust via mutual credibility and responsiveness; ix) The revision of the draft ICT budget and budget processes; x) Mediating conflicts in priorities and/ or departmental perspectives that may not be in the best interest of the Municipality.
Ward Committees	The Ward Committee is the official liaison mechanism on all municipal matters within the community. The ward committees assist in the drafting of the Ward IDPs and Budget. They review the community input and participate in the Town Advisory Forum. The ward committee is also responsible for reviewing and approving the Service Level Agreements. They make recommendations to Council reports. They should report back to their constituencies on issues discussed at the ward committee meetings.
Town Advisory Committees	The Town Advisory Forum meets when the ward committee's input is needed for a town as a whole. The role and function of the TAF is to advise and make recommendations to Council on behalf of the community within their respective wards on matters pertaining the IDP, Budget, Service delivery and developmental projects within the town. The TAF is the official body which the Municipality will liaise with regarding the matters affecting the entire town

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE AS AT 30 JUNE 2023



APPENDIX D – FUNCTIONS OF MUNICIPALITY

MUNICIPAL FUNCTIONS	Function Applicable to Theewaterskloof (Yes / No) *
<u>Constitution Schedule 4, Part B functions:</u>	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	No (Service provided by Overberg District Municipality)
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	Yes
<u>Constitution Schedule 5, Part B functions:</u>	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	Yes

Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
One (1)	COUNCILLOR PJ STANDER	Yes	8	0	5
	D Palmer				
	M Dyantyi				
	D Visser				
	K Tiemie				
	E Miles				
	S September				
	F Roux				
	D Leonard				
	J Klaasens				
	C Botha				
Two (2)	COUNCILLOR C CLOETE	Yes	8	0	4
	M Stallenberg				
	P Majiedt				
	M Hector				
	M Rouillard				
	V Jansen				
	J Matthews				
	I Steenkamp				
	G Juries				
	Greyton Council Vacant				
	Sport Vacant				
Three (3)	COUNCILLOR CA BENJAMIN	Yes	5	0	6
	Z Bistoli				
	W Gamiet				
	S Gamadala				
	M Booysen				

	T Bippert				
	M Sauls				
	L King				
	Tesselaarsdal Vacancy				
	R Nissen				
Four (4)	COUNCILLOR Y VAN TONDER	Yes	6	0	4
	E Jacobs				
	T Bippert				
	M Rousseau				
	L Kimber				
	G Rhode				
	M Oliver				
	R Lane				
	S Wildschut				
	L King				
	M Buys				
Five (5)	COUNCILLOR M BOTES	Yes	5	0	4
	M De Lange				
	K Cuthbert				
	G Skog				
	C Nel				
	M Jacquemin				
	J Lintaar				
	R Jansen				
	Vision Hope Vacant				
	T Xantibe				
	S Minnaar				
Six (6)	COUNCILLOR RL MIENIES	Yes	5	0	5
	H Blignaut				
	J Nicholls				
	N Moldiba				
	A Venter				
	N Mlata				
	M de Lange				
	R Filander				
	M Letele				
	D Thomas				
	F Ntantiso				

Seven (7)	ALDERMAN M PLATO- MENTOOR	Yes	5	0	3
	Johannes Syms				
	Rachardo Hanse				
	Lukhano Buyephi				
	Lebanon Vacancy				
	Alexander Mondry				
	Jan Visagie				
	Ian Andries				
	Melanie Barry				
	J Oliver				
	F Weeden				
Eight (8)	COUNCILLOR M MPAMBANI	Yes	4	0	3
	B Makhaza				
	Z Mketi- Mentile				
	P Likotsi				
	L Nobanda				
	R Swartz				
	V Tshazi				
	S Bam				
	U Ngonyama				
	N Van Rhodie				
	A Van Zyl				
Nine (9)	COUNCILLOR D JOOSTE	Yes	6	0	5
	G Skog				
	H Botha				
	H Blignaut				
	J Jooste				
	M De Lange				
	S Sykes				
	M Swarts				
	E Ambros				
	C Moses				
	M Linaar				
Ten (10)	COUNCILLOR C SMITH	Yes	3	0	1

	J Couter				
	D Van Zyl				
	E Afrika				
	Monteith 1 Vacancy				
	M Swart				
	J De Bruin				
	FC Oppelt				
	G Skog				
	G Diedericks				
	NE Makeleni- Msiliba				
Eleven (11)	COUNCILLOR DA JACOBS	Yes	4	0	2
	D Demas				
	S Ngalo				
	A Jonas				
	I Wyngaard				
	L Nqoloba				
	A Roro				
	E Adams				
	N Ntsholo				
	A Van Zyl				
	D Kortje				
Twelve (12)	COUNCILLOR MS SHALE	Yes	5	0	2
	L Madizeni				
	W Nomkhanya				
	S Nkqi				
	Y Nonduku				
	M Ncapayi				
	E Philander				
	N Van Rhodie				
	L De Bruyn- Davids				
	N Bebula				
Thirteen (13)	COUNCILLOR MA NOMKOKO	Yes	5	0	2
	T Frans				
	T Mxolisi				
	H Waterboer				
	N Nkconko				
	C Koopman				

	J Mintoor				
	B Van Schalkwyk				
	A Hoffman				
	A Inyinbor				
	T Tshungwana				
Fourteen (14)	COUNCILLOR S FREDERICKS	Yes	5	0	2
	R Kamineth				
	R Magerman				
	J Fischer				
	C Van Wyk				
	M Gelderhuys				
	L Petersen				
	A De Vos				
	I Wyngaard				
	R Swartz				
	A Van Zyl				
	G Witbooi				

APPENDIX F – WARD INFORMATION

Capital Projects: Seven Largest in 2022/23		
		R' 000
No.	Project Name and detail	Total Value
1	Upgrade wastewater treatment plant ph 4	12 546
2	Upgrading wastewater treatment plant	9 030
3	Machinery and Equipment (New)	8 697
4	Highmast lighting	7 619
5	Bulk water upgrading Grabouw	6 951
6	Smart Meters Replacement	6 854
7	Villiersdorp Berg en Dal: Installation of Civil Engineering (Water)	5 684
		T F

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2022/23

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2022/2023	Recommendations adopted (enter Yes) If not adopted (provide explanation)
30-Aug-22	It is recommended that the Performance and Audit Committee reviews the annual performance report for the 2021/2022 financial year.	Yes
30-Aug-22	It is recommended that the Performance and Audit Committee reviews the financial statements for the 2021/2022 financial year.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee takes note of the 2021/2022 SDBIP report for the Internal Audit Department as on 30 June 2022.	Yes
09-Sep-22	Financial report for the month ending 31 July 2022. It is recommended that the Performance and Audit Committee notes the attached financial report.	Yes
09-Sep-22	It is recommended that the report received from the ICT Manager, be noted.	Yes
09-Sep-22	Auditor General Report Follow-up. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee takes note of the 2022/2023 budget of the Internal Audit Department.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee takes cognisance of the 2021/2022 Annual Audit Opinion.	Yes
09-Sep-22	It is recommended that the Performance and Audit Committee considers the audit work completed for the fourth quarter of the 2021/2022 year and approves the planned activities for the second quarter of the 2022/2023 year (1 October 2022 – 31 December 2022)	Yes
09-Sep-22	ICT Security Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	Recovery of Revenue Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	Solid Waste 4 th Quarter 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	2021/2022 Year-End stock count report. It is recommended that the Performance and Audit Committee takes cognisance of the attached report.	Yes
09-Sep-22	Supply Chain Management Third Quarter 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Sep-22	Internal Audit Follow-up Reports. It is recommended that the Performance and Audit Committee notes the report.	Yes
25-Nov-22	Auditor General Report 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes

02-Dec-22	It is recommended that the Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
02-Dec-22	It is therefore recommended that the Performance and Audit Committee takes note of the report and the efforts being done to address water losses and the way forward to manage water losses.	Yes
02-Dec-22	First Quarter Top Layer SDBIP Report. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	It is recommended that the Performance and Audit Committee takes note of the 2022/2023 SDBIP report for the Internal Audit Department as on 31 October 2022.	Yes
02-Dec-22	Financial report for the month ending 31 October 2022. It is recommended that the Performance and Audit Committee notes the attached financial report.	Yes
02-Dec-22	It is recommended that the November 2022 report on the status of ICT in Theewaterskloof Municipality be noted.	Yes
02-Dec-22	It is recommended that the Performance and Audit Committee considers the audit work completed for the first quarter of the 2022/2023 year and approves the planned activities for the third quarter of the 2022/2023 year (1 January 2023 – 31 March 2023)	Yes
02-Dec-22	Performance Management Fourth Quarter 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	Performance Management First Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	Compliance to Acts 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	Risk Management Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
02-Dec-22	Internal Audit Follow-up Reports. It is recommended that the Performance and Audit Committee notes the report.	Yes
20-Jan-23	It is recommended that the Performance- and Audit Committee takes note of the 2021/22 Draft Annual Report.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
10-Mar-23	Report on Grabouw Rooidakke 1173 (TL10) – Performance- and Audit Committee. It is recommended that the Performance and Audit Committee takes note of the report as per its resolution dated 2 December 2022.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee takes note of the 2022/2023 SDBIP report for the Internal Audit Department as on 31 January 2023.	Yes
10-Mar-23	Second Quarter Top Layer SDBIP Report. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee takes cognisance of the content of the Minutes of the Fraud and Risk Management Committee Meeting of 01 December 2022.	Yes

10-Mar-23	It is recommended that the Performance and Audit Committee takes cognisance of the Risk Management Implementation Plan for the 2022/2023 Financial Year.	Yes
10-Mar-23	Financial report for the month ending 31 January 2023. It is recommended that the Performance and Audit Committee notes the attached financial report.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee considers and make recommendations on the 2023/2024 Draft Budget of the Internal Audit Department.	Yes
10-Mar-23	It is recommended that the report on the status of ICT in Theewaterskloof Municipality for the 2 nd Quarter of 2022/23 be noted.	Yes
10-Mar-23	It is recommended that the Performance and Audit Committee considers the audit work completed for the second quarter of the 2022/2023 year and approves the planned activities for the fourth quarter of the 2022/2023 year (1 April 2023 – 30 June 2023)	Yes
10-Mar-23	Performance Management Second Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	Supply Chain Management Fourth Quarter 2021/2022 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	Supply Chain Management First Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	Solid Waste 2 nd Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
10-Mar-23	Internal Audit Follow-up Reports. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
09-Jun-23	Third Quarter Top Layer SDBIP Report. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee takes note of the 2022/2023 SDBIP report for the Internal Audit Department as on 30 April 2023.	Yes
09-Jun-23	Financial report for the month ending 30 April 2023. It is recommended that the Performance and Audit Committee notes the attached financial report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee satisfy themselves of the competence of the individuals involved in the Finance function.	Yes
09-Jun-23	ICT Quarterly Report: January to March 2023. It is recommended that the report be noted.	Yes
09-Jun-23	Auditor General Report Follow-up. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee considers the audit work completed for the third quarter of the 2022/2023 year and approves the planned activities for the first quarter of the 2023/2024 year (1 July 2023 – 30 September 2023)	Yes

09-Jun-23	It is recommended that the Performance and Audit Committee takes cognisance of the draft revised Performance- and Audit Committee Charter.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee approves the Internal Audit Charter.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee approves the Internal Audit Methodology.	Yes
09-Jun-23	Performance and Audit Committee Evaluation. It is recommended that cognisance is taken of the report by the Performance and Audit Committee.	Yes
09-Jun-23	Internal Audit Evaluation. It is recommended that cognisance is taken of the report by the Performance and Audit Committee.	Yes
09-Jun-23	Compliance to Acts Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Supply Chain Management Second Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Performance Management Third Quarter 2022/2023 Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Maintenance on Proclaimed Roads Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Division of Revenue Act Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Wastewater and Water Use Licence Audit. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	Internal Audit Follow-up Reports. It is recommended that the Performance and Audit Committee notes the report.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee accepts and supports the Strategic Internal Audit Plan for 1 July 2023 – 30 June 2026.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee accepts and supports the Annual Internal Audit Plan for 2023/2024.	Yes
09-Jun-23	It is recommended that the Performance and Audit Committee takes cognisance of the attached meeting schedule.	Yes

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (13 Largest Contracts Entered into Year 2022/23)					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Terra Analytics (Pty) Ltd.	The Provision of Professional Services for the Execution and Maintenance of the General Valuation Roll for 2023/2024 – 2028/2029 and the Supplementary Roll from 2022/2023 - 2028/2029, in the Jurisdiction Area of the Theewaterskloof Municipality, in compliance with the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004 as amended)	01 July 2022	30 June 2029	M. De Beer	3 314 463,68
Standard Bank of SA Ltd.	Raising of Loans	28 September 2022	28 September 2027	P.Fortuin	8 864 962,00
Standard Bank of SA Ltd.	Raising of Loans	28 September 2022	28 September 2029	P.Fortuin	5 000 000,00
Standard Bank of SA Ltd.	Raising of Loans	28 September 2022	28 September 2032	P.Fortuin	12 634 012,00
Standard Bank of SA Ltd.	Raising of Loans	28 September 2022	28 September 2037	P.Fortuin	10 062 493,00
Neil Lyners and Associates (RF) (Pty) Ltd	Provision of Professional Services for the Upgrading of the Pineview Sports Fields in Grabouw-Stage 1-6	13 December 2022	30 June 2025	N.Kayser	R1 261 533,33
Water & Wastewater Engineering (Pty) Ltd.	Provision of Professional Services: Phase 1 & 2: Civil Construction Works for the upgrading of the Existing Bot Rivier and Riviersonderend	01 February 2023	30 June 2025	H.Marthinus	R8 891 806,76

	Wastewater Treatment Works				
Utilities Works (Pty) Ltd.	Provision and Administration of Electricity Prepayment Uniform Vending System for the Period from 01 July 2022 until 30 June 2025	01 December 2022	30 June 2025	J.Van Niekerk	3 646 500,00
Kunene Makopa Risk Solutions (Pty) Ltd.	The Provision of Short-Term Insurance for the Period from 01 January 2023 to 30 June 2025	25 January 2023	30 June 2025	J. Colyn	2 498 140,60
Siyanda Business Solutions (Pty) Ltd.	Provision of Professional Services: Financial Management and Accounting Services for a Period from 01 January 2023 to 30 June 2025	19 January 2023	30 June 2025	J. Colyn	1 165 423,80
Phoenix Erp (Pty) Ltd.	(Section 33): The Appointment of a Service Provider for an Integrated Financial Management and Internal Control System for Theewaterskloof Municipality	01 April 2023	30 March 2033	J.Colyn	Rates
Pay Day (Pty) Ltd.	The Appointment of a Service Provider For The Licensing, Support And Maintenance Of The Current Human Resource Management System (Payroll, Electronic Self Service Leave System For A Period From 01 July 2023 To 30 June 2032	01 July 2023	30 June 2028	J.Amansure	Rates

APPENDIX I – MUNICIPAL ENTITY / SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose	(a) Service Indicators	Year 0		Year 1		Year 2	Year 4		
	(b) Service Targets	Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year 0 Budget/IDP round; *'Current Year' refers to the targets set in the Year 1 Budget/IDP round. *'Following Year' refers to the targets set in the Year 2 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.									TI

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	KJ Papier	House=R800 000
Member of MayCo / Exco	DA Appel	African National Congress Organisational work, NOVA Civils, House Riviersonderend R800,000
	J Michels	Nil
	TP Lesesa	Nil
	M Mathews	Nil
	RL Mienies	Business partner in Villiersdorp Business (as per email)
	MR Nongxaza	Nil
	H Syster	Nil
Councillor	CA Benjamin	Nil
	M Botes	Nil
	CT Cloete	Via's Eatery Coffee Shop, CT Cloete Coffee Shop and Rooms; CM and Sons Family Trade Close Corporation, House R2,500,000
	S Fredericks	House Grabouw R1,500,000
	M Gana	Nil
	DA Jacobs	RDP House R30,000
	D Jooste	Nil
	T Mangcayi	Nil
	J Mckenzie	Jenism PTY (Director/ Partnership)
Acting Municipal Manager	W Solomons-Johannes	Groenekloof Enterprises; Iconic Mamre; Mamre Blue Rock Quarry; Mamre Communal Property Association; Residential House
Acting Chief Financial Officer	A Riddles	N/A
Other S57 Officials		
Director Community Services	W Solomons-Johannes	Groenekloof Enterprises; Iconic Mamre; Mamre Blue Rock Quarry; Mamre Communal Property Association; Residential House
Acting Director Corporate Services	J Amansure	N/A
Director Economic Development and Planning	Vacant	
Director Technical and Infrastructure Implementation Services	Vacant	

APPENDIX K : REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
R' 000						
Vote Description	2021/ 22	2022/2023			2022/2023	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Directorate Finance	232 021	237 323	271 336	262 025	10%	4%
Vote 2 - Community and social services	-	-	-	-	-	-
Vote 3 - Corporate services	-	-	-	-	-	-
Vote 4 - Electricity	125 039	136 590	125 601	119 313	-13%	-8%
Vote 5 - Environmental protection	-	-	-	-	-	-
Vote 6 - Office of the Municipal Manager	731	1 446	1 528	355	-75%	-62%
Vote 7 - Housing	-	-	-	-	-	-
Vote 8 - Directorate Technical Services and Planning	42 748	-	67 908	56 895	0%	-42%
Vote 9 - Public safety	-	98 583	-	-	-100%	-42%
Vote 10 - Road transport	-	-	-	-	-	-
Vote 11 - Sport and recreation	-	-	-	-	-	-
Vote 12 - Waste management	55 942	50 277	54 088	72 003	43%	7%
Vote 13 - Waste water management	50 188	50 231	53 001	53 964	7%	-1%
Vote 14 - Water	90 933	90 829	89 113	91 246	0%	0%
Vote 15 - Directorate Development and Community Services	49 425	42 290	71 311	63 722	51%	0%
Total Revenue by Vote	647 026	707 568	733 886	719 524	2%	0%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3	T K (i)					

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
						R '000
Description	`2021/22	`2022/23			2022/23 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	127 715	138 377	139 310	136 354	-1,46%	-2,12%
Service charges - electricity revenue	114 625	125 983	120 389	114 037	-9,48%	-5,28%
Service charges - water revenue	78 378	85 576	77 955	79 377	-7,24%	1,82%
Service charges - sanitation revenue	36 981	39 524	39 493	40 514	2,51%	2,59%
Service charges - refuse revenue	37 686	39 642	38 920	39 858	0,54%	2,41%
Rental of facilities and equipment	-	2 189	2 189	1 855	-15,29%	-15,29%
Interest earned - external investments	2 165	10 200	10 200	11 469	12,44%	12,44%
Interest earned - outstanding debtors	10 542	22 472	22 745	23 463	4,41%	3,15%
Fines, penalties and forfeits	16 907	15 355	38 106	35 670	132,30%	-6,39%
Licences and permits	-	23	23	4	-81,29%	-81,29%
Agency services	26 621	8 848	8 848	7 636	-13,70%	-13,70%
Transfers and Subsidies - operating	36	146 021	159 317	144 515	-1,03%	-9,29%
Other revenue	7 140	18 682	18 900	23 653	26,61%	25,15%
Gains	128 147	-	2 502	5 695	0,00%	127,68%
Total Revenue (excluding capital transfers and contributions)	586 944	652 893	678 898	664 099	1,69%	-2,23%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						T K (ii)

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: Excluding MIG						
						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
National Treasury						
1. Equitable Share (Indigent)	120 101	120 101	120 101	0%	0%	
2. Local Government Financial Management Grant (FMG)	1 650	1 650	1 650	0%	0%	
4. National Electrification Programme (NEP)						
5. Expanded Public Works Programmes	2 077	2 077	2 077	0%	0%	
6. Emergency Housing grant		4 600	1 916	0%	-58%	
7. Municipal Disaster Recovery Grant		435	0	0%	-100%	
Total	123 828	128 863	125 744	2%	-2%	
Provincial Treasury						
1. Integrated Housing and Human Settlement & Dev. Grant						
Capital	21 500	24 447	23 745	10%	-3%	
Rooidakke	4 060	6 382	2 572	-37%	-60%	
2. CDW Operational Support Grant	112	210	160	43%	-24%	
3. Maintenance Of Proclaimed Main Roads	180	180	144	-20%	-20%	
4. Library Service Conditional Grant	9 815	10 538	10 329	5%	-2%	
5. Regional socio-economic Projects (RSEP)	1 000	1 000	727	-27%	-27%	
6. LG Public Employment Support Grant		390	390	0%	0%	
7. Municipal Capacity Building Grant (Bursaries)		84	61	0%	-27%	
8. Joint District and Metro Grant	1 500	1 384	384	-74%	-72%	
9. Western Cape Municipal Interventions Grant (Elec) - Capital	250	0	0	-100%	0%	
10. WC Financial Management Capability Grant	1 350	1 350	1 260	-7%	-7%	
11. Municipal Service Delivery and Capacity Building Grant	620	120	105	-83%	-12%	
12. Emergency Municipal Load-Shedding Relief Grant	1 800	1 800	1 800	0%	0%	

Total	42 187	47 884	41 679	-1%	-13%	
Other Specify						
1. SETA	0	365	270	0%	-26%	
Community Safety	0	90	76	0%	-16%	
2. HAN students	1 140	1 178	355	-69%	-70%	
3. Donation	0	45	2 295	0%	5054%	
4. SANRAL	2 000	404	274	-86%	-32%	
5.Safety Project Grant (ODM)	0	135	117			
Total	3 140	2 217	3 387	8%	53%	
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T L

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

APPENDIX M (i): CAPITAL EXPENDITURE – NEW PROGRAMME

Capital Expenditure - New Assets Programme*				
R '000				
Description	2021/22	2022/2023		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure
<u>Capital expenditure by Asset Class</u>				
<u>Infrastructure - Total</u>	25 590	46 968	46 943	45 410
Infrastructure: Road transport - Total	16 427	17 581	12 820	12 267
<i>Roads, Pavements & Bridges</i>	15 104	14 206	9 211	8 707
<i>Storm water</i>	1 323	3 375	3 609	3 559
Infrastructure: Electricity - Total	1 029	11 233	9 550	9 473
<i>Generation</i>				
<i>Transmission & Reticulation</i>	1 029	11 233	9 550	9 473
<i>Street Lighting</i>				
Infrastructure: Water - Total	526	3 375	6 888	6 888
<i>Dams & Reservoirs</i>	497	3 375	6 793	6 793
<i>Water purification</i>	30		95	95
<i>Reticulation</i>	-			
Infrastructure: Sanitation - Total	3 783	6 784	9 479	8 741
<i>Reticulation</i>	3 439	5 475	8 287	7 599
<i>Sewerage purification</i>	344	1 309	1 193	1 141
Infrastructure: Other - Total	3 824	7 996	8 206	8 042
<i>Waste Management</i>	3 824	6 446	6 446	6 311
<i>Transportation</i>	-	1 550	1 760	1 731
<i>Gas</i>				
<i>Other</i>				
<u>Community - Total</u>	373	2 000	1 095	874
<i>Parks & gardens</i>				
<i>Sportsfields & stadia</i>				
<i>Swimming pools</i>				
<i>Community halls</i>				
<i>Libraries</i>	-	-	690	600
<i>Recreational facilities</i>				
<i>Fire, safety & emergency</i>				
<i>Security and policing</i>				
<i>Buses/Taxis</i>	373			
<i>Clinics</i>				

Museums & Art Galleries				
Cemeteries				
Social rental housing				
Other	-	2 000	404	274
<u>Capital expenditure by Asset Class</u>				
<u>Heritage assets - Total</u>	-	-	-	-
Buildings				
Other				
<u>Investment properties - Total</u>	-	-	-	-
Housing development				
Other				
-				
<u>Other assets</u>	3 162	5 226	21 366	22 614
General vehicles				
Specialised vehicles				
Plant & equipment	1 048	4 725	18 583	20 210
Computers - hardware/equipment	934	186	152	152
Furniture and other office equipment	840	315	1 780	1 387
Abattoirs				
Markets				
Civic Land and Buildings				
Other Buildings				
Other Land	90			
Surplus Assets - (Investment or Inventory)				
Other	250	-	850	865
<u>Agricultural assets</u>	-	-	-	-
<i>List sub-class</i>				
<u>Biological assets</u>	-	-	-	-
<i>List sub-class</i>				
<u>Intangibles</u>	-	-	-	-
Computers - software & programming				
Other (<i>list sub-class</i>)				
Total Capital Expenditure on new assets	29 125	54 194	69 403	68 898

<u>Specialised vehicles</u>	-	-		-
Refuse				
Fire				
Conservancy				
Ambulances				
<i>* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)</i>				T M(i)

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - Renewal Programmes*				
				R '000
Description	Year 2021/2022			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure
<u>Capital expenditure by Asset Class</u>				
<u>Infrastructure - Total</u>	16 554	14 401	10 110	8 953
Infrastructure: Road transport -Total	148	-	-	-
Roads, Pavements & Bridges	148	-	-	-
Storm water	-	-	-	-
Infrastructure: Electricity - Total	5 882	9 401	1 784	1 075
Generation				
Transmission & Reticulation	5 882	9 401	1 784	1 075
Street Lighting				
Infrastructure: Water - Total	10 642	5 000	7 535	7 456
Dams & Reservoirs	7 413	5 000	7 535	7 456
Water purification	3 229	-	-	
Reticulation				
Infrastructure: Sanitation - Total	-	-	419	50
Wastewater treatment works			419	50
Sewerage purification				
Infrastructure: Other - Total	9 817	-	373	373
Waste Management	9 817	-	373	373
Transportation				
Gas				
Other				
<u>Community</u>	-	-	1 948	1 563
Parks & gardens				
Sportsfields & stadia				
Swimming pools				
Community halls	-			
Libraries				
Testin stations	-	-	1 948	1 563
Fire, safety & emergency				
Security and policing				
Buses				
Clinics				
Museums & Art Galleries				

Cemeteries				
Social rental housing				
Other				
<u>Heritage assets</u>	-	-	-	-
Buildings				
Other				
<u>Capital expenditure by Asset Class</u>				
<u>Investment properties</u>	-	-		-
Housing development				
Other				
<u>Other assets</u>	247	284	56	56
General vehicles				
Specialised vehicles				
Plant & equipment	159	276	56	56
Computers - hardware/equipment				
Furniture and other office equipment	87	8	-	
Abattoirs				
Markets				
Civic Land and Buildings				
Other Buildings				
Other Land				
Surplus Assets - (Investment or Inventory)				
Other				
<u>Agricultural assets</u>	-	-		-
<i>List sub-class</i>				
<u>Biological assets</u>	-	-		-
<i>List sub-class</i>				
<u>Intangibles</u>	-	-		-
Computers - software & programming				
Other (<i>list sub-class</i>)				
Total Capital Expenditure on renewal of existing assets	26 736	14 684	12 113	10 572
<u>Specialised vehicles</u>	-	-		-

Refuse				
Fire				
Conservancy				
Ambulances				
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)				T M(ii)

Capital Expenditure - Upgrading Programmes*				
				R '000
Description	Year 2022/2023			
	Actual Expenditure	Original Budget	Adjustment Budget	Actual Expenditure
Capital expenditure by Asset Class				
<u>Infrastructure - Total</u>	42 537	83 893	66 070	63 737
Infrastructure: Road transport -Total	5 018	4 658	5 370	4 704
Roads, Pavements & Bridges	5 018	4 658	5 370	4 704
Storm water				
Infrastructure: Electricity - Total	-	1 100	1 800	1 785
Generation				
Transmission & Reticulation	-	1 100	1 800	1 785
Street Lighting				
Infrastructure: Water - Total	5 399	26 396	22 158	21 416
Water treatment works	1 966	15 455	8 637	7 921
Water purification	3 433	10 941	13 521	13 495
Reticulation	-			
Infrastructure: Sanitation - Total	26 290	46 713	31 320	30 368
Reticulation	24 281	35 411	28 002	3 305
Sewerage purification	2 009	11 301	3 318	27 063
Infrastructure: Other - Total	5 830	5 026	5 422	5 465
Waste Management	-	926	178	83
Transportation	5 830	4 100	5 244	5 382
Gas				
Other				
<u>Community</u>	-	1 500	1 500	1 169
Parks & gardens				
Sportsfields & stadia	-	500	500	441
Swimming pools				
Community halls				
Libraries				
Recreational facilities				
Fire, safety & emergency				

Security and policing				
Buses				
Clinics				
Museums & Art Galleries				
Cemeteries				
Social rental housing				
Other	-	1 000	1 000	727
<u>Heritage assets</u>	-	-	-	-
Buildings				
Other				
<u>Capital expenditure by Asset Class</u>				
<u>Investment properties</u>	-	-	-	-
Housing development				
Other				
<u>Other assets</u>	328	4 506	655	422
General vehicles				
Specialised vehicles				
Plant & equipment				
Computers - hardware/equipment	316			
Furniture and other office equipment	-	506	655	422
Abattoirs				
Markets				
Civic Land and Buildings				
Other Buildings	-	4 000	-	
Other Land				
Surplus Assets - (Investment or Inventory)				
Other	12			
<u>Agricultural assets</u>	-	-		-
List sub-class				
<u>Biological assets</u>	-	-		-
List sub-class				
<u>Intangibles</u>	-	-	-	-
Computers - software & programming				
Other (list sub-class)				

Total Capital Expenditure on upgrading of existing assets	42 865	89 899	68 225	65 328
<u>Specialised vehicles</u>	-	-	-	-
Refuse				
Fire				
Conservancy				
Ambulances				
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)				T M(ii)

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2022/23

Capital Programme by Project: 2022/23					
					R' 000
Capital Project	Original Budget	Adjusted Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water					
Smart Meters Replacement	5 000 000	6 932 854	6 854 289	-1%	37%
	-	-	-	0%	0%
Upgrade water system Tesselaarsdal	1 600 000	-	-	0%	-100%
Upgrading of Tesselaarsdal water network	-	1 600 000	1 600 000	0%	0%
	-	1 929 960	1 928 762	0%	0%
	-	78 260	78 260	0%	0%
Bulk water upgrading Grabouw	9 341 135	6 976 217	6 951 451	0%	-26%
Grabouw Bulk Water (Water Distribution)	-	2 597 663	2 597 663	0%	0%
Capital - Grabouw Bulk Water	-	338 791	338 791	0%	0%
Change Over Switches	-	457 303	457 303	0%	0%
Borehole Pump	-	144 426	144 426	0%	0%
Borehole Ext 12 insurance claim	-	95 483	95 415	0%	0%
Greyton WTW Planning	-	64 507	64 508	0%	0%
Upgrading of water purification plant	8 154 957	1 845 043	1 845 043	0%	-77%
	1 845 043	1 772 175	1 772 175	0%	-4%
Upgrading of water purification plant (investigate, prelim design)	4 955 185	1 222 074	506 136	-59%	-90%
Upgrading of Botrivier water purification plant	-	3 733 111	3 733 111	0%	0%
	31 396	29 788	28 967		
Solid Waste					
Caledon WTF & MRF Entrance N2	926 100	178 100	82 600	-54%	-91%
Greyton landfill rehab		372 533	372 533	0%	0%
RSE WTF & MRF Phase 4	3 538 000	3 538 000	3 402 962	-4%	-4%
RSE WTF & MRF Phase 3	2 907 809	2 907 809	2 907 809	0%	0%
	7 372	6 996	6 766		
Electricity					
Replacement of Miniature substations	700 000	31 997	31 997	0%	-95%
	-	-	-	0%	0%
Upgrading network Uitsig Caledon	1 100 000	1 450 000	1 450 000	0%	32%
	-	350 000	334 524	-4%	0%
High mast lighting	8 613 344	7 618 645	7 618 645	0%	-12%
	1 019 437	975 357	897 857	-8%	-12%
Grabouw High Mast Lightning (Streetlights)	-	883 000	883 000	0%	0%

Replace overhead line Protea and Disa street	2 600 000	50 280	50 281	0%	-98%
Replace overhead line Protea and Disa street	-	68 565	68 565	0%	0%
Replace MV and LV Overhead networks.	600 000	27 426	27 426	0%	-95%
Replace Overhead line Caledon Street	2 750 371	92 024	92 025	0%	-97%
Replace and upgrade MV and LV Networks Caledon Street	2 750 371	1 513 347	804 659	-47%	-71%
Electrification of Greyton Madiba Park	1 600 000	73 135	73 136	0%	-95%
	21 734	13 134	12 332		
Sewerage/Sanitation					
Caledon - Bulk outfall sewer	3 791 615	469 976	469 966	0%	-88%
	7 509 834	250 000	236 373	-5%	-97%
Upgrade wastewater treatment plant ph 4	12 584 512	12 584 512	12 545 912	0%	0%
Caledon - WWTW upgrade	-	273 419	273 419	0%	0%
Riviersonderend WWTW upgrade	4 802 917	905 001	905 001	0%	-81%
Supply and Delivery of New Sewerage Pump for RSE Disa Laan Pumpstation	-	418 749	49 764	-88%	0%
Upgrading wastewater treatment plant	3 403 900	2 632 717	2 632 717	0%	-23%
	9 929 837	9 929 837	9 030 201	-9%	-9%
Upgrading wastewater treatment plant - Greyton (Sewerage: Treatment Works)	-	771 183	770 700	0%	0%
Greyton WWTW Fence	808 885	808 885	757 419	-6%	-6%
Sewer Pipe Cracking Replacement Caledon: Nernia Way	-	-	-	0%	0%
Upgrading of wastewater treatment plant Phase 1	4 190 207	905 001	905 001	0%	-78%
Upgrading of wastewater treatment plant Phase 2 (Investigate, prelim design)	500 000	-	-	0%	-100%
Botrivier sewer network upgrading (septic tank eradication)	-	849 926	865 189	2%	0%
Septic tank eradication	2 100 000	-	-	0%	-100%
Botrivier Sewer Network upgrading (Septic tank eradication)	-	2 100 000	1 614 681	-23%	0%
	49 622	32 899	31 056		
Housing					
Caledon Riemvasmaak Planning	2 000 000	500 500	349 802	-30%	-83%
Rooidakke 1169: Installation of Civil Engineering Services (Water)	1 000 000	1 000 000	1 000 000	0%	0%
Rooidakke 1169: Installation of Civil Engineering Services (Sewerage)	1 000 000	1 000 000	1 000 000	0%	0%
Rooidakke 1169: Installation of Civil Engineering Services (Road)	1 000 000	1 000 000	1 000 000	0%	0%
Rooidakke 1169: Installation of Civil Engineering Services (Stormwater)	1 000 000	1 000 000	1 000 000	0%	0%

Villiersdorp Berg en Dal: Installation of Civil Engineering (Water)	2 000 000	5 684 081	5 684 081	0%	184%
Villiersdorp Berg en Dal: Installation of Civil Engineering (Sewerage)	2 000 000	5 077 884	4 876 078	-4%	144%
Villiersdorp Berg en Dal: Installation of Civil Engineering (Stormwater)	2 000 000	2 350 000	2 350 000	0%	18%
Villiersdorp Berg en Dal: Installation of Civil Engineering (Roads)	2 000 000	2 350 000	2 350 000	0%	18%
Grabouw - Gypsy Queen Planning	1 000 000	-	-	0%	-100%
Greater Grabouw Planning	3 000 000	2 332 548	2 032 065	-13%	-32%
Grabouw Hillside: Installation of Civil Engineering (Storm Water)	-	150 000	100 794	-33%	0%
Destiny Link Bulk Sewer	-	2 598 316	2 598 316	0%	0%
Villiersdorp Destiny Farm: Installation of Civil Engineering (Water)	250 000	-	-	0%	-100%
Villiersdorp Destiny Farm: Installation of Civil Engineering (Sewerage)	250 000	-	-	0%	-100%
Villiersdorp Destiny Farm: Installation of Civil Engineering (Roads)	250 000	-	-	0%	-100%
Villiersdorp Destiny Farm: Installation of Civil Engineering (Storm Water)	250 000	-	-	0%	-100%
Greyton 595: Planning	2 000 000	826 378	826 378	0%	-59%
Botrivier Beaumont (New France): Installation of Civil Engineering (Water)	125 000	108 696	108 696	0%	-13%
Botrivier Beaumont (New France): Installation of Civil Engineering (Sewerage)	125 000	108 696	108 696	0%	-13%
Botrivier Beaumont (New France): Installation of Civil Engineering (Stormwater)	125 000	108 696	108 696	0%	-13%
Botrivier Beaumont (New France): Installation of Civil Engineering (Roads)	125 000	849 669	849 669	0%	580%
	21 500	27 045	26 343		
Sports Fields					
Grabouw sport ground upgrading	500 000	500 315	441 403	-12%	-12%
	500	500	441		
Fleet					
Upgrade of Fleet	4 100 000	4 636 102	4 585 844,51	-1%	12%
	-	-	-	0%	0%
	-	607 676	796 236,02	31%	0%
Personell Bucket (Street Lights)	950 000	1 168 155	1 167 177,19	0%	23%
Vehicle (Assistant Technical Officer)	-	211 200	183 652,17	-13%	0%
Vehicle (Street Lights)	600 000	380 458	380 457,65	0%	-37%
	5 650	7 004	7 113		

Roads, Pavements, Bridges & Stormwater					
Grabouw Hop-On Drop-Off PT Facility	2 000 000	404 457	273 857	-32%	-86%
Grabouw Upgrade of roads, stormwater at Rooidakke (Phase 2)	1 897 250	10 174	-	-100%	-100%
	-	2 599 617	2 103 444	-19%	0%
Upgrading Renkewitz / Kloof / Kuhnel / Wildscut / Koornlands	1 760 582	-	-	0%	-100%
Upgrading Koornlandskloof street	-	1 760 582	1 760 582	0%	0%
Upgrading Koornlandskloof Street (Roads and Stormwater)	-	950 000	897 405	-6%	0%
Upgrading Park/Bluebell/Pine Street	632 781	-	-	0%	-100%
	367 219	3 500	3 500	0%	-99%
Upgrading Bluebell Street	-	632 781	632 781	0%	0%
	-	363 719	203 728	-44%	0%
	-	400 000	400 000	0%	0%
	6 658	7 125	6 275		
Land and Buildings					
Renovation of Fire Station	4 000 000	-	-	0%	-100%
Upgrade of Villiersdorp Taxi Rank / Informal Trading Area	1 000 000	1 000 000	727 464	-27%	-27%
Two-Way Radio Communication System	-	1 180 000	907 093	-23%	0%
Construction of Driving Licence Testing Centre (DLTC) - Grab	-	1 279 127	1 279 127	0%	0%
		668 600	284 111	-58%	0%
Pre-cast Toilets	500 000	-	-	0%	-100%
	-	384 000	384 000	0%	0%
Communal Containerised Toilets	-	-	-	0%	0%
Modular Library	-	690 276	600 240	-13%	0%
Office Space Informal Settlements in Caledon	-	-	-	0%	0%
Chavonnes street cemetery extension	-	-	-	0%	0%
Chavonnes street extension	2 263 132	-	-	0%	-100%
	567 605	1 790	1 790	0%	-100%
	8 331	5 204	4 184		
Office Equipment					
Furniture and Office Equipment (New)	6 300	3 210	3 210	0%	-49%
Computer Equipment (New)	18 000	15 035	15 035	0%	-16%
Furniture and Office Equipment (New)	10 500	4 037	4 038	0%	-62%
Furniture and Office Equipment (New)	55 005	52 490	665 084	1167%	1109%
Machinery and Equipment (New)	50 000	50 426	289 999	475%	480%
Furniture and Office Equipment (New)	-	44 517	2 294 517	5054%	0%
Machinery and Equipment (New)	97 000	59 803	58 360	-2%	-40%
Machinery and Equipment (New)	-	-	-	0%	0%
Furniture and Office Equipment (Upgrade)	500 000	651 433	418 615	-36%	-16%
Machinery and Equipment (New)	100 000	9 700	90 300	831%	-10%
Machinery and Equipment (New)	-	35 000	30 569	-13%	0%

Machinery and Equipment (Renewal)	100 000	-	-	0%	-100%
Machinery and Equipment (New)	84 500	66 127	66 127	0%	-22%
Machinery and Equipment (New)	-	100 000	86 216	-14%	0%
Machinery and Equipment (Renewal)	60 000	-	-	0%	-100%
Machinery and Equipment (Renewal)	100 000	40 154	40 154	0%	-60%
Computer Equipment (New)	50 000	30 070	30 070	0%	-40%
Furniture and Office Equipment (New)	50 000	70 982	51 542	-27%	3%
Furniture and Equipment (New)	-	27 500	-	-100%	0%
Machinery and Equipment (New)	-	120 000	-	-100%	0%
Furniture and Office Equipment (Renewal)	7 700	-	-	0%	-100%
Furniture and Office Equipment (New)	6 200	-	-	0%	-100%
Furniture and Equipment (New)	-	91 960	78 450	-15%	0%
Computer Equipment (New)	100 000	90 578	90 578	0%	-9%
Computer Equipment (New)	18 000	16 404	16 404	0%	-9%
Machinery and Equipment (New)	-	80 000	141 867	77%	0%
Furniture and Office Equipment (New)	100 000	85 500	85 500	0%	-15%
Furniture and Office Equipment (New)	-	16 720	16 720	0%	0%
Furniture and Office Equipment (New)	3 500	2 264	2 265	0%	-35%
Furniture and Office Equipment (New)	6 000	3 849	3 849	0%	-36%
Machinery and Equipment (New)	15 000	-	-	0%	-100%
Furniture and Office Equipment (New)	35 000	34 279	34 225	0%	-2%
Machinery and Equipment (New)	100 000	44 727	44 561	0%	-55%
Machinery and Equipment (New)	100 000	89 860	89 860	0%	-10%
Machinery and Equipment	-	90 000	76 012	-16%	0%
Machinery and Equipment (New)	-	300 000	162 048	-46%	0%
Machinery and Equipment (New)	100 000	4 191	4 191	0%	-96%
Machinery and Equipment (New)	20 800	15 035	15 035	0%	-28%
Machinery and Equipment (Renewal)	16 000	15 711	15 711	0%	-2%
Furniture and Office Equipment (Upgrade)	6 000	3 549	3 549	0%	-41%
Machinery and Equipment (New)	-	2 000 000	3 754 129	88%	0%
Machinery and Equipment (New)	-	2 565 024	1 085 848	-58%	0%
Machinery and Equipment (New)	-	809 642	663 322	-18%	0%
Machinery and Equipment (New)	-	1 800 000	1 800 000	0%	0%
Machinery and Equipment (New)		10 200 000	8 697 294	-15%	0%
Machinery and Equipment (New)	4 000 000	250 000	250 000	0%	-94%
Machinery and Equipment (New)	100 000	56 700	44 529	-21%	-55%
	6 016	20 046	21 320		
Total Capital Programme by Project	158 778	149 742	144 799	-3%	-9%
T N					

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2022/23

Capital Programme by Project by Ward: Year 2022/23	
	R' 000
Capital Project	Ward(s) affected
Botrivier	
Upgrading Park/Bluebell/Pine Street	7
Upgrading Bluebell Street	7
Upgrading of water purification plant (investigate, prelim design)	7
Upgrading of Botrivier water purification plant	7
Upgrading of wastewater treatment plant Phase 1	7
Upgrading of wastewater treatment plant Phase 2 (Investigate, prelim design)	7
Botrivier sewer network upgrading (septic tank eradication)	7
Botrivier Sewer Network upgrading (Septic tank eradication)	7
Botrivier Beaumont (New France): Installation of Civil Engineering (Water)	7
Botrivier Beaumont (New France): Installation of Civil Engineering (Sewerage)	7
Botrivier Beaumont (New France): Installation of Civil Engineering (Stormwater)	7
Botrivier Beaumont (New France): Installation of Civil Engineering (Roads)	7
Furniture and Equipment (New)	7
Caledon	
Renovation of Fire Station	3,4
Office Space Informal Settlements in Caledon	3,4
Chavonnes street extension	3,4
Upgrade water system Tesselaarsdal	3,4
Upgrading of Tesselaarsdal water network	3,4
Borehole Ext 12 insurance claim	3,4
Replacement of Miniature substations	3,4
Upgrading network Uitsig Caledon	3,4
Installation of High Mast Light in Tesselarsdal	3,4
Caledon - Bulk outfall sewer	3,4
	3,4
Upgrade wastewater treatment plant ph 4	3,4
Caledon - WWTW upgrade	3,4
Sewer Pipe Cracking Replacement Caledon: Nernia Way	3,4
Caledon Riemvasmaak Planning	3,4

Caledon WTF & MRF Entrance N2	3,4
Vehicle (Assistant Technical Officer)	3,4
Machinery and Equipment (Renewal)	3,4
Computer Equipment (New)	3,4
Furniture and Office Equipment (New)	3,4
Furniture and Office Equipment (New)	3,4
Machinery and Equipment (New)	3,4
Machinery and Equipment (New)	3,4
Machinery and Equipment (Renewal)	3,4
Machinery and Equipment (New)	3,4
Administration	
Furniture and Office Equipment (New)	
Computer Equipment (New)	
Furniture and Office Equipment (New)	
Furniture and Office Equipment (New)	
Machinery and Equipment (New)	
Furniture and Office Equipment (New)	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Furniture and Office Equipment (Renewal)	
Furniture and Office Equipment (New)	
Grabouw	
Construction of Driving Licence Testing Centre (DLTC) - Grab	8,10,11,12,13,14
Grabouw Hop-On Drop-Off PT Facility	8,10,11,12,13,14
Grabouw Upgrade of roads, stormwater at Rooidakke (Phase 2)	8,10,11,12,13,14
Rehabilitation of the damaged to road infrastructure at Grabouw Rooi Dakke area	8,10,11,12,13,14
Bulk water upgrading Grabouw	8,10,11,12,13,14
Grabouw Bulk Water (Water Distribution)	8,10,11,12,13,14
Capital - Grabouw Bulk Water	8,10,11,12,13,14
Highmast lighting	8,10,11,12,13,14
	8,10,11,12,13,14
Grabouw High Mast Lightning (Streetlights)	8,10,11,12,13,14
Rooidakke 1169: Installation of Civil Engineering Services (Water)	8,10,11,12,13,14
Rooidakke 1169: Installation of Civil Engineering Services (Sewerage)	8,10,11,12,13,14
Rooidakke 1169: Installation of Civil Engineering Services (Road)	8,10,11,12,13,14
Rooidakke 1169: Installation of Civil Engineering Services (Stormwater)	8,10,11,12,13,14
Villiersdorp Berg en Dal: Installation of Civil Engineering (Water)	8,10,11,12,13,14
Villiersdorp Berg en Dal: Installation of Civil Engineering (Sewerage)	8,10,11,12,13,14

Villiersdorp Berg en Dal: Installation of Civil Engineering (Stormwater)	8,10,11,12,13,14
Villiersdorp Berg en Dal: Installation of Civil Engineering (Roads)	8,10,11,12,13,14
Grabouw - Gypsey Queen Planning	8,10,11,12,13,14
Greater Grabouw Planning	8,10,11,12,13,14
Grabouw Hillside: Installation of Civil Engineering (Storm Water)	8,10,11,12,13,14
Grabouw Hillside: Installation of Civil Engineering (Water)	8,10,11,12,13,14
Grabouw Hillside: Installation of Civil Engineering (Sewerage)	8,10,11,12,13,14
Grabouw Hillside: Installation of Civil Engineering (Roads)	8,10,11,12,13,14
Grabouw sport ground upgrading	8,10,11,12,13,14
Personell Bucket (Street Lights)	8,10,11,12,13,14
Vehicle (Street Lights)	8,10,11,12,13,14
Machinery and Equipment (New)	8,10,11,12,13,14
Machinery and Equipment (New)	8,10,11,12,13,14
Machinery and Equipment (Renewal)	8,10,11,12,13,14
Machinery and Equipment (New)	8,10,11,12,13,14
Greyton/ Genadendal	
Modular Library	2
Upgrading Renkewitz / Kloof / Kuhnel / Wildscut / Koornlands	2
Greyton WTW Planning	2
Replace Overhead line Caledon Street	2
Replace and upgrade MV and LV Networks Caledon Street	2
Electrification of Greyton Madiba Park	2
Upgrading wastewater treatment plant	2
	2
Upgrading wastewater treatment plant - Greyton (Sewerage: Treatment Works)	2
Greyton WWTW Fence	2
Greyton 595: Planning	2
Greyton landfill rehab	2
Furniture and Office Equipment (New)	2
Riversonderend	
Upgrading of water purification plant (investigate, prelim design)	1
Rehabilitation of supply water line providing water for Riversonderend	1
Rehabilitation of supply water line providing water for Riversonderend	1
Rehabilitation of the secondary water pipeline in the mountain from mountain catchment weir to pump station - RSE	1
Rehabilitation of the secondary water pipeline in the mountain from mountain catchment weir to pump station - RSE	1
Replace MV and LV Overhead networks.	1

Riviersonderend WWTW upgrade	1
Supply and Delivery of New Sewerage Pump for RSE Disa Laan Pumpstation	1
RSE WTF & MRF Phase 4	1
RSE WTF & MRF Phase 3	1
Computer Equipment (New)	1
Furniture and Office Equipment (New)	1
Theewaterskloof	
Two-Way Radio Communication System	
Pre-cast Toilets	
Communal Containerised Toilets	
Smart Meters Replacement	
Change Over Switches	
Borehole Pump	
Upgrade of Fleet	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Furniture and Equipment (New)	
Computer Equipment (New)	
Furniture and Office Equipment (New)	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Machinery and Equipment	
Machinery and Equipment (New)	
Furniture and Office Equipment (Upgrade)	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Machinery and Equipment (New)	
Villiersdorp	
Upgrade of Villiersdorp Taxi Rank / Informal Trading Area	5,6,9
Upgrading of water purification plant	5,6,9
	5,6,9
Replace overhead line Protea and Disa street	5,6,9
Replace overhead line Protea and Disa street	5,6,9
Destiny Link Bulk Sewer	5,6,9
Villiersdorp Destiny Farm: Installation of Civil Engineering (Water)	5,6,9

Villiersdorp Destiny Farm: Installation of Civil Engineering (Sewerage)	5,6,9
Villiersdorp Destiny Farm: Installation of Civil Engineering (Roads)	5,6,9
Villiersdorp Destiny Farm: Installation of Civil Engineering (Storm Water)	5,6,9
Villiersdorp- Landfill rehabilitation	5,6,9
Villiersdorp- Landfill rehabilitation	5,6,9

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Clinics (NAMES, LOCATIONS)				
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				T P

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

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
Housing:		
Licencing and Testing Centre:		
Reservoirs		
Schools (Primary and High):		
Sports Fields:		
		T Q

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

Declaration of Loans and Grants made by the municipality: Year 1				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 1 R' 000	Total Amount committed over previous and future years
* Loans/Grants - whether in cash or in kind				T R

APPENDIX S – MFMA SECTION 71 RETURNS NOT MADE DURING YEAR 1 ACCORDING TO REPORTING REQUIREMENTS

MFMA Section 71 Returns Not Made During Year 1 According to Reporting Requirements	
Return	Reason Return has not been properly made on due date
N/A	
T S	

APPENDIX T – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services		
N/A		
Output: Implementation of the Community Work Programme		
N/A		
Output: Deepen democracy through a refined Ward Committee model		
N/A		
Output: Administrative and financial capability		
N/A		

** Note: Some of the outputs detailed on this table might have been reported for in other chapters, the information thereof should correspond with previously reported information.*

THEEWATERSKLOOF LOCAL MUNICIPALITY



Theewaterskloof
Municipality

AUDITED ANNUAL FINANCIAL STATEMENTS

30 JUNE 2023



AUDITOR-GENERAL
SOUTH AFRICA
30 November 2023

Auditing to build public confidence

THEEWATERSKLOOF LOCAL MUNICIPALITY

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THEEWATERSKLOOF LOCAL MUNICIPALITY

GENERAL INFORMATION

NATURE OF BUSINESS

Theewaterskloof Local Municipality performs the functions as set out in the Constitution of the Republic of South Africa, 1996.

LEGAL FORM

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act (Act no 117 of 1998).

JURISDICTION

The Theewaterskloof Local Municipality includes the following areas:

Caledon	Greyton
Grabouw	Genadendal
Villiersdorp	Botrivier
Riviersonderend	Tesselaarsdal

MEMBERS OF THE COUNCIL

Ward 1	PJ Stander	
Ward 2	CT Cloete	
Ward 3	CA Benjamin	
Ward 4	Y van Tonder	
Ward 5	M Botes	
Ward 6	RL Mienies	
Ward 7	M Plato-Mentoor	
Ward 8	M Mpambani	
Ward 9	D Jooste	
Ward 10	C Smith	
Ward 11	DA Jacobs	
Ward 12	MS Shale	
Ward 13	MA Nomkoko	
Ward 14	S Fredericks	
Proportional	KIJ Papier	
Proportional	J Michels	
Proportional	DA Appel	
Proportional	B Mkwibiso	
Proportional	RM Nongxaza	
Proportional	T Lesesa	
Proportional	H Syster	
Proportional	M Mathews	
Proportional	J Mckenzie	
Proportional	T Mangcayi	
Proportional	M Gana	
Proportional	T Zimmermann	
Proportional	M Koegelenberg	(resigned 28 February 2023)
Proportional	Mabulu	(inaugurated 8 March 2023, resigned 1 July 2023)
Proportional	LM De Bruyn	(inaugurated 6 July 2023)

MEMBERS OF THE MAYORAL COMMITTEE

Executive Mayor	KIJ Papier
Deputy Executive Mayor	J Michels
Speaker	DA Appel
Executive Councillor	RL Mienies
Executive Councillor	RM Nongxaza
Executive Councillor	T Lesesa
Executive Councillor	H Syster
Executive Councillor	M Mathews

MUNICIPAL MANAGER

Mr WSE Solomons-Johannes (Acting)
Mr BM Ngubo (1 July 2022 - 12 April 2023)



AUDITOR - GENERAL
SOUTH AFRICA
30 November 2023

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THEEWATERSKLOOF LOCAL MUNICIPALITY

GENERAL INFORMATION

CHIEF FINANCIAL OFFICER

Mr A Riddles (Acting)

AUDIT COMMITTEE

Mr E Lakey - Chairperson

Ms R Gani

Ms V Jobe

Mr B Vink (resigned 24 July 2023)

REGISTERED OFFICE

6 Plein Street

Caledon

7230

POSTAL ADDRESS

PO Box 24

Caledon

7230

AUDITORS

Office of the Auditor General (WC)

PRINCIPAL BANKERS

Standard Bank of South Africa Limited

ATTORNEYS

Bosman & Smit Pretorius

Fairbridges Attorneys

Stadler & Swart Incorporated

Guthrie & Theron

GJ Claughton Attorneys

Du Plessis & Hofmeyr Malan (DHM) Attorneys

Dirk Verdoes Attorneys Inc

Enderstein Malumbete Inc

Bradly Conradie Halton Cheadle

Finck Attorneys

Van der Spuy & Partners

Brasika Consulting (Pty) Ltd

RELEVANT LEGISLATION

Municipal Finance Management Act (Act no 56 of 2003)

Division of Revenue Act

The Income Tax Act

Value Added Tax Act

Municipal Structures Act (Act no 117 of 1998)

Municipal Systems Act (Act no 32 of 2000)

Municipal Planning and Performance Management Regulations

Water Services Act (Act no 108 of 1997)

Housing Act (Act no 107 of 1997)

Municipal Property Rates Act (Act no 6 of 2004)

Electricity Act (Act no 41 of 1987)

Skills Development Levies Act (Act no 9 of 1999)

Employment Equity Act (Act no 55 of 1998)

Unemployment Insurance Act (Act no 30 of 1966)

Basic Conditions of Employment Act (Act no 75 of 1997)

Supply Chain Management Regulations, 2005

Collective Agreements

Infrastructure Grants

SALBC Leave Regulations

Municipal Budget and Reporting Regulations

National Environmental Management Act

Preferential Procurement Policy Framework Act, No 5 of 2000

Occupational Health and Safety Act

mSCOA Regulation



AUDITOR - GENERAL
SOUTH AFRICA

30 November 2023

Auditing to build public confidence

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

I am responsible for the preparation of these annual financial statements year ended 30 June 2023, which are set out on pages 1 to 96 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

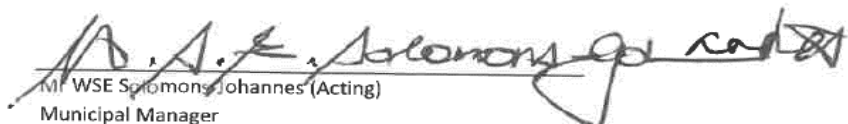
The annual financial statements have been prepared in accordance with GRAP, including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB).

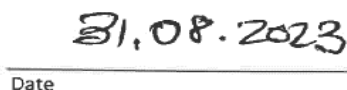
I acknowledge that I am ultimately responsible for the system of internal financial control and that the system of internal control provides reasonable assurance that the financial records can be relied on.

I have reviewed the Municipality's cash flow forecast for the year to 30 June 2024 and am satisfied that the Municipality can continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Municipality's financial statements.

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.


M. WSE Spilmons Johannes (Acting)
Municipal Manager


Date

THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2023

	Notes	2023 R (Actual)	2022 R (Restated)
ASSETS			
Current Assets		176 248 476	242 325 514
Cash and Cash Equivalents	2	85 916 380	165 982 321
Receivables from Exchange Transactions	3	40 763 571	36 818 348
Receivables from Non-Exchange Transactions	4	22 690 697	19 991 766
Taxes	5	13 106 799	4 734 131
Operating Leases	6	611 421	597 267
Current Portion of Long-term Receivables	7	702 045	1 560 573
Inventory	8	12 457 565	12 641 109
Non-Current Assets		1 217 523 338	1 109 337 992
Long-term Receivables	7	940 461	2 306 099
Investment Property	9	68 564 654	69 973 721
Property, Plant and Equipment	10	1 133 916 031	1 023 888 783
Intangible Assets	11	273 337	332 434
Heritage Assets	12	-	-
Non-current Investments	13	13 828 856	12 836 955
Total Assets		1 393 771 814	1 351 663 506
Current Liabilities			
		194 679 018	138 246 007
Current Portion of Long-term Liabilities	14	21 368 213	13 810 915
Consumer Deposits	15	5 485 970	4 968 411
Payables from Exchange Transactions	16	117 081 728	72 826 555
Unspent Conditional Government Grants	17	19 642 194	15 815 250
Unspent Public Contributions	18	535 677	302 018
Current Employee Benefits	19	30 565 237	30 522 858
Non-Current Liabilities		361 204 073	289 724 907
Long-term Liabilities	14	181 287 326	102 775 493
Employee Benefits	20	63 170 000	61 142 999
Non-Current Provisions	21	116 746 747	125 806 415
Total Liabilities		555 883 091	427 970 914
NET ASSETS		837 888 723	923 692 592
COMMUNITY WEALTH			
Accumulated Surplus		787 836 265	883 439 921
Reserves	22	50 052 458	40 252 671
		837 888 723	923 692 592

THE WATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2023

	Notes	2023 R (Actual)	2022 R (Restated)
REVENUE			
REVENUE FROM NON-EXCHANGE TRANSACTIONS		397 090 322	337 742 118
Taxation Revenue		136 353 678	127 714 860
Property Rates	23	136 353 678	127 714 860
Transfer Revenue - Operating		141 901 210	127 779 231
Government Grants and Subsidies - Operating	24	141 545 752	127 049 690
Public Contributions and Donations	25	355 458	729 541
Transfer Revenue - Capital		55 424 653	44 248 540
Government Grants and Subsidies - Capital	24	53 130 137	44 214 890
Contributed Assets	26	2 294 517	33 650
Other Revenue		63 410 780	37 999 487
Availability Charges	27	4 860 111	4 735 093
Fines, Penalties and Forfeits	28	35 669 802	26 620 869
Actuarial Gains	29	5 300 514	1 682 669
Other Income (Non-Exchange)	30	17 580 353	4 960 856
REVENUE FROM EXCHANGE TRANSACTIONS		319 464 785	308 188 037
Operating Activities		319 464 785	308 188 037
Service Charges	31	268 925 953	262 935 587
Rental of Facilities and Equipment	32	1 854 597	2 165 371
Interest Earned - External Investments	33	11 469 251	10 597 842
Interest Earned - Outstanding Debtors		23 462 549	16 906 671
Agency Services	34	7 635 948	7 139 847
Licences and Permits	35	4 362	35 792
Other Income (Exchange)	36	5 717 167	8 406 927
Gain on disposal of Non-Monetary Assets	48	394 957	-
CONSTRUCTION CONTRACTS	37	396 719	29 853
TOTAL REVENUE		716 951 825	645 960 008
EXPENDITURE			
Employee Related Costs	38	248 234 622	234 022 083
Remuneration of Councillors	39	12 685 581	11 899 590
Debt Impairment	40	99 602 555	83 302 343
Depreciation and Amortisation	41	31 273 046	31 460 819
Impairment	42	1 202 995	1 558 714
Finance Charges	43	32 478 549	25 836 421
Bulk Purchases	44	108 504 079	105 003 057
Contracted Services	45	123 738 792	44 754 133
Transfers and Grants	46	8 427 139	4 716 958
Other Expenditure	47	136 608 336	70 160 199
Loss on disposal of Non-Monetary Assets	48	-	610 096
TOTAL EXPENDITURE		802 755 695	613 324 412
NET SURPLUS/(DEFICIT) FOR THE YEAR		(85 803 869)	32 635 596



THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDING 30 JUNE 2023

	CAPITAL REPLACEMENT RESERVE R	ACCUMULATED SURPLUS R	TOTAL R
Balance on 30 June 2021 - Previously Reported	37 219 568	857 238 150	894 457 719
Correction of error restatement - refer to note 49.4	-	(3 400 721)	(3 400 721)
Balance on 30 June 2021 - Restated	37 219 568	853 837 429	891 056 997
Net Surplus for the year	-	32 635 594	32 635 594
Transfer to Capital Replacement Reserve	3 653 439	(3 653 439)	-
Capital Replacement Reserve utilised for capital purchases	(620 337)	620 337	-
Balance on 30 June 2022 - Restated	40 252 670	883 439 921	923 692 592
Net Deficit for the year	-	(85 803 869)	(85 803 869)
Transfer to Capital Replacement Reserve	31 799 787	(31 799 787)	-
Capital Replacement Reserve utilised for capital purchases	(22 000 000)	22 000 000	-
Balance on 30 June 2023	50 052 457	787 836 265	837 888 723



THE WATERSKLOOF LOCAL MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDING 30 JUNE 2023

	Notes	2023 R (Actual)	2022 R (Restated)
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Property Rates		130 392 622	117 845 068
Service Charges and Interest on outstanding Debtors		228 345 017	232 458 295
Other Revenue and Receipts		17 324 374	31 868 856
Government Grants		198 018 926	177 297 925
Investment Income		10 653 028	9 226 245
Payments			
Suppliers and employees		(586 936 682)	(475 642 268)
Finance charges		(14 072 662)	(11 218 494)
Transfer and Grants		(8 427 139)	(4 716 958)
NET CASH FROM/(USED) OPERATING ACTIVITIES	50	(24 702 515)	77 118 669
CASH FLOW FROM INVESTING ACTIVITIES			
Receipts			
Proceeds from sale of Property, Plant and Equipment		1 071 565	1 239 910
Payments			
Purchase of Capital Assets		(142 504 122)	(98 208 182)
NET CASH USED INVESTING ACTIVITIES		(141 432 557)	(96 968 272)
CASH FLOW FROM FINANCING ACTIVITIES			
Receipts			
New loans raised		103 715 446	34 862 548
Payments			
Loans repaid		(17 646 315)	(13 120 616)
NET CASH FROM FINANCING ACTIVITIES		86 069 131	21 741 932
NET INCREASE/(DECREASE) IN CASH HELD		(80 065 941)	1 892 329
Cash and Cash Equivalents at the beginning of the year		165 982 321	164 089 992
Cash and Cash Equivalents at the end of the year		85 916 380	165 982 321



THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET R	ADJUSTMENTS R	FINAL BUDGET R	ACTUAL R	ACTUAL VS FINAL BUDGET R
STATEMENT OF FINANCIAL POSITION					
ASSETS					
Current assets					
Cash	90 309 363	33 608 329	123 917 692	85 916 380	(38 001 313)
Call investment deposits	55 000 000	-	55 000 000	-	(55 000 000)
Consumer debtors	46 622 228	16 923 051	63 545 279	51 206 012	(12 339 267)
Other Receivables	13 459 178	3 537 686	16 996 863	25 966 475	8 969 612
Current portion of long-term receivables	1 895 549	(334 976)	1 560 573	702 045	(858 528)
Inventory	10 162 915	2 478 193	12 641 109	12 457 565	(183 543)
Total current assets	217 449 234	56 212 282	273 661 516	176 248 477	(97 413 039)
Non current assets					
Long-term receivables	3 297 617	(991 518)	2 306 099	940 461	(1 365 638)
Investments	13 106 707	757 205	13 863 912	13 828 856	(35 056)
Investment property	68 409 086	1 564 635	69 973 721	68 564 654	(1 409 067)
Property, plant and equipment	1 208 393 844	(66 185 292)	1 142 208 552	1 133 916 031	(8 292 521)
Intangible Assets	513 681	(240 344)	273 337	273 337	(1)
Total non current assets	1 293 720 934	(65 095 314)	1 228 625 621	1 217 523 338	(11 102 283)
TOTAL ASSETS	1 511 170 168	(8 883 031)	1 502 287 137	1 393 771 815	(108 515 322)
LIABILITIES					
Current liabilities					
Borrowing	13 135 711	4 514 289	17 650 000	21 368 213	3 718 213
Consumer deposits	5 328 083	(61 567)	5 266 516	5 485 970	219 454
Trade and other payables	91 253 368	54 356 484	145 609 852	137 259 599	(8 350 253)
Provisions and Employee Benefits	29 848 675	2 505 555	32 354 230	30 565 237	(1 788 993)
Total current liabilities	139 565 837	61 314 760	200 880 597	194 679 018	(6 201 579)
Non current liabilities					
Borrowing	201 112 816	(49 396 413)	151 716 403	181 287 326	29 570 924
Provisions and Employee Benefits	191 528 849	14 275 567	205 804 416	179 916 747	(25 887 669)
Total non current liabilities	392 641 665	(35 120 847)	357 520 818	361 204 073	3 683 255
TOTAL LIABILITIES	532 207 502	26 193 914	558 401 416	555 883 091	(2 518 324)
NET ASSETS	978 962 666	(35 076 945)	943 885 721	837 888 724	(105 996 998)
COMMUNITY WEALTH					
Accumulated Surplus	941 743 098	(38 110 047)	903 633 051	787 836 266	(115 796 785)
Reserves	37 219 568	3 033 102	40 252 671	50 052 458	9 799 787
TOTAL COMMUNITY WEALTH/EQUITY	978 962 666	(35 076 945)	943 885 721	837 888 724	(105 996 998)

Refer to note 52.2 for explanations of material variances.

Material variances are considered to be any variances greater than R6 million.



THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL APPROVED BUDGET R	ADJUSTMENTS R	FINAL APPROVED BUDGET R	VIREMENTS R	FINAL BUDGET R	ACTUAL R	ACTUAL VS FINAL BUDGET R
STATEMENT OF FINANCIAL PERFORMANCE							
REVENUE							
Property Rates	138 376 725	933 275	139 310 000	-	139 310 000	136 353 678	(2 956 322)
Service Charges - Electricity Revenue	125 982 756	(5 593 756)	120 389 000	-	120 389 001	114 036 716	(6 352 285)
Service Charges - Water Revenue	85 576 186	(7 621 186)	77 955 000	-	77 955 000	79 377 063	1 422 063
Service Charges - Sanitation Revenue	39 524 130	(31 130)	39 493 000	-	39 493 000	40 514 481	1 021 481
Service Charges - Refuse Revenue	39 642 312	(722 312)	38 920 000	-	38 920 000	39 857 804	937 804
Rental of Facilities and Equipment	2 189 248	-	2 189 248	-	2 189 248	1 854 597	(334 651)
Interest Earned - External Investments	10 200 000	-	10 200 000	-	10 200 000	11 469 251	1 269 251
Interest Earned - Outstanding Debtors	22 472 000	273 000	22 745 000	-	22 745 000	23 462 549	717 549
Fines, Penalties and Forfeits	15 354 947	22 751 314	38 106 261	-	38 106 261	35 669 802	(2 436 459)
Licences and Permits	23 320	-	23 320	-	23 320	4 362	(18 958)
Agency Services	8 848 032	-	8 848 032	-	8 848 032	7 635 948	(1 212 084)
Transfers Recognised - Operational	146 021 001	13 295 981	159 316 982	-	159 316 981	144 514 765	(14 802 216)
Other Revenue	18 682 385	217 955	18 900 340	-	18 900 339	23 652 978	4 752 639
Gains	-	2 501 543	2 501 543	-	2 501 543	5 695 471	3 193 928
Total Revenue (excluding capital transfers)	652 893 042	26 004 684	678 897 726	-	678 897 725	664 099 467	(14 798 258)
EXPENDITURE							
Employee Related Costs	275 055 973	(17 325 025)	257 730 948	(137 965)	257 592 983	246 990 282	(10 602 701)
Remuneration of Councillors	13 556 262	(609 142)	12 947 120	-	12 947 120	12 685 581	(261 539)
Debt Impairment	63 104 025	27 126 301	90 230 326	-	90 230 326	99 602 555	9 372 229
Depreciation and Asset Impairment	29 310 595	4 398 998	33 709 593	-	33 709 593	32 476 041	(1 233 552)
Finance Charges	25 189 113	4 086 552	29 275 665	-	29 275 665	32 478 549	3 202 884
Bulk Purchases - electricity	96 105 000	(18 950 700)	77 154 300	11 000 000	88 154 301	87 773 616	(380 685)
Inventory Consumed	37 600 024	(521 987)	37 078 037	(4 373)	37 073 663	35 230 419	(1 843 244)
Contracted Services	57 585 188	15 044 262	72 629 450	157 536	72 786 987	122 692 023	49 905 036
Transfers and Grants	8 735 000	13 272 225	22 007 225	(11 000 000)	11 007 225	8 527 581	(2 479 644)
Other Expenditure	65 361 008	17 676 563	83 037 571	(15 198)	83 022 373	126 825 049	43 802 676
Losses	-	2 000 000	2 000 000	-	2 000 000	46 293	(1 953 707)
Total Expenditure	671 602 188	46 198 047	717 800 236	-	717 800 236	805 327 989	87 527 753
Surplus/(Deficit)	(18 709 146)	(20 193 363)	(38 902 510)	-	(38 902 511)	(141 228 523)	(102 326 012)
Transfers and subsidies - capital (monetary) - Government	47 882 000	6 657 500	54 539 500	-	54 539 501	52 856 280	(1 683 221)
Transfers and subsidies - capital (monetary) - Other	2 000 001	(1 551 028)	448 973	-	448 975	2 568 373	2 119 398
Surplus/(Deficit) for the year	31 172 855	(15 086 891)	16 085 964	-	16 085 965	(85 803 869)	(101 889 834)

Refer to note 52.3 for explanations of material variances.

Material variances are considered to be any variances greater than R6 million.



THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET R	ADJUSTMENTS R	FINAL BUDGET R	ACTUAL R	ACTUAL VS FINAL BUDGET R
CASH FLOW STATEMENT					
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates, penalties & collection charges	121 614 875	7 107 565	128 722 440	130 392 622	1 670 182
Service charges	255 509 234	(22 497 904)	233 011 330	228 345 017	(4 666 313)
Other revenue	31 182 045	2 727 723	33 909 768	16 806 814	(17 102 954)
Government Grants	195 903 000	71 513 905	267 416 905	198 018 926	(69 397 979)
Interest	29 949 922	(17 884 832)	12 065 090	10 653 028	(1 412 062)
Payments					
Suppliers and Employees	(537 052 257)	2 840 037	(534 212 219)	(586 936 682)	(52 724 463)
Finance Charges	(15 620 602)	4 838 937	(10 781 665)	(14 072 662)	(3 290 997)
Transfers and Grants	(8 735 000)	(13 272 225)	(22 007 225)	(8 427 139)	13 580 087
Net Cash from/(used) Operating Activities	72 751 217	35 373 206	108 124 423	(25 220 075)	(133 344 498)
CASH FLOW FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	-	2 501 543	2 501 543	1 071 565	(1 429 978)
Decrease/(Increase) in Other Non-Current Investments	(624 129)	(402 828)	(1 026 956)	-	1 026 956
Payments					
Capital Assets	(158 777 533)	9 035 795	(149 741 738)	(142 504 122)	7 237 616
Net Cash from/(used) Investing Activities	(159 401 662)	11 134 510	(148 267 151)	(141 432 557)	6 834 595
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts					
Borrowing long term/refinancing	91 234 028	(20 854 033)	70 379 995	103 715 446	33 335 451
Increase/(Decrease) in Consumer Deposits	253 718	44 386	298 105	517 560	219 455
Payments					
Repayment of Borrowing	(18 805 150)	1 205 150	(17 600 000)	(17 646 315)	(46 315)
Net Cash from/(used) Financing Activities	72 682 597	(19 604 497)	53 078 099	86 586 691	33 508 592
NET INCREASE/(DECREASE) IN CASH HELD	(13 967 848)	26 903 219	12 935 371	(80 065 941)	(93 001 312)
Cash and Cash Equivalents at the year begin	159 277 210	6 705 110	165 982 321	165 982 321	-
Cash and Cash Equivalents at the year end	145 309 362	33 608 329	178 917 692	85 916 380	(93 001 312)

Refer to note 52.4 for explanations of material variances.

Material variances are considered to be any variances greater than R6 million.



THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1 ACCOUNTING POLICIES

1.01 BASIS OF PREPARATION

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

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework, have been developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 and the hierarchy approved in Directive 5 issued by the Accounting Standards Board.

Assets, liabilities, revenue and expenses have not been offset, except when offsetting is permitted or required by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated otherwise. The details of any changes in accounting policies are explained in the relevant notes to the financial statements.

A summary of the significant accounting policies, which have been consistently applied except where an exemption has been granted, are disclosed below.

1.02 TRANSITIONAL PROVISIONS

The Municipality resolved to take advantage of the following transitional provisions:

In terms of Directive 7 - "The Application of Deemed Cost on the Adoption of Standards of GRAP", the Municipality applied deemed cost to Investment Property and Property, Plant and Equipment where the acquisition cost of an asset could not be determined.

1.03 PRESENTATION CURRENCY

The financial statements are presented in South African Rand, rounded off to the nearest Rand, which is the Municipality's functional currency.

1.04 GOING CONCERN ASSUMPTION

These financial statements have been prepared on a going concern basis.

1.05 COMPARATIVE INFORMATION

1.05.1 Prior year comparatives

When the presentation or classification of items in the financial statements are 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 is disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.



THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.05.2 Amended Accounting Policies

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements.

No significant amendments were made to the accounting policy in the current year.

1.06 MATERIALITY

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decision or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatements judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. Materiality is determined as 1% of total actual operating expenditure. This materiality is from management's perspective and does not correlate with the auditor's materiality.

Standards of GRAP set out how an item should be recognised, measured and disclosed in the financial statements. In some cases, the Municipality does not recognise, measure, present or disclose information in accordance with the specific requirements outlined in the Standards of GRAP if the effect of applying those requirements are immaterial.

1.07 BUDGET INFORMATION

Budget information is presented on the accrual basis and is based on the same fiscal period as the actual amounts.

The Statement of Comparison of Budget and Actual Amounts includes the comparison between the approved and final budget amounts, as well as a comparison between the actual amounts and final budget amounts.

The disclosure of comparative information in respect of the previous period is not required by the Standards of GRAP.

1.08 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

1.08.1 Effective dates determined

Where a Standard of GRAP has been issued but is not yet effective, the Municipality may resolve to early adopt such a Standard of GRAP if an effective date has been determined by the Minister of Finance.

The Municipality resolved to early adopt the following pronouncements to the Standards of GRAP which were issued but not yet effective:

Pronouncement	Effective Date
Improvements to the Standards of GRAP (2020)	1 April 2023
Amendments to GRAP 1 on Presentation of Financial Statements (2019)	1 April 2023
iGRAP 21 on The Effect of Past Decisions on Materiality	1 April 2023

The effect of the above-mentioned pronouncements to the Standards of GRAP which were early adopted is considered insignificant. The early adopted pronouncements mainly relate to the clarification of accounting principles.

The Municipality further resolved not to early adopt the following Standards of GRAP which was issued but is not yet effective:

1.08.1.1 GRAP 25 (Revised 2021) - Employee Benefits (effective 1 April 2023)

The objective of this Standard is to prescribe the accounting and disclosure for employee benefits. This Standard was revised to align it with IPSAS 39 on Employee Benefits.

The impact of this Standard on the financial statements will not be significant.



THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.08.1.2 GRAP 104 (Revised 2019) - Financial Instruments (effective 1 April 2025)

The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments. This Standard was revised to align it with IFRS 9 on Financial Instruments.

The impact of the revised Standard may be significant on the financial statements, due to the following key changes to the Standard:

- (a) Changes in the classification of instruments for subsequent measurement – financial assets are measured at either amortised cost or fair value based on the reason why they are held and their economic characteristics. Specific liabilities are measured at fair value, and all others are measured at amortised cost.
- (b) The approach to impairing financial assets changed from an incurred loss to an expected loss model. As indicated in the name, expected losses estimate the expected default of financial assets over a period of time rather than only recognising an impairment loss when an event occurs.
- (c) Loan commitments and financial guarantee contracts are recognised and measured differently. They are no longer in the scope of GRAP 19 on *Provisions, Contingent Liabilities and Contingent Assets*. When entering into these transactions there is an economic consequence that exposes an entity to risk. Accounting for them as financial instruments best captures this risk exposure.
- (d) With the changes in the classification of instruments and impairment approach, there is new information that GRAP 104 requires entities to disclose.

1.08.1.3 iGRAP 7 (Revised 2021) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction (effective 1 April 2023)

This Interpretation addresses the following:

- (a) When refunds or reductions in future contributions should be regarded as available in accordance with the definition of the asset ceiling.
- (b) How a minimum funding requirement might affect the availability of reductions in future contributions.

No significant impact is expected as the Municipality's current treatment is already to a large extent in line with the Interpretation's requirements.

1.08.2 Effective dates not yet determined

Where a Standard of GRAP has been issued but not yet effective and the Minister of Finance has not yet determined an effective date for application, the Municipality may select to apply the principles established in that standard in developing an appropriate accounting policy dealing with a particular section or event.

The following Standards of GRAP have been issued but are not yet effective as the Minister of Finance has not yet determined the effective date for application:

1.08.2.1 GRAP 103 (Revised 2022) - Heritage Assets

The objective of this Standard is to prescribe the accounting treatment for heritage assets and related disclosure requirements.

This revised Standard may have a significant impact with regards to heritage assets which have a dual purpose. Even though some heritage assets can have cultural significance while being used in delivering services, the revised Standard will now require that all heritage assets be accounted for using GRAP 103. A consequence of this amendment is that a heritage asset will no longer be depreciated. Instead, a heritage asset should be tested for impairment when an impairment indicator has been triggered.

1.08.2.2 Amendments to GRAP 1 on Presentation of Financial Statements (2022)

The amendments to the Standard clarifies how to apply going concern assumption in the public sector and improve disclosure on related judgements and conclusions.

Currently, the Municipality is not faced with any going concern issues and therefore these amendments will have no effect on the financial statements.



THE WATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.09 RESERVES

1.09.1 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 to the CRR.

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

- (a) The cash funds that back up the CRR are invested until utilised.
- (b) 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.
- (c) 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 is credited by a corresponding amount.

1.10 INVESTMENT PROPERTY

1.10.1 Initial Recognition

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, for administration purposes, or the sale of an asset in the ordinary course of operations. Property with a currently undetermined use, is also classified as investment property.

Investment property is recognised as an asset 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 is initially measured at cost on its acquisition date. The cost of investment property is the purchase price and other costs attributable to bring the asset to a condition necessary for it to be capable of operating in the manner intended by the Municipality.

Where an investment property is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition and any other costs attributable to bring the asset to a condition necessary for it to be capable of operating in the manner intended by the Municipality. The cost of self-constructed investment property is the cost at date of completion. Transfers are made to or from investment property only when there is a change in use.

Where investment property is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

1.10.2 Subsequent Measurement – Cost Model

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

1.10.3 Depreciation – Cost Model

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Depreciation of an asset ceases at the date that the asset is derecognised.

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. The depreciation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The depreciation method is reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

At each reporting date the Municipality assesses whether there is any indication that expectations about the residual value and the useful life of an asset may have changed since the preceding reporting date. If any such indication exists, the expected residual value and useful life are revised and the effect of any changes in estimate accounted for on a prospective basis.



THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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

Buildings

YEARS
20 - 100

1.10.4 Impairment

Investment property is reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable 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 an impairment is recognised in the Statement of Financial Performance.

1.10.5 Derecognition

An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Financial Performance in the period of the retirement or disposal.

Compensation from third parties for items of investment property that were impaired, lost or given up is recognised in the Statement of Financial Performance when the compensation becomes receivable.

1.11 PROPERTY, PLANT AND EQUIPMENT

1.11.1 Initial Recognition

Property, plant and equipment are tangible non-current 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 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 at cost on its acquisition date. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired through a non-exchange transaction, the cost is deemed to be equal to the fair value of that asset as at date of acquisition and any 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.

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 asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment.



THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.11.2 Subsequent Measurement - Cost Model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and any 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 or service potential associated with the asset.

1.11.3 Depreciation

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Depreciation of an asset ceases at the date that the asset is derecognised.

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. The depreciation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The depreciation method is reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

At each reporting date the Municipality assesses whether there is any indication that expectations about the residual value and the useful life of an asset may have changed since the preceding reporting date. If any such indication exists, the expected residual value and useful life are revised and the effect of any changes in estimate accounted for on a prospective basis.

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

	YEARS		YEARS
Land and Buildings		Community Assets	
Land	N/A	Parks and Gardens	15 - 20
Buildings	20 - 100	Cemeteries	30
Work in progress	N/A	Leased Assets	
		Office Equipment	3 - 15
Infrastructure		Other Assets	
Roads and Storm water	5 - 150	Computer Equipment	3 - 15
Electricity Network	10 - 100	Furniture and Office Equipment	3 - 20
Sewerage Network	10 - 200	Machinery and Equipment	2 - 35
Water Network	10 - 200	Transport Assets	5 - 35
Refuse Removal	20 - 50		
Work in progress	N/A		

1.11.4 Impairment

Property, plant and equipment is reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable 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 an impairment is recognised in the Statement of Financial Performance.

1.11.5 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.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is recognised in the Statement of Financial Performance when the compensation becomes receivable.

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.12 INTANGIBLE ASSETS

1.12.1 Initial Recognition

An intangible asset is an identifiable non-monetary asset without physical substance.

The Municipality recognises an intangible asset only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the Municipality and the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost on its acquisition date. The cost of an intangible asset 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.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost is measured at its fair value at the date of acquisition and any 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.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, its deemed cost is the carrying amount of the asset(s) given up.

Internally generated intangible assets are subject to a strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) its intention to complete the intangible asset and use or sell it;
- (c) its ability to use or sell the intangible asset;
- (d) how the intangible asset will generate probable future economic benefits or service potential;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.12.2 Subsequent Measurement - Cost Model

Intangible assets are subsequently carried at cost less accumulated amortisation and any accumulated impairments losses.

1.12.3 Amortisation

The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is still subject to an annual impairment test.

Amortisation of an intangible with a finite life asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Amortisation ceases at the date that the asset is derecognised.

Amortisation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the intangible assets. The amortisation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The residual value of an intangible asset with a finite useful life is considered to be zero.

The amortisation period and amortisation method are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

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

	Years
Computer Software	3 - 15



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.12.4 Impairment

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

1.12.5 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.

1.13 HERITAGE ASSETS

1.13.1 Initial Recognition

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance and is held and preserved indefinitely for the benefit of present and future generations.

A heritage asset is recognised as an asset if 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.

Heritage assets are initially recognised at cost on its acquisition date. The cost of heritage assets 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.

Where an asset is acquired through a non-exchange transaction, the cost is deemed to be equal to the fair value of that asset as at date of acquisition and any 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.

Where a heritage asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, its deemed cost is the carrying amount of the asset(s) given up.

1.13.2 Subsequent Measurement – Cost Model

Heritage assets are carried at its cost less any accumulated impairment losses.

1.13.3 Depreciation

Heritage assets are not depreciated.

1.13.4 Impairment

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



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.13.5 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.

Compensation from third parties for heritage assets that were impaired, lost or given up is recognised in the Statement of Financial Performance when the compensation becomes receivable.

1.14 IMPAIRMENT OF NON-MONETARY ASSETS

An impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation.

Cash-generating assets are assets held with the objective of generating a commercial return. Non-cash-generating assets are assets other than cash-generating assets.

The Municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Municipality estimates the recoverable amount of the asset.

1.14.1 Recoverable amount of Cash-generating assets

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.

The best evidence of fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

1.14.2 Recoverable amount of Non-cash-generating assets

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

The value in use for a non-cash generating asset is the present value of the asset's remaining service potential. Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

1.14.3 Impairment loss

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 the Statement of Financial Performance.

An impairment loss of assets carried at a revalued amount in accordance with another Standard of GRAP is treated as a revaluation decrease in accordance with that Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.14.4 Reversal of an impairment loss

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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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 the Statement of Financial Performance.

A reversal of an impairment loss of assets carried at a revalued amount in accordance with another Standard of GRAP is treated as a revaluation increase in accordance with that Standard of GRAP.

After the reversal of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.15 INVENTORIES

1.15.1 Initial Recognition

Inventories are assets:

- (a) in the form of materials or supplies to be consumed in the production process;
- (b) in the form of materials or supplies to be consumed or distributed in the rendering of services;
- (c) held for sale or distribution in the ordinary course of operations; or
- (d) in the process of production for sale or distribution.

Inventories are recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the Municipality, and the cost of the inventories can be measured reliably.

Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus non-recoverable taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventories are acquired through a non-exchange transaction, the cost is measured at the fair value as at the date of acquisition plus any other costs incurred in bringing the inventories to their current location and condition.

1.15.2 Subsequent Measurement

When inventories are sold, exchanged or distributed the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expense is recognised when the goods are distributed, or related service is rendered.

Inventories are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution. Current replacement cost is the cost the Municipality would incur to acquire the asset on the reporting date.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories is recognised as an expense in the period the write-down or loss occurs.

The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The basis of allocating cost to inventory items is the weighted average method.

At reporting date, the water volume is determined by way of dip readings and the calculated volume in the distribution network. Water inventory is then measured by multiplying the cost per kilo litre of purified water by the amount of water in storage.

Cost of land held for sale is assigned by using specific identification of their individual costs.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.16 EMPLOYEE BENEFITS

Defined-contribution plans are post-employment benefit plans under which the Municipality pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are recognised in the Statement of Financial Performance in the year during which they become payable.

Defined-benefit plans are post-employment benefit plans other than defined-contribution plans.

1.16.1 Post-Retirement Benefits

The Municipality provides retirement benefits for its employees and councillors. Retirement benefits consist of defined-contribution plans and defined-benefit plans.

1.16.1.1 Multi-employer defined benefit plans

The Municipality contributes to various National and Provincial-administered defined benefit plans on behalf of its qualifying employees. These funds are multi-employer funds. The contributions to fund obligations for the payment of retirement benefits are recognised in the Statement of Financial Performance in the year they become payable. These defined benefit funds are actuarially valued on the projected unit credit method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

1.16.1.2 Post Retirement Medical Benefits

The Municipality provides post-retirement medical benefits by subsidizing the medical aid contributions of certain retired staff according to the rules of the medical aid funds. Council pays 70% as contribution and the remaining 30% 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. The plan is unfunded.

Contributions are recognised in the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The liability is 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 present value of the defined benefit obligation at the reporting date, minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly, plus any liability that may arise as a result of a minimum funding requirements. Payments made by the Municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are recognised in the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, are recognised in the Statement of Financial Performance in the period that it occurs. These obligations are valued annually by independent qualified actuaries.

1.16.2 Long-term Benefits

1.16.2.1 Long Service Awards

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the Municipality. The Municipality's obligation under these plans is valued by independent qualified actuaries annually 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 recognised in 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 recognised in the Statement of Financial Performance in the period that it occurs. These obligations are valued annually by independent qualified actuaries.

1.16.3 Short-term Benefits

1.16.3.1 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 reporting date and also on the total remuneration package of the employee.



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Accumulating 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.

1.16.3.2 Bonuses

The liability for staff bonuses is based on the accrued bonus for each employee at reporting date.

1.16.3.3 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 accrue to Section 57 employees. Provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

1.16.3.4 Other 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:

- (a) 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; and
- (b) as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

1.17 PROVISIONS

A provision is a liability of uncertain timing or amount. Provisions are recognised when the Municipality has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resource embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the provision can be made.

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 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.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when it is virtually certain that reimbursement will be received if the Municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement will not exceed the amount of the provision. In the Statement of Financial Performance, the expense relating to a provision may be presented net of the amount recognised for a reimbursement.

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

- (a) The Municipality has a detailed formal plan for the restructuring identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented.
- (b) 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.

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.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.18 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

1.18.1 Municipality as Lessee

1.18.1.1 Finance Leases

At the commencement of the lease term, the Municipality recognises assets acquired under finance leases as assets and the associated lease obligations as liabilities in the Statement of Financial Position.

At the inception of the lease, the assets and liabilities are recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The discount rate to be used in calculating the present value of the minimum lease payment is the interest rate implicit in the lease. If the rate implicit to the lease is not available the Municipality's incremental borrowing rate is used. Any initial direct costs of the Municipality are added to the amount recognised as an asset.

Subsequent to initial recognition, the minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents, if any, are charged as expenses to the Statement of Financial Performance in the periods in which they are incurred. The leased assets are accounted for in accordance with the stated accounting policies applicable to the assets.

1.18.1.2 Operating leases

Lease payment under an operating lease is recognised as an expense in the Statement of Financial Performance on a straight-line basis over lease term, unless another systematic basis is more representative of the time pattern of the user's benefit. The difference between the straight-lined expenses and actual payments made will give rise to a liability.

1.18.2 Municipality as Lessor

1.18.2.1 Finance Leases

The Municipality recognises lease payments receivable under a finance lease as assets (receivable) in the Statement of Financial Position. The asset (receivable) is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the Municipality, discounted at the interest rate implicit in the lease.

The asset (receivable) is reduced by the capital portion of the lease instalments received, with the interest portion being recognised as interest revenue on a time proportionate basis in the Statement of Financial Performance.

1.18.2.2 Operating Leases

Operating lease revenue is recognised in the Statement of Financial Performance on a straight-line basis over the term of the relevant lease, unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. The difference between the straight-lined revenue and actual payments received will give rise to an asset.

1.19 FINANCIAL INSTRUMENTS

1.19.1 Initial Recognition

Financial instruments (financial assets and financial liabilities) are recognised on the Municipality's Statement of Financial Position when it becomes party to the contractual provisions of the instrument.

Financial instruments are initially recognised at fair value plus, in the case of a financial asset or financial liability not at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. If finance charges in respect of financial assets and financial liabilities are significantly different from similar charges usually obtained in an open market transaction, adjusted for the specific risks of the Municipality, such differences are immediately recognised in the period it occurs, and the unamortised portion adjusted over the period of the loan transactions.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.19.2 Subsequent Measurement

Financial instruments are categorised as follow:

- (a) **Financial instruments at amortised cost** are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. They are included in current assets or current liabilities, except for maturities greater than 12 months, which are classified as non-current. After initial recognition, both financial assets and financial liabilities are measured at amortised cost, using the effective interest rate method. Financial assets are also subject to an impairment review.
- (b) **Financial instruments at cost** are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured. Both financial assets and financial liabilities are subsequently measured at cost. Financial assets are subject to an impairment review.
- (c) **Financial instruments at fair value** comprise of financial assets or financial liabilities that are:
 - (i) derivatives;
 - (ii) combined instruments that are designated at fair value;
 - (iii) instruments held for trading;
 - (iv) non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
 - (v) financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Both, financial assets and financial liabilities are subsequently measured at fair value with unrealised gains or losses recognised directly in the Statement of Financial Performance.

1.19.3 Impairment and uncollectability of financial assets

Financial assets, other than those at fair value, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence of impairment of financial assets.

1.19.3.1 Financial assets measured at amortised cost

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Cash flows relating to short-term financial assets are not discounted where the effect of discounting is immaterial. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment is reversed by adjusting an allowance account. The amount of the reversal is recognised in Statement of Financial Performance.

1.19.3.2 Financial assets measured 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 is not be reversed.

1.19.4 Derecognition of financial instruments

1.19.4.1 Financial assets

The Municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. Financial assets (receivables) are also derecognised 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.19.4.2 Financial liabilities

The Municipality derecognises financial liabilities 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 the Statement of Financial Performance.

1.19.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.20 STATUTORY RECEIVABLES

Statutory receivables arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset. Statutory receivables can arise from both exchange and non-exchange transactions.

1.20.1 Initial Recognition

Statutory receivables are recognised when the related revenue (exchange or non-exchange revenue) is recognised or when the receivable meets the definition of an asset. The Municipality initially measure statutory receivables at their transaction amount.

1.20.2 Subsequent Measurement

The Municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is subsequently changed to reflect any interest or other charges that may have accrued on the receivable, less any impairment losses and amounts derecognised.

1.20.3 Impairment and uncollectability of statutory receivables

The Municipality assesses at each reporting date whether there is any indication that a statutory receivable may be impaired.

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.

1.20.4 Derecognition

The Municipality derecognises a statutory receivable when the rights to the cash flows from the receivable are settled, expire or are waived or the Municipality transfers the receivable and substantially all the risks and rewards of ownership of the receivable to another entity.

When the Municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of receivable to another entity, the Municipality derecognises the receivable and recognises separately any rights and obligations created or retained in the transfer.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.21 CASH AND CASH EQUIVALENTS

Cash includes cash on hand, cash held with banks, and call deposits. Cash equivalents are short-term highly liquid investments with registered banking institutions with maturities of three months or less from inception, readily convertible to cash without significant change in value.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred in the Statement of Financial Performance.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any bank overdrafts.

1.22 RECEIVABLES

Receivables are recognised initially at fair value, which approximates amortised cost less provision for impairment. Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of receivables is established when there is objective evidence that the Municipality will not be able to collect all amounts due according to the original terms of receivables. An estimate is made for impairment of receivables, based on past default experience of all outstanding amounts at reporting date.

Bad debts are written off in the year during which they are identified as irrecoverable, subject to the approval by the appropriate delegated authority. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the Statement of Financial Performance.

1.23 TAXES (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 in the Statement of Financial Position. The Municipality accounts for value-added tax (VAT) on the payment basis.

1.24 NON-CURRENT INVESTMENTS

Investments which include investments in listed shares and fixed deposits invested in registered commercial banks.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Financial Performance.

1.25 PAYABLES AND ANNUITY LOANS

Payables and annuity loans are initially recognised at fair value and subsequently measured at amortised cost using an effective interest rate, which is the initial carrying amount, less repayments, plus interest.

1.26 CONSUMER DEPOSITS

Consumer deposits are disclosed as a current liability. Consumer deposits are levied in line with council's policy to consumers when services are initially connected. When services are disconnected or terminated, the outstanding deposit is utilised against any arrear accounts the consumer might be liable for on that date. Any excess deposit after all debt is settled is refunded to the specific consumer.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.27 CONDITIONAL GOVERNMENT GRANTS AND PUBLIC CONTRIBUTIONS

Grants, transfers and donations received or receivable are recognised as assets when the resources that have been transferred to the Municipality meet the definition and criteria for recognition as assets.

Conditional grants, transfers and donations are recognised as revenue to the extent that the Municipality has complied with the conditions embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the conditions have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

The liability recognised to the extent that the conditions associated with the grant, transfer or donation have not been met, always has to be cash-backed. The cash which backs up the liability is invested as a individual investment or part of the general investments of the Municipality until it is utilised.

Interest earned on investments of grants, transfers and donations are treated in accordance with conditions as stipulated in the agreement. If it is payable to the grantor it is recorded as part of the creditor and if it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.28 REVENUE

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 Municipality has no intention of collecting this revenue. Where the Municipality has no intention of collecting the revenue, rebates and discounts are offset against the related revenue. If the Municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

1.28.1 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.

1.28.1.1 Taxation Revenue

Taxation revenue comprises of property rates. Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

1.28.1.2 Transfer Revenue

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 recognised 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, transfers and donations without any conditions attached are recognised as revenue when the asset is recognised.

1.28.1.3 Availability Charges

Availability charges are based on the approved tariffs of the Municipality. These charges are levied where the Municipality has installed the relevant infrastructure networks (relating to water, electricity, sewerage and solid waste) in the area where the consumer resides, but the consumer has not requested to be and is not connected to the networks.



THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.28.1.4 Fines

Fine Revenue constitutes both spot fines and summonses. All fines issued during the year less any cancellations or reductions are recognised as revenue.

1.28.1.5 Insurance Refunds

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.

1.28.1.6 Unclaimed deposits

All unclaimed deposits are initially recognised as a liability until 12 months expires, when all unclaimed deposits into the Municipality's bank account will be treated as revenue. Historical patterns have indicated that minimal unidentified deposits are reclaimed after a period of twelve months. Therefore the substance of these transactions indicate that even though the prescription period for unclaimed monies is legally three years, it is reasonable to recognise all unclaimed monies older than twelve months as revenue. Although unclaimed deposits are recognised as revenue after 12 months, the Municipality still keep record of these unclaimed deposits for three years in the event that a party should submit a claim after 12 months, in which case it will be expensed.

1.28.1.7 Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Income from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the MFMA (Act 56 of 2003), and is recognised upon the recovery thereof from the responsible party.

1.28.1.8 Services in-kind

Services in-kind include services provided by individuals to the Municipality at no charge or where the Municipality has the right to use assets at no charge.

The Municipality's recognises services in-kind that are significant to its operations as assets and recognises 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.

When the criteria for recognition is satisfied, services in-kind are recognised at their fair value as at the date of acquisition.

If the services in-kind are not significant to the Municipality's operations or does not satisfy the criteria for recognition, the Municipality only disclose the nature and type of services in-kind received during the reporting period.

1.28.1.9 Contributed Assets

Contributed assets are recognised at fair value when such items of property, plant and equipment qualifies for recognition and become available for use by the Municipality.

1.28.2 Revenue from Exchange Transactions

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.

1.28.2.1 Service Charges

Service Charges are levied in terms of approved tariffs.

Service charges relating to electricity and water are based on consumption and a basic charge as per the approved tariffs. Meters are read on a monthly basis and are recognised as revenue when invoiced. Where the Municipality was unable to take the actual month's reading of certain consumers, a provisional estimate of consumption for that month will be created, based on consumption history. The provisional estimates of consumption are recognised as revenue when invoiced, except at reporting date when estimates of consumption up to the reporting date are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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 date of purchase. The pre-paid electricity sold, but not consumed yet at reporting date is recognised as a liability under Payables from Exchange Transactions in the Statement of Financial Position.

Service charges relating to sewerage and sanitation are recognised on a monthly basis in arrears by applying the approved tariff to each property. These service charges are based on the type of service and the number of sewer connections on all developed property, using the tariffs approved and are levied on a monthly basis.

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 number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

1.28.2.2 *Interest earned*

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.

1.28.2.3 *Rental income*

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

1.28.2.4 *Income from Agency Services*

Revenue arising out of situations where the Municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the Municipality as compensation for executing the agreed services.

Income from agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

1.28.2.5 *Other Tariffs*

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.

1.28.2.6 *Sale of goods*

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

- (a) The Municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods.
- (b) The Municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- (c) The amount of revenue can be measured reliably.
- (d) It is probable that the economic benefits or service potential associated with the transaction will flow to the Municipality.
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.28.2.7 *Deferred payment*

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

1.28.3 **Construction Contracts**

Contractor is an entity that performs construction work pursuant to a construction contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

The Municipality participates as a non-accredited municipality in the National Housing Programme. The Municipality's roles and responsibilities in the housing development process are set out in the binding arrangements entered into with the provincial Department of Human Settlements. The Municipality assesses the terms and conditions of each contract concluded with the provincial Department of Human Settlements to establish whether the contract is a construction contract or not.

The Accounting Standards Board (ASB) issued a *Guideline on accounting for arrangements undertaken in terms of the National Housing Programme*. The guideline makes a distinction between a project manager and a project developer.

Where the Municipality is appointed as the project manager, it will assist with the process of appointing a contractor to construct houses on behalf of the provincial Department of Human Settlements. The responsibility of appointment and payment of the contractors ultimately vest with the provincial Department of Human Settlements.

Where the Municipality is appointed as the project developer, it will take on the responsibility for the construction of the houses. As project developer the Municipality will appoint contractors and will make payments for work completed on meeting milestones agreed between itself and the contractor.

In general, where the Municipality is appointed as the project manager, it will act as an agent for the provincial Department of Human Settlements. Where the Municipality is appointed as the project developer, it is considered that the Municipality has entered into a construction contract with the provincial Department of Human Settlements.

The binding agreements entered into with the provincial Department of Human Settlements are non-commercial fixed price contracts. The objective of the arrangements is to construct low cost houses for the beneficiaries of the National Housing Programme in return for full reimbursement of costs from the Department through a housing grant or subsidy.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date, as measured by the proportion that contract costs incurred for the work performed to date bear to the estimate total contract costs.

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

1.29 BORROWING COSTS

Borrowing costs that are incurred by the Municipality are expensed in the Statement of Financial Performance in the period during which they are incurred, regardless of how the borrowings are applied.

1.30 UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, 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 a form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). Unauthorised expenditure is accounted for as an expense (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.31 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, and (Act. No. 20 of 1998) or is in contravention of the Municipality's Supply Chain Management Policy. Irregular expenditure is accounted for as expenditure (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.32 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and could have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.33 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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.

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Municipality.

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.

1.34 CAPITAL COMMITMENTS

Capital commitments disclosed in the financial statements represents the contractual balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

1.35 EVENTS AFTER 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:

- (a) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- (b) those that 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.

1.36 RELATED PARTIES

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.

Related party transaction is a transfer of resources, services or obligations between the Municipality and a related party, regardless of whether a price is charged.

Management is considered a related party and comprises those persons responsible for planning, directing and controlling the activities of the Municipality, including those charged with the governance of the Municipality in accordance with legislation, in instances where they are required to perform such functions.

A close family member of management is also considered to be related party. A person is considered to be a close member of the family of another person if they are married or live together in a relationship similar to a marriage or are separated by no more than two degrees of natural or legal consanguinity or affinity.

The Municipality is exempt from the disclosure requirements in relation to related party transactions if that transactions occurs within the normal supplier and/or client/recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the Municipality to have adopted if dealing with that individual entity or person in the same circumstances, and the terms and conditions are within the normal operating parameters established by Municipality's legal mandate.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

Where the Municipality is exempt from the disclosures in accordance with the above-mentioned paragraph, the Municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable to users of the financial statements to understand the effect of related party transactions.

Remuneration of management includes remuneration derived for services provided to the Municipality in their capacity as members of the management team or employees. Benefits derived directly or indirectly from the Municipality for services in any capacity other than as an employee or a member of management do not meet the definition of remuneration. Remuneration of management excludes any consideration provided solely as a reimbursement for expenditure incurred by those persons for the benefit of the Municipality.

The Municipality operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the Constitutional independence of all three spheres of government in South Africa, only parties within the same sphere of government will be considered to be related parties. Only transactions with such parties which are not at arm's length and not on normal commercial terms, are disclosed.

1.37 ACCOUNTING BY PRINCIPALS AND AGENTS

An agent is an entity that has been directed another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

When the Municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement. The assessment of whether the Municipality is a principal or an agent requires the Municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

The Municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement shall re-assess whether they act as a principal or an agent in accordance with this Standard.

When the Municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If an entity concludes that it is not the agent, then it is the principal in the transactions.

The Municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- (a) It does not have the power to determine the significant terms and conditions of the transaction.
- (b) It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- (c) 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 it is an agent. The Municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether an entity is an agent.

Where the Municipality acts as a principal, it recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirement of the relevant Standards of GRAP.

Where the Municipality acts as an agent, it 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 other Standards of GRAP.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.38 LIVING AND NON-LIVING RESOURCES

Living resources are those resources that undergo biological transformation which comprises the processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a living resource.

Non-living resources are those resources, other than living resources, that occur naturally and have not been extracted. Non-living resources, other than land, is not recognised as assets. The Standard only requires disclosure of the relevant resources.

The Municipality has assessed that it does not control any living resources, but is however responsible for non-living resources as set out in notes to the financial statements.

1.39 SEGMENT REPORTING

A segment is an activity of the Municipality:

- (a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same Municipality);
- (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.

Management comprises of those persons responsible for planning, directing and controlling the activities of the Municipality, including those charged with the governance of the Municipality in accordance with legislation.

Financial information relating to the reporting segments are aligned to the financial information distributed to management on a regular basis (similar basis of preparation). This information is utilised to measure performance of the relevant services provided by the Municipality and also to ensure that resources are appropriately allocated to various departments/segments to provide high quality services to the community.

Adjustments and eliminations made in preparing the Municipality's financial statements, which includes the allocation basis of revenues and expenses, are prepared on a similar basis as the information distributed to management on a regular basis.

Financial information distributed to management does not include a segment/department analysis of assets and liabilities associated with each segment/department. In line with this principle utilised during the financial year, the segment reporting included in the financial statements are prepared on a similar basis which excludes such an analysis. Assets and liabilities are reported on for the Municipality as a whole.

Management reviews capital expenditure/performance on a regular basis and accordingly the relevant information is reported on per segment.

1.40 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the process of applying the Municipality's accounting policy, management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements:

1.40.1 Application of Directive 7

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

For deemed cost applied to land and buildings as per adoption of Directive 7, management made use of an 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.

For deemed cost applied to Investment Property as per adoption of Directive 7, management made use of an 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.



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GRAP implementation date for the Municipality is 1 July 2007 which is also the date applicable when applying Directive 7. The GRAP compliant period is therefore determined to be from 1 July 2007 to the current year's reported date. Where the economic useful life of an item of Property, Plant and Equipment is less than the GRAP compliant period, it is assumed that the item was either incorrectly written off in the past, or that the capital expenditure of the said item was incorrectly included in surplus. In such cases the item shall not be recognised on GRAP implementation date, but shall be taken into account on that date of the opening balances of the comparative amounts.

1.40.2 Impairment of Receivables

The calculation in respect of the impairment of receivables 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.

1.40.3 Useful lives and residual values

The useful lives of assets are based on management's estimates. 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 estimated residual values of assets are also based on management's judgement on whether the assets will be sold or used to the end of their useful lives, and what their condition will be at that time.

1.40.4 Impairment of non-monetary assets

Non-monetary assets can include, but is not limited to, Property, Plant and Equipment, Investment Property and Intangible assets.

The Municipality is not a profit-oriented entity, as its primary objective is service delivery. Tariffs and charges are cost-reflective to ensure continued financial sustainability. No profit element is included in the determination of a tariff. As such, management has determined that the Municipality does not control assets that meet the definition of cash-generating assets and that the Standard of GRAP on Impairment of Non-cash-generating Assets will apply to all assets of the Municipality.

The calculation in respect of the impairment of non-monetary assets is based on an assessment of the extent to which the recoverable amount of the asset has declined below the carrying amount. This calculation will only be performed if there is an indication of an impairment.

1.40.5 Post-Retirement and Long-term Benefits

The cost of post retirement medical benefits and long-service awards 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. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

1.40.6 Provisions and Contingent Liabilities

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

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 net present value at the reporting date of the expected future cash flows to rehabilitate the landfill site. The discount rate used to calculate the effect of time value of money is linked to the index for earthwork as published by Statistics South Africa.

1.40.7 Financial Instruments and Statutory Receivables

The Municipality analyses the terms and conditions of the transactions that give rise to its receivables in order to understand whether they arise directly from legislation or similar means, or from a separate contract concluded with a party. Judgement is applied in applying the principles as set out in the respective Standards of GRAP on Financial Instruments and Statutory Receivables.



THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

1.40.8 Financial assets and liabilities

The classification of financial assets and liabilities, into categories, is based on judgement by management. In making the judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in the Standard of GRAP on Financial Instruments.

1.40.9 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 prescribed in the Standard of GRAP on Revenue from Exchange Transactions and Standard of GRAP on Revenue from Non-Exchange Transactions. Specifically, when goods are sold, whether the significant risks and rewards of ownership of the goods have been transferred to the buyer and when services are rendered, whether the service has been performed.

In considering the revenue to which the Municipality is entitled, the Municipality considers other factors that may impact the inflow of future economic benefits or service potential on initial recognition of revenue. Such factors include fines issued which will be reduced or withdrawn after reporting date. The Municipality applies judgement based on past experience and current facts and circumstances in order to adjust the traffic fine revenue accordingly.

1.40.10 Recognition and Derecognition of Land

In order for land to meet the definition of an asset, the Municipality must be able to prove that control is being exercised. Control of land is evidenced by either legal ownership and/or the right to direct access to land, and to restrict or deny the access of others to land.

To demonstrate access/restriction rights, the Municipality assesses whether it has a substantive right for an unlimited period through a binding arrangement.

The above-mentioned assessment is subject to management's judgements and assumptions are applied to conclude that the Municipality controls land.

1.40.11 Materiality

Since materiality is an entity-specific concept, its application may result in different outcomes based on the Municipality's circumstances. The assessment of materiality therefore requires management to apply judgement about:

- (a) How information could reasonably be expected to influence the discharge of accountability by the Municipality or decisions that the users make on the basis of those financial statements.
- (b) How the nature or size or both, of the information could reasonably be expected to influence users' decisions.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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CASH AND CASH EQUIVALENTS

Bank Accounts	85 906 681	116 873 931
Call Investment Deposits	-	49 098 691
Cash Floats	9 699	9 699
Total	85 916 380	165 982 321

Due to the short term nature of cash deposits, all balances included above are in line with their fair values.

Cash and Cash Equivalents are held to support the following commitments:

Department of Human Settlements	1 834 148	5 334 915
Unspent Conditional Grants	19 642 194	15 815 250
Unspent Public Contributions	535 677	302 018
Capital Replacement Reserve	50 052 458	40 252 671
Available for working capital requirements	13 851 904	104 277 467
Total Cash and Cash Equivalents	85 916 380	165 982 321

2.1 Bank Accounts

Standard Bank of South Africa Limited - Account Number 072-331-348 (Current Primary Account)	85 686 164	116 727 948
Standard Bank of South Africa Limited - Account Number 072-339-713 (Traffic Account)	-	-
ABSA Bank Limited - Account Number 40-5786-6237 (Former Primary Account)	-	145 982
ABSA Bank Limited - Account Number 08-2014-6603 (Income Account)	220 517	-
ABSA Bank Limited - Account Number 40-5915-5676 (Traffic account)	-	-
Total	85 906 681	116 873 931

Standard Bank of South Africa Limited - Account Number 072-331-348 (Current Primary Account)

Cash book balance at beginning of year	116 727 948	116 308 034
Cash book balance at end of year	85 686 164	116 727 948
Bank statement balance at beginning of year	115 941 236	115 513 106
Bank statement balance at end of year	84 879 707	115 941 236

Standard Bank of South Africa Limited - Account Number 072-339-713 (Traffic Account)

Cash book balance at beginning of year	-	-
Cash book balance at end of year	-	-
Bank statement balance at beginning of year	-	-
Bank statement balance at end of year	-	-

Traffic account is cleared daily to Primary Bank Account.

ABSA Bank Limited - Account Number 40-5786-6237 (Former Primary Account)

Cash book balance at beginning of year	145 982	242 452
Cash book balance at end of year	-	145 982
Bank statement balance at beginning of year	145 982	242 452
Bank statement balance at end of year	-	145 982

The Municipality has one guarantee of R15 000 in the name of the beneficiary, Eskom.

ABSA Bank Limited - Account Number 08-2014-6603 (Income Account)

Cash book balance at beginning of year	-	-
Cash book balance at end of year	220 517	-
Bank statement balance at beginning of year	-	-
Bank statement balance at end of year	220 517	-

Income account is cleared daily to Primary Bank Account.



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2 CASH AND CASH EQUIVALENTS (CONTINUED)

ABSA Bank Limited - Account Number 40-5915-5676 (Traffic account)

Cash book balance at beginning of year	-	-
Cash book balance at end of year	-	-
Bank statement balance at beginning of year	-	-
Bank statement balance at end of year	-	-
Traffic account is cleared daily to Primary Bank Account.		

2.2 Call Investment Deposits

Call investment deposits consist out of the following accounts:

Interneuron Capital Ltd	- Notice deposit	- Account number CA 002	430 224	430 224
ABSA Bank Limited	- 3 months investment	- Account number 93-0013-5651	-	13 524 570
ABSA Bank Limited	- 3 months investment	- Account number 93-0013-5415	-	27 616 972
ABSA Bank Limited	- Notice deposit	- Account number 90-9522-5460	-	7 957 148
			430 224	49 528 915
Less: Provision for Impairment			(430 224)	(430 224)
Total			-	49 098 691

An amount of R 430 224 (2022: R 430 224), included in Call Investment Deposits above, is invested in an institution which is under curatorship. The curators are encashing property developments financed by the investment company before distribution of funds will continue, however it is expected significant capital losses will be incurred. The dates of any possible future cashflows are not known at the reporting date and the full amount has been impaired due to the uncertainty of collectability.

3 RECEIVABLES FROM EXCHANGE TRANSACTIONS

Service Receivables

	250 480 044	265 107 911
Electricity	12 081 658	10 254 387
Water	55 319 365	57 333 579
Refuse	59 237 603	66 016 451
Sewerage	53 912 330	59 470 656
Interest	65 880 817	67 880 692
Other	4 048 271	4 152 146

Other Receivables

	5 338 088	4 616 431
Prepayments	4 905 726	3 887 751
Accrued Interest	432 362	728 681

Total Gross Balance

255 818 132 **269 724 342**

Less: Allowance for Debt Impairment

(215 054 561) (232 905 994)

Total Net Receivable

40 763 571 **36 818 348**

Consumer debtors are payable within 30 days. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary. Interest of prime +1% is levied on late payments.

Refer to note 14.2 for receivables pledged as security for Long-term Liabilities.



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3 RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

Reconciliation of Allowance for Debt Impairment

Balance at the beginning of the year	232 905 994	190 467 674
Movement in the contribution to the provision	65 095 137	57 781 951
Electricity	2 747 881	494 440
Water	18 664 503	17 616 895
Refuse	12 415 011	12 786 745
Sewerage	10 376 066	11 588 296
Interest	19 742 815	14 338 231
Other	1 148 861	957 344
Bad Debts Written off	(82 946 570)	(15 343 631)
Electricity	(424 335)	(33 109)
Water	(23 329 739)	(4 303 495)
Refuse	(19 504 466)	(4 088 688)
Sewerage	(15 998 753)	(3 216 595)
Interest	(22 344 291)	(3 558 774)
Other	(1 344 986)	(142 969)
Balance at the end of the year	215 054 561	232 905 994

The allowance for impairment of receivables has been made for all consumer balances outstanding (excluding outstanding government debt) based on the payment ratio over the last 12 months. No allowance for debt impairment is made for outstanding government debt. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.

	Gross Balance R	Allowance for Debt Impairment R	Net Receivable R
30 June 2023			
Service Receivables			
Electricity	12 081 658	(3 397 157)	8 684 501
Water	55 319 365	(40 062 384)	15 256 980
Refuse	59 237 603	(55 076 604)	4 160 999
Sewerage	53 912 330	(48 783 448)	5 128 882
Interest	65 880 817	(64 208 880)	1 671 937
Other	4 048 271	(3 526 088)	522 183
Other Receivables			
Prepayments	4 905 726	-	4 905 726
Accrued Interest	432 362	-	432 362
Total	255 818 132	(215 054 561)	40 763 571
30 June 2022			
Service Receivables			
Electricity	10 254 387	(1 073 611)	9 180 776
Water	57 333 579	(44 727 620)	12 605 959
Refuse	66 016 451	(62 166 059)	3 850 392
Sewerage	59 470 656	(54 406 135)	5 064 520
Interest	67 880 692	(66 810 356)	1 070 336
Other	4 152 146	(3 722 213)	429 933
Other Receivables			
Prepayments	3 887 751	-	3 887 751
Accrued Interest	728 681	-	728 681
Total	269 724 342	(232 905 994)	36 818 348

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3 RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

Ageing of Receivables from Exchange Transactions

Electricity

0 - 30 Days (Current)	7 481 924	8 163 434
1 to 3 months	1 789 586	1 452 769
4 months to 1 year	1 606 799	255 402
Over 1 year	1 203 349	382 781
Total	12 081 658	10 254 387

Water

0 - 30 Days (Current)	13 176 803	12 179 302
1 to 3 months	7 630 602	6 403 029
4 months to 1 year	9 553 700	12 560 948
Over 1 year	24 958 260	26 190 301
Total	55 319 365	57 333 579

Refuse

0 - 30 Days (Current)	3 635 622	4 029 306
1 to 3 months	4 955 097	4 595 910
4 months to 1 year	9 041 070	10 043 508
Over 1 year	41 605 813	47 347 726
Total	59 237 603	66 016 451

Sewerage

0 - 30 Days (Current)	4 830 914	5 175 966
1 to 3 months	4 315 897	4 053 313
4 months to 1 year	7 883 667	10 272 625
Over 1 year	36 881 853	39 968 751
Total	53 912 330	59 470 656

Interest

0 - 30 Days (Current)	2 261 312	2 161 977
1 to 3 months	6 280 542	5 126 376
4 months to 1 year	12 343 612	9 127 381
Over 1 year	44 995 350	51 464 958
Total	65 880 817	67 880 692

Other

0 - 30 Days (Current)	436 679	463 089
1 to 3 months	564 380	492 768
4 months to 1 year	827 421	667 319
Over 1 year	2 219 791	2 528 970
Total	4 048 271	4 152 146

Summary Ageing of all Receivables from Exchange Transactions

0 - 30 Days (Current)	31 823 255	32 173 075
1 to 3 months	25 536 104	22 124 166
4 months to 1 year	41 256 270	42 927 184
Over 1 year	151 864 415	167 883 486
Total	250 480 044	265 107 911



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4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Service Receivables

52 898 066

60 247 815

Property Rates

42 413 719

48 545 414

Availability Charges

10 484 347

11 702 401

Other Receivables

54 960 467

35 446 224

Unpaid Traffic Fines

51 285 500

32 150 600

Other Receivables

145 240

462 946

Unpaid Grants

483 907

-

Deposits

3 045 820

2 832 679

Total Gross Balance

107 858 533

95 694 039

Less: Allowance for Debt Impairment

(85 167 836)

(75 702 273)

Total Net Receivable

22 690 697

19 991 766

As previously reported

17 159 087

Correction of error restatement - note 49.1

2 832 679

Restated balance

19 991 766

Rates are payable monthly within 30 days after the date of accounts. An option to pay rates annually is also available and the account must be settled on or before 30 September. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary. Interest of prime +1% is levied on late payments.

Refer to note 14.2 for receivables pledged as security for Long-term Liabilities.

Reconciliation of Allowance for Debt Impairment

Balance at the beginning of the year

75 702 273

59 120 055

Movement in the contribution to the provision

33 800 375

30 891 690

Property Rates

4 737 343

10 100 479

Availability Charges

1 646 782

909 861

Unpaid Traffic Fines

27 416 250

19 881 350

Bad Debts Written off

(24 334 812)

(14 309 472)

Property Rates

(12 092 751)

(3 845 470)

Availability Charges

(3 027 111)

(129 652)

Unpaid Traffic Fines

(9 214 950)

(10 334 350)

Balance at the end of the year

85 167 836

75 702 273

The allowance for debt impairment of property rates has been made for all balances outstanding (excluding outstanding government debt) based on the payment ratio over the last 12 months. No allowance for debt impairment is made for outstanding government debt. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.

The allowance for debt impairment of unpaid traffic fines has been made for all balances outstanding based on the collection rate over the last 12 months.



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4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)

	Gross Balance R	Allowance for Debt Impairment R	Net Receivable R
30 June 2023			
Service Receivables			
Property Rates	42 413 719	(27 311 233)	15 102 486
Availability Charges	10 484 347	(9 806 302)	678 044
Other Receivables			
Unpaid Traffic Fines	51 285 500	(48 050 300)	3 235 200
Other Receivables	145 240	-	145 240
Unpaid Grants	483 907	-	483 907
Deposits	3 045 820	-	3 045 820
Total	107 858 533	(85 167 836)	22 690 697
30 June 2022			
Service Receivables			
Property Rates	48 545 414	(34 666 642)	13 878 773
Availability Charges	11 702 401	(11 186 631)	515 770
Other Receivables			
Unpaid Traffic Fines	32 150 600	(29 849 000)	2 301 600
Other Receivables	462 946	-	462 946
Unpaid Grants	-	-	-
Deposits	2 832 679	-	2 832 679
Total	95 694 039	(75 702 273)	19 991 766

Ageing of Receivables from Non-Exchange Transactions

Property Rates

0 - 30 Days (Current)	8 655 336	8 329 431
1 to 3 months	5 460 724	5 698 902
4 months to 1 year	9 317 864	11 312 707
Over 1 year	18 979 796	23 204 374
Total	42 413 719	48 545 414

Availability Charges

0 - 30 Days (Current)	428 297	447 408
1 to 3 months	753 180	664 635
4 months to 1 year	1 503 975	1 366 941
Over 1 year	7 798 894	9 223 416
Total	10 484 347	11 702 401

5 TAXES

VAT Claimable/(Payable)	4 759 582	3 179 301
VAT Input in Suspense	10 506 460	3 878 117
VAT Output in Suspense - net	(2 159 244)	(2 323 287)
VAT Output in Suspense	(22 645 004)	(24 823 201)
Less: VAT on Allowance for Debt Impairment	20 485 760	22 499 914
Total	13 106 799	4 734 131

As previously reported

Correction of error restatement - note 49.1

Restated balance

6 827 192

(2 093 061)

4 734 131

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5 TAXES (CONTINUED)

Reconciliation of VAT on Allowance for Debt Impairment

Balance at beginning of year	22 499 914	18 289 447
Debt Impairment for current year	(2 014 154)	4 210 467
Balance at the end of the year	20 485 760	22 499 914

6 OPERATING LEASES

6.1 OPERATING LEASE ASSET

Operating Lease Asset	611 421	597 267
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The operating lease asset is derived from contracts where the Municipality acts as the lessor in the agreement.

Reconciliation of Operating Lease Asset

Balance at the beginning of the year	597 267	522 793
Movement during the year	14 153	74 475
Balance at the end of the year	611 421	597 267

The Municipality will receive the following lease payments from contracts that have defined lease payments and terms.

Within 1 Year	498 016	684 596
Between 1 and 5 Years	1 648 052	1 548 758
After 5 Years	999 983	1 384 293
Total operating lease payments	3 146 051	3 617 648

This lease income was determined from contracts that have a specific conditional income and does not include lease income which has a undetermined conditional income.

The Municipality leases a number of land and buildings for periods ranging from 2 to 99 years with escalations of between 0% and 20% per annum.

The Municipality does not engage in any sub-lease arrangements nor did the Municipality receive any contingent rent during the year.

Significant lease agreements include, but are not limited to:

- Lease of Loerkop Caravan Park for a period of 20 years ending 30 September 2031 with an annual escalation of 10%.
- Lease of a portion of Farm 329 - Grabouw for a period of 9 years and 10 months ending 30 March 2029, with an annual escalation of 6%.
- Lease of erf 542 for a period of 9 years and 11 months ending 30 September 2030, with an annual escalation of 8%.

7 LONG-TERM RECEIVABLES

Receivables with repayment arrangements	2 543 283	6 074 560
Less: Allowance for Debt Impairment	(900 777)	(2 207 888)
Total Net Receivable	1 642 505	3 866 671
Less: Current portion of Long-term Receivables	(702 045)	(1 560 573)
Total	940 461	2 306 099

At year-end debtors amounting to R2 543 283 (2022 - R6 074 560) arranged to settle their accounts over an re-negotiated period. Total payments to the value of R1 477 984 (2022 - R3 677 468) have been deferred beyond 12 months after year end and subsequently included as part of long-term receivables.



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7 LONG-TERM RECEIVABLES (CONTINUED)

Reconciliation of Allowance for Debt Impairment

Balance at the beginning of the year	2 207 888	3 368 719
Movement in the contribution to the provision	(1 307 111)	(1 160 831)
Balance at the end of the year	900 777	2 207 888

The allowance for debt impairment of arrangements has been made for all balances outstanding based on the payment ratio over the last 12 months. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.

8 INVENTORY

Maintenance Materials	11 764 116	11 920 222
Water	693 449	720 887
Total	12 457 565	12 641 109

Inventory are disclosed at the lower of cost or net realisable value.

The Municipality recognised only purification costs in respect of non-purchased purified water inventory.

No inventory were pledged as security for liabilities.

Inventory written down due to losses identified during the annual stores counts	120 317	76 960
Inventory recognised as an expense during the year	12 141 996	11 728 972

9 INVESTMENT PROPERTY

Investment Property - Carrying Value	68 564 654	69 973 721
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The carrying value of Investment Property is reconciled as follows:

Opening Carrying Value

	69 973 721	71 817 801
Cost	77 760 554	77 965 808
Accumulated Depreciation	(1 052 372)	(950 115)
Accumulated Impairment	(6 734 461)	(5 197 893)

Additions	-	-
Impairment	(894 743)	(1 558 714)
Disposals	(427 498)	(183 109)

Cost	(435 512)	(205 254)
Accumulated Depreciation	-	-
Accumulated Impairment	8 014	22 145
Depreciation	(86 825)	(102 257)

Closing Carrying Value

	68 564 654	69 973 721
Cost	77 325 042	77 760 554
Accumulated Depreciation	(1 139 198)	(1 052 372)
Accumulated Impairment	(7 621 191)	(6 734 461)

There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal.

There are no contractual obligations to purchase, construct or develop Investment Property or for repairs, maintenance or enhancements.

Revenue derived from the rental of Investment Property	1 620 417	1 829 947
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No significant operating expenditure was incurred on investment property during the 2022/23 and 2021/22 financial year.

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10 PROPERTY, PLANT AND EQUIPMENT

	Cost R	Accumulated Depreciation R	Accumulated Impairment R	Carrying Value R
30 June 2023				
Land and Buildings	134 921 210	(8 609 076)	(2 502 041)	123 810 094
Infrastructure	1 163 571 444	(218 302 568)	-	945 268 876
Community Assets	763 623	(485 611)	-	278 012
Other Assets	92 826 184	(31 429 103)	-	61 397 080
Capitalised Restoration Cost	69 287 248	(55 514 663)	(10 610 617)	3 161 968
Total	1 461 369 710	(314 341 020)	(13 112 658)	1 133 916 031

30 June 2022

Land and Buildings	130 894 604	(7 714 934)	(2 660 710)	120 518 961
Infrastructure	1 034 927 100	(195 827 680)	-	839 099 420
Community Assets	763 623	(497 209)	-	266 415
Other Assets	81 114 488	(26 081 741)	-	55 032 748
Capitalised Restoration Cost	72 374 154	(53 259 218)	(10 143 696)	8 971 240
Total	1 320 073 970	(283 380 780)	(12 804 406)	1 023 888 783

As previously reported

Correction of error restatement - note 49.1

Correction of error restatement - note 49.2

Restated balance

1 026 117 310

(484 000)

(1 744 527)

1 023 888 783

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the Municipality.

10.1 Repairs and Maintenance were incurred on the following asset classes:

Land and Buildings	4 782 303	6 904 239
Infrastructure	10 398 133	12 632 674
Community Assets	93 984	60 020
Other Assets	4 283 509	4 737 320
Total	19 557 929	24 334 253

10.2 Capital Restoration Cost

The Municipality is required by relevant Environmental Legislation to rehabilitate landfill sites at the closure date of each respective site. The "Capitalised Restoration Cost" asset, which is capitalised in line with the requirements of GRAP 17 and IGRAP 2, relates to the initial estimate of costs involved to restore landfill sites under control of the Municipality.

10.3 Work in Progress projects that has been halted

345 235

345 235

The work in progress that has been halted include several projects of which the expenditure relate to environmental studies and designs. The projects have been halted due to the availability of funding. No impairment losses were recognised on the said projects.

10.4 Work in Progress projects taking a significantly longer period of time to complete than expected

37 766 183

37 766 183

Work in progress projects taking a significantly longer period of time to complete than expected include several projects of which most are in their finalised stages. The delays are mainly due to delays in the final sign-off by the consulting engineers as snag lists are still being attended to by the contractors. No impairment losses were recognised on the said projects.

10.5 Change in estimate useful lives

During the current year the remaining useful lives of Property, Plant and Equipment were reviewed, and accordingly adjusted. The effect on the current and future periods are as follow:

	2023	2024
Increase / (Decrease) in Depreciation and Amortisation	(5 063 465)	1 148 550
Increase / (Decrease) in Accumulated Surplus	5 063 465	(1 148 550)
Increase / (Decrease) in Property, Plant and Equipment	5 063 465	(1 148 550)

After 2024

3 914 915

(3 914 915)

(3 914 915)

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10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

10.6 Reconciliation of Carrying Value

30 June 2023	Cost						Accumulated Depreciation and Impairment					Carrying Value
	Opening Balance	Additions	Disposals	Contributed Assets	Transfers	Closing Balance	Opening Balance	Depreciation Charge	Impairment (Reversal)	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R	
Land and Buildings	130 894 604	4 026 606	-	-	-	134 921 210	10 375 644	894 142	(158 669)	-	11 111 116	123 810 094
Land	44 523 013	-	-	-	-	44 523 013	2 660 710	-	30 522	-	2 691 232	41 831 781
Buildings	83 874 460	-	-	-	418 615	84 293 075	7 714 934	894 142	(189 191)	-	8 419 885	75 873 190
Work in progress	2 497 132	4 026 606	-	-	(418 615)	6 105 123	-	-	-	-	-	6 105 123
Infrastructure	1 034 927 100	128 644 344	-	-	-	1 163 571 444	195 827 680	22 474 889	-	-	218 302 568	945 268 876
Roads and Storm water	237 800 768	-	-	-	6 889 709	244 690 477	69 409 086	4 623 615	-	-	74 032 701	170 657 776
Electricity Network	128 294 091	-	-	-	11 920 107	140 214 198	24 994 366	3 521 553	-	-	28 515 919	111 698 279
Sewerage Network	242 854 422	-	-	-	89 330 456	332 184 878	46 553 684	5 843 118	-	-	52 396 803	279 788 075
Water Network	211 898 611	-	-	-	19 370 303	231 268 914	52 710 621	6 953 521	-	-	59 664 142	171 604 773
Refuse Removal	43 713 828	-	-	-	16 700 772	60 414 600	2 159 923	1 533 082	-	-	3 693 004	56 721 596
Work in progress	170 365 380	128 644 344	-	-	(144 211 347)	154 798 377	-	-	-	-	-	154 798 377
Community Assets	763 623	-	-	-	-	763 623	497 209	(11 598)	-	-	485 611	278 012
Parks and Gardens	517 259	-	-	-	-	517 259	250 844	22 082	-	-	272 926	244 332
Cemeteries	246 364	-	-	-	-	246 364	246 364	(33 680)	-	-	212 684	33 680
Other Assets	81 114 488	9 833 172	(415 993)	2 294 517	-	92 826 184	26 081 741	5 514 246	-	(166 883)	31 429 103	61 397 080
Computer Equipment	9 375 729	643 476	(104 026)	44 517	-	9 959 695	3 380 438	988 093	-	(52 081)	4 316 451	5 643 244
Furniture and Office Equipment	10 143 481	801 083	(98 269)	-	-	10 846 294	4 729 066	781 192	-	(39 530)	5 470 728	5 375 566
Machinery and Equipment	10 638 717	1 275 245	(165 697)	-	-	11 748 265	4 366 423	961 233	-	(68 892)	5 258 764	6 489 500
Transport Assets	50 956 563	7 113 368	(48 000)	2 250 000	-	60 271 930	13 605 813	2 783 727	-	(6 380)	16 383 160	43 888 770
Capitalised Restoration Cost	72 374 154	1 589 730	(4 676 636)	-	-	69 287 248	63 402 914	2 255 445	466 921	-	66 125 280	3 161 968
Landfill Site Rehabilitation	72 374 154	1 589 730	(4 676 636)	-	-	69 287 248	63 402 914	2 255 445	466 921	-	66 125 280	3 161 968
	1 320 073 970	144 093 852	(5 092 629)	2 294 517	-	1 461 369 710	296 185 187	31 127 123	308 252	(166 883)	327 453 679	1 133 916 031



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10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

10.6 Reconciliation of Carrying Value

30 June 2022	Cost						Accumulated Depreciation and Impairment					Carrying Value (Restated)
	Opening Balance	Additions	Disposals	Contributed Assets	Transfers	Closing Balance	Opening Balance	Depreciation Charge	Impairment (Reversal)	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R	R
Land and Buildings	130 431 150	463 454	-	-	-	130 894 604	9 495 554	880 090	-	-	10 375 644	120 518 961
Land	44 523 013	-	-	-	-	44 523 013	2 660 710	-	-	-	2 660 710	41 862 303
Buildings	83 309 887	-	-	-	564 573	83 874 460	6 834 844	880 090	-	-	7 714 934	76 159 526
Work in progress	2 598 251	463 454	-	-	(564 573)	2 497 132	-	-	-	-	-	2 497 132
Infrastructure	946 288 366	88 638 734	-	-	-	1 034 927 100	176 655 603	19 172 077	-	-	195 827 680	839 099 420
Roads and Storm water	233 341 007	-	-	-	4 459 762	237 800 768	65 080 720	4 328 366	-	-	69 409 086	168 391 683
Electricity Network	123 296 802	-	-	-	4 997 289	128 294 091	22 402 273	2 592 093	-	-	24 994 366	103 299 725
Sewerage Network	222 727 450	-	-	-	20 126 971	242 854 422	41 134 661	5 419 023	-	-	46 553 684	196 300 737
Water Network	192 614 362	-	-	-	19 284 249	211 898 611	46 914 976	5 795 645	-	-	52 710 621	159 187 990
Refuse Removal	11 953 887	-	-	-	31 759 941	43 713 828	1 122 972	1 036 950	-	-	2 159 923	41 553 906
Work in progress	162 354 858	88 638 734	-	-	(80 628 212)	170 365 380	-	-	-	-	-	170 365 380
Community Assets	763 623	-	-	-	-	763 623	474 817	22 391	-	-	497 209	266 415
Parks and Gardens	517 259	-	-	-	-	517 259	228 453	22 391	-	-	250 844	266 415
Cemeteries	246 364	-	-	-	-	246 364	246 364	-	-	-	246 364	-
Other Assets	75 597 531	8 998 105	(3 514 798)	33 650	-	81 114 488	24 859 963	3 494 297	-	(2 272 520)	26 081 741	55 032 748
Computer Equipment	8 950 276	1 352 351	(960 548)	33 650	-	9 375 729	3 472 829	503 419	-	(595 810)	3 380 438	5 995 291
Furniture and Office Equipment	9 287 504	1 248 146	(392 169)	-	-	10 143 481	4 472 094	514 498	-	(257 526)	4 729 066	5 414 414
Machinery and Equipment	10 505 220	567 377	(433 881)	-	-	10 638 717	4 036 752	572 118	-	(242 447)	4 366 423	6 272 294
Transport Assets	46 854 532	5 830 231	(1 728 200)	-	-	50 956 563	12 878 288	1 904 263	-	(1 176 738)	13 605 813	37 350 749
Capitalised Restoration Cost	71 211 934	1 575 021	(412 801)	-	-	72 374 154	55 742 782	7 660 132	-	-	63 402 914	8 971 240
Landfill Site Rehabilitation	71 211 934	1 575 021	(412 801)	-	-	72 374 154	55 742 782	7 660 132	-	-	63 402 914	8 971 240
	1 224 292 605	99 675 313	(3 927 599)	33 650	-	1 320 073 970	267 228 718	31 228 989	-	(2 272 520)	296 185 187	1 023 888 783



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INTANGIBLE ASSETS

Intangible Assets - Carrying Value

273 337

332 434

The carrying value of intangible Assets is reconciled as follows:

Opening Carrying Value

332 434

778 737

Cost

622 156

1 453 516

Accumulated Amortisation

(289 722)

(674 779)

Accumulated Impairment

-

-

Additions

-

107 890

Amortisation

(59 097)

(129 573)

Disposal

-

(424 620)

Cost

-

(939 250)

Accumulated Amortisation

-

514 630

Closing Carrying Value

273 337

332 434

Cost

622 156

622 156

Accumulated Amortisation

(348 820)

(289 722)

Accumulated Impairment

-

-

The following material intangible assets are included in the carrying value above:

Description

Remaining amortisation period

Carrying Value

Computer software/licenses

1 - 7 years

273 337

332 434

No intangible asset were assessed having an indefinite useful life.

There are no internally generated intangible assets at reporting date.

There are no intangible assets whose title is restricted.

There are no intangible assets pledged as security for liabilities.

There are no contractual commitments for the acquisition of intangible assets.

12

HERITAGE ASSETS

The Municipality has four registered Heritage Assets, however, the principal usage of the assets are for service delivery and to derive rental income and are therefore recognised in Property, Plant and Equipment and Investment Property. The assets are as follows:

Erf 614, Caledon - utilised as the Town Hall

677 657

684 860

Erf 12, Villiersdorp - leased to Tourism Buro

113 396

114 746

Bridge at Meul Street, Caledon

0

-

Bridge at Farm 39, Genadendal

82

96

Total carrying value included under Property, Plant and Equipment

791 135

799 703

The comparative figures (previously reported as R634 408) were restated by R165 295, mainly due to subsequent capital expenditure on the town hall which was not previously included as part of the disclosure.

There are no heritage assets whose title is restricted.

There are no heritage assets pledged as security for liabilities.

There are no contractual commitments for the acquisition, maintenance or restoration of heritage assets.

13

NON-CURRENT INVESTMENTS

Listed shares

179 951

163 051

Fixed Deposits

13 648 904

12 673 904

Total

13 828 856

12 836 955

13.1 Listed shares

Sanlam - Shares Investment

179 951

163 051

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

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13 NON-CURRENT INVESTMENTS (CONTINUED)

13.2 Fixed Deposits

Nedbank - Account number 03 7881715316 0000 44 - 5 year investment

13 648 904

12 673 904

Fixed Deposits are investments with a maturity period of more than 12 months and earn interest rates of 9.75% per annum. The fixed deposit matures 4 October 2024.

The fixed deposit is ring-fenced for the repayment of stock loans as per note 14.2.

14 LONG-TERM LIABILITIES

Annuity Loans

188 185 739

102 116 608

Stock Loans

14 469 800

14 469 800

Sub-Total

202 655 539

116 586 408

Less: Current portion of Long-term Liabilities

21 368 213

13 810 915

Annuity Loans

21 368 213

13 810 915

Stock Loans

-

-

Total

181 287 326

102 775 493

Long-term Liabilities were utilised as follow:

Total Long-term Liabilities taken up

202 655 539

116 586 408

Used to finance Property, Plant and Equipment at cost

(202 655 539)

(116 586 408)

Unspent Borrowings

-

-

Long-term liabilities have been utilised in accordance with the Municipal Finance Management Act.

14.1 Annuity Loans

Annuity Loans, disclosed at amortised cost, consist out of the following agreements:

Institution and loan number	Rate	Maturity Date	Carrying Value of Liability	
DBSA BANK - 10 & 20 year (102807/1)	10.74%	30/06/2028	3 939 681	4 531 595
DBSA BANK - 10 & 20 year (103108/1)	11.44%	30/09/2028	4 989 857	5 614 159
DBSA BANK - 20 year (103313.1)	9.85%	31/03/2029	11 538 878	12 895 152
DBSA BANK - 15 year (103313.2)	9.97%	31/03/2024	784 650	1 496 863
DBSA BANK - 20 year (103817/3)	11.06%	31/12/2030	7 072 757	7 654 027
STANDARD BANK - 15 year (272400572)	12.22%	30/06/2026	2 958 762	3 733 380
STANDARD BANK - 4 year (000600694)	6.63%	31/12/2024	3 144 253	4 569 155
STANDARD BANK - 10 year (000600703)	8.26%	28/06/2030	4 070 191	4 485 538
STANDARD BANK - 15 year (000600712)	9.76%	29/06/2035	5 885 441	6 135 986
STANDARD BANK - 15 year (000682253)	10.79%	30/12/2036	13 624 886	14 091 133
STANDARD BANK - 5 year (000748692)	10.58%	30/06/2027	7 248 810	-
STANDARD BANK - 7 year (000748736)	10.99%	29/06/2028	4 375 285	-
STANDARD BANK - 12 year (000748754)	11.60%	30/06/3032	11 582 018	-
STANDARD BANK - 15 year (000748773)	12.27%	30/06/3037	9 519 919	-
ABSA BANK - 15 year (40-7908-8994)	10.79%	27/06/2027	5 090 816	6 064 626
ABSA BANK - 10 year (387230963)	10.63%	27/06/2024	1 262 510	2 400 975
ABSA BANK - 5 year (3050777771)	8.95%	30/06/2024	470 787	901 468
ABSA BANK - 7 year (3050777789)	9.19%	30/06/2026	1 259 228	1 607 861
ABSA BANK - 10 year (3050777763)	9.62%	30/06/2029	2 314 106	2 586 386
ABSA BANK - 7 year (3052887574)	9.19%	30/06/2027	1 943 386	2 327 944
ABSA BANK - 5 year (3054670983)	8.66%	30/10/2026	9 645 596	11 907 933
ABSA BANK - 7 year (3054671133)	9.19%	30/10/2028	4 238 504	4 805 266
ABSA BANK - 10 year (3054671256)	9.89%	30/10/2031	1 803 993	1 933 280
ABSA BANK - 5 year (3058757317)	10.53%	30/06/2028	7 679 582	-
ABSA BANK - 10 year (3058757341)	11.59%	30/06/2033	9 500 751	-
ABSA BANK - 15 year (3058757325)	12.32%	30/06/2038	49 973 646	-
NEDBANK - 15 year (05/78310356050)	10.45%	30/06/2034	2 267 446	-
Total			188 185 739	102 116 608

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14 LONG-TERM LIABILITIES (CONTINUED)

All annuity loans are unsecured.

Annuity loans are payable as follows:

Payable within one year	41 402 260	23 530 004
Payable within two to five years	140 539 380	79 278 786
Payable after five years	135 159 019	46 246 833
Total amount payable	317 100 660	149 055 624
Less: Outstanding Future Finance Charges	(128 914 921)	(46 939 016)
Present value of annuity loans	188 185 739	102 116 608

14.2 Stock Loans

Stock Loans, disclosed at amortised cost, consist out of the following agreements:

Institution and loan number	Rate	Maturity Date	Carrying Value of Liability	
DBSA BANK - 20 year (1022755)	9.29%	31/03/2027	8 469 800	8 469 800
DBSA BANK - 20 year (1014871)	9.46%	31/12/2024	6 000 000	6 000 000
Total			14 469 800	14 469 800

The following serve as security for stock loans:

- Fixed Deposit as per note 13.2	13 648 904	12 673 904
- Cession on outstanding consumer debtors	6 000 000	6 000 000
Total	19 648 904	18 673 904

Stock loans are payable as follows:

Payable within one year	1 358 419	1 354 582
Payable within two to five years	17 116 487	18 474 906
Payable after five years	-	-
Total amount payable	18 474 906	19 829 488
Less: Outstanding Future Finance Charges	(4 005 106)	(5 359 688)
Present value of stock loans	14 469 800	14 469 800

15 CONSUMER DEPOSITS

Water and Electricity Deposits

5 485 970 4 968 411

The fair value of consumer deposits approximate their carrying value. Interest are not paid on these amounts.

16 PAYABLES FROM EXCHANGE TRANSACTIONS

Trade Payables	85 583 037	32 797 253
Retentions	7 784 978	8 589 370
Payments Received in Advance	10 277 025	8 083 157
Department of Human Settlements	1 834 148	5 334 915
Unused Pre-paid Electricity	974 431	1 103 346
Sundry Deposits	9 319 568	15 638 481
Accrued Interest	640 594	709 317
Land Sales Deposits	667 948	570 717
Total	117 081 728	72 826 555
As previously reported		70 208 298
Correction of error restatement - note 49.1		1 381 046
Correction of error restatement - note 49.3		1 237 210
Restated balance		72 826 555

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16 PAYABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

Payables are being recognised net of any discounts received.

The credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary.

The carrying value of trade and other payables approximates its fair value.

Sundry deposits include wayleave, hall, builders and housing deposits.

Department of Human Settlements balance consist of the following:

Advances received for the construction of housing top structures - note 37	714 704	(29 853)
Advances received in terms of principal-agent arrangements - note 60	1 119 445	5 364 768
Total	1 834 149	5 334 916

17 UNSPENT CONDITIONAL GOVERNMENT GRANTS

National Government	13 005 510	9 616 504
Provincial Government	6 135 493	5 708 319
District Municipality	67 203	90 000
Other Grant Providers	433 988	400 427
Total	19 642 194	15 815 250

Detail reconciliations of all grants received and grant conditions met are included in note 24. Unspent grant balances are recognised to the extent that conditions are not yet met.

No grants were withheld in the current year.

Due to the short term nature of unspent grant balances, the carrying value approximates the fair value of the unspent conditional grants at year-end.

Unspent grants can mainly be attributed to projects that are work in progress on the relevant financial year-ends.

18 UNSPENT PUBLIC CONTRIBUTIONS

Hogeschool van Arnhem en Nijmegen (HAN)	411 300	297 868
Bursaries Fund	124 377	4 150
Total	535 677	302 018

Detail reconciliations of all public contributions received are included in note 25. Unspent public contribution balances are recognised to the extent that conditions of the contribution are not yet met.

Due to the short term nature of unspent public contributions, the carrying value approximates the fair value of the unspent public contribution at year-end.

19 CURRENT EMPLOYEE BENEFITS

Bonuses	6 158 533	5 786 275
Staff Leave	18 237 628	19 361 628
Performance Bonuses	577 189	-
Pension	10 769	10 769
Group Insurance	179 951	163 051
Standby and Overtime	1 831 166	1 672 135
Current portion of Non-Current Employee Benefits - note 20	3 570 000	3 529 000
Post Retirement Medical Benefits	2 252 000	1 928 000
Long Service Awards	1 318 000	1 601 000
Total	30 565 237	30 521 858

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19 CURRENT EMPLOYEE BENEFITS (CONTINUED)

The movement in current employee benefits are reconciled as follows:

19.1 Bonuses

Opening Balance	5 786 275	5 637 851
Contribution during the year	12 293 023	11 530 402
Payments made	(11 920 765)	(11 381 977)
Balance at the end of the year	6 158 533	5 786 275

Bonuses are being paid to all municipal staff, excluding section 57 Managers. The balance at year end represent to portion of the bonus that have already vested for the current salary cycle.

19.2 Staff Leave

Opening Balance	19 361 628	17 420 525
Contribution during the year	952 183	2 870 549
Payments made	(2 076 183)	(929 446)
Balance at the end of the year	18 237 628	19 361 628

Staff leave accrued to employees according to collective agreement. 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.

19.3 Performance Bonuses

Opening Balance	-	211 495
Contribution during the year	720 944	(7 603)
Payments made	(143 755)	(203 892)
Balance at the end of the year	577 189	-

Performance bonuses are being paid to the Municipal Manager and Directors after an evaluation of performance by the Council. There is no possibility of reimbursement.

19.4 Pension

Opening Balance	10 769	10 769
Payments made	-	-
Balance at the end of the year	10 769	10 769

Pension payments to staff who did not belong to a pension fund in 1994, according to a formula prescribed by a collective agreement. Payment of the amount will occur when respective employees retire. There is no possibility of reimbursement.

19.5 Group Insurance

Opening Balance	163 051	189 266
Fair Value adjustment during the year	16 900	(26 214)
Balance at the end of the year	179 951	163 051

Shares accruing and to be apportioned to staff contributing to the Sanlam Group insurance scheme. The timing of the payment is uncertain. The possibility of reimbursement is being investigated.

19.6 Standby and Overtime

Balance at beginning of year	1 672 135	1 128 248
Contribution during the year	1 831 166	1 672 135
Payments made	(1 672 135)	(1 128 248)
Balance at end of year	1 831 166	1 672 135

Standby and overtime worked by staff in current financial year, but paid in following financial year.

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EMPLOYEE BENEFITS

Post Retirement Medical Benefits	54 352 000	52 433 000
Long Service Awards	12 388 000	12 239 000
Sub-Total	66 740 000	64 671 999
Less: Current portion of Employee Benefits	3 570 000	3 529 000
Post Retirement Medical Benefits	2 252 000	1 928 000
Long Service Awards	1 318 000	1 601 000
Total	63 170 000	61 142 999

20.1 Post Retirement Medical Benefits

The movement in Post Retirement Medical Benefits are reconciled as follows:

Opening Balance	52 433 000	48 610 000
Contribution during the year	8 761 000	7 286 000
Current Service Cost	2 669 000	2 493 000
Interest Cost	6 092 000	4 793 000
Payments made	(1 967 469)	(1 802 937)
Actuarial Loss/(Gain)	(4 874 531)	(1 660 063)
Total balance at year-end	54 352 000	52 433 000
Less: Current portion	(2 252 000)	(1 928 000)
Total	52 100 000	50 505 000

The Post Retirement Medical Benefit Plan is a defined benefit plan, of which the members are made up as follows:

In-service members	253	242
In-service non-members	386	386
Continuation members	38	35
Total	677	663

The unfunded liability in respect of past service recognised in the Statement of Financial Position is as follows:	In-Service Members R	In-Service non-Members R	Continuation Members R	Total unfunded Liability R
30 June 2023	24 309 000	5 533 000	24 510 000	54 352 000
30 June 2022	24 890 000	5 656 000	21 887 000	52 433 000
30 June 2021	22 103 000	5 082 000	21 425 000	48 610 000
30 June 2020	18 142 000	4 031 000	17 789 000	39 962 000
30 June 2019	19 925 000	4 575 000	19 323 000	43 823 000

The Municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25.

Experience adjustments were calculated as follows:

	Liabilities (Gain) / Loss R	Assets Gain / (Loss) R
30 June 2023	2 132 000	-
30 June 2022	(1 065 000)	-
30 June 2021	(296 000)	-
30 June 2020	5 928 000	-
30 June 2019	(4 506 000)	-

The Municipality contributes to the following medical schemes on a monthly basis:

Bonitas	Samwumed	Hosmed
LA Health	Keyhealth	



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EMPLOYEE BENEFITS (CONTINUED)

Key Actuarial Assumptions used are as follows:

i) Interest Rates

Discount rate	12.55%	11.83%
Health care cost inflation rate	8.27%	8.44%
Net discount rate	3.95%	3.13%

The discount rate used is a composite of all government bonds and is calculated using a technique that is known as "bootstrapping"

A discount rate of 12.55% per annum has been used. The corresponding index-linked yield at this term is 4.95%. These rates do not reflect any adjustment for taxation. These rates were deduced from the yield curve obtained from the Stock Exchange of South Africa after the market close on 19 June 2023.

ii) Mortality Rates

The PA 90 ultimate table, rated down by 1 year of age for post retirement, and the SA 85-90 table for in service employees, were used by the actuaries.

iii) Normal Retirement Age

It has been assumed that in-service members will retire at age 62, which then implicitly allows for expected rates of early and ill-health retirement.

iv) Last Valuation

The last valuation was performed on 20 June 2023.

v) Actuarial Valuation Method

The Projected Unit Credit Method has been used to value the liabilities.

Sensitivity Analysis - Liability at year-end

Assumption	Eligible Employees (R)	Continuation members (R)	Total liability (R)	% change
Liability	29 842 000	24 510 000	54 352 000	
Health care inflation rate (+ 1%)	35 776 000	26 762 000	62 538 000	15%
Health care inflation rate (- 1%)	25 117 000	22 553 000	47 670 000	-12%
Discount rate (+ 1%)	25 315 000	22 637 000	47 952 000	-12%
Discount rate (- 1%)	35 581 000	26 692 000	62 273 000	15%
Post-employment mortality (+ 1 year)	29 101 000	23 722 000	52 823 000	-3%
Post-employment mortality (- 1 year)	30 576 000	25 299 000	55 875 000	3%
Average retirement age (- 1 year)	32 911 000	24 510 000	57 421 000	6%
Membership continuation (- 10%)	26 054 000	24 510 000	50 564 000	-7%

Sensitivity Analysis - Future Service and Interest Cost

Assumption	Current Service Cost (R)	Interest Cost (R)	Total Cost (R)	% change
Estimated for 2023/24	2 380 000	6 684 000	9 064 000	
Health care inflation (+ 1%)	2 923 000	7 711 000	10 634 000	17%
Health care inflation (- 1%)	1 958 000	5 846 000	7 804 000	-14%
Discount rate (+ 1%)	1 992 000	6 350 000	8 342 000	-8%
Discount rate (- 1%)	2 879 000	7 066 000	9 945 000	10%
Post-employment mortality (+ 1 year)	2 320 000	6 492 000	8 812 000	-3%
Post-employment mortality (- 1 year)	2 439 000	6 875 000	9 314 000	3%
Average retirement age (- 1 year)	2 562 000	7 069 000	9 631 000	6%
Continuation of membership at retirement (- 10%)	2 084 000	6 209 000	8 293 000	

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20 EMPLOYEE BENEFITS (CONTINUED)

20.2 Long Service Awards

The movement in Long Service Awards are reconciled as follows:

Opening Balance	12 239 000	11 239 000
Contribution during the year	2 365 000	2 076 000
Current Service Cost	1 076 000	1 044 000
Interest Cost	1 289 000	1 032 000
Payments made	(1 790 017)	(1 053 394)
Actuarial Loss/(Gain)	(425 983)	(22 606)
Total balance at year-end	12 388 000	12 239 000
Less: Current portion	(1 318 000)	(1 601 000)
Total	11 070 000	10 638 000
The Long Service Awards plans are defined benefit plans.		
As at year end, the following number of employees were eligible for Long Service Awards	639	628

The unfunded liability in respect of past service recognised in the Statement of Financial Position is as follows:

	Unfunded Liability R
30 June 2023	12 388 000
30 June 2022	12 239 000
30 June 2021	11 239 000
30 June 2020	10 429 000
30 June 2019	9 684 129

The Municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25.

	Liabilities (Gain) / Loss R	Assets Gain / (Loss) R
Experience adjustments were calculated as follows:		
30 June 2023	294 017	-
30 June 2022	106 394	-
30 June 2021	110 973	-
30 June 2020	405 329	-
30 June 2019	142 031	-

Key Actuarial Assumptions used are as follows:

i) Interest Rates

Discount rate	11.77%	11.25%
General earnings inflation rate (long-term)	7.08%	7.42%
Net discount rate	4.38%	3.56%

The discount rate used is a composite of all government bonds and is calculated using a technique that is known as "bootstrapping"

A discount rate of 11.77% per annum has been used. The corresponding liability-weighted index-linked yield is 4.89%. These rates do not reflect any adjustment for taxation, and were deduced from the interest rate data obtained from the Johannesburg Stock Exchange after the market close on 19 June 2023.

ii) Last Valuation

The last valuation was performed on 20 June 2023.

iii) Actuarial Valuation Method

The Projected Unit Credit Method has been used to value the liabilities.

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20 EMPLOYEE BENEFITS (CONTINUED)

Sensitivity Analysis on the Unfunded Accrued Liability

Assumption	Current Liability (R)	Liability (R)	% Change
General earnings inflation rate (+ 1%)	12 388 000	13 215 000	7%
General earnings inflation rate (- 1%)	12 388 000	11 641 000	-6%
Discount rate (+ 1%)	12 388 000	11 634 000	-6%
Discount rate (- 1%)	12 388 000	13 234 000	7%
Average retirement age (+ 2 years)	12 388 000	14 060 000	13%
Average retirement age (- 2 years)	12 388 000	10 855 000	-12%
Withdrawal rates (x 2)	12 388 000	9 851 000	-20%
Withdrawal rates (x 0.5)	12 388 000	14 140 000	14%

Sensitivity Analysis on the Current-service and Interest Costs (Next Financial Year)

Assumption	Current Service Cost (R)	Interest Cost (R)	Total (R)	% Change
Estimated for 2023/24	1 091 000	1 383 000	2 474 000	
General earnings inflation rate (+ 1%)	1 182 000	1 480 000	2 662 000	8%
General earnings inflation rate (- 1%)	1 009 000	1 295 000	2 304 000	-7%
Discount rate (+ 1%)	1 018 000	1 404 000	2 422 000	-2%
Discount rate (- 1%)	1 173 000	1 356 000	2 529 000	2%
Average retirement age (+ 2 years)	1 208 000	1 579 000	2 787 000	13%
Average retirement age (- 2 years)	977 000	1 205 000	2 182 000	-12%
Withdrawal rates (x 2)	791 000	1 084 000	1 875 000	-24%
Withdrawal rates (x 0.5)	1 315 000	1 589 000	2 904 000	17%

20.3 Other Pension Benefits

Defined Benefit Plans

Council contributes to the following defined benefit plans:

LA Retirement Fund (Former Cape Joint Pension Fund)	122 338	116 623
The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2022 revealed that the fund is in a sound financial position with a funding level of 104.5% (30 June 2021 - 102.0%).		
Consolidated Retirement Fund (Former Cape Retirement Fund)	23 696 088	21 882 431
The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2022 revealed that the fund is in a sound financial position with a funding level of 100.4% (30 June 2021 - 100.5%).		
Total	23 818 426	21 999 053

Both the LA Retirement Fund and Consolidated Retirement Fund are multi-employer plans. Multiple local authorities participate in these multi-employer funds. Multi-employer plans are defined as defined benefit plans. When sufficient information is not available to use defined benefit accounting for a multi-employer plan, an entity will account for the plan as if it were a defined contribution plan.

The Municipality requested detailed employee and pensioner information as well as information on the Municipality's share of the Retirement Funds' assets from the fund administrator. The fund administrator confirmed that assets of the 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.

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20 EMPLOYEE BENEFITS (CONTINUED)

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 claim that the pensioner data to be confidential and were 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.

Therefore, although the LA Retirement Fund and Consolidated Retirement Fund are Multi-employer funds defined as defined benefit plan, it will be accounted for as defined contribution plan due to sufficient information not being available.

Defined Contribution Plans

Council contributes to the following defined contribution plans:

Municipal Councillors Pension Fund	-	14 864
SALA Pension Fund	126 477	130 279
SAMWU National Provident Fund	2 291 057	2 328 346
National Fund for Municipal Workers	213 602	230 350
Total	2 631 137	2 703 838

The retirement benefit funds are 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.

21 NON-CURRENT PROVISIONS

Provision for Rehabilitation of Landfill-sites	116 746 747	125 806 415
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The movement in Rehabilitation Provision - Landfill Sites are reconciled as follows:

Opening Balance	125 806 415	119 172 025
Contribution during the year	(9 059 668)	6 634 390
Increase/(Decrease) in estimate allocated to Capital Restoration Cost Asset	(3 086 905)	1 162 220
Decrease in estimate allocated to Statement of Financial Performance	(17 066 372)	(3 431 172)
Interest Cost	11 093 610	8 903 342
Total	116 746 747	125 806 415

The calculation for the rehabilitation of the landfill site provision was compiled by an independent qualified engineer in order to determine the present value to rehabilitate the landfill sites at the end of its useful life.

The future obligations for rehabilitating the landfill sites has been calculated using a discount rate (SA Bond yield) between 9.18% - 11.90% depending on the remaining useful life of the landfill-sites.

The total obligation at year-end can be attributed to the following sites:

Location	Discount Rate	Site Dimensions (m²)	Rehabilitation cost per m² (Rand)	Current Cost of Rehabilitation	Current Cost of Rehabilitation
Caledon	11.90%	59 661	919	30 903 378	46 798 435
Genadendal	9.18%	20 490	1 012	18 761 173	16 431 259
Greyton	9.18%	16 887	1 060	15 141 915	14 180 185
Riviersonderend	9.18%	10 664	1 317	13 135 421	11 848 791
Villiersdorp	11.90%	28 779	934	18 164 787	18 009 312
Botrivier	9.18%	17 537	1 301	20 640 074	18 538 433
Total				116 746 747	125 806 415

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21 NON-CURRENT PROVISIONS (CONTINUED)

The estimate cost, based on an average inflation rate of 5.59% (2022 - 5.52%), and date of decommission of the sites are as follows:

Location	Estimated Decommission Date	Future Cost of Rehabilitation	Future Cost of Rehabilitation
Caledon	2033	94 480 740	55 010 957
Genadendal	2026	24 415 487	23 039 539
Greyton	2028	23 488 564	19 060 508
Riviersonderend	2025	15 657 206	14 636 118
Villiersdorp	2030	39 355 060	22 789 257
Botrivier	2026	26 860 657	25 994 172
Total		224 257 715	160 530 551

22 RESERVES

Capital Replacement Reserve	50 052 458	40 252 671
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The Capital Replacement Reserve is used to finance future capital expenditure from own funds.

23 PROPERTY RATES

Rateable Land and Buildings	136 353 678	127 714 860
Total	136 353 678	127 714 860

Property rate levied are based on the following rateable valuations:

Residential (including Residential Vacant)	6 414 084 437	6 340 245 737
Business and Commercial (Including vacant)	2 041 716 665	2 002 074 716
Industrial (Including vacant)	281 597 500	288 654 500
Mining	3 174 000	3 174 000
Public benefit Organizations	122 529 819	136 549 369
Public Service Infrastructure	66 535 000	65 161 000
Public Service Purposes (formerly included in State-owned)	571 956 192	591 812 692
Agricultural	15 705 237 467	15 870 366 672
Total Valuation	25 206 831 080	25 298 038 686

Rate that is applicable to the valuations above:

Residential (including Residential Vacant)	1.0488 c/R	0.9553 c/R
Business and Commercial (Including vacant)	2.0977 c/R	1.9106 c/R
Industrial (Including vacant)	2.0977 c/R	1.9106 c/R
Mining	2.0977 c/R	1.9106 c/R
Public Benefit Organizations	0.2623 c/R	0.2389 c/R
Public Service Infrastructure	0.0000 c/R	0.0000 c/R
Public Service Purposes (formerly included in State-owned)	2.0977 c/R	1.9106 c/R
Agricultural	0.2100 c/R	0.1913 c/R

Valuations on land and buildings are performed every five years. The last valuation came into effect on 1 July 2018. Interim valuations are processed on an annual basis to include changes in property values and subdivisions. The next valuation will be implemented 1 July 2023.

Rates are levied monthly and annually. Monthly rates are payable by the end of the month in which the amount was levied and annual rates are payable before 30 September. Interest is levied at the prime rate plus 1% on outstanding monthly rates.

The first R 15 000 of the valuation on properties used only for residential purposes are exempted from property rates in terms of the Property Rates Act.

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PROPERTY RATES (CONTINUED)

Rebates can be defined as any income that the Municipality is entitled by law to levy, but in terms of Council's own policy opted not to collect it. The Municipality grants the following rebates, reductions and exemptions on the valuation and/or rates of property:

- Residential properties valued R200 000 or less	85 000	85 000
- Consumer older than 70 years and the residential property is valued R200 000 or less.	145 000	145 000
- Consumer older than 60 years or disabled and household income is less than R5 000 per month	100%	100%
- Consumer older than 60 years or disabled and household income is less than R10 000 per month	50%	50%
- Qualifying Non-profit organisations (NPO's)	100%	100%
- All properties valued R15 000 or less	100%	100%
- Open spaces and heritage properties	100%	100%
- Rural Areas Rebate: Residential and Business	75%	75%

24

GOVERNMENT GRANTS AND SUBSIDIES

Unconditional Grants - National Government

Equitable Share

120 101 000

106 976 000

120 101 000

106 976 000

Conditional Grants - National Government

Finance Management Grant (FMG)
Municipal Infrastructure Grant (MIG)
Expanded Public Works Programme (EPWP)
Integrated National Electrification Programme (INEP)
Energy Efficiency & Demand Side Management Grant
Water Service Infrastructure Grant (WSIG)
Municipal Drought Relief
Emergency Housing Grant
Municipal Disaster Recovery Grant

34 731 473

32 572 994

1 650 000

1 636 460

29 088 273

21 080 186

2 077 000

1 721 000

-

2 116 146

-

3 519 202

-

2 500 000

-

-

1 916 200

-

-

-

Conditional Grants - Provincial Government

39 106 267

31 367 825

Housing
CDW Contribution
Thusong Multi Purpose Centre
Main Roads Subsidy
Financial Management Support Grant (FMSG)
Library Subsidy
Municipal Capacity Building Grant
Local Government Graduate Internship Allocation
Municipal Disaster Recovery (Water Supply Grant)
Sport and Recreation
Municipal Drought Relief (MDR)
Regional socio-economic projects (RSEP)
Municipal Intervention Grant
Municipal Service Delivery and Capacity Building Grant (MSDCB)
Public Employment Support Grant
Financial Management Capability Grant
Emergency Municipal Load-Shedding Relief Grant
Joint District and Metro Grant

23 744 953

18 089 152

159 852

139 797

-

-

143 948

129 932

-

1 217

10 329 130

9 723 977

60 910

373 146

-

-

-

-

-

-

-

112 584

727 464

440 564

-

147 770

105 382

1 000 000

390 313

1 209 687

1 260 314

-

1 800 000

-

384 000

-

Conditional Grants - District Municipality

192 797

-

Safety Audit and Safety Plan Grant

192 797

-

Conditional Grants - Other Grant Providers

544 352

347 761

DBSA Local Economic Development
SETA
SANRAL

-

-

270 495

347 761

273 857

-

Total

194 675 889

171 264 580

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

Disclosed as:

Government Grants and Subsidies - Operating	141 545 752	127 049 690
Government Grants and Subsidies - Capital	53 130 137	44 214 890

Total	194 675 889	171 264 580
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Grants per Vote (MFMA Sec 123 (c)):

Equitable share	120 101 000	106 976 000
Vote 1 - Directorate Finance	8 643 796	5 725 903
Vote 4 - Electricity	-	5 359 328
Vote 6 - Executive and council	-	-
Vote 6 - Office of the Municipal Manager	-	1 217
Vote 8 - Directorate Technical Services and Planning	51 260 052	38 336 036
Vote 12 - Waste management	-	-
Vote 13 - Waste water management	-	-
Vote 14 - Water	-	2 612 584
Vote 15 - Directorate Development and Community Services	14 671 040	12 253 511

Total	194 675 889	171 264 580
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The movements per grant can be summarised as follows:

24.01 Equitable Share

Opening Unspent Balance	-	-
Grants Received / (Repaid)	120 101 000	106 976 000
Transferred to Revenue - Operating	(120 101 000)	(106 976 000)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	-

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

24.02 Finance Management Grant (FMG)

Opening Unspent Balance	13 540	-
Grants Received / (Repaid)	1 636 460	1 650 000
Transferred to Revenue - Operating	(1 650 000)	(1 610 000)
Transferred to Revenue - Capital	-	(26 460)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	13 540

The Financial Management Grant is a conditional grant to assist municipalities in the implementation of financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The grant also utilised to cover expenditure relating to the Financial Management Internship Programme.

24.03 Municipal Infrastructure Grant (MIG)

Opening Unspent Balance	4 557 126	2 875 312
Grants Received / (Repaid)	25 170 873	22 762 000
Transferred to Revenue - Operating	(3 794 123)	(3 180 794)
Transferred to Revenue - Capital	(25 294 151)	(17 899 392)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	639 726	4 557 126

The MIG grant is a conditional grant used to upgrade infrastructure in the municipal area with the main focus on previously disadvantaged areas.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.04 Expanded Public Works Programme (EPWP)

Opening Unspent Balance	-	6 953
Grants Received / (Repaid)	2 077 000	1 714 047
Transferred to Revenue - Operating	(2 077 000)	(1 721 000)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	-

The EPWP grant is a conditional grant to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the identified focus areas in compliance with the EPWP guidelines.

24.05 Integrated National Electrification Programme (INEP)

Opening Unspent Balance	5 003 854	-
Grants Received / (Repaid)	(5 003 854)	7 120 000
Transferred to Revenue - Operating	-	(276 019)
Transferred to Revenue - Capital	-	(1 840 127)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	5 003 854

The INEP grant is a conditional grant to provide capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings and the installation of bulk infrastructure.

24.06 Energy Efficiency & Demand Side Management Grant

Opening Unspent Balance	33 535	-
Grants Received / (Repaid)	-	4 500 000
Transferred to Revenue - Operating	-	(504 885)
Transferred to Revenue - Capital	-	(3 014 317)
Transfer to / (from) Receivables	-	(947 263)
Closing Unspent Balance	33 535	33 535

Grant was utilised for the purchase and installation of street lights.

24.07 Water Service Infrastructure Grant (WSIG)

Opening Unspent Balance	-	2 500 000
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	(326 087)
Transferred to Revenue - Capital	-	(2 173 913)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	-

Grant will be utilised for the replacement of water pipes.

24.08 Municipal Drought Relief

Opening Unspent Balance	8 449	8 449
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	8 449	8 449

The grant will be utilised for boreholes.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.09 Emergency Housing Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	2 300 000	-
Transferred to Revenue - Operating	(1 916 200)	-
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	383 800	-

Grant is used for temporary shelter assistance to households affected by disasters or a housing emergency or repair the damage to housing for low-income households following a disaster or housing emergency.

24.10 Municipal Disaster Recovery Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	11 940 000	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	11 940 000	-

Grant is used to rehabilitate and reconstruct disaster damaged municipal infrastructure.

24.11 Housing

Opening Unspent Balance	2 241 537	277 998
Grants Received / (Repaid)	25 950 397	20 052 691
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	(23 744 953)	(18 089 152)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	4 446 980	2 241 537

Housing grants was utilised for the development of erven and infrastructure.

24.12 CDW Contribution

Opening Unspent Balance	97 359	105 156
Grants Received / (Repaid)	112 000	132 000
Transferred to Revenue - Operating	(159 852)	(139 797)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	49 507	97 359

The CDW Contribution was used to finance the activities of Community Development Workers.

24.13 Thusong Multi Purpose Centre

Opening Unspent Balance	-	70 593
Grants Received / (Repaid)	-	(70 593)
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	-

Grant is used to provide financial assistance to ensure the financial sustainability of the Thusong Service Centres.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.14 Main Roads Subsidy

Opening Unspent Balance	88 611	88 611
Grants Received / (Repaid)	143 948	129 932
Transferred to Revenue - Operating	(143 948)	(129 932)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	88 611	88 611

The subsidy is utilised for the maintenance of the provincial main roads which runs through the town centres.

24.15 Financial Management Support Grant (FMSG)

Opening Unspent Balance	394 634	719 079
Grants Received / (Repaid)	(394 634)	(323 228)
Transferred to Revenue - Operating	-	(1 217)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	394 634

The grant is intended to be utilised for the improvement of financial governance.

24.16 Library Subsidy

Opening Unspent Balance	2 396 490	1 508 467
Grants Received / (Repaid)	8 333 537	10 612 000
Transferred to Revenue - Operating	(9 694 666)	(9 646 761)
Transferred to Revenue - Capital	(634 465)	(77 216)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	400 897	2 396 490

The subsidy is utilised for the operational costs of libraries which is a provincial function.

24.17 Municipal Capacity Building Grant

Opening Unspent Balance	83 568	825 866
Grants Received / (Repaid)	-	(369 152)
Transferred to Revenue - Operating	(60 910)	(373 146)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	22 658	83 568

To develop financial human capacity within municipal areas to enable a sustainable local financial skills pipeline that is responsive to municipalities' requirements to enable sound and sustainable financial management and good financial governance.

24.18 Municipal Disaster Recovery (Water Supply Grant)

Opening Unspent Balance	-	569 425
Grants Received / (Repaid)	-	(569 425)
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	-

This grant will be utilised for boreholes.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.19 Sport and Recreation

Opening Unspent Balance	6 636	6 636
Grants Received / (Repaid)	(6 636)	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	6 636

Grant is used to facilitate sport and active recreation participation and empowerment in partnership with relevant stakeholders.

24.20 Municipal Drought Relief (MDR)

Opening Unspent Balance	105	263 214
Grants Received / (Repaid)	(105)	(150 525)
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	(112 584)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	105

Grant is used as financial assistance to augment water supply and bulk infrastructure capacity in drought stricken areas.

24.21 Regional socio-economic projects (RSEP)

Opening Unspent Balance	6 836	447 400
Grants Received / (Repaid)	993 164	-
Transferred to Revenue - Operating	-	(67 110)
Transferred to Revenue - Capital	(727 464)	(373 454)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	272 536	6 836

This grant is earmarked for the erection of fencing, security gates and installation of shutter doors at the trading market.

24.22 Municipal Intervention Grant

Opening Unspent Balance	2 230	-
Grants Received / (Repaid)	247 770	150 000
Transferred to Revenue - Operating	-	(147 770)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	250 000	2 230

This grant is utilised to provide financial assistance to municipalities to improve infrastructure, systems structure, corporate governance, service delivery and compliance with executive obligations.

24.23 Municipal Service Delivery and Capacity Building Grant (MSDCB)

Opening Unspent Balance	-	35 582
Grants Received / (Repaid)	620 000	964 418
Transferred to Revenue - Operating	(26 932)	(391 725)
Transferred to Revenue - Capital	(78 450)	(608 275)
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	514 618	-

This grant is utilised to provide financial assistance to municipalities to improve infrastructure, systems structure, corporate governance, service delivery and compliance with executive obligations.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.24 Public Employment Support Grant

Opening Unspent Balance	390 313	-
Grants Received / (Repaid)	-	1 600 000
Transferred to Revenue - Operating	(390 313)	(1 209 687)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	390 313

This grant will be used to coordinate and ensure the implementation of targeted, short term public employment programmes for communities identified as being in distress.

24.25 Financial Management Capability Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	1 350 000	-
Transferred to Revenue - Operating	(1 260 314)	-
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	89 686	-

Grant is used to improve financial management capabilities of the Municipality.

24.26 Emergency Municipal Load-Shedding Relief Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	1 800 000	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	(1 800 000)	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	-	-

This grant is used for the installation of back-up energy supply for water and wastewater infrastructure.

24.27 Joint District and Metro Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	(384 000)	-
Transfer to / (from) Receivables	384 000	-
Closing Unspent Balance	-	-

This grant is used to implement catalytic projects to improve infrastructure, systems, structures and service delivery

24.28 Safety Audit and Safety Plan Grant

Opening Unspent Balance	90 000	-
Grants Received / (Repaid)	170 000	90 000
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	(192 797)	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	67 203	90 000

This grant will be used to conduct a safety audit and draft a safety plan with the aim to establish a Community Safety Forum (CSF) for the Municipality as outlined in the National Crime Prevention Strategy and White Paper on Safety and Security.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.29 DBSA Local Economic Development

Opening Unspent Balance	226 477	226 477
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	226 477	226 477

This grant is utilised for the replacement of bulk sewerage line between Caledon and Myddleton.

24.30 SETA

Opening Unspent Balance	-	-
Grants Received / (Repaid)	478 006	347 761
Transferred to Revenue - Operating	(270 495)	(347 761)
Transferred to Revenue - Capital	-	-
Transfer to / (from) Receivables	-	-
Closing Unspent Balance	207 511	-

This grant is for the training and development of municipal officials.

24.31 SANRAL

Opening Unspent Balance	173 950	173 950
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	(273 857)	-
Transfer to / (from) Receivables	99 907	-
Closing Unspent Balance	-	173 950

This grant will be utilised for the construction of a taxi rank / bus stop in Grabouw.

24.32 Total Grants

Opening Unspent Balance	15 815 251	10 709 168
Grants Received / (Repaid)	198 018 926	177 317 926
Transferred to Revenue - Operating	(141 545 752)	(127 049 690)
Transferred to Revenue - Capital	(53 130 137)	(44 214 890)
Transfer to / (from) Receivables	483 907	(947 263)
Closing Unspent Balance	19 642 195	15 815 251

25 PUBLIC CONTRIBUTIONS AND DONATIONS

Hogeschool van Arnhem en Nijmegen (HAN)	355 458	729 541
Bursaries Fund	-	-
Total	355 458	729 541

The movements per grant can be summarised as follows:

25.01 Hogeschool van Arnhem en Nijmegen (HAN)

Opening Unspent Balance	297 868	329 439
Grants Received	468 890	697 970
Transferred to Revenue - Operating	(355 458)	(729 541)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	411 300	297 868

The grant gives students from abroad the opportunity to engage with community in upliftment of previously disadvantaged communities projects.

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25 PUBLIC CONTRIBUTIONS AND DONATIONS (CONTINUED)

25.02 Bursaries Fund

Opening Unspent Balance	4 150	-
Grants Received	120 227	4 150
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	124 377	4 150

Contributions are made by contractors in terms of the service level agreements with the Municipality. The funds are to be utilised for bursary schemes towards the community.

26 CONTRIBUTED ASSETS

Property, Plant and Equipment	2 294 517	33 650
Total	2 294 517	33 650

Contributed Assets consists out of the following:

- Computer and Office Equipment	44 517	33 650
- Waste Compactor Truck	2 250 000	-

Total	2 294 517	33 650
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The contributed assets were received from the following parties:

- Insurance company replaced the assets rather than paying a refund	44 517	33 650
- Department of Forestry, Fisheries and Environment	2 250 000	-

Total	2 294 517	33 650
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27 AVAILABILITY CHARGES

Electricity	1 365 907	1 310 984
Water	1 914 557	1 830 394
Refuse Removal	710 412	718 767
Sewerage and Sanitation	869 235	874 948
Total	4 860 111	4 735 093

Availability charges are levied where the Municipality has installed the relevant infrastructure networks (relating to water, electricity, sewerage and solid waste) in the area where the consumer resides, but the consumer has not requested to be and is not connected to the networks.

28 FINES, PENALTIES AND FORFEITS

Traffic	33 004 300	24 541 000
Pound Fees	315 995	430 517
Unclaimed Money	2 344 936	1 642 754
Overdue Books	4 571	6 598
Total	35 669 802	26 620 869

In terms of the requirements of GRAP 23 and IGRAP 1, all traffic fines issued during the year are recognised as revenue.

THEEWATERSKLOOF LOCAL MUNICIPALITY

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29 ACTUARIAL GAINS		
Post Retirement Medical Benefits	4 874 531	1 660 063
Long Service Awards	425 983	22 606
Total	5 300 514	1 682 669
The actuarial gains mainly originated as a result of a increase in the net discount rate being used by the actuaries to calculate the employee benefits.		
30 OTHER INCOME (NON-EXCHANGE)		
Landfill Sites - iGRAP 2 adjustments	17 066 372	3 431 172
Insurance Refund	513 980	1 529 684
Total	17 580 353	4 960 856
Landfill Sites - iGRAP2 adjustments relate to a decrease in the landfill site's rehabilitation provision of which the decrease is in excess of the carrying value of the related asset.		
The rehabilitation provision of the Caledon landfill site significantly decreased due to an increase in the estimated useful life and decommissioning date of the site. In the prior year it was estimated that the site would be decommissioned in 2024. However, during the current, year a topographical survey was conducted on the total airspace usage. Based on the surveys, it is estimated that the site will have sufficient airspace until August 2028, and accordingly decommissioning will only be required by 2033.		
31 SERVICE CHARGES		
Electricity	117 826 521	118 368 896
Water	89 331 866	86 907 199
Refuse Removal	54 226 626	51 791 925
Sewerage and Sanitation	53 094 846	49 311 037
Total Revenue	314 479 860	306 379 056
Less: Rebates	(45 553 907)	(43 443 469)
Electricity	(5 155 713)	(5 054 905)
Water	(11 869 360)	(10 359 461)
Refuse Removal	(15 079 234)	(14 824 479)
Sewerage and Sanitation	(13 449 601)	(13 204 624)
Total	268 925 953	262 935 587
Rebates can be defined as any income that the Municipality is entitled to levy, but in terms of Council's own policy opted not to collect it.		
32 RENTAL OF FACILITIES AND EQUIPMENT		
Buildings and Commonage	1 623 649	2 049 607
Halls and Sportfields	230 948	115 764
Total	1 854 597	2 165 371
33 INTEREST EARNED - EXTERNAL INVESTMENTS		
Primary Bank Accounts	5 872 264	2 970 684
Investment Deposits	5 476 346	7 571 705
Eskom Deposits	120 641	55 453
Total	11 469 251	10 597 842
As previously reported		10 542 388
Correction of error restatement - note 49.1		55 453
Restated balance		10 597 842

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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AGENCY SERVICES

Drivers Licences	1 252 161	1 151 543
Duplicate Registration	101 871	106 334
Instructor Certificate	330	825
Learners	165 434	167 837
Roadworthy Applications	222 626	230 346
Roadworthy Certificates	57 171	45 276
Special Permits	36 963	32 832
Temporary Permits	63 330	37 188
Vehicle Licences	4 120 705	3 887 743
Vehicle Registration	1 615 357	1 479 922
Total	7 635 948	7 139 847

The Municipality acts as an agent for the Department of Transport and Public Works and manages the issuing of vehicle licences for a commission. Refer to note 60 for additional disclosure in this regard.

The Municipality earns revenue from applications for driver's and learner's licences, issuing of public driver permits, driver's and learner's licences and the issue of roadworthy certificates.

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LICENCES AND PERMITS

Trading	4 362	16 543
Filming Fees	-	19 250
Total	4 362	35 792

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OTHER INCOME (EXCHANGE)

Building Plan Approval	1 466 599	1 512 325
Building Plans Clause Levy	142 936	116 795
Cemetery and Burial	686 124	910 348
Clearance Certificates	230 810	247 530
Collection Charges	1 335 050	1 182 490
Development Charges	797 006	1 278 945
Escort Fees	36 574	72 431
Photocopies and Faxes	74 852	59 604
Sub-division and Consolidation Fees	374 726	422 968
Sundry Income	214 685	377 457
Tender Documents	259 276	352 316
Wayleave Charges	98 530	1 873 718
Total	5 717 167	8 406 927

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CONSTRUCTION CONTRACTS

Construction of Housing Top Structures	396 719	29 853
Total	396 719	29 853

The Municipality has assessed that it acts as the Developer for the Department of Human Settlements for the construction of top structures.

As the contracts with the Department of Human Settlements are non-commercial contracts with no profit margins, the revenue recognised is based on the amount of expenditure incurred by the Municipality for the construction of the top structures, which is in terms of the stage of completion determined by the progress payments claimed by the respective sub-contractors.

Reconciliation for the year

Opening balance	(29 853)	-
Payments / Advances received	1 141 275	-
Expenditure incurred / Revenue Recognised	(396 719)	(29 853)
Gross amount due to Department of Human Settlements	714 704	(29 853)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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	2023	2022
38 EMPLOYEE RELATED COSTS		
Basic Salaries and Wages	154 028 827	150 309 696
Pension and UIF Contributions	27 889 222	25 922 223
Medical Aid Contributions	9 453 667	8 816 039
Overtime	12 751 134	9 692 072
Motor Vehicle Allowances	10 628 038	9 091 531
Cell Phone Allowances	990 973	870 375
Housing Allowances	1 011 769	914 566
Other benefits and allowances	12 525 502	9 327 374
Acting Allowances	2 703 278	1 185 248
Bargaining Council	85 709	80 480
Group Life Insurance	2 340 773	2 194 995
Standby Allowances	7 395 742	5 866 652
Contributions to Employee Benefits	17 711 150	17 930 347
Bonuses	12 293 023	11 530 402
Staff Leave	952 183	2 870 549
Performance Bonuses	720 944	(7 603)
Long Service Awards	1 076 000	1 044 000
Post Retirement Medical Benefits	2 669 000	2 493 000
Workmen's Compensation	1 244 340	1 147 860
Total	248 234 622	234 022 083
38.01 Remuneration of Management Personnel		
Municipal Manager - BM Ngubo (9 Nov 2022 - 12 Apr 2023)		
Annual Remuneration	487 386	-
Travelling Allowance	47 333	-
Cell Phone Allowances	1 635	-
Contributions to UIF, Medical and Pension Funds	80 808	-
Leave Payout	110 046	-
Total	727 208	-
Interim Municipal Manager - BM Ngubo (20 Jun 22 - 8 Nov 22)		
Annual Remuneration	488 636	-
Cell Phone Allowances	6 540	-
Contributions to UIF, Medical and Pension Funds	708	-
Total	495 884	-
Interim Municipal Manager - JJ Jonkers (17 Jan 22 - 19 Jun 22)		
Annual Remuneration	-	638 510
Contributions to UIF, Medical and Pension Funds	1 148	-
Performance Bonus	97 065	-
Total	98 212	638 510
Municipal Manager - DP Lubbe (8 Apr 21 - 30 Nov 21)		
Annual Remuneration	-	943 322
Travelling Allowance	-	360 526
Contributions to UIF, Medical and Pension Funds	1 203	-
Performance Bonus	-	38 860
Leave Payout	102 557	-
Severance Package	370 097	-
Total	473 856	1 342 708
Interim Director: Financial Services - BM Ngubo (4 Apr 22 - 19 Jun 22)		
Annual Remuneration	-	284 877
Total	-	284 877

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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38 EMPLOYEE RELATED COSTS (CONTINUED)

Director: Financial Services - D Louw (resigned 31 Jul 22)

Annual Remuneration	134 265	859 797
Travelling Allowance	9 000	108 000
Contributions to UIF, Medical and Pension Funds	19 526	211 004
Performance Bonus	-	165 032
Leave Payout	194 479	-
Severance Package	3 161 985	-
Total	3 519 255	1 343 834

Interim Director: Technical and Infrastructure - NL Baliso (1 Feb 2023 - 30 Jun 2023)

Annual Remuneration	356 690	-
Cell Phone Allowances	7 412	-
Contributions to UIF, Medical and Pension Funds	886	-
Total	364 987	-

Director: Technical and Infrastructure - DD Damons (1 Aug 21 - 31 May 22)

Annual Remuneration	-	780 583
Travelling Allowance	-	100 000
Total	-	880 583

Interim Director: Development and Planning - MH Gxoyiya (24 Jan 22 - 7 Jun 23)

Annual Remuneration	1 094 474	477 741
Cell Phone Allowances	18 992	-
Travelling Allowance	3 155	19 092
Contributions to UIF, Medical and Pension Funds	80 175	-
Total	1 196 796	496 833

Director: Community Services - WSE Solomons-Johannes

(Interim appointed 24 Jan 22 - 30 Sep 2022 / Full-Time appointed from 1 Oct 2022)

Annual Remuneration	928 598	504 369
Travelling Allowance	90 000	-
Cell Phone Allowance	19 619	-
Performance Bonus	46 690	-
Acting Allowance	7 500	-
Contributions to UIF, Medical and Pension Funds	118 255	-
Total	1 210 663	504 369

Director: Corporate Services - WF Hendricks (26 Sep 2022 - 2 Jan 2023)

Annual Remuneration	255 712	-
Cell Phone Allowance	5 283	-
Contributions to UIF, Medical and Pension Funds	43 122	-
Leave Payout	20 835	-
Total	324 952	-

38.02 Employees acting in management positions

The following employees acted in management positions for a significant time during the course of the year. The amounts as indicated below are the acting allowances and additional benefits received for the period in which they acted in the respective positions.

Employee	Acting Position	Duration (days)			
		2023	2022		
WSE Solomons-Johannes	Municipal Manager	36	0	7 500	-
D Louw	Municipal Manager	-	34	-	33 954
A Riddles	Director: Finance Services	248	57	285 912	17 122
J Amansure	Director: Corporate Services	191	261	484 726	24 486
Total				778 139	75 562

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	2023	2022
39 REMUNERATION OF COUNCILLORS		
Executive Mayor	959 548	888 632
Deputy Executive Mayor	781 802	606 573
Speaker	788 436	717 262
Mayoral Committee Members	3 696 091	3 365 425
Other Councillors	6 459 704	6 321 698
Total	12 685 581	11 899 590
In-kind Benefits		
The Executive Mayor, Deputy Executive Mayor, Speaker and five Mayoral Committee members serve in a full-time capacity. They are provided with secretarial support and an office each at the cost of the Council.		
Councillors may utilize municipal transportation when engaged in official duties.		
40 DEBT IMPAIRMENT		
Receivables from Exchange Transactions	65 095 137	57 781 951
Receivables from Non-Exchange Transactions	33 800 375	30 891 690
Long-term Receivables	(1 307 111)	(1 160 831)
Total Debt Impairment	97 588 401	87 512 810
Movement in VAT included in debt impairment	2 014 154	(4 210 467)
Total	99 602 555	83 302 343
41 DEPRECIATION AND AMORTISATION		
Property, Plant and Equipment	31 127 123	31 228 989
Investment Property	86 825	102 257
Intangible Assets	59 097	129 573
Total	31 273 046	31 460 819
As previously reported		30 091 921
Correction of error restatement - note 49.2		1 368 898
Restated balance		31 460 819
42 IMPAIRMENT		
Investment Property	894 743	1 558 714
Property, Plant and Equipment	(158 669)	-
Capitalised Restoration Cost	466 921	-
Total	1 202 995	1 558 714
Impairment movements on Investment Property and Property, Plant and Equipment relate to a change in market values of land and buildings as determined by the new valuation roll to be implemented 1 July 2023.		
Impairment on Capitalised Restoration Cost relates to an increase in the landfill site rehabilitation provision of which the corresponding asset is no longer in use. In terms of iGRAP 2, the increase in the provision will result in an increase in the corresponding asset, but as the asset is no longer in use, the said increase in the asset is impaired in full.		

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43 FINANCE CHARGES		
Cash	14 003 939	11 108 079
Long-term Liabilities	14 003 939	11 108 079
Non-cash	18 474 610	14 728 342
Post Retirement Medical Benefits	6 092 000	4 793 000
Long Service Awards	1 289 000	1 032 000
Rehabilitation of Landfill Sites	11 093 610	8 903 342
Total	32 478 549	25 836 421
44 BULK PURCHASES		
Electricity	87 773 616	85 631 654
Water	20 730 463	19 371 402
Total	108 504 079	105 003 057
As previously reported		105 610 057
Correction of error restatement - note 49.1		(607 000)
Restated balance		105 003 057
Bulk Purchases are the cost of commodities not generated by the Municipality, which the Municipality distributes in the municipal area for re-sale to consumers. Electricity is purchased from Eskom and water is purchased from a variety of suppliers including Department of Water and Sanitation, Overberg Water and a number of private suppliers.		
45 CONTRACTED SERVICES		
Alien Vegetation Control	124 529	362 176
Business and Financial Management	5 467 295	4 347 578
Clearing and Grass Cutting Services	5 637 823	249 848
Construction of Housing Top Structures	2 312 919	29 853
Copier Costs	154 161	156 780
Drivers Licence Cards	498 203	564 929
Electrical Contractors	2 028 913	2 404 287
Engineering - Civil	536 470	1 005 421
Fire Services	2 392 477	2 358 208
Legal Advice	795 956	2 196 658
Maintenance Services	16 441 929	12 800 652
Management of Informal Settlements	2 088 786	86 480
Refuse Haulage	4 104 151	3 932 276
Research and Advisory	60 164	195 929
Personnel and Labour	17 952 071	7 185 615
Security Services	58 010 028	4 523 852
Translators, Scribes and Editors	52 949	42 154
Valuation Services	1 561 949	175 828
Water Tests	367 511	495 760
Other Contracted Services	3 150 510	1 639 853
Total	123 738 792	44 754 133
Other Contracted Services consist out of a variety of services, including but not limited to animal care, catering services, human resources and audit committee.		

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46	TRANSFERS AND GRANTS		
	Indigent Subsidies - Electricity	4 784 770	4 103 314
	Mayoral Charity Fund	400 908	213 644
	Local Economic Development	-	100 000
	Visitors Information Centre	-	200 000
	Small Enterprise Development Agency (SEDA)	-	100 000
	Severance Package	3 161 985	-
	SMME Support Grant	79 475	-
	Total	8 427 139	4 716 958
47	OTHER EXPENDITURE		
	Advertising, Publicity and Marketing	667 870	523 724
	Audit Fees	4 166 456	3 971 782
	Bank Charges	694 773	623 442
	Commission Paid (Electricity)	1 266 149	1 986 026
	Electricity - Eskom	13 149 124	13 997 384
	Computer Services and Licences	9 980 816	9 739 502
	Dumping fees (Karwyderskraal)	2 213 037	1 669 823
	Fuel Cost	12 387 928	7 038 530
	Full Time Union Representative	185 341	252 745
	Hire Charges	62 213 592	3 463 103
	Insurance	4 311 389	3 062 174
	Maintenance Materials	8 102 562	9 424 647
	Material and protective clothing	1 766 816	1 315 803
	Membership fees	2 581 954	2 380 261
	Postage	108 308	81 798
	Printing and stationery	965 347	816 742
	Refuse bags	333 986	490 822
	Skills development levy	2 212 917	1 950 929
	Telephone	699 479	967 265
	Training	716 887	523 362
	Travel and subsistence	1 803 730	532 710
	Ward Committees	145 400	6 400
	Water Purification	3 186 560	2 141 594
	Sundries and Other Consumables	2 747 912	3 199 630
	Total	136 608 336	70 160 199
48	LOSS ON DISPOSAL OF NON-MONETARY ASSETS		
	Proceeds	1 071 565	1 239 910
	Less: Carrying value of Investment Property disposed	(427 498)	(183 109)
	Less: Carrying value of Property, Plant and Equipment disposed	(249 110)	(1 242 278)
	Less: Carrying value of Intangible Assets disposed	-	(424 620)
	Total	394 957	(610 096)

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49 PRIOR PERIOD ADJUSTMENTS - CORRECTION OF ERROR

49.1 Receivables

The following errors were noted:

- Deposits made towards Eskom amounting to R2 832 679 were incorrectly accounted for as either capital or operating expenditure, rather than being recognised as a Receivable. The interest earned on the said deposits were also not accounted for.
- An imbalance between the general ledger and debtors listing was noted on Output VAT in Suspense amounting to R2 093 061, which emanated from the previous Abakus accounting system.
- Property Rates amounting to R1 381 046 was incorrectly levied on a property which was transferred to the Municipality during 2017.

The net effect of the above-mentioned errors were as follow:

- Receivables from Non-Exchange Transactions - note 3	Understated	2 832 679
- Taxes - note 5	Overstated	(2 093 061)
- Property, Plant and Equipment - note 10	Overstated	(484 000)
- Payables from Exchange Transactions - note 16	Understated	1 381 046
- Interest Earned - External Investments - note 33	Understated	55 453
- Bulk Purchases - note 44	Overstated	(607 000)
- Accumulated Surplus - note 49.4	Overstated	(1 787 882)

49.2 Property, Plant and Equipment

The following errors were noted:

- It was noted during the physical verifications of assets that movable assets with a carrying value amounting to R76 768 were not recorded on the asset register.
- Completed projects were incorrectly included as work in progress which resulted that depreciation amounting to R1 821 284 was not recognised on the said projects.

The net effect of the above-mentioned errors were as follow:

- Property, Plant and Equipment - note 10	Overstated	(1 744 527)
- Depreciation and Amortisation - note 41	Understated	1 368 898
- Accumulated Surplus - note 49.4	Overstated	(375 629)

49.3 Payables from Exchange Transactions

Accruals amounting to R1 237 210 pertaining to Office of the Compensation Commissioner were not recognised as on 30 June 2022.

The net effect of the above-mentioned errors were as follow:

- Payables from Exchange Transactions - note 16	Understated	1 237 210
- Accumulated Surplus - note 49.4	Overstated	(1 237 210)

49.4 Accumulated Surplus

The net effect of the above-mentioned errors were as follow on Accumulated Surplus:

- Receivables - note 49.1	(1 787 882)
- Property, Plant and Equipment - note 49.2	(375 629)
- Payables from Exchange Transactions - note 49.3	(1 237 210)
Total	(3 400 721)



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50 NET CASH FROM/(USED) OPERATING ACTIVITIES		
Net Surplus/(Deficit) for the year	(85 803 869)	32 635 596
Adjusted for:		
Non-cash revenue included in Net Surplus	(24 675 556)	(5 221 967)
Actuarial Gains	(5 300 514)	(1 682 669)
Contributed Assets	(2 294 517)	(33 650)
Rental of Facilities and Equipment - decrease in operating lease asset	(14 153)	(74 475)
Change in Provisions for Restoration of Landfill Site	(17 066 372)	(3 431 172)
Non-cash expenditure included in Net Surplus	169 717 466	151 236 582
Employee Related Costs - Contributions towards	19 559 217	19 576 268
Post Retirement Medical Benefits	2 669 000	2 493 000
Long Service Awards	1 076 000	1 044 000
Bonuses	12 293 023	11 530 402
Staff Leave	952 183	2 870 549
Performance Bonuses	720 944	(7 603)
Group Insurance	16 900	(26 214)
Standby and Overtime	1 831 166	1 672 135
Debt Impairment	99 602 555	83 302 343
Depreciation and Amortisation	31 273 046	31 460 819
Impairment	1 202 995	1 558 714
Finance Charges	18 474 610	14 728 342
Post Retirement Medical Benefits	6 092 000	4 793 000
Long Service Awards	1 289 000	1 032 000
Provision for Rehabilitation of Landfill-sites	11 093 610	8 903 342
Loss on disposal of Non-Monetary Assets	(394 957)	610 096
Cash expenditure not included in Net Surplus	(19 570 324)	(16 499 894)
Post Retirement Medical Benefits	(1 967 469)	(1 802 937)
Long Service Awards	(1 790 017)	(1 053 394)
Bonuses	(11 920 765)	(11 381 977)
Staff Leave	(2 076 183)	(929 446)
Performance Bonuses	(143 755)	(203 892)
Pension	-	-
Standby and Overtime	(1 672 135)	(1 128 248)
Operating Surplus before changes in working capital	39 667 717	162 150 316
Movement in working capital	(64 370 231)	(85 031 648)
Long-term Receivables	3 531 277	2 487 325
Receivables from Exchange Transactions	(69 040 360)	(59 329 697)
Receivables from Non-Exchange Transactions	(36 499 305)	(32 637 474)
Taxes	(10 386 822)	3 938 192
Inventory	183 543	(2 478 193)
Consumer Deposits	517 560	135 684
Payables from exchange transactions	44 255 173	(1 257 359)
Unspent Conditional Government Grants	3 826 944	5 086 082
Unspent Public Contributions	233 659	(27 421)
Non-current Investments	(991 900)	(948 786)
Cash Flow from Operating Activities	(24 702 515)	77 118 669

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51 CASH AND CASH EQUIVALENTS (FOR CASH FLOW STATEMENT PURPOSES)

Cash and Cash Equivalents comprise out of the following:

Primary Bank Account	85 906 681	116 873 931
Call and Notice Deposits	-	49 098 691
Cash Floats	9 699	9 699
Total	85 916 380	165 982 321

Refer to note 2 for more details relating to cash and cash equivalents.

52 BUDGET COMPARISONS

52.1 Comparable Basis

Differences were identified between the disclosure requirements in terms of GRAP and the reporting requirements in terms of National Treasury budget formats. The following items are affected by these classification differences:

Statement of Financial Position

Consumer Debtors consist out of both Receivables from Exchange Transactions as well as the Rates Receivable.

Other Receivables incorporate all other current receivable balances not specifically provided for in the National Treasury formats.

Trade and Other Payables incorporates Payable from exchange transactions, Unspent grants, Unspent public contributions, Taxes and Operating lease liabilities.

Employee Benefits and Provisions (Current and Non-Current) are included under the provisions line item in the budget statements.

Statement of Financial Performance

The following actual results were reclassified to ensure that the performance for the year is measured on a comparable basis to the budget approved, which are guided by mSCOA and National Treasury (NT) classifications and principles:

Item	GRAP Classification	Budget Classification	Amount
Revenue			
SANRAL	Government Grants and Subsidies - Capital	Transfers and subsidies - capital (monetary) - Other	273 857
Property, Plant and Equipment	Contributed Assets	Transfers and subsidies - capital (monetary) - Other	2 294 517
Expenditure			
Workmen's Compensation	Employee Related Costs	Other Expenditure	1 244 340
Employee Benefits	Finance Charges	Employee Related Costs	-
Water	Bulk Purchases	Inventory Consumed	20 730 463
Construction of Housing Top Structures	Contracted Services	Transfers and Grants	2 312 919
Indigent Subsidies - Electricity	Transfers and Grants	Other Expenditure	4 784 770
Commission Paid (Electricity)	Other Expenditure	Contracted Services	1 266 149
Sundries and Other Consumables	Other Expenditure	Inventory Consumed	2 105 778
Sundries and Other Consumables	Other Expenditure	Losses	46 293
Printing and stationery	Other Expenditure	Inventory Consumed	771 069
Maintenance Materials	Other Expenditure	Inventory Consumed	8 102 562
Refuse bags	Other Expenditure	Inventory Consumed	333 986
Water Purification	Other Expenditure	Inventory Consumed	3 186 560

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52 BUDGET COMPARISONS (CONTINUED)

The treatment of the funding received from the Department of Human Settlements (DoHS) for the Peoples Housings Project (PHP) has different treatment for GRAP and budget purposes. For budget purposes, revenue is budgeted as part of "Transfers recognised - Operational" and the respective expenditure is budgeted as Transfers and Grants, but for GRAP purposes it is treated as an agent function and accordingly no revenue or expenditure is reflected in the Statement of Financial Performance. In order to align the actuals to the budgeted amounts, the following reclassification of revenue and expenditure is required:

Item	GRAP Classification	Budget Classification	Amount
Funding received from DoHS	None	Transfers Recognised - Operational	2 572 295
Expenditure incurred on behalf of DoHS	None	Transfers and Grants	2 572 295

Reconciliation of Actuals	Actuals per Statement of Financial Performance R	Reclassification due to mSCOA versus GRAP classification R	Actuals per Budget Comparison R
REVENUE			
Property Rates	136 353 678	-	136 353 678
Service Charges - Electricity Revenue	114 036 716	-	114 036 716
Service Charges	112 670 809		
Availability Charges	1 365 907		
Service Charges - Water Revenue	79 377 063	-	79 377 063
Service Charges	77 462 506		
Availability Charges	1 914 557		
Service Charges - Sanitation Revenue	40 514 481	-	40 514 481
Service Charges	39 645 246		
Availability Charges	869 235		
Service Charges - Refuse Revenue	39 857 804	-	39 857 804
Service Charges	39 147 392		
Availability Charges	710 412		
Rental of Facilities and Equipment	1 854 597	-	1 854 597
Interest Earned - External Investments	11 469 251	-	11 469 251
Interest Earned - Outstanding Debtors	23 462 549	-	23 462 549
Fines	35 669 802	-	35 669 802
Licences and Permits	4 362	-	4 362
Agency Services	7 635 948	-	7 635 948
Transfers and Subsidies - operating	141 942 471	2 572 295	144 514 765
Government Grants and Subsidies - Operating	141 545 752		
Construction Contracts	396 719		
Other Revenue	23 652 978	-	23 652 978
Public Contributions and Donations	355 458		
Other Income (Non-Exchange)	17 580 353		
Other Income (Exchange)	5 717 167		
Gains	5 695 471	-	5 695 471
Actuarial Gains	5 300 514		
Gain on disposal of Non-Monetary Assets	394 957		
Total Revenue (excluding capital transfers)	661 527 172	2 572 295	664 099 467

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52 BUDGET COMPARISONS (CONTINUED)

EXPENDITURE

Employee Related Costs	248 234 622	(1 244 340)	246 990 282
Remuneration of Councillors	12 685 581	-	12 685 581
Debt Impairment	99 602 555	-	99 602 555
Depreciation and Asset Impairment	32 476 041	-	32 476 041
Depreciation and Amortisation	31 273 046		
Impairment	1 202 995		
Finance Charges	32 478 549	-	32 478 549
Bulk Purchases - electricity	108 504 079	(20 730 463)	87 773 616
Inventory consumed	-	35 230 419	35 230 419
Contracted Services	123 738 792	(1 046 769)	122 692 023
Transfers and Grants	8 427 139	100 443	8 527 581
Other Expenditure	136 608 336	(9 783 287)	126 825 049
Losses	-	46 293	46 293
Total Expenditure	802 755 695	2 572 295	805 327 989
Surplus/(Deficit)	(141 228 523)	-	(141 228 523)
Transfers and subsidies - capital (monetary) - Government	53 130 137	(273 857)	52 856 280
Transfers and subsidies - capital (monetary) - Other	-	2 568 373	2 568 373
Transfers and subsidies - capital (in-kind)	2 294 517	(2 294 517)	-
Surplus/(Deficit) for the year	(85 803 869)	-	(85 803 869)

Cash Flow Statement

The Cash Flow Statement is presented on a comparable basis in all material aspects.

52.2 Statement of Financial Position

Adjustments to Original Budget

Items in the State of Financial Position were adjusted to take into account adjustments made to the operating and capital budget and also to align balances with the actual audit outcomes of 2021/22.

Accumulated Surplus was adjusted to take into account budget adjustments made to the Statement of Financial Performance.

Actual Amounts vs Final Budget

Cash and Call Investment Deposits	Actuals were less than budget due to the water distribution crises that emerged as a result of load shedding, resulting in additional expenditure which included security services for the protection of hired generators, plant hire such as water trucks and fuel cost to run the generators.
Consumer debtors	Actuals were less than budget due to a lower debtors collection rate than anticipated, which resulted in an increase in the debt impairment provision.
Property, plant and equipment	Actuals less than budget, as capital expenditure budget was not spent in full (96% of capital budget was spent).
Trade and other payables	Actuals were less than budget as more creditors were paid at year-end than anticipated.
Borrowing	Actuals were more than budget as borrowings taken on in the first semester was in respect capital expenditure relating to the prior year. The second take on in second semester relates capital expenditure of the current year.
Provisions and Employee Benefits	Actuals were less than budget, mainly as a result of the iGRAP 2 adjustment relating to the Caledon landfill site as explained in note 30.
Accumulated Surplus	Accumulated Surplus was less than budget as a result of variances as noted under the budget comparison of the Statement of Financial Performance.

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52 BUDGET COMPARISONS (CONTINUED)

52.3 Statement of Financial Performance

Adjustments to Original Budget

Service Charges - Electricity Revenue	Decreased due to an increase in load-shedding and more consumers making use of alternative electricity resources.
Service Charges - Water Revenue	Decreased as less water was being used by one of the bigger water consumers.
Fines, Penalties and Forfeits	Traffic Fines were increased due to the Provincial Traffic Department issuing more fines than in the past.
Transfers Recognised - Operational	Budget was increased due to the approval of roll-over grant funds as well as an additional allocation from the Department of Human Settlements.
Employee Related Costs	Finance charges relating to Post Retirement Medical Benefits and Long Service Awards were originally budgeted as part of Employee Related Costs. Management decided that due to the nature of the expense, it would be more appropriate to budget for it as part of Finance Charges. Both budget scenario's are within the framework of mSCOA. In addition, the in-service cost for Post Retirement Medical Benefits was incorrectly budgeted for, resulting it in being over budgeted by R6.3 million.
Debt Impairment	Increased due to the increase in traffic fine revenue of which the collection rate is relatively low.
Bulk Purchases - electricity	Decreased due to an increase in load-shedding and more consumers making use of alternative electricity resources.
Contracted Services	Due to loadshedding, a water distribution crises emerged, resulting in additional expenditure which included security services for the protection of generators and plant hire such as water trucks.
Transfers and Grants	Expenditure budget was increased due to additional funding received from the Department of Human Settlements.
Other Expenditure	Due to loadshedding, a water distribution crises emerged, resulting in additional expenditure which included the hire of generators and the associated fuel cost to run the generators.
Transfers and subsidies - capital (monetary) - Government	Budget was increased due to the approval of roll-over grant funds as well as an additional allocation from the Department of Human Settlements.

Virements

The Virement Policy as approved by Council gives authority to the Chief Financial Officer to approve transfers or adjustments falling outside the ambit of this policy. This includes virements between any vote to comply with GRAP requirements. These entries in the final virement passed is within the allowed exception of said policy.

Actual Amounts vs Final Budget

Service Charges - Electricity Revenue	Actuals less than budget as more consumers are making use of alternative electricity resources than initially anticipated.
Transfers Recognised - Operational	Actuals were less than budget mainly as a result of Department of Human Settlements allocation which was only gazetted during the latter part of the financial year. Due to extreme weather conditions all projects could not be implemented.
Employee Related Costs	Actuals less than budget as budgeted positions were still vacant at year-end.
Debt Impairment	Actuals more than budget due to a lower collection rate than anticipated.
Contracted Services	Actuals were more than budget due to the water distribution crises that emerged as a result of load shedding, resulting in additional expenditure which included security services for the protection of hired generators, plant hire such as water trucks and fuel cost to run the generators.
Other Expenditure	

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52.4 Cash Flow Statement

Adjustments to Original Budget

Net Cash from/(used) Operating Activities	Budget was increased due to an additional allocation from the Department of Human Settlements.
Net Cash from/(used) Investing Activities	Budget was increased mainly due to an additional allocation from the Department of Human Settlements.
Net Cash from/(used) Financing Activities	Decrease due to less loans anticipated to be taken up relating to capital expenditure for the current year.

Actual Amounts vs Final Budget

Net Cash from/(used) Operating Activities	Actuals were less than budget mainly due to the water distribution crises that emerged as explained under budget reasons for "Statement of Financial Position".
Net Cash from/(used) Investing Activities	Actuals were less than budget mainly as a result of capital budget not spent in full (96% of capital budget was spent)
Net Cash from/(used) Financing Activities	Actuals more than budget as two year's of loans were taken up as explained under budget reasons for "Statement of Financial Position".

53 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

53.1 Unauthorised Expenditure

Unauthorised expenditure can be reconciled as follow:

Opening balance	-	-
Unauthorised expenditure current year - operating	104 357 068	-
Unauthorised expenditure current year - capital	-	-
Approved by Council	-	-
Unauthorised expenditure awaiting further action	104 357 068	-

Unauthorised expenditure only relates to expenditure in excess of approved budget votes. No disciplinary steps or criminal proceedings were instituted as a result of unauthorised expenditure incurred. Refer below for votes of which the expenditure was in excess of the approved budget:

	2023 (Actual) R	2023 (Final Budget) R	2023 (Unauthorised) R	2022 (Unauthorised) R
Unauthorised expenditure - Operating				
Vote 1 - Directorate Finance	79 789 609	80 216 530	-	-
Vote 4 - Electricity	115 261 444	115 551 623	-	-
Vote 6 - Office of the Municipal Manager	9 868 597	10 052 494	-	-
Vote 8 - Directorate Technical Services and Planning	41 035 836	43 663 386	-	-
Vote 12 - Waste management	65 096 573	69 178 172	-	-
Vote 13 - Waste water management	50 530 170	52 089 531	-	-
Vote 14 - Water	192 448 305	88 091 237	104 357 068	-
Vote 15 - Directorate Development and Community Servi	251 297 456	258 957 263	-	-
Total	805 327 989	717 800 236	104 357 068	-
Unauthorised expenditure - Capital				
Vote 1 - Directorate Finance	3 311 998	3 316 273	-	-
Vote 4 - Electricity	23 175 224	23 900 289	-	-
Vote 6 - Office of the Municipal Manager	18 245	18 245	-	-
Vote 8 - Directorate Technical Services and Planning	26 362 530	27 064 724	-	-
Vote 12 - Waste management	6 765 904	6 996 442	-	-
Vote 13 - Waste water management	31 056 343	32 585 706	-	-
Vote 14 - Water	36 270 633	36 462 533	-	-
Vote 15 - Directorate Development and Community Servi	17 837 762	19 397 549	-	-
Total	144 798 638	149 741 761	-	-

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53 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)

53.2 Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure can be reconciled as follow:

Opening balance	-	1 850
Fruitless and wasteful expenditure incurred - current year	18 386	-
Approved by Council	-	(1 850)
Fruitless and wasteful expenditure awaiting further action	18 386	-

Details of fruitless and wasteful expenditure incurred:

(a) Cashier losses. Investigation finalised and no liability for employees. No further prosecution as per disciplinary outcome.	13 954	-
(b) Overpayment of supplier	4 432	-
Total	18 386	-

Details of fruitless and wasteful expenditure awaiting further action:

(a) Cashier losses. Investigation finalised and no liability for employees. No further prosecution as per disciplinary outcome.	13 954	-
(b) Overpayment of supplier	4 432	-
Total	18 386	-

53.3 Irregular Expenditure

Irregular expenditure can be reconciled as follow:

Opening balance	755 639	2 690 071
Irregular expenditure incurred - current year	191 842 211	1 980 693
Irregular expenditure incurred - prior year	5 036 073	-
Approved by Council	(97 396 047)	(3 915 125)
Irregular expenditure awaiting further action	100 237 876	755 639

Details of irregular expenditure incurred

(a) Non-compliance with Preferential Procurement Regulations 2017	-	197 695
(b) Deviations not considered to be impractical or exceptional circumstances	7 842 625	155 471
(c) No documents supporting the regulation 32 awards that any portion of contracts equals a portion of the original contract that was forfeited by the other organ of state.	20 666 002	305 616
(d) Services rendered without a contract, order or quotation.	-	12 900
(e) Non-compliance with Regulations on Appointment and Conditions of Employment of Senior Managers, as per Government Gazette No. 37245; and Upper Limits for Senior Managers' Remuneration, as per Government Gazette No. 43122.	-	394 056
(f) No reasons documented and approved by delegated official for not obtaining at least three quotations in terms of regulation 17(1)(a) of the Municipal supply chain regulations	375 759	233 683
(g) SCM Reg 43 Suppliers tax matters not compliant	-	150 839
(h) SCM Reg 36 (1) (v) Deviation Impractical - extension of contract due to new service provider not delivering	-	530 433
(i) Non-compliance with SCM Reg 29(b)(2) - Bid Adjudication Committees	9 840 576	-
(j) Non compliance with section 112 (1) (a) to (g) of the MFMA	142 060 954	-
(k) Section 52 of the SCM policy not followed	5 400	-
(l) Service rendered and invoice paid of which section 36 deviation was subsequently rejected	2 280	-
(m) NGO appointed to organise event without approaching any other event organisation to make such an offering	179 895	-
(n) Non compliance with cost containment policy	1 540	-
(o) Non-compliance with PPR 2017 8(2): Local production and content	9 258 759	-
(p) Deviations not considered to be an emergency	2 802 524	-
(q) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	3 841 970	-
Total	196 878 284	1 980 693

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UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)

Details of irregular expenditure awaiting further action:

(a) Non-compliance with Preferential Procurement Regulations 2017	-	-
(b) Deviations not considered to be impractical or exceptional circumstances	7 957 625	115 000
(c) No documents supporting the regulation 32 awards that any portion of contracts equals a portion of the original contract that was forfeited by the other organ of state.	20 666 002	-
(d) Services rendered without a contract, order or quotation.	12 900	12 900
(e) Non-compliance with Regulations on Appointment and Conditions of Employment of Senior Managers, as per Government Gazette No. 37245; and Upper Limits for Senior Managers' Remuneration, as per Government Gazette No. 43122.	-	394 056
(f) No reasons documented and approved by delegated official for not obtaining at least three quotations in terms of regulation 17(1)(a) of the Municipal supply chain regulations	609 442	233 683
(g) SCM Reg 43 Suppliers tax matters not compliant	-	-
(h) SCM Reg 36 (1) (v) Deviation Impractical - extension of contract due to new service provider not delivering	-	-
(i) Non-compliance with SCM Reg 29(b)(2) - Bid Adjudication Committees	1 075 990	-
(j) Non compliance with section 112 (1) (a) to (g) of the MFMA	54 010 688	-
(k) Section 52 of the SCM policy not followed	-	-
(l) Service rendered and invoice paid of which section 36 deviation was subsequently rejected	-	-
(m) NGO appointed to organise event without approaching any other event organisation to make such an offering	436	-
(n) Non compliance with cost containment policy	1 540	-
(o) Non-compliance with PPR 2017 8(2): Local production and content	9 258 759	-
(p) Deviations not considered to be an emergency	2 802 524	-
(q) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	3 841 970	-
Total	100 237 876	755 639

Incidents/cases identified in the current year include:

(a) Non-compliance with Preferential Procurement Regulations 2017	-	14
(b) Deviations not considered to be impractical or exceptional circumstances	4	6
(c) No documents supporting the regulation 32 awards that any portion of contracts equals a portion of the original contract that was forfeited by the other organ of state.	1	3
(d) Services rendered without a contract, order or quotation.	-	2
(e) Non-compliance with Regulations on Appointment and Conditions of Employment of Senior Managers, as per Government Gazette No. 37245; and Upper Limits for Senior Managers' Remuneration, as per Government Gazette No. 43122.	-	2
(f) No reasons documented and approved by delegated official for not obtaining at least three quotations in terms of regulation 17(1)(a) of the Municipal supply chain regulations	4	2
(g) SCM Reg 43 Suppliers tax matters not compliant	-	1
(h) SCM Reg 36 (1) (v) Deviation Impractical - extension of contract due to new service provider not delivering	-	1
(i) Non-compliance with SCM Reg 29(b)(2) - Bid Adjudication Committees	3	-
(j) Non compliance with section 112 (1) (a) to (g) of the MFMA	45	-
(k) Section 52 of the SCM policy not followed	1	-
(l) Service rendered and invoice paid of which section 36 deviation was subsequently rejected	1	-
(m) NGO appointed to organise event without approaching any other event organisation to make such an offering	1	-
(n) Non compliance with cost containment policy	1	-
(o) Non-compliance with PPR 2017 8(2): Local production and content	1	-
(p) Deviations not considered to be an emergency	3	-
(q) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	391	-

No irregular expenditure incurred has been recovered.

No disciplinary steps or criminal proceedings were instituted as a result of irregular expenditure incurred.

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	2023	2022
54 MATERIAL LOSSES		
54.1 Water distribution losses		
Kilo litres disinfected/purified/purchased	6 166 465	5 189 890
Kilo litres sold and free basic services	4 328 773	3 431 679
Kilo litres lost during distribution	1 837 691	1 758 211
Percentage lost during distribution	29.80%	33.88%
Normal pipe bursts, field leakages and unmetered connections are responsible for water losses.		
54.2 Electricity distribution losses		
Units purchased (Kwh)	53 918 870	60 798 092
Units sold, free basic services and standard friction losses	51 007 528	56 801 157
Units lost during distribution (Kwh)	2 911 342	3 996 935
Percentage lost during distribution	5.40%	6.57%
55 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT		
55.1 SALGA Contributions [MFMA 125 (1)(b)]		
Opening balance	(2 416 499)	(2 370 736)
Expenditure incurred	2 416 499	2 370 736
Payments	(2 926 970)	(2 416 499)
Payments in advance	(2 926 970)	(2 416 499)
55.2 Audit Fees [MFMA 125 (1)(c)]		
Opening balance	-	-
Expenditure incurred	4 791 424	4 567 549
External Audit - Auditor-General	4 166 456	3 971 782
VAT on External Audit	624 968	595 767
Payments	(4 791 424)	(4 567 549)
Outstanding Balance	-	-
55.3 VAT [MFMA 125 (1)(c)]		
Opening balance	3 270 937	2 437 411
Net amount claimed/(declared) during the year	18 041 564	6 930 843
Net amount paid/(received) during the year	(16 817 298)	(6 097 318)
Outstanding Balance Receivable/(Payable)	4 495 203	3 270 937
VAT is payable/receivable on the cash basis. VAT is only paid over to SARS once cash is received from debtors and only claimed from SARS once payment is made to creditors. All VAT returns have been submitted by the due date throughout the year.		
55.4 PAYE, SDL and UIF [MFMA 125 (1)(c)]		
Opening balance	-	-
Payroll deductions and Council Contributions during the year	43 784 759	36 283 560
Payments	(43 784 759)	(36 283 560)
Outstanding Balance	-	-

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55 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT (CONTINUED)

55.5 Pension and Medical Aid Contributions [MFMA 125 (1)(c)]

Opening balance	-	-
Payroll deductions and Council Contributions during the year	59 442 614	55 221 271
Payments made to pension and medical fund	(59 442 614)	(55 221 271)
Outstanding Balance	-	-

55.6 Councillors Arrear Accounts [MFMA 124 (1)(b)]

The following Councillors had arrear accounts for more than 90 days as at 30 June:

MS Shale	13 256	25 945
MA Nomkoko	35 264	48 691
S Fredericks	-	2 394
M Gana	-	17 044
DA Appel	234	13 255
B Mkwibiso	2 114	14 195
PJ Stander	1 367	-
DA Jacobs	933	-
Total	53 168	121 524

Payment arrangements have been undertaken by Councillors listed below:

MS Shale
MA Nomkoko
B Mkwibiso

55.7 Deviations from Supply Chain Management Regulations

Deviations from Supply Chain Management Regulations were identified on the following categories:

Section 36(1)(a)(i) - Emergencies	6 215 741	5 363 530
Section 36(1)(a)(ii) - Single provider	123 711	198 131
Section 36(1)(a)(iii) - Specialised services	-	-
Section 36(1)(a)(iv) - Acquisition of animals for zoo's	-	-
Section 36(1)(a)(v) - Impractical to follow official procurement process	26 315 136	13 715 286
Total	32 654 588	19 276 947

Deviations from Supply Chain Management Regulations can be allocated as follow:

MM Office	29 996	343 275
Financial Services	2 282 771	6 077 648
Corporate Services	1 830 570	1 900 134
Development Services and Community Services	20 437 683	8 638 553
Economic Development and Planning	7 267 856	1 742 348
Technical and Infrastructure and Implementation	805 711	574 988
Total	32 654 588	19 276 947

Deviations from Supply Chain Management Regulations were identified on the quotation/tender categories:

Less than R30 000	1 959 867	2 357 783
Between R30 001 and R200 000	5 627 770	7 605 674
Between R200 001 and R2 000 000	10 475 277	7 100 474
More than R2 000 001	14 591 674	2 213 016
Total	32 654 588	19 276 947



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CAPITAL COMMITMENTS

Approved and contracted for

31 752 885

48 014 951

Infrastructure

31 097 302

48 014 951

Community Assets

655 583

-

This expenditure will be financed from:

External Loans

15 383 756

24 633 674

Government Grants

11 800 282

19 126 647

Own Resources

4 568 847

4 254 630

Total

31 752 885

48 014 951

Capital Commitments are disclosed exclusive of Value Added Tax (VAT).

57

FINANCIAL RISK MANAGEMENT

The Municipality is potentially exposed to the following risks:

57.1 Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The following financial assets are exposed to credit risk:

Cash and Cash Equivalents

85 906 681

165 972 622

Receivables from exchange transactions

35 857 844

32 930 597

Receivables from non-exchange transactions

678 044

515 770

Long-term Receivables

1 642 505

3 866 671

Non-current Investments

13 828 856

12 836 955

Total

137 913 931

216 122 615

Cash and Cash Equivalents and Non-current Investments

Deposits of the Municipality is only held at reputable banks that are listed on the JSE. The credit quality is regularly monitored through required SENS releases by the various banks. The risk pertaining to these deposits are considered to be very low.

There are no restrictions on the cash deposits held, except for the fixed deposit that serve as security for stock loans as disclosed in note 13.2 and 14.2.

Receivables from Exchange Transactions

Receivables comprise of a large number of users, dispersed across different sectors and geographical areas. On-going credit evaluations are performed on the financial condition of these receivables. Credit risk pertaining to receivables are considered to be moderate due the diversified nature of receivables and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Receivables are disclosed after taking into account the provision for impairment raised against each class of receivable.

Receivables are payable within 30 days. All receivables outstanding for more than 30 days are considered to be past due.

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

Refer to note 3 and 4 for more information regarding the provision for impairment raised against each service type as well as receivables considered to be past due.

Also refer to note 7 for more information regarding balances renegotiated beyond the original 30 days payment period initially granted.

No collateral is held from any consumers (other than consumer deposits).

Refer to note 14.2 for receivables pledged as security for Long-term Liabilities.

The following service receivables are past due, but not impaired:

Electricity	1 403 587	1 243 752
Water	4 028 061	2 278 751
Refuse	1 815 014	1 437 184
Sewerage	1 484 482	1 246 754
Interest	1 485 280	892 591
Other	293 743	246 259
Availability Charges	451 973	285 904
Total	10 962 140	7 631 195

Past due receivables are aged as follow:

1 to 3 months overdue	7 584 847	4 544 950
4 months to 1 year overdue	2 021 272	1 850 958
1 year overdue	1 356 021	1 235 287
Total	10 962 140	7 631 195

57.2 Currency risk (Market Risk)

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The financial instruments of the Municipality is not directly exposed to any currency risk.

57.3 Interest rate risk (Market Risk)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The following balances are exposed to interest rate fluctuations:

Cash and Cash Equivalents (excluding cash on hand)	85 906 681	165 972 622
Long-term Liabilities (including current portion)	-	-
Net balance exposed	85 906 681	165 972 622

Potential effect of changes in interest rates on surplus and deficit for the year:

0.5% (2022 - 0.5%) increase in interest rates	429 533	829 863
0.5% (2022 - 0.5%) decrease in interest rates	(429 533)	(829 863)

57.4 Liquidity risk

Liquidity risk is the risk encountered by the Municipality in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is mitigated by approving cash funded budgets at all times to ensure commitments can be settled once due over the long term. The Municipality also monitors its cash balances on a daily basis to ensure cash resources are available to settle short term obligations.

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

The following balances are exposed to liquidity risk:

	Within 1 Year	Between 2 to 5 years	After 5 years	Total
30 JUNE 2023				
Annuity Loans	41 402 260	140 539 380	135 159 019	317 100 660
Stock Loans	1 358 419	17 116 487	-	18 474 906
Payables from exchange transactions	105 162 324	-	-	105 162 324
Total	147 923 004	157 655 867	135 159 019	440 737 890
30 JUNE 2022				
Annuity Loans	23 530 004	79 278 786	46 246 833	149 055 624
Stock Loans	1 354 582	18 474 906	-	19 829 488
Payables from exchange transactions	63 069 335	-	-	63 069 335
Total	87 953 922	97 753 693	46 246 833	231 954 448

57.5 Other price risk (Market Risk)

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The following balance is exposed to price risk:

Non-current Investments - Listed shares	179 951	163 051
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58 FINANCIAL INSTRUMENTS

The Municipality recognised the following financial instruments at amortised cost:

Financial Assets

Cash and Cash Equivalents	85 906 681	165 972 622
Bank Accounts	85 906 681	116 873 931
Call Investment Deposits	-	49 098 691
Receivables from Exchange Transactions	35 857 844	32 930 597
Electricity	8 684 501	9 180 776
Water	15 256 980	12 605 959
Refuse	4 160 999	3 850 392
Sewerage	5 128 882	5 064 520
Interest	1 671 937	1 070 336
Other	522 183	429 933
Accrued Interest	432 362	728 681
Receivables from Non-Exchange Transactions	678 044	515 770
Availability Charges	678 044	515 770
Long-term Receivables	1 642 505	3 866 671
Receivables with repayment arrangements	1 642 505	3 866 671
Non-current Investments	13 648 904	12 673 904
Fixed Deposits	13 648 904	12 673 904
Total	137 733 979	215 959 564

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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58 FINANCIAL INSTRUMENTS (CONTINUED)

Financial Liabilities

Payables from Exchange Transactions	105 162 324	63 069 335
Trade Payables	85 583 037	32 797 253
Retentions	7 784 978	8 589 370
Department of Human Settlements	1 834 148	5 334 915
Sundry Deposits	9 319 568	15 638 481
Accrued Interest	640 594	709 317
Long-Term Liabilities	202 655 539	116 586 408
Annuity Loans	188 185 739	102 116 608
Stock Loans	14 469 800	14 469 800
Total	307 817 863	179 655 743

The Municipality recognised the following financial instruments at fair value:

Financial Assets

Non-current Investments		
Listed shares	179 951	163 051

59 STATUTORY RECEIVABLES

In accordance with the principles of GRAP 108, Statutory Receivables of the Municipality are classified as follows:

Receivables from Non-Exchange Transactions	18 337 686	16 180 373
Property Rates	15 102 486	13 878 773
Unpaid Traffic Fines	3 235 200	2 301 600
Taxes - VAT Claimable from SARS	4 759 582	3 179 301
Total	23 097 268	19 359 674

The amounts above are disclosed after any provision for impairment has been taken into account.

Property Rates are levied in term of the Municipal Property Rates Act, 2004 (Act 6 of 2004). Refer to note 23 for property rates levied for the year and basis for interest and rate used on outstanding balances.

Traffic Fines are issued in terms of the Criminal Procedure Act, 1977. Refer to note 28 for traffic fines issued for the year. No interest is levied on outstanding traffic fines.

Taxes (Value Added Tax) are raised in terms of the Value Added Tax Act. No interest is paid by the South African Revenue Service on outstanding VAT claims.

Refer to note 4 for determining the recoverability of property rates and traffic fines.

Property Rates

- Past due at the reporting date, and which have been impaired	26 017 931	33 416 355
- Past due that have not been impaired	7 740 453	6 799 628

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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60 PRINCIPAL-AGENT ARRANGEMENTS

The Municipality has assessed that the following significant principal-agent arrangements exists:

60.1 Department of Transport and Public Works

The Municipality acts as an agent for the Department of Transport and Public Works and manages the issuing of vehicle licences for a commission.

The following transactions were undertaken as part of principal-agent arrangement:

Collections payable to the Department at beginning of year	314 444	599 075
Revenue collected from third parties	38 287 274	35 838 863
Commission earned on collections included in note 34	(5 938 226)	(5 498 510)
VAT on commission earned payable to the South African Revenue Services	(890 779)	(824 777)
Collections paid over to The Department	(31 379 355)	(29 800 208)
	393 358	314 444

60.2 Department of Human Settlements

The Municipality acts as an agent for the Department of Human Settlements for the Peoples Housing Project (PHP) and to facilitate the deed transfers to qualifying beneficiaries.

The following transactions were undertaken as part of principal-agent arrangements:

Balance at beginning of year	5 364 768	5 447 327
Payments received from / (funds returned to) the Department	(1 673 029)	1 201 560
Expenditure incurred on behalf of the Department	(2 572 295)	(1 284 118)
	1 119 445	5 364 768

60.3 Other Arrangements

The Municipality has entered into arrangements with prepaid electricity vendors to provide services to the public on behalf of the Municipality. Various prepaid electricity vendors sell electricity on the Municipality's behalf. The software used results in all transactions being recorded in the Municipality's sub-system. The Municipality collects the cash receipts from the vendors on a daily basis and therefore collects the revenue in full. Prepaid vendors earn commission on the value of each transaction. The nature of these arrangements were assessed and the transactions are not considered to fall within the scope of GRAP 109.

61 EVENTS AFTER REPORTING DATE

The following events after reporting date are noted:

- The Government Gazette for the determination of upper limits of the salaries, allowances and benefits of different members of municipal councils was issued on 18 August 2023, which stipulate that the notice takes effect from 1 July 2022. As on reporting date, this notice has been adopted by the Council, but has not yet been approved by the MEC. The financial impact is calculated at R477 571.

62 IN-KIND DONATIONS AND ASSISTANCE

Property, Plant and Equipment as per note 26 were donated to the Municipality.

63 PRIVATE PUBLIC PARTNERSHIPS (PPP's)

The Municipality did not enter into any PPP's in the current and prior year.

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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64 CONTINGENT LIABILITIES

The Municipality were not exposed to any contingent liabilities at year end.

65 COVID-19

The summary below indicates the total Covid-19 response expenditure:

Personal Protective Equipment and Sanitizers	-	72 238
Total	-	72 238

The Covid-19 response expenditure was funded from the following sources:

Own Revenue	-	72 238
Total	-	72 238

66 RELATED PARTIES

66.1 Related Party Loans

There are no loans outstanding to any related party. Since 1 July 2004 loans to councillors and senior management employees are not permitted.

66.2 Compensation of management personnel

Remuneration of management personnel are disclosed in notes 38 and 39.

66.3 Current Employee Benefits

The Municipality has the following accrued leave obligation towards management personnel at year-end:

Mr WSE Solomons-Johannes	- Director: Community Services	151 789	-
Mr D Louw	- Director: Financial Services	-	187 126
Total		151 789	187 126

66.4 Remuneration payable to Council

The Government Gazette for the determination of upper limits of the salaries, allowances and benefits of different members of municipal councils were issued on 2 June 2022, Notice no 2126 of Government Gazette no 46470, which stipulate that the notice takes effect from 1 July 2021. The notice was implemented after year-end of which payment was made on 25 August 2022.

Remuneration payable to Council in terms of the notice	-	351 522
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66.5 Related Party Transactions

All rates, service charges and other charges in respect of related parties are in accordance with approved tariffs that were advertised to the public. No impairment charge have been recognised in respect of amounts owed by related parties.



AUDITOR-GENERAL
SOUTH AFRICA
30 November 2023
Auditing to build public confidence

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

67 TRANSACTIONS IN TERMS OF SECTION 45 OF THE MUNICIPAL SUPPLY CHAIN REGULATIONS

Section 45 of the Municipal Supply Chain Management regulations requires the disclosure of particulars of any award of more than R2 000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months. The following transactions are disclosed in this regard:

Company	Relationship	Position of person in service of the state	2023	2022
Finck Attorneys	Owner Ronald Finck is the spouse Gail Finck	TWK Senior Clerk Clearances	8 000	-
Petrol & Diesel Enjin Sentrum	Owner Petrus Pretorius is the parent-in-law of Joanle Pretorius	TWK Chief Clerk	1 210 286	1 232 765
Adenco Construction	Director Victor Machimana is the parent of Helen Machimana; Director Vuyo Machimana is the parent of Busisiwe Skosana and Director Daniel Jackson is the parent of Adele Kassner	Helen Machimana, Department of Welfare Limpopo Social Worker; Busisiwe Skosana, Department of Health Gauteng Nursing Sister and Adele Kassner, Department of Education Teacher	1 064 500	3 860 999
WAM Technology	Director Willem Botes is the spouse of Stella Botes and Maria le Roux is his daughter	Spouse - Department of Education Teacher Daughter - Employee at City of Cape Town (Manager of Coastal Engineering Department)	-	29 662
Zutari (Pty) Ltd. (Aurecon SA - Professional Services)	Parent of R Mehlala and Son of G Saaiman; Heather Ahlschalger spouse of Richard Ahlschalger; Shanaaz Seegers, Nadiema Allie, Mariam Gasant brother and sister of Ismail Gasant; Krishnavenie Nadasen spouse of Kevin Nadasen; Maria Marques spouse of Ermis Marques; Tlou Ndala spouse of Joseph Ndala	R Mehlala, CFO: Eastern Cape Arts and Culture Council and G Saaiman, Auditor General; Heather Ahlschalger Special Investigation Unit(independent statutory body that is accountable to Parliament and the president; Shanaaz Seegers City of Cape Town; Nadiema Allie South African Revenue Services; Mariam Gasant South African Revenue Services; Krishanvenie Nadasen National Department of Public Works; Maria MARques Department of Home Affairs; Tlou Ndala Gauteng Department of Education	740 770	3 038 361
Fairbridges Attorneys	Director Waheeda Shreef is the spouse of Mohammed Jawodeen; Director Adela Petersen is the sister of Shaheed Hofmeester and Director Diane-Maree Rauch is the daughter-in-law of Henk Rauch	Mohammed Jawodeen, Non-Executive Director of the Central Energy Fund; Shaheed Hofmeester, a Teacher and Henk Rauch, Programme Manger at Petrosa.	72 970	916 294
Suid-Kaap Waardeerders	Owner Stephanus de Swardt is the spouse of Anna de Swardt	Professional Nurse at the Provincial Adminstration of Western Cape	-	69 283

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

67 TRANSACTIONS IN TERMS OF SECTION 45 OF THE MUNICIPAL SUPPLY CHAIN REGULATIONS (CONTINUED)

Company	Relationship	Position of person in service of the state	2023	2022
FCR Abrahams	Owner Frank Abrahams is the spouse of Berdine Abrahams, Father in-law of Anarood Plaatjies	Berdine Abrahams- TWK Debtors Clerk Anarood Plaatjies- Accountant Saldanha Municipality	60 617	117 773
Transoverberg Management Solutions	Owner Carlynn Cloete daughter of Sydney Armoed, Sister to Enslin Armoed	Enslin Armoed-Knysna Municipality Supervisor Sydney Armoed- Technical Officer Twk	139 060	77 334
Conlog (Pty) Ltd	Director Logandhren Moodley is the spouse of Nirvasha Moodley	Department of Health Director	148 822	-
Reginald du Plessis	Owner Reginald du Plessis is the spouse of Cerhal du Plessis and the son-in-law of Caroline Wood	Cerhal du Plessis, TWK General Worker; Caroline Wood, TWK Councillor	1 900	3 400
Bosman Smit Pretorius Inc	Owner Marriette Pretorius is the spouse of Gavin Brink	SAPS Police Officer	14 207	-
Shyzac 01 Security Solutions & Maintenance	Director Bjorn Africa is the second cousin of Annielle Martin	TWK - Senior Administrator	225 440	1 005 570
Neil Lyners and Associates	Director Neil Lyners is the brother of HG Lyners	Department of Transport and Public Works - Director	3 324 045	643 865
Lipus Goods and Services (Pty) Ltd.	The spouse of Templeton Tando Maku (Director) is a Chief Registry Clerk at the Department of Community Safety	Chief Registry Clerk	-	313 630
Mad Bulldogz Distributors	The spouse of Hein Erasmus (Director) is a Principle Clerk Salaries at TWK Mun.	Principle Clerk Salaries	-	1 944
AmandlaGCF Construction CC	Wendell Frazenberg, Director of AmandlaGCF Construction CC, is the brother-in-law of John Jacobs who is employed at the National Government Employment & Labour Department. Wendell Frazenberg is the brother of Unita Frazenberg, Eben Frazenberg, Jaqueline Frazenberg and Bryan Frazenberg who is employed at the National Government Deeds office, Education Department, Education Department and City of Cape Town - Traffic Department.	Teachers and Traffic Department	6 814 952	13 238 038
JVZ Construction (Pty) Ltd.	Marisa Matthee, Director of JVZ Construction (Pty) Ltd., is the spouse of RE Matthee whom is employed at the Department of Correctional Services.	Security Officer	3 512 873	20 315 837
Lit Technics	Jan Petrus Barnard, Director of LIT Technics (Pty) Ltd., is the independent child of Jan Barnard who works at TWK Mun.	Dep. Dir. Community Services	168 105	1 199
Royal Haskoning DHV	Salani Sithole, Director of Royal Haskoning DHV, is the spouse of Tryphosa Sithole who is employed at the City of Johannesburg.	Associate Director	354 252	172 073

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

67 TRANSACTIONS IN TERMS OF SECTION 45 OF THE MUNICIPAL SUPPLY CHAIN REGULATIONS (CONTINUED)

Company	Relationship	Position of person in service of the state	2023	2022
Abe Rewinds t/a Delta Rewinds	Abduragman Daniels, Director of Abe Rewinds t/a Delta Rewinds, is the independent child of Mischa Human who is employed by the City of Cape Town.	Clerk	-	444 978
Groenland Motor Truck & Bakkie	Mina Snyders, Director of Groenland Motor Truck & Bakkie, is the sister-in-law of Morrizlin Josephs and Cornelius Josephs who is employed at TWK Mun. and SAPD.	Traffic Officer and Police Officer	200 357	158 768
Renco Advisory Services	Renco Theunissen, Director of Renco Advisory Services. Ranver Theunissen is the brother of Renco, Inge Theunissen is the sister-in-law of Renco, Kassandra Theunissen is the sister of Renco, Kallie Papier is the uncle of Renco, Christolene Theunissen, Melanie Fisher and Daniel papier is the cousin of Renco.	Department of Health - Temp. Worker, Assistant Director, SCM Clerk. TWK Mun. - Deputy Mayor, Administrator - Income, Administrator, Operator	-	90 150
Element Consulting Engineers (Pty) Ltd.	P Rossouw, Director of Element Consulting Engineers (Pty) Ltd., is the spouse of R Rossouw who is employed by the Education Department. M Shezi, Director of Element Consulting Engineers (Pty) Ltd., is the spouse of E Shezi also employed by the Education Department.	Teachers	1 210 356	4 965 630
JLA Logistics (Pty) Ltd.	Janine Cupido, Director of JLA Logistics (Pty) Ltd., is the daughter of A Cupido who is employed at the Department of Correctional Services.	Warden	94 340	101 282
Dick Whittington Shoes (Pty) Ltd.	Dr Z.L Mkhize spouse of MM.Mkhize director of Dick Whittington Shoes	Minister of Health	-	40 365
JPCE (Pty) Ltd.	J.Minnie spouse of Jorina Minnie director of JPCE	Head:Operation Centre and System Integration Disaster Risk Management Centre, Safety and Security Directorate	1 866 239	1 327 363
Ez Projects	K.Piquer spouse of E.Piquer director of EZ Projects	Department of Health(Professional Nurse Tulbagh Clinic)	-	94 055
EJ'S Auto and Mechanical Services (Pty) Ltd	Spouse of Sue-Ellen Januarie	Sergeant Traffic Officer	49 570	58 690
Confrank (Pty) Ltd.	Owner F. Benson spouse L.Benson	Teacher (WCED) Villiersdorp	25 050	-
Zweni Energy (Pty) Ltd	Spouse of Michell Everol Thomas	Senior Clerk/Cashier	-	153 990
Kemanzi (Pty) Ltd.	JN du Toit spouse of H du Toit director of Kemanzi (Pty) Ltd	Inspector Traffic Services: City of Cape Town	1 086 097	-
Can Marketing Solutions (Pty) Ltd.	Maarman spouse of C Maarman director of Can Marketing Solutions (Pty) Ltd	Transnet	165 000	-

Total

22 557 807

32 473 297

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

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68 NON-LIVING RESOURCES

Other than land, the Municipality identified aquifers in the Theewaterskloof municipal area as the only non-living resources of which the water is being extracted with the use of boreholes in the following towns:

- Botrivier
- Caledon
- Genadendal
- Greyton
- Tesselaarsdal
- Villiersdorp

69 SEGMENT REPORTING

69.1 General Information

The segments were organised based on the type and nature of service delivered by the Municipality. These services are delivered in various municipal departments, which for reporting purposes are allocated to a standardised functional area (guided by mSCOA regulations). Budgets are prepared for each functional area and the budget versus actual amounts are reported on a monthly basis. Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

The Municipality has 59 departments/functional areas and accordingly the segments were aggregated for reporting purposes as follow:

No	Reportable Segment	Goods and/or services delivered
1	Governance and Administration	Supply of overall governance and administrative services to the segments below
2	Community Services	Tourism, Sportfields, Housing, Informal Settlements, Parks, Cemeteries, Halls and Cemeteries
3	Public Safety	Traffic control, animal control and pounds
4	Planning and Development	Town planning, local economic development and building control
5	Roads and Stormwater	Construction and maintenance of roads and storm water
6	Environmental Affairs	Disaster management, air pollution control and nature reserve
7	Electricity Services	Electricity Services
8	Water Services	Water Services
9	Sewerage Services	Sewerage Services
10	Refuse Services	Refuse Services

69.2 Reporting on segment assets and liabilities

The Municipality has assessed that assets and liabilities associated with each segment is not used by management for decision making purposes, and neither is it being reported on. Assets and liabilities are utilised by management to assess key financial indicators for the Municipality as a whole. Accordingly, the assets and liabilities per segment is not required to be disclosed.

69.3 Geographic Segment Reporting

Although the Municipality operates in a number of geographical areas (i.e. towns), the geographical information is not considered relevant to management for decision-making. The goods and services provided to the community throughout the entire municipal area are based on similar tariffs and service standards. Therefore, the Municipality has assessed that it operates in a single geographical area.

69.4 Measurement of specific segment information

The accounting policies of the respective segments are the same as those prescribed in the summary of significant accounting policies.

The Municipality had no changes the structure of its internal organisation in a manner that caused the composition of its reportable segments to change from the prior year.

Information about the surplus/(deficit) and capital expenditure of the respective segments are disclosed on the following page.

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

69	SEGMENT REPORTING (CONTINUED)	Governance and Administration R	Community Services R	Public Safety R	Planning and Development R	Roads and Stormwater R	Environmental Affairs R	Electricity Services R	Water Services R	Sewerage Services R	Refuse Services R	Total R
69.5	Specific Segment Reporting											
	2023											
	REVENUE											
	External Revenue from Non-Exchange Transactions	225 510 738	41 679 369	33 513 092	28 488 927	417 805	-	6 521 619	13 783 917	14 318 836	32 856 018	397 090 322
	Property Rates	136 353 678	-	-	-	-	-	-	-	-	-	136 353 678
	Government Grants and Subsidies - Operating	81 769 719	11 610 866	-	2 467 313	143 948	-	5 155 713	11 869 360	13 449 601	15 079 234	141 545 752
	Public Contributions and Donations	355 458	-	-	-	-	-	-	-	-	-	355 458
	Government Grants and Subsidies - Capital	1 878 450	24 763 418	192 797	26 021 615	273 857	-	-	-	-	-	53 130 137
	Contributed Assets	2 294 517	-	-	-	-	-	-	-	-	-	2 294 517
	Availability Charges	-	-	-	-	-	-	1 365 907	1 914 557	869 235	710 412	4 860 111
	Fines, Penalties and Forfeits	2 344 936	4 571	33 320 295	-	-	-	-	-	-	-	35 669 802
	Actuarial Gains	-	5 300 514	-	-	-	-	-	-	-	-	5 300 514
	Other Income (Non-Exchange)	513 980	-	-	-	-	-	-	-	-	17 066 372	17 580 353
	External Revenue from Exchange Transactions	37 395 299	799 768	7 676 885	4 546 239	-	-	112 791 450	77 462 506	39 645 246	39 147 392	319 464 785
	Service Charges	-	-	-	-	-	-	112 670 809	77 462 506	39 645 246	39 147 392	268 925 953
	Rental of Facilities and Equipment	-	37 081	-	1 817 517	-	-	-	-	-	-	1 854 597
	Interest Earned - External Investments	11 348 610	-	-	-	-	-	120 641	-	-	-	11 469 251
	Interest Earned - Outstanding Debtors	23 462 549	-	-	-	-	-	-	-	-	-	23 462 549
	Agency Services	-	-	7 635 948	-	-	-	-	-	-	-	7 635 948
	Licences and Permits	-	-	4 362	-	-	-	-	-	-	-	4 362
	Other Income (Exchange)	2 189 183	762 687	36 574	2 728 723	-	-	-	-	-	-	5 717 167
	Gain on disposal of Non-Monetary Assets	394 957	-	-	-	-	-	-	-	-	-	394 957
	Construction Contracts	-	396 719	-	-	-	-	-	-	-	-	396 719
	TOTAL REVENUE	262 906 037	42 875 855	41 189 977	33 035 167	417 805	-	119 313 070	91 246 423	53 964 082	72 003 410	716 951 825
	EXPENDITURE											
	Employee Related Costs	58 853 625	56 392 674	28 500 591	31 446 901	17 284 162	-	9 196 844	9 806 003	17 456 743	19 297 081	248 234 622
	Remuneration of Councillors	12 685 581	-	-	-	-	-	-	-	-	-	12 685 581
	Debt Impairment	25 282 643	-	27 416 250	-	-	-	2 613 079	19 846 757	11 158 751	13 285 075	99 602 555
	Depreciation and Amortisation	5 573 991	882 544	-	86 825	4 817 211	-	3 520 904	6 953 521	5 643 627	3 794 422	31 273 046
	Impairment	-	-	-	736 074	-	-	-	-	-	466 921	1 202 995
	Finance Charges	1 072 041	7 527 614	30 781	138 671	2 003 831	-	1 045 029	4 455 858	3 435 434	12 769 290	32 478 549
	Bulk Purchases	-	-	-	-	-	-	87 773 616	20 730 463	-	-	108 504 079
	Contracted Services	10 556 113	22 992 536	3 877 770	4 120 056	3 033 132	3 925 828	2 240 726	59 905 061	4 333 725	8 753 845	123 738 792
	Transfers and Grants	3 370 215	272 153	-	-	-	-	4 784 770	-	-	-	8 427 139
	Other Expenditure	26 157 086	6 599 341	2 944 813	3 932 612	6 740 966	164 573	4 086 475	70 750 642	8 501 890	6 729 938	136 608 336
	Total Expenditure	143 551 296	94 666 861	62 770 205	40 461 139	33 879 302	4 090 401	115 261 444	192 448 305	50 530 170	65 096 573	802 755 695
	NET SURPLUS/(DEFICIT) FOR THE YEAR	119 354 741	(51 791 006)	(21 580 227)	(7 425 972)	(33 461 497)	(4 090 401)	4 051 626	(101 201 882)	3 433 911	6 906 838	(85 803 869)
	Less: Government Grants and Subsidies - Capital	(1 878 450)	(24 763 418)	(192 797)	(26 021 615)	(273 857)	-	-	-	-	-	(53 130 137)
	Less: Contributed Assets	(2 294 517)	-	-	-	-	-	-	-	-	-	(2 294 517)
	OPERATING SURPLUS/(DEFICIT) FOR THE YEAR	115 181 775	(76 554 424)	(21 773 025)	(33 447 587)	(33 735 354)	(4 090 401)	4 051 626	(101 201 882)	3 433 911	6 906 838	(141 228 523)
	CAPITAL EXPENDITURE FOR THE YEAR	8 900 020	29 351 085	1 834 945	1 165 339	6 275 297	3 849	23 175 224	36 270 633	31 056 343	6 765 904	144 793 638

THEEWATERSKLOOF LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

69	SEGMENT REPORTING (CONTINUED)	Governance and Administration R	Community Services R	Public Safety R	Planning and Development R	Roads and Stormwater R	Environmental Affairs R	Electricity Services R	Water Services R	Sewerage Services R	Refuse Services R	Total R
69.5	Specific Segment Reporting											
	2022											
	REVENUE											
	External Revenue from Non-Exchange Transactions	201 397 698	29 894 121	24 971 517	21 767 203	129 932	-	11 725 217	14 802 439	14 079 572	18 974 419	337 742 117
	Property Rates	127 714 860	-	-	-	-	-	-	-	-	-	127 714 860
	Government Grants and Subsidies - Operating	69 112 474	10 038 486	-	3 494 357	129 932	-	5 559 789	10 685 548	13 204 624	14 824 479	127 049 690
	Public Contributions and Donations	729 541	-	-	-	-	-	-	-	-	-	729 541
	Government Grants and Subsidies - Capital	634 735	18 166 368	-	18 272 846	-	-	4 854 443	2 286 497	-	-	44 214 889
	Contributed Assets	33 650	-	-	-	-	-	-	-	-	-	33 650
	Availability Charges	-	-	-	-	-	-	1 310 984	1 830 394	874 948	718 767	4 735 093
	Other Income (Non-Exchange)	1 529 684	-	-	-	-	-	-	-	-	3 431 172	4 960 856
	Fines, penalties and forfeits	1 642 754	6 598	24 971 517	-	-	-	-	-	-	-	26 620 869
	Actuarial Gains	-	1 682 669	-	-	-	-	-	-	-	-	1 682 669
	External Revenue from Exchange Transactions	31 489 529	988 916	7 248 071	5 468 723	-	-	113 369 444	76 547 737	36 108 171	36 967 446	308 188 037
	Service Charges	-	-	-	-	-	-	113 313 991	76 547 737	36 106 413	36 967 446	262 935 587
	Rental of Facilities and Equipment	-	16 347	-	2 149 024	-	-	-	-	-	-	2 165 371
	Interest Earned - external investments	10 542 388	-	-	-	-	-	55 453	-	-	-	10 597 842
	Interest Earned - outstanding debtors	16 906 671	-	-	-	-	-	-	-	-	-	16 906 671
	Agency Services	-	-	7 139 847	-	-	-	-	-	-	-	7 139 847
	Licences and Permits	-	-	35 792	-	-	-	-	-	-	-	35 792
	Other Income (Exchange)	4 040 469	972 569	72 431	3 319 699	-	-	-	-	1 759	-	8 406 927
	Construction Contracts	-	29 853	-	-	-	-	-	-	-	-	29 853
	TOTAL REVENUE	232 887 227	30 912 889	32 219 587	27 235 926	129 932	-	125 094 661	91 350 176	50 187 743	55 941 865	645 960 007
	EXPENDITURE											
	Employee Related Costs	55 939 595	53 704 311	24 785 641	29 969 473	15 979 930	-	8 590 431	9 260 181	16 741 644	19 050 879	234 022 083
	Remuneration of Councillors	11 899 590	-	-	-	-	-	-	-	-	-	11 899 590
	Debt Impairment	24 923 581	-	19 881 350	-	-	-	765 071	15 902 736	10 425 426	11 404 179	83 302 343
	Depreciation and Amortisation	3 625 892	902 482	-	102 257	4 902 753	-	2 590 183	5 795 645	4 844 532	8 697 082	31 460 827
	Impairment	-	-	-	1 558 714	-	-	-	-	-	-	1 558 714
	Finance Charges	645 151	5 946 519	40 802	161 872	1 745 475	-	1 145 639	4 103 883	2 520 256	9 526 824	25 836 421
	Bulk Purchases	-	-	-	-	-	-	85 631 654	19 371 402	-	-	105 003 057
	Contracted Services	10 381 791	5 094 908	2 033 064	2 479 931	3 378 734	3 597 858	2 534 249	3 834 141	4 532 544	6 886 914	44 754 133
	Transfers and Grants	148 049	265 595	-	200 000	-	-	4 103 314	-	-	-	4 716 958
	Other Expenditure	24 710 460	5 948 435	1 953 905	3 677 723	5 331 232	160 008	4 494 068	9 442 728	8 777 258	5 664 383	70 160 199
	Loss on disposal of Non-Monetary Assets	610 096	-	-	-	-	-	-	-	-	-	610 096
	Total Expenditure	132 884 204	71 862 249	48 694 762	38 149 969	31 338 124	3 757 866	109 854 608	67 710 716	47 841 660	61 230 261	613 324 421
	NET SURPLUS/(DEFICIT) FOR THE YEAR	100 003 022	(40 949 360)	(16 475 174)	(10 914 043)	(31 208 192)	(3 757 866)	15 240 053	23 639 460	2 346 083	(5 288 396)	32 635 586
	Less: Government Grants and Subsidies - Capital	(634 735)	(18 166 368)	-	(18 272 846)	-	-	(4 854 443)	(2 286 497)	-	-	(44 214 889)
	Less: Contributed Assets	(33 650)	-	-	-	-	-	-	-	-	-	(33 650)
	OPERATING SURPLUS/(DEFICIT) FOR THE YEAR	99 334 637	(59 115 728)	(16 475 174)	(29 186 890)	(31 208 192)	(3 757 866)	10 385 609	21 352 963	2 346 083	(5 288 396)	(11 612 954)
	CAPITAL EXPENDITURE FOR THE YEAR	6 894 576	20 573 346	583 904	479 162	6 468 749	-	7 111 393	16 433 600	26 055 620	13 641 483	98 241 833

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX A (UNAUDITED)

SCHEDULE OF EXTERNAL LOANS FOR THE YEAR ENDING 30 JUNE 2023

INSTITUTION	LOAN NUMBER	RATE	MATURITY DATE	OPENING BALANCE 1 JULY 2022	RECEIVED DURING YEAR	REDEEMED DURING YEAR	CLOSING BALANCE 30 JUNE 2023
<u>ANNUITY LOANS</u>							
DBSA BANK - 10 & 20 year	102807/1	10.74%	30/06/2028	4 531 595	-	(591 914)	3 939 681
DBSA BANK - 10 & 20 year	103108/1	11.44%	30/09/2028	5 614 159	-	(624 302)	4 989 857
DBSA BANK - 20 year	103313.1	9.85%	31/03/2029	12 895 152	-	(1 356 274)	11 538 878
DBSA BANK - 15 year	103313.2	9.97%	31/03/2024	1 496 863	-	(712 213)	784 650
DBSA BANK - 20 year	103817/3	11.06%	31/12/2030	7 654 027	-	(581 270)	7 072 757
STANDARD BANK- 15 year	272400572	12.22%	30/06/2026	3 733 380	-	(774 618)	2 958 762
STANDARD BANK - 4 year	000600694	6.63%	31/12/2024	4 569 155	-	(1 424 902)	3 144 253
STANDARD BANK - 10 year	000600703	8.26%	28/06/2030	4 485 538	-	(415 347)	4 070 191
STANDARD BANK - 15 year	000600712	9.76%	29/06/2035	6 135 986	-	(250 545)	5 885 441
STANDARD BANK - 15 year	000682253	10.79%	30/12/2036	14 091 133	-	(466 247)	13 624 886
STANDARD BANK - 5 year	000748692	10.58%	30/06/2027	-	8 864 962	(1 616 152)	7 248 810
STANDARD BANK - 7 year	000748736	10.99%	29/06/2028	-	5 000 000	(624 715)	4 375 285
STANDARD BANK - 12 year	000748754	11.60%	30/06/3032	-	12 634 012	(1 051 994)	11 582 018
STANDARD BANK - 15 year	000748773	12.27%	30/06/3037	-	10 062 493	(542 574)	9 519 919
ABSA BANK - 15 year	40-7908-8994	10.79%	27/06/2027	6 064 626	-	(973 810)	5 090 816
ABSA BANK - 10 year	387230963	10.63%	27/06/2024	2 400 975	-	(1 138 465)	1 262 510
ABSA BANK - 5 year	3050777771	8.95%	30/06/2024	901 468	-	(430 681)	470 787
ABSA BANK - 7 year	3050777789	9.19%	30/06/2026	1 607 861	-	(348 633)	1 259 228
ABSA BANK - 10 year	3050777763	9.62%	30/06/2029	2 586 386	-	(272 280)	2 314 106
ABSA BANK - 7 year	3052887574	9.19%	30/06/2027	2 327 944	-	(384 558)	1 943 386
ABSA BANK - 5 year	3054670983	8.66%	30/10/2026	11 907 933	-	(2 262 337)	9 645 596
ABSA BANK - 7 year	3054671133	9.19%	30/10/2028	4 805 266	-	(566 762)	4 238 504
ABSA BANK - 10 year	3054671256	9.89%	30/10/2031	1 933 280	-	(129 287)	1 803 993
ABSA BANK - 5 year	3058757317	10.53%	30/06/2028	-	7 679 582	-	7 679 582
ABSA BANK - 10 year	3058757341	11.59%	30/06/2033	-	9 500 751	-	9 500 751
ABSA BANK - 15 year	3058757325	12.32%	30/06/2038	-	49 973 646	-	49 973 646
NEDBANK - 15 year	05/78310356050	10.45%	30/06/2034	2 373 881	-	(106 435)	2 267 446
Total Annuity Loans				102 116 608	103 715 446	(17 646 314)	188 185 739
<u>STOCK LOANS</u>							
DBSA BANK - 20 year	1022755	9.29%	31/03/2027	8 469 800	-	-	8 469 800
DBSA BANK - 20 year	1014871	9.46%	31/12/2024	6 000 000	-	-	6 000 000
Total Stock Loans				14 469 800	-	-	14 469 800
Total Long-Term Liabilities				116 586 408	103 715 446	(17 646 314)	202 655 540

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX B (UNAUDITED)

DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDING 30 JUNE 2023

	OPENING BALANCE R	GRANTS RECEIVED R	GRANTS REPAID R	TRANSFERRED TO REVENUE (OPERATING) R	TRANSFERRED TO REVENUE (CAPITAL) R	TRANSFER TO / (FROM) RECEIVABLES R	CLOSING BALANCE R
NATIONAL GOVERNMENT							
Equitable Share	-	120 101 000	-	(120 101 000)	-	-	-
Finance Management Grant (FMG)	13 540	1 650 000	(13 540)	(1 650 000)	-	-	-
Municipal Infrastructure Grant (MIG)	4 557 126	29 728 000	(4 557 127)	(3 794 123)	(25 294 151)	-	639 726
Expanded Public Works Programme (EPWP)	-	2 077 000	-	(2 077 000)	-	-	-
Integrated National Electrification Programme (INEP)	5 003 854	-	(5 003 854)	-	-	-	-
Energy Efficiency & Demand Side Management Grant	33 535	-	-	-	-	-	33 535
Municipal Drought Relief	8 449	-	-	-	-	-	8 449
Emergency Housing Grant	-	2 300 000	-	(1 916 200)	-	-	383 800
Municipal Disaster Recovery Grant	-	11 940 000	-	-	-	-	11 940 000
Total	9 616 504	167 796 000	(9 574 521)	(129 538 323)	(25 294 151)	-	13 005 510
PROVINCIAL GOVERNMENT							
Housing	2 241 537	25 950 397	-	-	(23 744 953)	-	4 446 980
CDW Contribution	97 359	112 000	-	(159 852)	-	-	49 507
Main Roads Subsidy	88 611	143 948	-	(143 948)	-	-	88 611
Financial Management Support Grant (FMSG)	394 634	-	(394 634)	-	-	-	-
Library Subsidy	2 396 490	9 815 000	(1 481 463)	(9 694 666)	(634 465)	-	400 897
Municipal Capacity Building Grant	83 568	-	-	(60 910)	-	-	22 658
Sport and Recreation	6 636	-	(6 636)	-	-	-	-
Municipal Drought Relief (MDR)	105	-	(105)	-	-	-	-
Regional socio-economic projects (RSEP)	6 836	1 000 000	(6 836)	-	(727 464)	-	272 536
Municipal Intervention Grant	2 230	250 000	(2 230)	-	-	-	250 000
Municipal Service Delivery and Capacity Building Grant (MSDCB)	-	620 000	-	(26 932)	(78 450)	-	514 618
Public Employment Support Grant	390 313	-	-	(390 313)	-	-	-
Financial Management Capability Grant	-	1 350 000	-	(1 260 314)	-	-	89 686
Emergency Municipal Load-Shedding Relief Grant	-	1 800 000	-	-	(1 800 000)	-	-
Joint District and Metro Grant	-	-	-	-	(384 000)	384 000	-
Total	5 708 319	41 041 345	(1 891 904)	(11 736 934)	(27 369 332)	384 000	6 135 493
DISTRICT MUNICIPALITY							
Safety Audit and Safety Plan Grant	90 000	170 000	-	-	(192 797)	-	67 203
Total	90 000	170 000	-	-	(192 797)	-	67 203
OTHER GRANT PROVIDERS							
DBSA Local Economic Development	226 477	-	-	-	-	-	226 477
SETA	-	478 006	-	(270 495)	-	-	207 511
SANRAL	173 950	-	-	-	(273 857)	99 907	-
Total	400 427	478 006	-	(270 495)	(273 857)	99 907	433 981
ALL SPHERES OF GOVERNMENT	15 815 250	209 485 351	(11 466 425)	(141 545 752)	(53 130 137)	483 907	19 642 194

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET 2023 R	BUDGET ADJUSTMENTS 2023 R	FINAL BUDGET 2023 R	ACTUAL OUTCOME 2023 R	BUDGET VARIANCE 2023 R	RESTATED OUTCOME 2022 R
Financial Performance						
Property rates	138 376 725	933 275	139 310 000	136 353 678	(2 956 322)	127 714 860
Service charges	290 725 384	(13 968 383)	276 757 001	273 786 064	(2 970 937)	267 670 679
Investment revenue	10 200 000	-	10 200 000	11 469 251	1 269 251	10 597 842
Transfers and Subsidies - operating	146 021 001	13 295 980	159 316 981	144 514 765	(14 802 216)	128 201 647
Other own revenue	67 569 932	25 743 811	93 313 743	97 975 709	4 661 966	68 648 544
Total Operating Revenue (excluding capital transfers)	652 893 042	26 004 683	678 897 725	664 099 467	(14 798 258)	602 833 572
Employee costs	275 055 973	(17 462 990)	257 592 983	246 990 282	(10 602 701)	238 699 223
Remuneration of councillors	13 556 262	(609 142)	12 947 120	12 685 581	(261 539)	11 899 590
Debt impairment	63 104 025	27 126 301	90 230 326	99 602 555	9 372 229	83 302 343
Depreciation and asset impairment	29 310 595	4 398 998	33 709 593	32 476 041	(1 233 552)	33 019 541
Finance charges	25 189 113	4 086 552	29 275 665	32 478 549	3 202 884	20 011 421
Bulk purchases	96 105 000	(7 950 699)	88 154 301	87 773 616	(380 685)	85 631 654
Inventory Consumed	37 600 024	(526 361)	37 073 663	35 230 419	(1 843 244)	34 528 216
Contracted services	57 585 188	15 201 799	72 786 987	122 692 023	49 905 036	45 752 622
Transfers and subsidies	8 735 000	2 272 225	11 007 225	8 527 581	(2 479 644)	1 765 601
Other expenditure	65 361 008	17 661 365	83 022 373	126 825 049	43 802 676	59 081 575
Losses	-	2 000 000	2 000 000	46 293	(1 953 707)	754 739
Total Expenditure	671 602 188	46 198 048	717 800 236	805 327 989	87 527 753	614 446 525
Surplus/(Deficit)	(18 709 146)	(20 193 365)	(38 902 511)	(141 228 523)	(102 326 012)	(11 612 954)
Transfers and subsidies - capital (monetary) - Government	47 882 000	6 657 501	54 539 501	52 856 280	(1 683 221)	44 214 889
Transfers and subsidies - capital (monetary) - Other	2 000 001	(1 551 026)	448 975	2 568 373	2 119 398	33 650
Surplus/(Deficit) for the year	31 172 855	(15 086 890)	16 085 965	(85 803 869)	(101 889 834)	32 635 586
Capital expenditure & funds sources						
Capital expenditure	158 777 533	(9 035 772)	149 741 761	144 798 638	(4 943 123)	98 241 833
Transfers recognised - capital	49 881 696	7 356 779	57 238 475	55 441 057	(1 797 418)	44 214 889
Borrowing	91 234 028	(21 667 535)	69 566 493	64 749 526	(4 816 967)	43 397 694
Internally generated funds	17 661 809	5 274 984	22 936 793	24 608 055	1 671 262	10 629 249
Total sources of capital funds	158 777 533	(9 035 772)	149 741 761	144 798 638	(4 943 123)	98 241 833
Cash flows						
Net cash from (used) operating	72 751 217	35 373 206	108 124 423	(25 220 075)	(133 344 498)	76 982 985
Net cash from (used) investing	(159 401 662)	11 134 510	(148 267 151)	(141 432 557)	6 834 595	(96 968 272)
Net cash from (used) financing	72 682 597	(19 604 497)	53 078 099	86 586 691	33 508 592	21 877 616
Net Cash Movement for the year	(13 967 848)	26 903 219	12 935 371	(80 065 941)	(93 001 312)	1 892 329
Cash/cash equivalents at beginning of year	159 277 210	6 705 110	165 982 321	165 982 321	-	164 089 992
Cash/cash equivalents at the year end	145 309 362	33 608 329	178 917 692	85 916 380	(93 001 312)	165 982 321

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET 2023 R	BUDGET ADJUSTMENTS 2023 R	FINAL BUDGET 2023 R	ACTUAL OUTCOME 2023 R	BUDGET VARIANCE 2023 R	RESTATED OUTCOME 2022 R
REVENUE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	1 252 000	135 493	1 387 493	515 310	(872 183)	869 338
Finance and administration	297 395 764	12 325 926	309 721 690	299 231 697	(10 489 993)	256 036 590
Internal audit	-	-	-	-	-	-
Community and public safety						
Community and social services	10 842 847	722 784	11 565 631	11 086 328	(479 303)	11 085 319
Sport and recreation	11 660	-	11 660	37 081	25 421	16 897
Public safety	15 397 206	22 976 314	38 373 520	33 554 029	(4 819 491)	25 079 740
Housing	29 240 000	8 380 591	37 620 591	26 713 967	(10 906 624)	19 241 109
Economic and environmental services						
Planning and development	3 203 720	766 757	3 970 477	3 804 972	(165 505)	4 908 895
Road transport	11 028 032	(1 595 543)	9 432 489	8 053 753	(1 378 736)	7 269 779
Environmental Protection	-	-	-	-	-	-
Trading services						
Energy sources	130 262 417	(4 661 319)	125 601 098	119 313 070	(6 288 028)	125 094 661
Water management	96 299 339	(7 186 403)	89 112 936	91 246 423	2 133 487	91 350 176
Waste water management	53 031 700	(31 130)	53 000 570	53 964 082	963 512	50 187 743
Waste management	54 810 358	(722 312)	54 088 046	72 003 410	17 915 364	55 941 865
Other	-	-	-	-	-	-
Total Revenue - Standard	702 775 043	31 111 158	733 886 201	719 524 122	(14 362 079)	647 082 112
EXPENDITURE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	25 574 355	3 713 185	29 287 540	26 315 972	(2 971 568)	24 925 864
Finance and administration	185 839 015	7 253 571	193 092 586	186 233 566	(6 859 020)	173 237 008
Internal audit	5 252 941	(2 363 381)	2 889 560	2 835 697	(53 863)	2 412 969
Community and public safety						
Community and social services	11 472 113	139 173	11 611 286	10 950 741	(660 545)	11 159 259
Sport and recreation	12 010 466	(1 484 549)	10 525 917	15 184 826	4 658 909	9 756 865
Public safety	39 974 370	19 163 255	59 137 625	56 521 025	(2 616 600)	42 397 547
Housing	18 714 432	6 178 825	24 893 257	22 858 773	(2 034 484)	9 377 718
Economic and environmental services						
Planning and development	17 392 273	673 956	18 066 229	17 691 893	(374 336)	13 894 388
Road transport	43 372 420	(207 876)	43 164 544	43 228 708	64 164	40 443 518
Environmental Protection	158 974	(82 956)	76 018	-	(76 018)	6 820
Trading services						
Energy sources	124 459 198	(8 907 575)	115 551 623	115 261 444	(290 179)	109 854 608
Water management	66 577 481	21 489 873	88 067 354	192 448 305	104 380 951	67 710 716
Waste water management	51 559 016	530 515	52 089 531	50 530 170	(1 559 361)	47 841 660
Waste management	68 625 131	553 041	69 178 172	65 096 573	(4 081 599)	61 230 261
Other	620 003	(451 009)	168 994	170 299	1 305	197 325
Total Expenditure - Standard	671 602 188	46 198 048	717 800 236	805 327 992	87 527 756	614 446 526
Surplus/(Deficit) for the year	31 172 855	(15 086 890)	16 085 965	(85 803 870)	(101 889 835)	32 635 586

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET 2023 R	BUDGET ADJUSTMENTS 2023 R	FINAL BUDGET 2023 R	ACTUAL OUTCOME 2023 R	BUDGET VARIANCE 2023 R	RESTATEd OUTCOME 2022 R
REVENUE AND EXPENDITURE (MUNICIPAL VOTE CLASSIFICATION)						
REVENUE						
Vote 1 - Directorate Finance	267 082 737	4 253 686	271 336 423	262 025 013	(9 311 410)	231 604 683
Vote 2 - Community and social services	-	-	-	-	-	-
Vote 3 - Corporate services	-	-	-	-	-	-
Vote 4 - Electricity	130 262 417	(4 661 319)	125 601 098	119 313 070	(6 288 028)	125 094 661
Vote 5 - Environmental protection	-	-	-	-	-	-
Vote 6 - Office of the Municipal Manager	1 140 000	387 954	1 527 954	355 458	(1 172 496)	730 758
Vote 7 - Housing	-	-	-	-	-	-
Vote 8 - Directorate Technical Services and Planning	59 604 320	8 303 620	67 907 940	56 894 700	(11 013 240)	42 747 650
Vote 9 - Public safety	-	-	-	-	-	-
Vote 10 - Road transport	-	-	-	-	-	-
Vote 11 - Sport and recreation	-	-	-	-	-	-
Vote 12 - Waste management	54 810 358	(722 312)	54 088 046	72 003 410	17 915 364	55 941 865
Vote 13 - Waste water management	53 031 700	(31 130)	53 000 570	53 964 082	963 512	50 187 743
Vote 14 - Water	96 299 339	(7 186 403)	89 112 936	91 246 423	2 133 487	91 350 176
Vote 15 - Directorate Development and Community Services	40 544 172	30 767 062	71 311 234	63 721 965	(7 589 269)	49 424 575
Total Revenue by Vote	702 775 043	31 111 158	733 886 201	719 524 121	(14 362 080)	647 082 111
EXPENDITURE						
Vote 1 - Directorate Finance	71 771 534	8 444 996	80 216 530	79 789 609	(426 921)	75 619 887
Vote 2 - Community and social services	-	-	-	-	-	-
Vote 3 - Corporate services	-	-	-	-	-	-
Vote 4 - Electricity	124 459 198	(8 907 575)	115 551 623	115 261 444	(290 179)	109 854 608
Vote 5 - Environmental protection	-	-	-	-	-	-
Vote 6 - Office of the Municipal Manager	13 548 679	(3 496 185)	10 052 494	9 868 597	(183 897)	8 870 453
Vote 7 - Housing	-	-	-	-	-	-
Vote 8 - Directorate Technical Services and Planning	46 188 360	(2 524 974)	43 663 386	41 035 836	(2 627 550)	33 647 741
Vote 9 - Public safety	-	-	-	-	-	-
Vote 10 - Road transport	-	-	-	-	-	-
Vote 11 - Sport and recreation	-	-	-	-	-	-
Vote 12 - Waste management	68 625 131	553 041	69 178 172	65 096 573	(4 081 599)	61 230 261
Vote 13 - Waste water management	51 559 016	530 515	52 089 531	50 530 170	(1 559 361)	47 841 660
Vote 14 - Water	66 577 481	21 513 756	88 091 237	192 448 305	104 357 068	67 710 716
Vote 15 - Directorate Development and Community Services	228 872 789	30 084 474	258 957 263	251 297 456	(7 659 807)	209 671 199
Total Expenditure by Vote	671 602 188	46 198 048	717 800 236	805 327 990	87 527 754	614 446 525
Surplus/(Deficit) for the year	31 172 855	(15 086 890)	16 085 965	(85 803 869)	(101 889 834)	32 635 586

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET 2023 R	BUDGET ADJUSTMENTS 2023 R	FINAL BUDGET 2023 R	ACTUAL OUTCOME 2023 R	BUDGET VARIANCE 2023 R	RESTATEd OUTCOME 2022 R
REVENUE AND EXPENDITURE						
REVENUE BY SOURCE						
Property rates	138 376 725	933 275	139 310 000	136 353 678	(2 956 322)	127 714 860
Service charges - electricity revenue	125 982 756	(5 593 755)	120 389 001	114 036 716	(6 352 285)	114 624 975
Service charges - water revenue	85 576 186	(7 621 186)	77 955 000	79 377 063	1 422 063	78 378 131
Service charges - sanitation revenue	39 524 130	(31 130)	39 493 000	40 514 481	1 021 481	36 981 360
Service charges - refuse revenue	39 642 312	(722 312)	38 920 000	39 857 804	937 804	37 686 213
Rental of facilities and equipment	2 189 248	-	2 189 248	1 854 597	(334 651)	2 165 371
Interest earned - external investments	10 200 000	-	10 200 000	11 469 251	1 269 251	10 597 842
Interest earned - outstanding debtors	22 472 000	273 000	22 745 000	23 462 549	717 549	16 906 671
Fines, penalties and forfeits	15 354 947	22 751 314	38 106 261	35 669 802	(2 436 459)	26 620 869
Licences and permits	23 320	-	23 320	4 362	(18 958)	35 792
Agency services	8 848 032	-	8 848 032	7 635 948	(1 212 084)	7 139 847
Transfers and Subsidies - operating	146 021 001	13 295 980	159 316 981	144 514 765	(14 802 216)	128 201 647
Other revenue	18 682 385	217 954	18 900 339	23 652 978	4 752 639	14 097 325
Gains	-	2 501 543	2 501 543	5 695 471	3 193 928	1 682 669
Total Revenue (excl capital transfers)	652 893 042	26 004 683	678 897 725	664 099 467	(14 798 258)	602 833 572
EXPENDITURE BY TYPE						
Employee related costs	275 055 973	(17 462 990)	257 592 983	246 990 282	(10 602 701)	238 699 223
Remuneration of councillors	13 556 262	(609 142)	12 947 120	12 685 581	(261 539)	11 899 590
Debt impairment	63 104 025	27 126 301	90 230 326	99 602 555	9 372 229	83 302 343
Depreciation and asset impairment	29 310 595	4 398 998	33 709 593	32 476 041	(1 233 552)	33 019 541
Finance charges	25 189 113	4 086 552	29 275 665	32 478 549	3 202 884	20 011 421
Bulk Purchases - electricity	96 105 000	(7 950 699)	88 154 301	87 773 616	(380 685)	85 631 654
Inventory Consumed	37 600 024	(526 361)	37 073 663	35 230 419	(1 843 244)	34 528 216
Contracted Services	57 585 188	15 201 799	72 786 987	122 692 023	49 905 036	45 752 622
Transfers and grants	8 735 000	2 272 225	11 007 225	8 527 581	(2 479 644)	1 765 601
Other expenditure	65 361 008	17 661 365	83 022 373	126 825 049	43 802 676	59 081 575
Losses	-	2 000 000	2 000 000	46 293	(1 953 707)	754 739
Total Expenditure	671 602 188	46 198 048	717 800 236	805 327 989	87 527 753	614 446 525
Surplus/(Deficit)	(18 709 146)	(20 193 365)	(38 902 511)	(141 228 523)	(102 326 012)	(11 612 954)
Transfers and subsidies - capital (monetary) - Government	47 882 000	6 657 501	54 539 501	52 856 280	(1 683 221)	44 214 889
Transfers and subsidies - capital (monetary) - Other	2 000 001	(1 551 026)	448 975	2 568 373	2 119 398	33 650
Surplus/(Deficit) for the year	31 172 855	(15 086 890)	16 085 965	(85 803 869)	(101 889 834)	32 635 586

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET 2023 R	BUDGET ADJUSTMENTS 2023 R	FINAL BUDGET 2023 R	ACTUAL OUTCOME 2023 R	BUDGET VARIANCE 2023 R	RESTATED OUTCOME 2022 R
CAPITAL EXPENDITURE (MUNICIPAL VOTE)						
Multi-year expenditure						
Vote 1 - Directorate Finance	-	-	-	-	-	-
Vote 2 - Community and social services	-	-	-	-	-	-
Vote 3 - Corporate services	-	-	-	-	-	-
Vote 4 - Electricity	17 383 152	(5 835 858)	11 547 294	11 454 320	(92 974)	2 344 029
Vote 5 - Environmental protection	-	-	-	-	-	-
Vote 6 - Office of the Municipal Manager	-	-	-	-	-	-
Vote 7 - Housing	-	-	-	-	-	-
Vote 8 - Directorate Technical Services and Planning	21 500 000	5 545 464	27 045 464	26 343 270	(702 194)	7 782 964
Vote 9 - Public safety	-	-	-	-	-	-
Vote 10 - Road transport	-	-	-	-	-	-
Vote 11 - Sport and recreation	-	-	-	-	-	-
Vote 12 - Waste management	-	372 533	372 533	372 533	-	8 952 835
Vote 13 - Waste water management	13 901 449	(9 958 128)	3 943 321	3 459 628	(483 693)	11 601 487
Vote 14 - Water	26 396 320	(7 174 973)	19 221 347	18 479 446	(741 901)	1 960 252
Vote 15 - Directorate Development and Community Services	3 657 832	(1 887 076)	1 770 756	1 760 582	(10 174)	2 819 269
Total Multi-year expenditure	82 838 753	(18 938 038)	63 900 715	61 869 779	(2 030 936)	35 460 836
Single-year expenditure						
Vote 1 - Directorate Finance	212 505	3 103 768	3 316 273	3 311 998	(4 275)	130 639
Vote 2 - Community and social services	-	-	-	-	-	-
Vote 3 - Corporate services	-	-	-	-	-	-
Vote 4 - Electricity	10 000 371	2 352 624	12 352 995	11 720 904	(632 091)	4 767 364
Vote 5 - Environmental protection	-	-	-	-	-	-
Vote 6 - Office of the Municipal Manager	24 300	(6 055)	18 245	18 245	(0)	-
Vote 7 - Housing	-	-	-	-	-	-
Vote 8 - Directorate Technical Services and Planning	4 022 000	(4 002 740)	19 260	19 260	0	11 017 926
Vote 9 - Public safety	-	-	-	-	-	-
Vote 10 - Road transport	-	-	-	-	-	-
Vote 11 - Sport and recreation	-	-	-	-	-	-
Vote 12 - Waste management	7 371 909	(748 000)	6 623 909	6 393 371	(230 538)	4 688 649
Vote 13 - Waste water management	35 720 258	(7 077 873)	28 642 385	27 596 715	(1 045 670)	14 454 133
Vote 14 - Water	5 000 000	12 241 186	17 241 186	17 791 186	550 000	14 473 347
Vote 15 - Directorate Development and Community Services	13 587 437	4 039 356	17 626 793	16 077 180	(1 549 613)	13 248 940
Total Single-year expenditure	75 938 780	9 902 266	85 841 046	82 928 859	(2 912 187)	62 780 997
Total Capital Expenditure by Vote	158 777 533	(9 035 772)	149 741 761	144 798 638	(4 943 123)	98 241 833

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET 2023 R	BUDGET ADJUSTMENTS 2023 R	FINAL BUDGET 2023 R	ACTUAL OUTCOME 2023 R	BUDGET VARIANCE 2023 R	RESTATED OUTCOME 2022 R
CAPITAL EXPENDITURE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	-	-	-	-	-	-
Finance and administration	9 608 405	1 259 136	10 867 541	10 732 474	(135 067)	8 269 777
Internal audit	24 300	(6 055)	18 245	18 245	(0)	-
Community and public safety						
Community and social services	2 865 737	(2 139 392)	726 345	636 255	(90 090)	259 841
Sport and recreation	515 000	(14 685)	500 315	441 403	(58 912)	-
Public safety	226 800	16 671	243 471	229 317	(14 154)	282 695
Housing	21 500 000	5 562 184	27 062 184	26 359 990	(702 194)	19 041 766
Economic and environmental services						
Planning and development	1 506 000	10 942	1 516 942	1 228 078	(288 864)	375 700
Road transport	6 757 832	2 103 916	8 861 748	7 884 774	(976 974)	6 769 958
Environmental Protection	-	-	-	-	-	-
Trading services						
Energy sources	27 383 523	(3 483 234)	23 900 289	23 175 224	(725 065)	7 111 393
Water management	31 396 320	5 066 213	36 462 533	36 270 633	(191 900)	16 433 600
Waste water management	49 621 707	(17 036 001)	32 585 706	31 056 343	(1 529 363)	26 055 620
Waste management	7 371 909	(375 467)	6 996 442	6 765 904	(230 538)	13 641 483
Other	-	-	-	-	-	-
Total Capital Expenditure - Standard	158 777 533	(9 035 772)	149 741 761	144 798 638	(4 943 123)	98 241 833
CAPITAL EXPENDITURE (CONTINUED)						
FUNDING SOURCES						
National Government	25 346 696	520 142	25 866 838	25 310 555	(556 283)	24 954 208
Provincial Government	22 535 000	5 912 663	28 447 663	27 369 332	(1 078 331)	19 260 681
District Municipality	-	225 000	225 000	192 797	(32 203)	-
Other transfers and grants	2 000 000	698 974	2 698 974	2 568 373	(130 601)	-
Transfers recognised - capital	49 881 696	7 356 779	57 238 475	55 441 057	(1 797 418)	44 214 889
Borrowing	91 234 028	(21 667 535)	69 566 493	64 749 526	(4 816 967)	43 397 694
Internally generated funds	17 661 809	5 274 984	22 936 793	24 608 055	1 671 262	10 629 249
Total Capital Funding	158 777 533	(9 035 772)	149 741 761	144 798 638	(4 943 123)	98 241 833

THEEWATERSKLOOF LOCAL MUNICIPALITY

APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2023

	ORIGINAL BUDGET 2023 R	BUDGET ADJUSTMENTS 2023 R	FINAL BUDGET 2023 R	ACTUAL OUTCOME 2023 R	BUDGET VARIANCE 2023 R	RESTATED OUTCOME 2022 R
CASH FLOWS						
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates, penalties & collection charges	121 614 875	7 107 565	128 722 440	130 392 622	1 670 182	117 845 068
Service charges	255 509 234	(22 497 904)	233 011 330	228 345 017	(4 666 313)	232 458 295
Other revenue	31 182 045	2 727 723	33 909 768	16 806 814	(17 102 954)	31 733 172
Government - operating	146 021 304	12 772 205	158 793 509	144 888 789	(13 904 720)	133 083 035
Government - capital	49 881 696	58 741 699	108 623 395	53 130 137	(55 493 259)	44 214 890
Interest	29 949 922	(17 884 832)	12 065 090	10 653 028	(1 412 062)	9 226 245
Payments						
Suppliers and employees	(537 052 257)	2 840 037	(534 212 219)	(586 936 682)	(52 724 463)	(475 642 268)
Finance charges	(15 620 602)	4 838 937	(10 781 665)	(14 072 662)	(3 290 997)	(11 218 494)
Transfers and grants	(8 735 000)	(13 272 225)	(22 007 225)	(8 427 139)	13 580 087	(4 716 958)
NET CASH FROM OPERATING ACTIVITIES	72 751 217	35 373 206	108 124 423	(25 220 075)	(133 344 498)	76 982 985
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	-	2 501 543	2 501 543	1 071 565	(1 429 978)	1 239 910
Decrease (increase) other non-current receivables	-	-	-	-	-	-
Decrease (increase) in non-current investments	(624 129)	(402 828)	(1 026 956)	-	1 026 956	-
Payments						
Capital assets	(158 777 533)	9 035 795	(149 741 738)	(142 504 122)	7 237 616	(98 208 182)
NET CASH USED IN INVESTING ACTIVITIES	(159 401 662)	11 134 510	(148 267 151)	(141 432 557)	6 834 595	(96 968 272)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Borrowing long term/refinancing	91 234 028	(20 854 033)	70 379 995	103 715 446	33 335 451	34 862 548
Increase (decrease) in consumer deposits	253 718	44 386	298 105	517 560	219 455	135 684
Payments						
Repayment of borrowing	(18 805 150)	1 205 150	(17 600 000)	(17 646 315)	(46 315)	(13 120 616)
NET CASH FROM FINANCING ACTIVITIES	72 682 597	(19 604 497)	53 078 099	86 586 691	33 508 592	21 877 616
NET INCREASE/ (DECREASE) IN CASH HELD	(13 967 848)	26 903 219	12 935 371	(80 065 941)	(93 001 312)	1 892 329
Cash/cash equivalents at the year begin:	159 277 210	6 705 110	165 982 321	165 982 321	-	164 089 992
Cash/cash equivalents at the year end:	145 309 362	33 608 329	178 917 692	85 916 380	(93 001 312)	165 982 321