ANNUAL REPORT

Prepared by:
Theewaterskloof
Municipality

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CHAPTER 1- MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

ANNUAL REPORT 2024/2025: MAYOR'S FOREWORD SUMMARY

It is with gratitude and renewed determination that I present the Theewaterskloof Municipality Annual Report for the 2024/2025 financial year.

Over the past year, we made it our mission to go back to basics by rebuilding trust, restoring transparency and strengthening financial discipline. We knew that earning back the confidence of our communities would require honesty, consistency and visible action.

Our roadshows across all towns played a vital role in explaining our financial position to residents. We committed to open dialogue so that communities understand not only what we are doing, but why. This transparency remains central as we move towards the implementation of a Financial Recovery Plan, drafted with the support of National Treasury and the Provincial Government.

Already, tangible progress is visible. We reduced deviations by 90%, from an average of R1.2 million a month to just R100 000 in March, proof that stricter controls and sound financial management are paying off. Our credit control campaigns and community imbizos helped educate residents on the importance of reducing outstanding debt of residents and how we are doing it, even as we continue to navigate the challenge of limited powers in Eskom-supplied areas.

We remain mindful of the economic burden facing households. That is why we removed the R5 capital levy, easing the pressure on residents while continuing to strengthen our revenue base.

To improve service delivery, we used external grant funding to acquire new refuse compactors and a digger loader. These additions have transformed our operational capacity, leading to faster refuse removal, better response times for water repairs and improved maintenance of roads and stormwater systems.

Across Theewaterskloof, residents are seeing the difference. From new pavements in Oak Street, Greyton, to road upgrades in Genadendal, Riviersonderend, and Villiersdorp, we are investing where it matters most, in the services that touch our resident's daily life.We also completed work on phase 1 of the proposed upgrades to the Botrivier Wastewater Treatment Works.

We also strengthened our human capital. Fourteen key officials completed their Municipal Minimum Competency Certificates, ensuring our administration meets the highest standards of governance and accountability.

Through partnerships, such as the five-day plumbing training programmeme with the Department of Water and Sanitation, we helped equip residents with practical skills to build livelihoods.

This year also celebrated milestones that remind us of what collaboration can achieve, the opening of the Bereaville Library, new housing handovers in Rooidakke and the delivery of more than 300 title deeds across Grabouw, Riviersonderend and Botrivier.

While we acknowledge the road ahead remains challenging, our commitment is unwavering. We will continue to focus on:

Strengthening financial sustainability

Upholding good governance and compliance

Ensuring political and management stability

Delivering quality services with efficiency and care

Theewaterskloof's turnaround has begun. We are doing more with less and doing it with purpose. Together, we will restore stability, rebuild confidence, and create a municipality that every resident can be proud to call home.

_____

Lincoln de Bryn
Executive Mayor of Theewaterskloof Municipality

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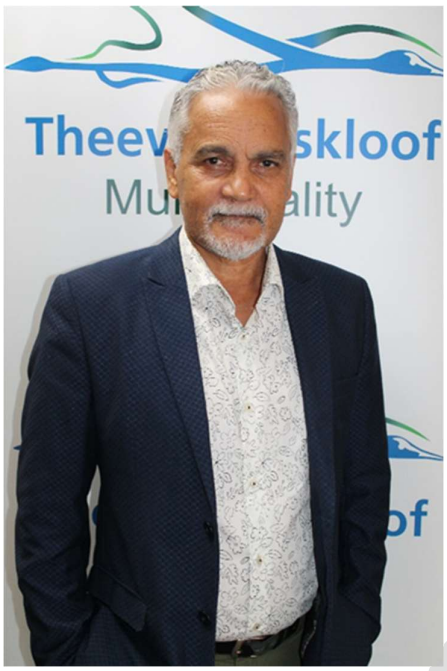
COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW
FOREWORD: MUNICIPAL MANAGER



The 2024/2025 financial year has been a year of reflection, restructuring and renewed purpose for Theewaterskloof Municipality. We had to go back to the drawing board to reassess, reprioritise and rebuild the internal systems that form the backbone of efficient service delivery.

Our key focus has been streamlining operations and strengthening leadership across the administration. Over time, staff structures had become bloated in some areas while critical management positions remained vacant.

This imbalance affected efficiency, accountability and service outcomes.

Over the past year, we have taken deliberate steps to fill senior management vacancies, ensuring that every department now has the oversight, structure and direction needed to function effectively.

In tandem, we prioritised restoring governance discipline. Committees that had struggled to meet consistently are now sitting as required, bringing back the rhythm of structured decision-making and oversight. These platforms are vital for transparency, compliance and ensuring that departmental activities align with Council's strategic objectives.

Financially, we recognised the urgent need for hands-on control. The establishment of a Cash Flow Committee, which meets weekly, has been instrumental in improving our ability to plan, prioritise and manage limited resources responsibly.

These weekly check-ins allow us to track expenditure, ensure accountability, and make informed decisions that support the sustainability of the municipality.

At an operational level, our mission has been clear, get the basics right. Refuse removal, road maintenance, water and sanitation services and timely billing are the cornerstones of public trust.

By re-stabilising these essential functions, we are laying the groundwork for future development. We know that before we can expand, we must first restore and do so with consistency, quality and care.

While larger projects remain part of our long-term vision, our immediate priority is ensuring that our core services run smoothly and that our communities can see and feel the progress. This disciplined, back-to-basics approach is already yielding results with a leaner, more focused administration that is accountable, responsive and driven by performance.

I am proud of what we have accomplished this year. The work has not been easy, but it has been necessary. By tightening our systems, restoring leadership and prioritising operational

stability, we are positioning Theewaterskloof Municipality for a stronger, more sustainable future.

We will continue to build on this foundation, step by step, service by service until every department functions at its best and every resident experiences the benefits of an administration that works with integrity, purpose and commitment.

_____

Walter Hendricks
Municipal Manager

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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 2024 to 30 June 2025, 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

The municipal functional areas are as indicated below:

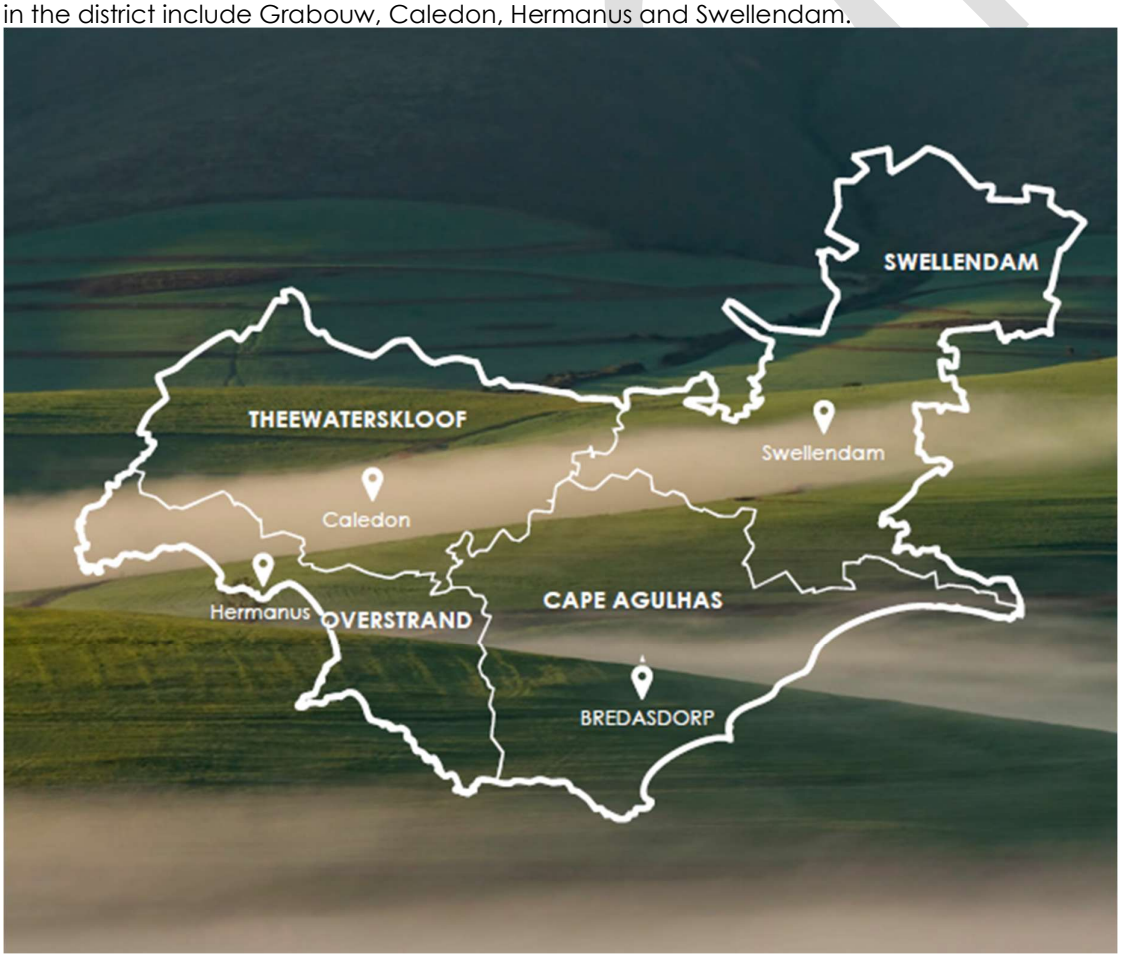
Municipal function	Municipal function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	No
Electricity and gas reticulation	Yes
Firefighting services	No
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	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	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	No**
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes*
Municipal abattoirs	No
Municipal parks and recreation	Yes

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

*if on municipal grounds
**unless vendor's or trader's license is required

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 2024/25 Annual Report reflects on the performance of the Theewaterskloof Municipality for the period of 1 July 2024 to 30 June 2025. This represents a report in terms of progress made on the 2022/2027 IDP goals, objectives and projects.

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 2024 (SEP 24) and Municipal Economic Review Outlook 24 (MERO 24).

In cases where the 2022 census data is accessible; the municipality utilizes these data sets. The municipality has employed projections to compute specific data sets that have not yet been published by STATS SA. Once all official data sets from STATS SA are made available, the document will be revised.

A significant challenge lies in the comparability of data sources and their alignment. For instance, some sources may provide data at the town level, while others may only offer it at the municipal level. Consequently, the total population estimates from these two sources will vary, making it challenging to derive any reliable conclusions from them

Given that Census data is the sole accepted data source in South Africa and is conducted only once every decade, decision makers are compelled to rely on alternative data sources. However, as noted, the reliability and comparability of these sources render any conclusions drawn from these estimates questionable.

1.2.4 THEEWATERSKLOOF MUNICIPALITY

The Theewaterskloof Local Municipality is classified as a Category B municipality located within the Overberg District of the Western Cape Province. It is one of four municipalities in the district, accounting for one-third of its geographical area.

The Theewaterskloof municipal area spans 3,259 square kilometres, representing roughly 26.6% of the geographical area of the Overberg District. It is adjacent to the Cape Metro and the Cape Winelands District, and is intersected by the N2, which serves as an important transit

route for both tourists and goods. The Theewaterskloof municipal area is a favoured destination for tourism, renowned for its natural features including the Kogelberg Biosphere, Theewaterskloof Dam, Blue Cranes, various mountain ranges, and fynbos. The principal towns within the municipal area comprise Botrivier, Caledon, Genadendal, Grabouw, Greyton, Riviersonderend, Tesselaarsdal, and Villiersdorp

Theewaterskloof Municipality serves as the entrance to the Overberg region and is encircled by distinctive natural resources, including the Theewaterskloof Dam, Kogelberg Biosphere, renowned vineyards, fields of crops and fruits, fynbos, wildflowers, and blue cranes. Through its Local Economic Development Strategy (LED strategy), the municipality is consistently promoting local economic growth in key sectors such as agriculture, tourism, agricultural product processing, and various industries.

Despite a community with limited resources and a restricted ability to generate tax revenue and income, the municipality is consistently enhancing its infrastructure for the delivery of services and products. Across all its towns, aiming to bridge the gap between the needs for community services and the municipality's capacity for service delivery. The municipality has developed capabilities for comprehensive and high-quality developments, including sewerage removal, provision of quality water, housing, communication, waste removal, and maintenance of infrastructure.

Furthermore, the municipality engaged in initiatives that contributed to the establishment of a tranquil and secure environment, prioritizing the well-being of all individuals, particularly women and children.

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

Municipal Demarcation Code: WC031.

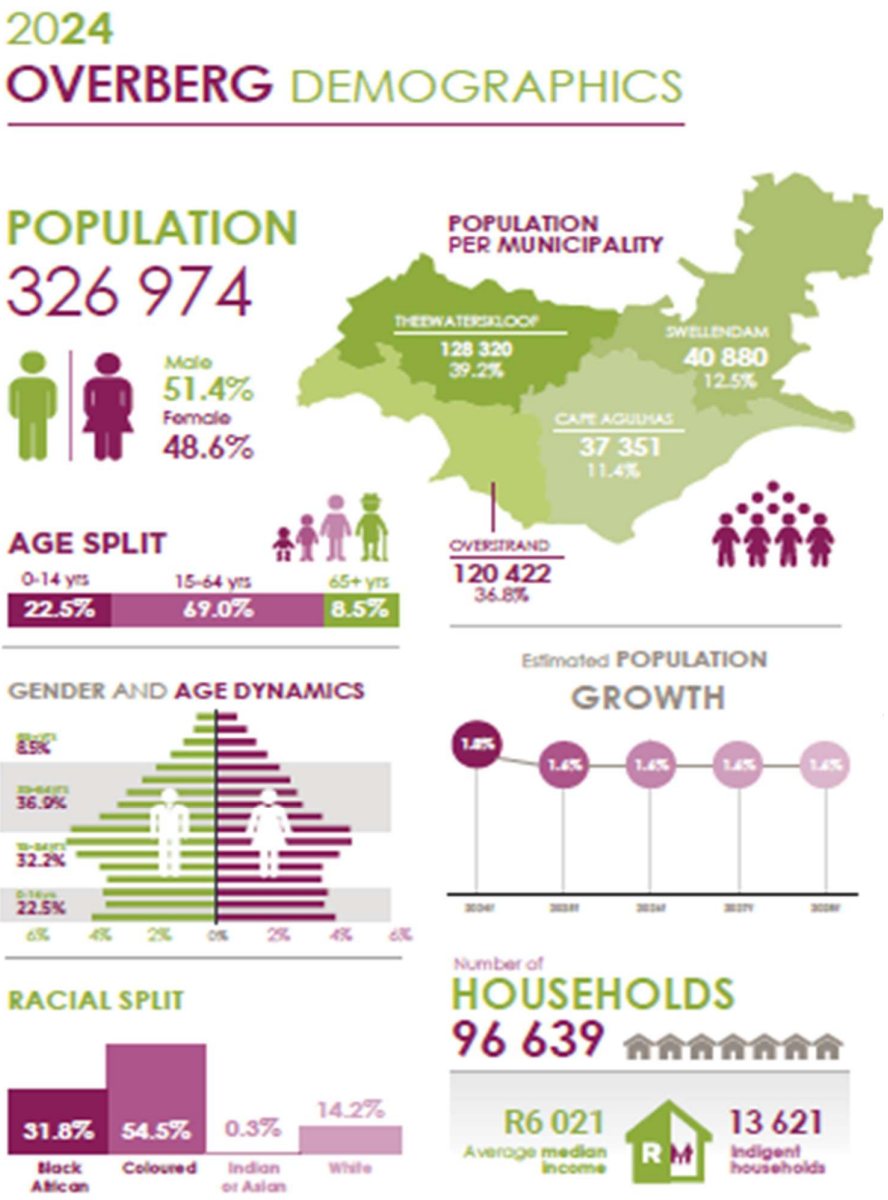
Location of Head Office: 6 Plein Street Caledon.

Theewaterskloof jurisdiction area: 3 259km².

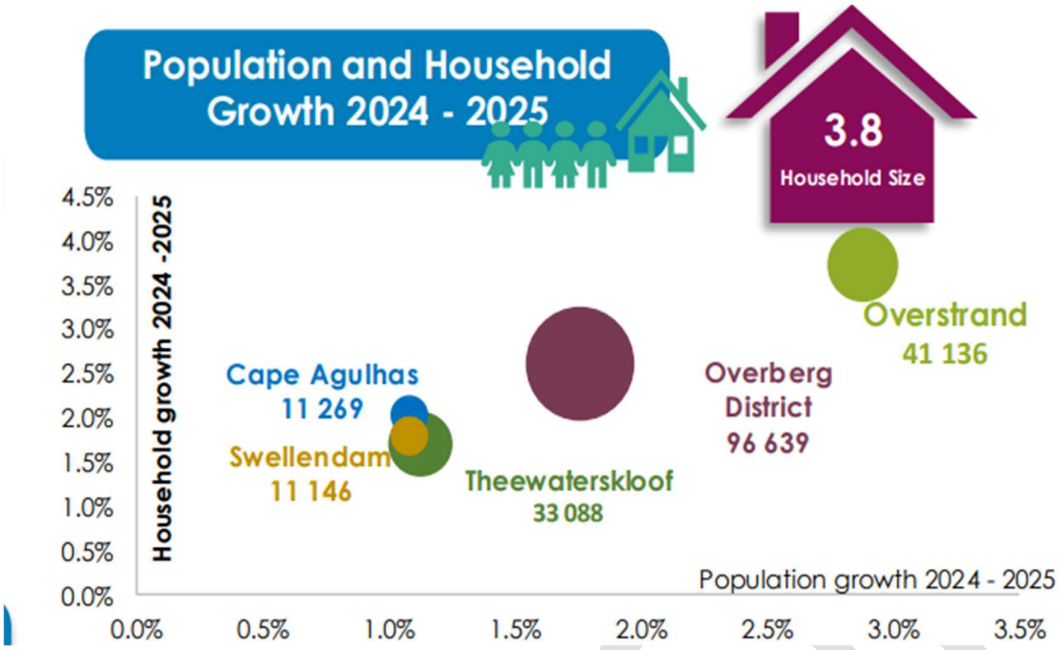
District Municipality: Overberg District Municipality.

This section delves into the social trends and indicators that define the essence of the Overberg District. By analysing population dynamics, housing demand, essential services, household income, healthcare, education, and crime indicators, we gain valuable insights into the lives of citizens and the local economy. Population dynamics offer a glimpse into the evolving landscape of the OD, providing a deep understanding of the social fabric and its implications for economic development, labour markets, and resource allocation.

Access to essential services such as water, electricity, sanitation, and waste removal is highlighted as crucial infrastructure services for community well-being and progress. Additionally, healthcare, educational outcomes, and crime indicators are examined to understand the broader social and economic landscape of the Overberg District. These pillars reflect the well-being of the community, the potential of future generations, and the challenges faced by the community.



Theewaterskloof has the largest population share in the Overberg District at 39.2 per cent, with 128 320 residents in 2023, and is forecasted to have an average growth rate of 1 per cent from 2024 to 2028. Overstrand follows closely, accounting for 36.8 per cent of the population with 120 422 residents in 2023.Overstrand has the highest projected growth rate of 2.9 per cent in 2024, reflecting its appeal to retirees, young families, and tourists. Swellendam, holding 12.5 per cent of the region's population at 40 880 people, and Cape Agulhas, with 11.4 per cent and 37 352 residents in 2023, are both projected to grow at a more modest rate of 0.8 per cent. These forecasted growth rates highlight the dynamic developments within the Overberg District municipalities.



The graph presented above shows that Theewaterskloof comprises 33,088 households, while the total number of households in the Overberg district is 96,639, which signifies that 34.28% of the total households fall within the jurisdiction of Theewaterskloof.[1]

The Theewaterskloof area, including the major towns of Grabouw and Caledon, hosts the District's largest population, constituting 128 320 persons, within the district's considerable population of 326 974 in 2024. Furthermore, the average population growth in this area remains modest, with annual growth of merely 0.8 per cent expected between 2023 and 2029.

The population increase in Theewaterskloof may exhibit a lower percentage, yet it continues to be substantial in absolute numbers.

The issue is exacerbated by the reality that a significant portion of the growth in the area is classified as indigent households. Constructing 1000 houses annually poses a challenge even for the most financially stable municipalities in the country, making it nearly impossible for TWK to maintain this pace of development. This situation creates a ripple effect, placing further strain on the already aging bulk infrastructure, in addition to the socio-economic challenges that accompany this growth.

1.2.5 POPULATION

1.2.5.1 TOTAL POPULATION

Stats SA continues to be the sole acknowledged organization/source that provides population data. While other data sources are utilized for projections, cross-tabulations, and enhancing planning, the statistics offered by Stats SA remain the only authoritative set of population data. The importance of this for municipalities is underscored by the reliance of National and Provincial Treasuries, as well as Government Departments, on official statistics for resource allocation.

[1] Source document: MERO 2024 Overberg

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 presented above indicates that the overall population in the Theewaterskloof region increased by 49.62% (23,891 individuals) from 2001 to 2022, a span of 21 years. This statistic is concerning when one considers the lifespan of existing infrastructure in relation to the need for additional infrastructure to support this growth, as well as the increase in the economically active population.

1.2.5.2 TOTAL POPULATION STATISTICS

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**	**108 790**[2]

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.

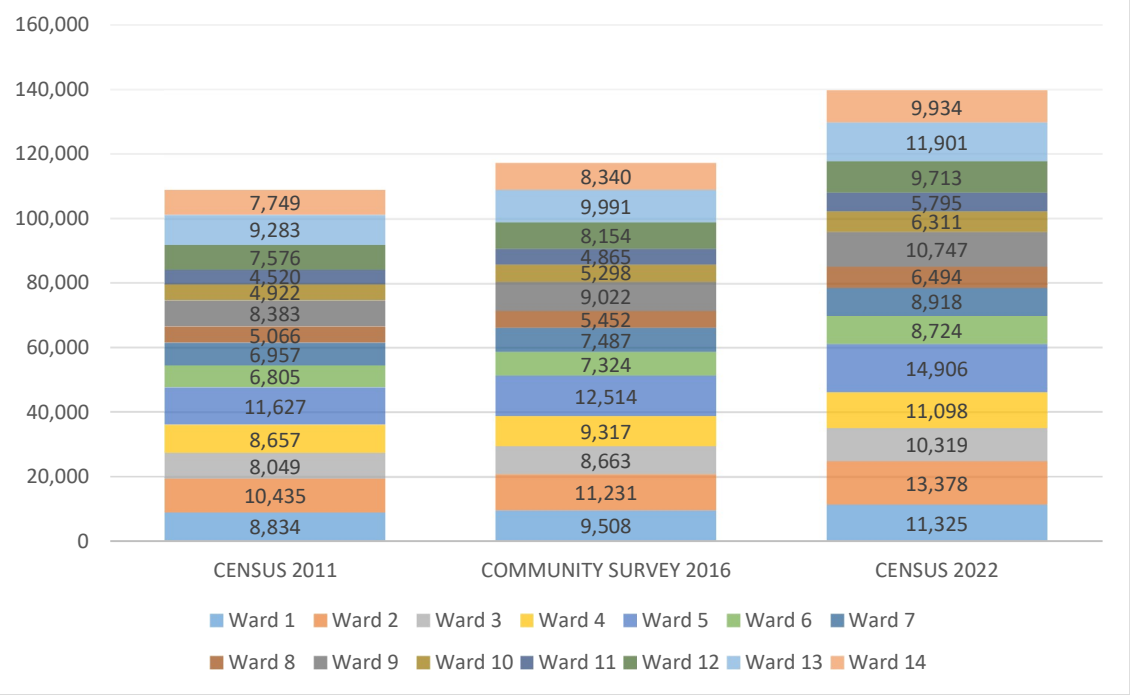
It should however be noted that this is only for illustrative/comparative purposes and based on the assumption that growth for the total area is equal or similar to the growth in the individual wards.

Once the population growth per ward has been published, the table and graph mentioned below will be revised.

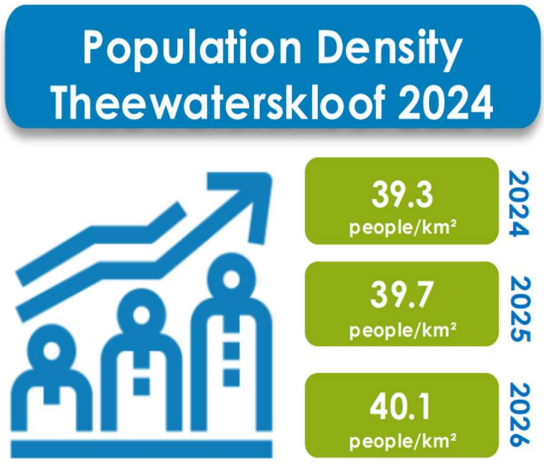
WARDS	TOWNS	CENSUS 2011	COMMUNITY SURVEY 2016	CENSUS 2022
Ward 1	**Riviersonderend**	8,834	9,508	11,325
Ward 2	**Greyton/Genadendal**	10,435	11,231	13,378

[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 24 a tool provided by Stats SA was used to get population figures for Ward 14.

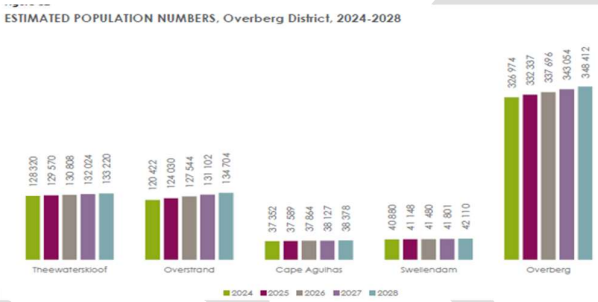
Ward 3	**Caledon**	8,049	8,663	10,319
Ward 4	**Caledon**	8,657	9,317	11,098
Ward 5	**Villiersdorp**	11,627	12,514	14,906
Ward 6	**Villiersdorp**	6,805	7,324	8,724
Ward 7	**Botrivier**	6,957	7,487	8,918
Ward 8	**Grabouw**	5,066	5,452	6,494
Ward 9	**Villiersdorp**	8,383	9,022	10,747
Ward 10	**Grabouw**	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**



1.2.5.3 POPULATION CHARACTERISTICS

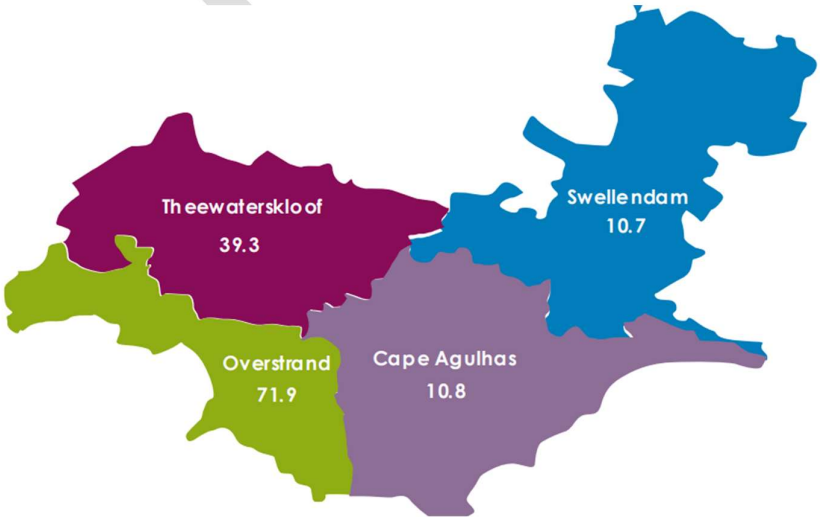


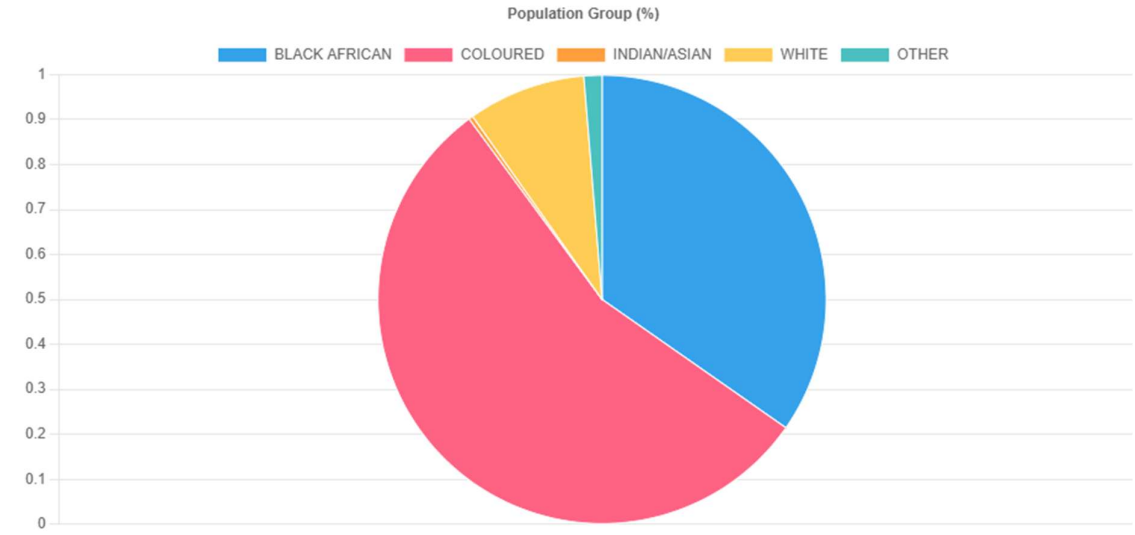
In the Overberg region, the overall population density is noted to be 25.6 individuals per square kilometre. Nonetheless, there exists a significant variation in population densities across various localities within the region. This quantitative metric serves to evaluate the concentration of inhabitants within a defined geographical area, playing a crucial role in comprehending the extent of population crowding or dispersion. Overstrand, known for its rapid population increase, records the highest population density at 71.9 individuals per square kilometre, whereas Theewaterskloof, the most densely populated area in the District, sustains a relatively moderate population density of 39.3.



The Cape Agulhas and Swellendam areas exhibit notably lower densities of 10.8 and 10.7 individuals per square kilometre respectively, which holds its own significant relevance in urban planning and resource allocation. It is worth noting that low population density areas are likely to have higher per-person cost for social and economic infrastructure. however, it also offers opportunities for a more relaxed lifestyle, which some individuals and families find appealing.

The table below illustrates the census data from 2022 across different categories. Neither the community survey 2016 data nor that from SEP 2024 is presented in a comparable format.

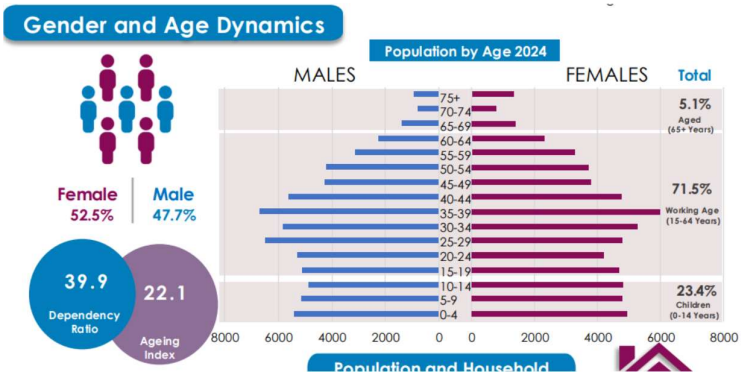




Name	Frequency	%
BLACK AFRICAN	48 481	34,7%
COLOURED	76 990	55,2%
INDIAN/ASIAN	399	0,3%
WHITE	11 920	8,5%
OTHER	1 752	1,3%

The Coloured racial group constituted the most significant demographic within the municipality. Conversely, the Indian/Asian population group continues to be the minority in the municipal area, comprising merely 399 residents, which accounts for 0.3% of the total population.

Gender Distribution



Dependency Ratio
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.

A closer look at the gender makeup of Theewaterskloof reveals a marginally greater representation of females (52.5 per cent) compared to males. At the same time, the age distribution reveals a higher proportion of people in the working-age category (71.5 per cent), along with slightly smaller groups of children (23.4 per cent) and the elderly (5.1 per cent). The relatively high and growing working-age population also results in a decrease in the dependency ratio, dropping to 39.9 in 2024.

Given the decreasing number of paying residents in the Theewaterskloof area, along with the influx of impoverished individuals, it is important to acknowledge the dependency ratio. Proactive measures should be developed to tackle these challenges to ensure the municipality's financial sustainability and prevent the social systems in the region from becoming overburdened.

The racial composition of the population provides valuable insights, as it underscores the significance of inclusive policies and social unity in the pursuit of a more equitable society. Within Theewaterskloof, it is evident that the population is primarily composed of coloured persons (60.8 per cent), followed by significant percentages of black African (32.0 per cent) and white (6.8 per cent) populations.

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[3]				

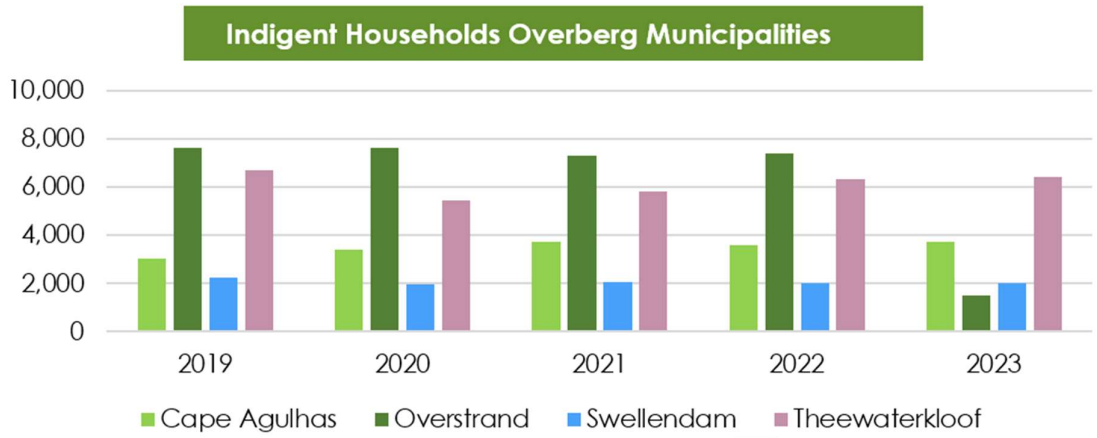
1.2.6 HOUSEHOLDS

	2022	2023	2024	2025	2026	2027
Theewaterskloof	31 976	32 524	33 088	33 652	34 182	34 696
Overstrand	38 234	39 654	41 136	42 664	44 189	45 758
Cape Agulhas	10 831	11 047	11 269	11 498	11 729	11 969
Swellendam	10 756	10 950	11 146	11 346	11 544	11 756
Overberg	91 797	94 174	96 639	99 160	101 643	104 180

Source: Stats SA MYPE, 2021

The total number of households within the municipal area increased from 31 976 households in 2022/23 financial year to a total of 33 088 in 2024/25 financial year. Projected households in 2027/28 to a total of 34 969 households.

[3] Census 2022



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 [7]

INDICATOR	**OVERBERG**	**THEEWATERSKLOOF**
GDPR growth (2022 - 2024)	1,6 %	2,2 %
Population 2022	326 975	128 320
Unemployment 2022	16,7 %	12.1 %
Population growth (2024)	1.6 %	2,4 %
Real GDPR per capita (2021)	R 83 898	R 83 640
Gini coefficient (2023))	Decrease	0.59
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 (2024)	13 621	6 333
[4]Free basic water households (2019)	18 174	6 314
Free basic electricity households (2019)	17 460	5 984
Free basic refuse removal households (2019)	18 292	6 333
Free basic sanitation households (2019)	18 235	6 308
Main causes of death	Cerebrovascular disease	

[4] Basic service statistics have been derived from both the MERO 2023 and the SEP 2023.

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, 2024 (MYPE) Households Estimated, 2024 (MYPE)

Population

128 320

Households

33 088

Education 2023

Matric Pass Rate	87.1%
Learner Retention Rate	71.6%
Learner-Teacher Ratio	30.3

Poverty 2023

Gini Coefficient:	0.59
Poverty Head Count Ratio (UBPL)	69.0%

Health 2023/24

Primary Health	Immunisation	Maternal Mortality	Teenage Pregnancies – Delivery rate to women U/19
6 (excl. mobile/satellite clinics)	85.5%	108.3	15.3%

Safety and Security

Actual number of reported cases in 2023

Residential Burglaries	DUI	Drug-related Crimes	Murder	Sexual Offences
659	193	1 213	59	84

Access to Basic Service Delivery

Percentage of households with access to basic services, 2023

Water	Refuse Removal	Electricity	Sanitation	Housing
96.8%	75.4%	93.2%	83.9%	80.1%

Labour 2022

Unemployment Rate (narrow definition)

12.2%

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	Wholesale & retail trade, catering and accommodation	Manufacturing
24.3%	15.4%	14.5%

Final

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.

Caledon

As the administrative hub of the Theewaterskloof Local Municipality, Caledon combines rural charm with government and commercial importance. Situated just 100 km east of Cape Town and famous for its mineral-rich hot springs, Caledon is both a centre of service delivery and a hub for agriculture, education, and business.

The town anchors a thriving farming sector producing barley, wheat, and wool, supported by Overberg-Agri's head offices right in Caledon. It also boasts a unique industrial claim: home to the largest malt producer in the southern hemisphere, supplying South Africa's lager beer industry operated by South African Breweries (SAB), a subsidiary of brewing giant Anheuser-Busch InBev.

Caledon's tourism appeal continues to grow, driven by its iconic hot springs, the Caledon Casino and a rising wave of wedding tourism, with elegant new venues making the town and it's surrounding area a destination for couples seeking country charm. Classified as an agricultural service centre with medium development potential, Caledon blends history, industry, and leisure.

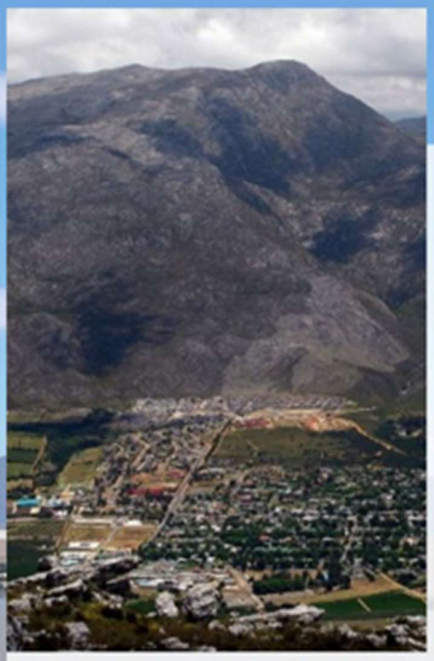
Botrivier

Nestled on the banks of the Bot River in the Overberg region, Botrivier is a small town with big potential. Officially known as Botrivier, this charming town is best recognized for its landmark Botriver Hotel and the vineyards and wine farms that surround it, including the renowned Beaumont Farm.

While the Growth Potential of Small Towns Study once classified Botrivier as an agricultural service centre with medium human needs and low development potential, the municipality sees things differently.

With its location, growing agri-tourism and wine-tasting industry, and open spaces, Botrivier holds exciting opportunities for light industrial development and tourism investment. The town's wine estates, country charm, and easy access to both the N2 and surrounding towns position Botrivier as a gateway to growth in the Overberg region – a place where agriculture, tourism, and new enterprise can work hand in hand.

Villiersdorp



Nestled in the heart of the Overberg region in the Western Cape, Villiersdorp is a vibrant town perfectly positioned between the N1 and N2 routes. To the north-west lies the bustling tourist haven of Franschhoek, while to the south-east, Grabouw serves as the economic heartbeat of the area. To the east, Worcester opens the gateway to the northern N1.

Best known for its iconic Theewaterskloof Dam, the largest dam in the Western Cape and seventh largest in South Africa, – Villiersdorp combines natural beauty, agricultural strength and tourism potential in one scenic package. The Dam not only serves as a lifeline to Cape Town's water supply but also draws visitors for boating, fishing, golfing, and weekend getaways, with holiday homes and farms dotting its shoreline.

Surrounded by the Groenland and Hottentots Holland Mountain ranges and overlooked by Blokkop Peak, Villiersdorp thrives as an agricultural hub. Unlike much of the region known for wheat and canola farming, Villiersdorp's unique microclimate, shaped by the Theewaterskloof Dam, mirrors that of Elgin and Grabouw, making it ideal for deciduous fruit farming and viticulture. Here, apples, pears and plums dominate, alongside a unique claim to fame: the Villiersdorp Co-Op is the only place in South Africa that processes and dries persimmons.

Three major packhouses – Betko, Arbeidsvreugd, and Ideafruit – together with the Co-Op, ensure that Villiersdorp's harvest reaches both local and international markets, contributing significantly to the town's economy.

Beyond agriculture, Villiersdorp offers a growing tourism experience. Visitors are drawn by art, sport and leisure opportunities, with local attractions like Mel Elliot's art studio providing a cultural heartbeat to the town. However, there remains untapped potential for more accessible picnic sites and recreational spaces to cater to day visitors and families. Villiersdorp truly embodies the spirit of the Overberg, a town where agriculture meets adventure, and where opportunities for growth lie waiting to be unlocked.

Riviersonderend

Located about 140 km east of Cape Town on the N2 national road, Riviersonderend is named after the Sonderend River that winds through this tranquil village. Surrounded by mountains, rivers, and wide-open farmland, it offers postcard-perfect views and a warm rural welcome.

Riviersonderend boasts attractions like a nine-hole golf course, peaceful walking trails, and regular sightings of South Africa's national bird, the blue crane. As an agricultural service centre, the town supports the surrounding farming community while offering visitors a taste of small-town life along one of the country's busiest travel routes.

Though classified as having low development potential, Riviersonderend's natural beauty, location, and agricultural strength make it a key part of the Overberg's identity and economy.

GENADENDAL

Founded in the 1700s, Genadendal – meaning Valley of Grace – is South Africa's oldest mission station and a place steeped in history and culture. Situated alongside Greyton and framed by the Riviersonderend Mountains, the town carries a legacy of faith, resilience and community spirit.

Today, Genadendal's economy leans on small-scale agriculture, local development initiatives and the surrounding fruit farms that provide seasonal employment.

While the Growth Potential of Small Towns Study classifies Genadendal as having a lower development, its rich cultural heritage, tourism opportunities and strong sense of identity offer a foundation for meaningful, community-driven growth.

Genadendal remains a place where history meets hope, ready to share its story with visitors and future generations.

GREYTON

Step into Greyton and you'll feel as though you've wandered into an Old English village, bustling streets, thatched homes and a sense of timeless tranquility.

Nestled at the foot of the Riviersonderend Mountains and bordered by the river of the same name, Greyton combines breathtaking scenery with vibrant village life.

Famous for its coffee shops, restaurants, art galleries and weekend markets, Greyton has long been a favourite for tourists, retirees and those seeking a lifestyle change.

Accommodation options range from luxury lodges and B&Bs to farm stays, offering visitors a true escape into nature and small-town charm.

While the Growth Potential of Small Towns Study labels Greyton as a retirement and holiday home base, both residents and the municipality see things differently.

We envision sustainable growth within the town's current footprint, preserving Greyton's character while unlocking new opportunities.

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.

T 1.2.10

1.3 SERVICE DELIVERY OVERVIEW

The delivery of services is a primary concern for the Government, as detailed in the White Paper on the Transformation of the Public Service.

In South Africa, the government has introduced an initiative known as Batho-Pele, which translates to 'People First' in Sesotho, aimed at improving the provision of public services.

Batho-Pele strives to align attitudes, systems, and procedures with the goal of enhancing public service delivery. Additionally, the initiative emphasizes the optimization of resource utilization, the elimination of wasteful and expensive processes, and the reduction of inefficiencies within the system.

The Theewaterskloof Municipality is committed to executing its fundamental responsibilities, delivering vital services across the region despite constrained resources.

Housing, sanitation, water supply, electricity, sewage management, stormwater drainage, and waste removal are critical indicators of Service Delivery that the municipality strives to enhance.

Significant efforts have been undertaken to finalize successful housing initiatives, with the Reconstruction and Development Programmeme (RDP) homes featuring prepaid electricity meters and solar geysers, all intended to enhance the living conditions of the underprivileged community.

Additionally, free basic services are provided and funded through the equitable share grant to further promote the welfare of the residents.

Daily, the TWK Operational Water and Sewerage Teams in each town endeavour to serve the residents. This year presented several challenges and successes, all of which have been surmounted, and through these experiences, we have gained valuable insights.

1.3.1 BASIC SERVICE DELIVERY IN COMMUNITY SERVICES

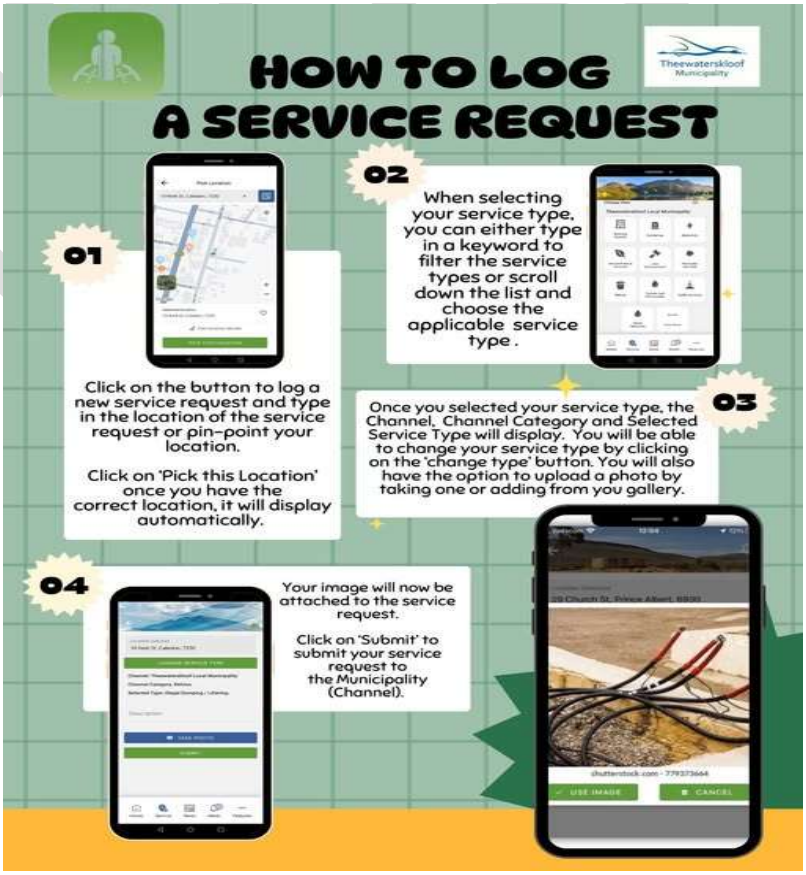
The Theewaterskloof Municipality is committed to executing its primary responsibilities, delivering vital services to the inhabitants of TWK, even in the face of constrained resources.

These Core Functions are:

- Committed daily Service Delivery.
- Repairs and Maintenance of Municipal Infrastructure.
- Cooperative governance and active public participation.
- Sustainable communities by supporting communities
- Safe and secure living spaces by enforcing by-laws.
- Attend to disaster events and support communities during these events.

The Community Services Directorate is dedicated to improving the well-being and quality of life for communities by providing essential services and establishing safe environments to ensure secure living conditions through the delivery of fundamental municipal services to the residents of Theewaterskloof Municipality.

We continue to be devoted to enhancing our Service Delivery Standards.



JULY 2024:

Our operations team worked around the clock, with road upgrades taking place in Genadendal. We thank our staff on the ground for their dedication and hard work.

Our operations teams across all towns worked tirelessly on the ground to clear storm water channels, clean debris, assist with trees that were blown over in the wind, to secure flooded areas and assist with electricity issues.

We thank all our operations and disaster management teams for their hard work and support to our communities during this period of disruptive rains and wind.

Our dedicated staff across Theewaterskloof embraced the spirit of Mandela Day through various initiatives, one notable project being the planting of a herb and vegetable garden at one of our community organisations. This effort, led by the Sustainable Development Department, the Caledon Town Office, and SAB, which operates one of its plants out of Caledon, exemplified our commitment to sustainable development and community support.

AUGUST 2024:

In August TWK commenced with the water meter audit project. This initiative is part of our ongoing efforts to ensure accurate water meter data, water consumptions and billing.

Field workers employed through the Expanded Public Works Programmeme (EPWP) visited homes and businesses across all towns to conduct the audit.

The Grabouw Town office in partnership with Coca-Cola celebrated women's month with 50 elderly women from the Grabouw area.

Staff enjoyed a lunch with the women from the community and blessed each woman with a grocery hamper to take home.

In August our Human Settlements Department coordinated the handover and distribution of starter kits to 80 families from Mabiba Park in Ward 2 the Greyton and Genadendal area.

These starter kits were provided by the National Department of Human Settlement's emergency housing unit to assist families affected by the April storms.

SEPTEMBER 2024: Our operations and parks teams in Caledon and Grabouw busy sweeping our streets and trimming the greenery surrounding our sidewalks ahead of the weekend.

We thank all our dedicated employees on the ground.

A new initiative between Oude Molen Distillery and Grabouw Town office saw

1140 kg of plastic bags and rubbish removed from Swannies River.

We want to thank everyone involved for their time, effort, commitment and dedication to bettering our towns and caring for the environment and natural resources.

OCTOBER 2024: At a heartfelt ceremony, Executive Mayor Tienie Zimmermann proudly handed over title deeds to 205 residents of Grabouw, marking a significant milestone in their journey toward home ownership and stability. Over a week period Executive Mayor Tienie Zimmermann handed over close to 300 title deeds in Grabouw, Riviersonderend and Botrivier.

The Caledon Library in collaboration with the Caledon Museum hosted a Cancer Awareness Day for residents and special guests.

The day included musical performances, testimonies from cancer survivors and health screenings from the Cancer Association of South Africa (CANSA) and Right to Care.

Theewaterskloof Municipality handed over the keys to new homes in Rooidakke, a significant milestone in addressing the housing needs of this community.

This event reflects the ongoing commitment to enhancing living conditions in Grabouw, the municipality's largest town, where population growth has intensified the demand for housing and basic services.

Theewaterskloof Municipality had the privilege of partnering with the Breede Olifants Catchment Management Agency (BOCMA) and the Dutch Water Authorities for an impactful water quality monitoring and river health assessment oversight day.

Together, Theewaterskloof Municipality, BOCMA and the Dutch Water Authorities have been working together and sharing knowledge as part of the Theewaterskloof branch of the Blue Deal Programmeme which seeks to enhance access to sufficient, clean and safe water for all by 2030 and beyond.

During the oversight visit, we were thrilled to welcome the vibrant youth from Soulfood Community Organisation in Grabouw to join us on this important day.

Throughout the day, these young minds immersed themselves in hands-on learning as they accompanied the expert teams in sampling water from local rivers. They gained invaluable insights into river health and the crucial role clean water plays in our environment.

The adventure didn't stop there! The participants also had the chance to explore the fascinating world beneath the surface, discovering organisms that thrive in our waterways.

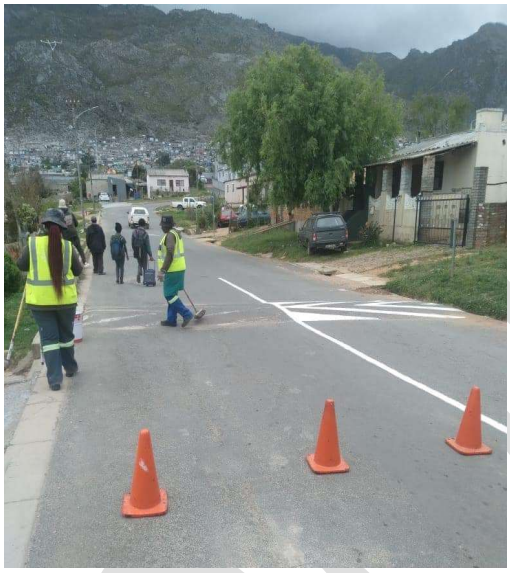
This experience not only enhanced their understanding of aquatic ecosystems but also sparked a passion for environmental stewardship.

The Transnet-Phelophepa Health Train kicked off another two week FREE clinic at the Elgin railway station with booked out services for popular clinic's such as the eye clinic.

The Transnet-Phelophepa train was stationed at Elgin railway station until Friday 18 October and provided residents and the greater Theewaterskloof community with access to a healthcare clinic, eye clinic, dental clinic, psychology clinic as well as a cancer and diabetes screening department.

In Caledon, Genadendal, Greyton and Villiersdorp our teams regularly painted road markings in your areas. This was an important part of our commitment to ensuring safer and more visible roads for all road users.

In addition, our dedicated operations staff were out across all our towns working on pothole repairs and road markings to improve your daily commute.



In October Theewaterskloof Municipality celebrated the official opening of the Bereaville Library, a significant milestone for the rural community of Bereaville.

This multi-functional library is the result of a collaborative partnership that will address the educational and recreational needs of this remote area.

The library project was made possible through a partnership between the Moravian Church, who generously made the land available, the Department of Education, and the Department of Cultural Affairs and Sport (Provincial Libraries), which provided funding. Our department of sustainable development played a key role in ensuring the project's implementation, making this a true example of teamwork and collaboration in action.

DECEMBER 2024: In December, Theewaterskloof Municipality achieved a remarkable milestone as we commemorated the graduation of the fourth cohort of Yeboneers, our committed young leaders who have successfully finished the Year Beyond Library Project internship programmeme.

Four years ago, Theewaterskloof became the first municipality to pilot this transformative programmeme, aimed at providing work experience, fostering personal growth and enhancing community development through our libraries.

In 2024, 23 young people enrolled in the programmeme and 19 Yeboneers graduated!

The Department of Water and Sanitation, in partnership with the Theewaterskloof Municipality and Lixil, launched a five-day plumbing training programmeme for youth in Caledon and surrounding areas.

The initiative was implemented to equip local youth with essential plumbing skills to support water conservation efforts and combat water losses in the region.

Participants gained practical knowledge, throughout the week, as well as the opportunity to use their skills for formal employment or potentially start their own plumbing businesses.

The programmeme concluded with a certification ceremony on the final day of the programmeme, marking an important step in empowering the youth and fostering sustainable water management practices in our local communities.

Theewaterskloof celebrated 14 of our dedicated employees who successfully completed their Municipal Minimum Competency (MMC) certificates.

In a special handover ceremony at Caledon Town Hall, Deputy Mayor Alderman Cynthia Clayton and Acting Municipal Manager Walter Hendricks presented the certificates, recognising the hard work, commitment, and resilience of our staff members.

Director of Corporate Services, GW Hermanus, who served as programmeme director, expressed his appreciation for the Corporate Directorate's efforts in facilitating these learning opportunities.

MAY 2025: Clearing and upgrades of roads and new pavement in Oak Street, Greyton.

JUNE 2025: New High-Performance vehicles to boost service delivery across Theewaterskloof

Theewaterskloof Municipality announced the arrival of brand-new refuse compactors and a digger loader, state-of-the-art vehicles that will significantly enhance our ability to deliver essential services more efficiently.

Procured through an approved external grant, this new fleet will directly address one of the most common frustrations raised by residents: delays in refuse removal and slow turnaround times due to aging, unreliable vehicles.

These high-performance refuse compactors are designed to compress larger volumes of waste, allowing for fewer trips to disposal sites and faster, more consistent collection across towns.

The digger loader will strengthen our teams' ability to respond to road repairs, trenching, stormwater clearing, and other vital service delivery functions.

1.3.2 PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

	2021/22	2022/23	2023/24	2024/25[5]
Electricity service connections	100%	100%	100%	93.2%
Water - available within 200 m from dwelling	100%	100%	100%	96.8%
Sanitation - Households with at least VIP service	96%	96%	96%	83.9%
Waste collection - kerbside collection once a week	100%	100%	100%	75.4%

[5] Information from SEP 2024 Theewaterskloof at the Glance

1.4 FINANCIAL HEALTH OVERVIEW

1.4.1 FINANCIAL OVERVIEW 2024/25

Financial Overview - 2024 - 2025			
Details	**Original budget**	**Adjustment Budget**	**Actual**
Income			
Grants	278,698	332,858	266,845
Taxes, Levies and tarrifs	491,618	506,782	500,945
Other	130,089	114,488	88,252
Sub Total	**900,405**	**954,129**	**856,042**
Less Expenditure	(787,445)	(843,462)	(797,490)
Net Total*	**112,960**	**110,667**	**58,553**
Note: surplus/(deficit)			T1.4.2

1.4.2 OPERATING RATIOS

Operating Ratios	
Detail	%
Employee Cost	26%
Repairs & Maintenance	16%
Depreciation	5%
Finance Charges	11%
	T1.4.3

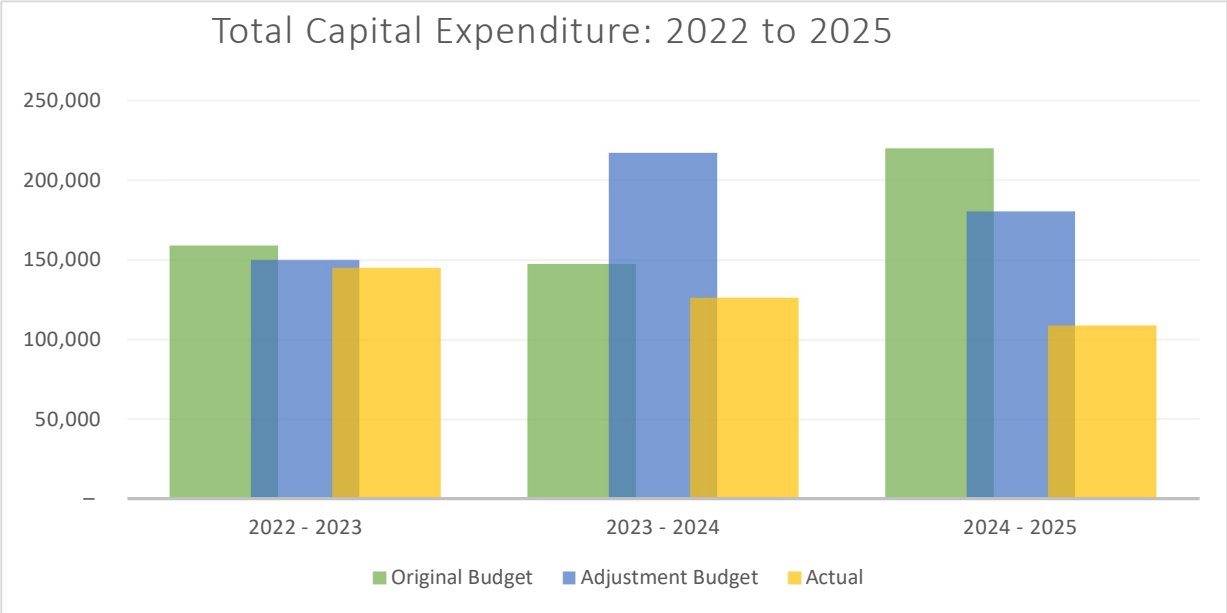
1.4.3 TOTAL CAPITAL EXPENDITURE

In 2024/25, Theewaterskloof Municipality approved a capital budget of R 219,675 million which was adjusted to R 180,170 million. The overall capital expenditure for the year concluding on 30 June 2025 totals R 108.827 million.

Total Capital Expenditure: 2022 to 2025

			R'000
Detail	**2022 - 2023**	**2023 - 2024**	**2024 - 2025**
Original Budget	158,778	147,352	219,675
Adjustment Budget	149,742	216,855	180,170
Actual	144,799	126,167	108,827

T1.4.4



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 2025/2026 after following all due processes.

1.6 STATUTORY ANNUAL REPORT PROCESS

PROCESS	TIMEFRAME
APR & AFS to AG • Submit 2024/2025 Draft Annual Performance Report and Financial statements to Auditor General. • Compile and submit Municipal Audit file to the Auditor General	31 August 2025
Submit draft 2024/2025 Annual Report	15 October 2025
Audit Report Receive audit report on annual financial statements and annual performance report from the Auditor General	30 November 2025
Table Draft AR & AFS Mayor tables draft AR and AFS at Council	23 January 2026
Advertise draft AR & AFS for public input and place on municipal website	24 January - 17 February 2026
Advertise Municipal Public Accounts Committee Schedule inviting the Public to make presentations of the AR and AFS	29 January 2026
Portfolio Committee Meeting Submit Draft Annual Report to Portfolio Committees for inputs	04-05 February 2026

1st Oversight Committee Meeting (MPAC) Oversight Committee pose questions to Management to get clarity on the contents of the Annual Financial statements and the Annual Report (09h00)	07 February 2026
2nd Oversight Committee Meeting (MPAC) Public hearings – The local community and any organ of state will be allowed to make representations on the annual report and AFS (09h00)	21 February 2026
3rd Oversight Committee Meeting (MPAC) 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	06 March 2026
Oversight & Annual Report Adoption of Oversight report on AR & AFS by Council	20 March 2026
Advertise approved Annual report- Place on Municipal Website	24-26 March 2026
Submission of Oversight & Annual Report to Provincial Treasury and Office of the Premier	24-28 March 2026
Annual Report Guidelines Forwards guidelines to all Corporate Directorates on the submission of the Annual Report info	20 June 2026

Meeting the above deadlines is crucial, not only for legislative compliance but also to facilitate the seamless operation of municipal planning, budgeting, service delivery implementation, and reporting cycles, all of which are interdependent. Furthermore, the Municipal Annual Report plays a significant role in guiding the planning processes of other government sectors, thereby impacting our fair allocation of future government grants.

Final

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 programmes in the municipal area.

2.1 POLITICAL GOVERNANCE

The Municipal Finance Management Act (MFMA), Act 56 of 20023, 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) Must, within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the Municipality; and
e) Must exercise the other powers and perform the other duties assigned to the Mayor in terms of this Act or delegated by the Council to the Mayor.

Section 19 of the Municipal Structure Act (Act 117 of 1998) states the objectives of the Municipal Council:

(1) A Municipal Council must strive within its capacity to achieve the objectives set out in Section 152 of the Constitution.
(2) A Municipal Council must annually review –
    (a) The needs of the community;
    (b) Its priorities to meet those needs;
    (c) Its processes for involving the community;
    (d) Its organisational and delivery mechanisms for meeting the needs of the community; and
    (e) Its overall performance in achieving the objectives referred to in subsection (1).

(3) A Municipal Council must develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers.

The Theewaterskloof Municipal Council consists of 27 elected Councillors, which include 14 ward Councillors and 13 proportional representation Councillors.

Councillors serve as representatives of the public, considering the welfare and interests of the municipality. They are responsible for formulating and assessing the policies and programmes of the municipality. Additionally, they decide on the services that the municipality will offer and guarantee that there are administrative practices and procedures established to execute the decisions made by the Council. It is essential for them to maintain accountability and transparency regarding the municipality's operations

Final

Below is a table that categorised the Councillors within their specific political parties and demographic representation for the 2024/25 financial year:

Executive Mayor:
Alderman L de Bryun: (August 2024 – Currently)

Function
The Executive Mayor –

- Performs the duties, including any ceremonial functions, and exercises the powers delegated to him/her by the Municipal Council.
- Presides at meetings of the Executive Mayoral Committee.
- Is entitled to receive reports from the Section 80 Committees of Council and forward these reports with recommendations to the Council.
- Must identify the needs of the Municipality; review and evaluate the needs in order of priority; recommend to the Municipal Council strategies, programmes and services to address priority needs through the integrated development plan (IDP) considering any applicable national and provincial development plans and how to deliver this to the maximum benefit of the community.
- Evaluate the progress made with the implementation of the strategies, programmes and services against the key performance indicators.
- Oversee the provision of services to communities in the municipality in a sustainable manner.
- Must report to the Municipal Council on all decisions taken by the Executive Mayor.

DEPUTY MAYOR:
Alderman C Clayton (14 October 2024 – Currently)

Function
The Deputy Executive Mayor exercises the power and performs the duties of the Executive Mayor if the Executive Mayor is absent or not available or if the office of the Executive Mayor is vacant.

SPEAKER:
Alderman W Wells (14 October 2024 - Currently)

Function
The Speaker -

- Performs the duties and exercises the powers delegated to him/her by the Municipal Council.
- Presides at meetings of the Council; must ensure that the Council meets at least quarterly; maintain order during the meetings and must ensure that Council Meetings are conducted in accordance with the Rules of Order of Council.
- Must ensure compliance in the Council and Council Committees with the Code of Conduct for Councillors.
- Is responsible for the ethics and accountability of the Municipal Council.
- Must ensure effectiveness of Section 79 Committees of Council.
- Must ensure that the legislative authority of the Municipality functions effectively.
- Must ensure the effectiveness and functionality of ward committees and the public participation process.

WHIP:
Alderman B Mkhwibiso
Alderman S Fredericks
Councillor H Linnerts
Councillor V Papier
Councillor T Zimmermann
Councillor JD Lekhori
Councillor M Gana

Function
Leads the Caucus meetings before Council meetings.

MAYORAL COMMITTEE:
Alderman MR Nongxaza (Nov 2021 - Aug 2024)
Alderman B Mkhwibiso (May 2024 - Aug 2024)
Councillor TP Lemina (Nov 2021 - Aug 2024)
Councillor R Mienies (Nov 2021 - Aug 2024)
Councillor H Syster (Nov 2021 - Aug 2024)
J Mckenzie (Sept 2023 - Oct 2024)
Councillor C Cloete (Nov 2024 – Currently))
Alderman S Fredericks (Nov 2024 - Currently)
Councillor Y Van Tonder (Nov 2024 - Currently)
Alderman M Plato-Mentoor (Nov 2024 - Currently)
Councillor H Linnerts (Nov 2024 - Currently)

Function
The Mayoral Committee assist the Executive Mayor, serve him/ her with advice and take decisions with the Executive Mayor in respect of powers and functions as may be designated by the Municipal Council.

EXECUTIVE MAYORAL COMMITTEE AND MEMBERS
The Executive Mayor of the Municipality Alderman, Alderman L de Bryun, 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 2024/2025 financial year:

COUNCILLOR	POSITION	POLITICAL PARTY
Alderman LM De Bruyn		DA
August 2024 - Currently		
Alderman JR Michels	Executive Deputy Mayor	GOOD
November 2021 - August 2024		
Councillor S Shuma		GOOD
August 2024 - October 2024		
Alderman C Clayton		GOOD
14 October 2024 - Currently		
Alderman MR Nongxaza (Nov 2021 - Aug 2024)	Executive Mayoral Committee Member	ANC
Alderman B Mkhwibiso (May 2024 - Aug 2024)		ANC
Councillor TP Lemina (Nov 2021 - Aug 2024)		ANC
Councillor R Mienies (Nov 2021 - Aug 2024)		ANC

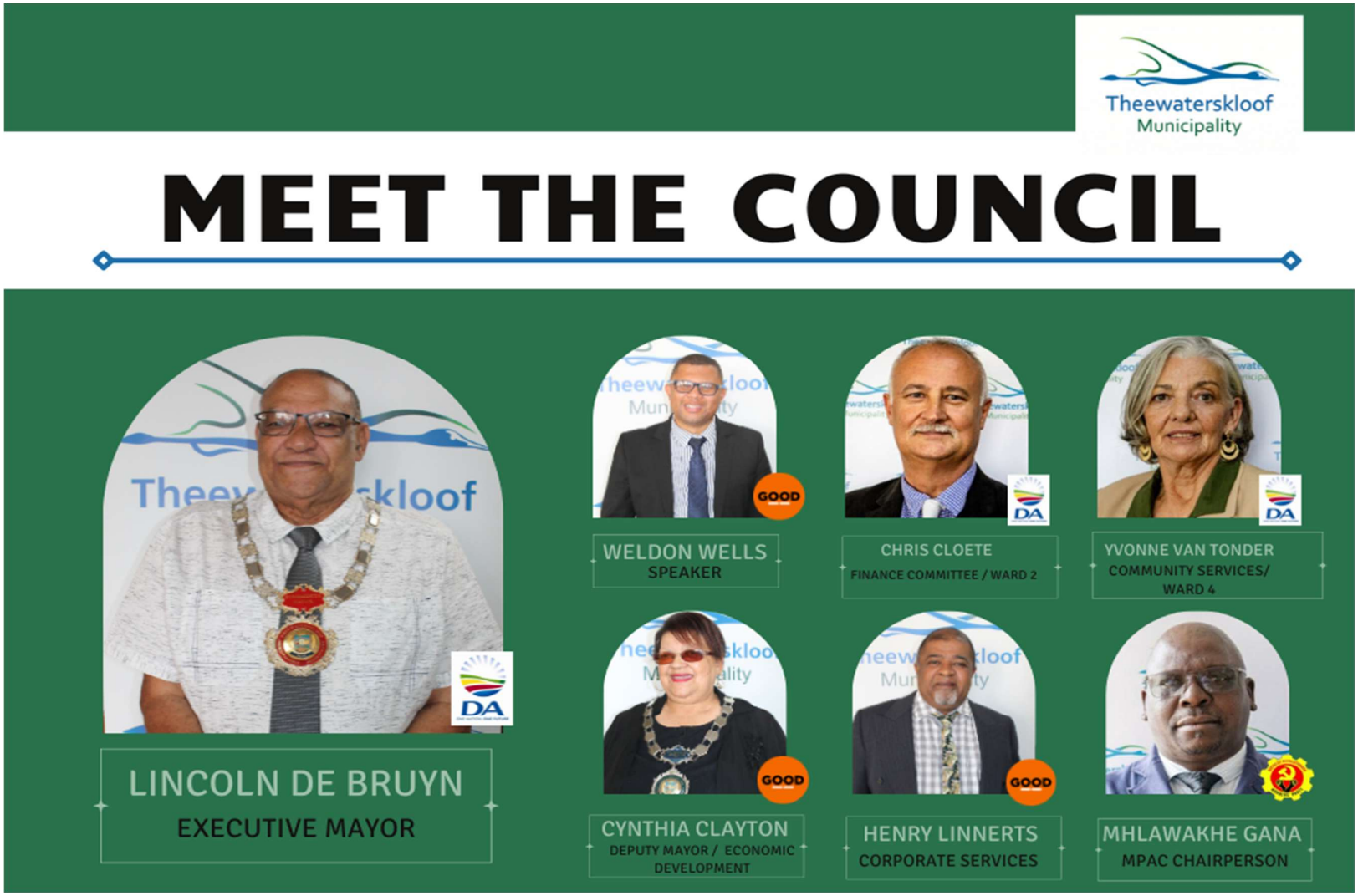
Councillor H Syster (Nov 2021 - Aug 2024)		PA
J Mckenzie (Sept 2023 - Oct 2024)		GOOD
Councillor C Cloete (Nov 2024 - Currently		DA
Alderman S Fredericks (Nov 2024 - Currently)		DA
Councillor Y Van Tonder (Nov 2024 - Currently)		DA
Alderman M Plato-Mentoor (Nov 2024 - Currently)		DA
Councillor H Linnerts (Nov 2024 - Currently)		GOOD

Theewaterskloof Municipality is governed in terms of an Executive Mayoral Committee system. The Executive Mayor, Alderman LM De Bruyn, governs together with Executive Deputy Mayor, Alderman C Clayton and a team of six Section 80 Committee Chairpersons.

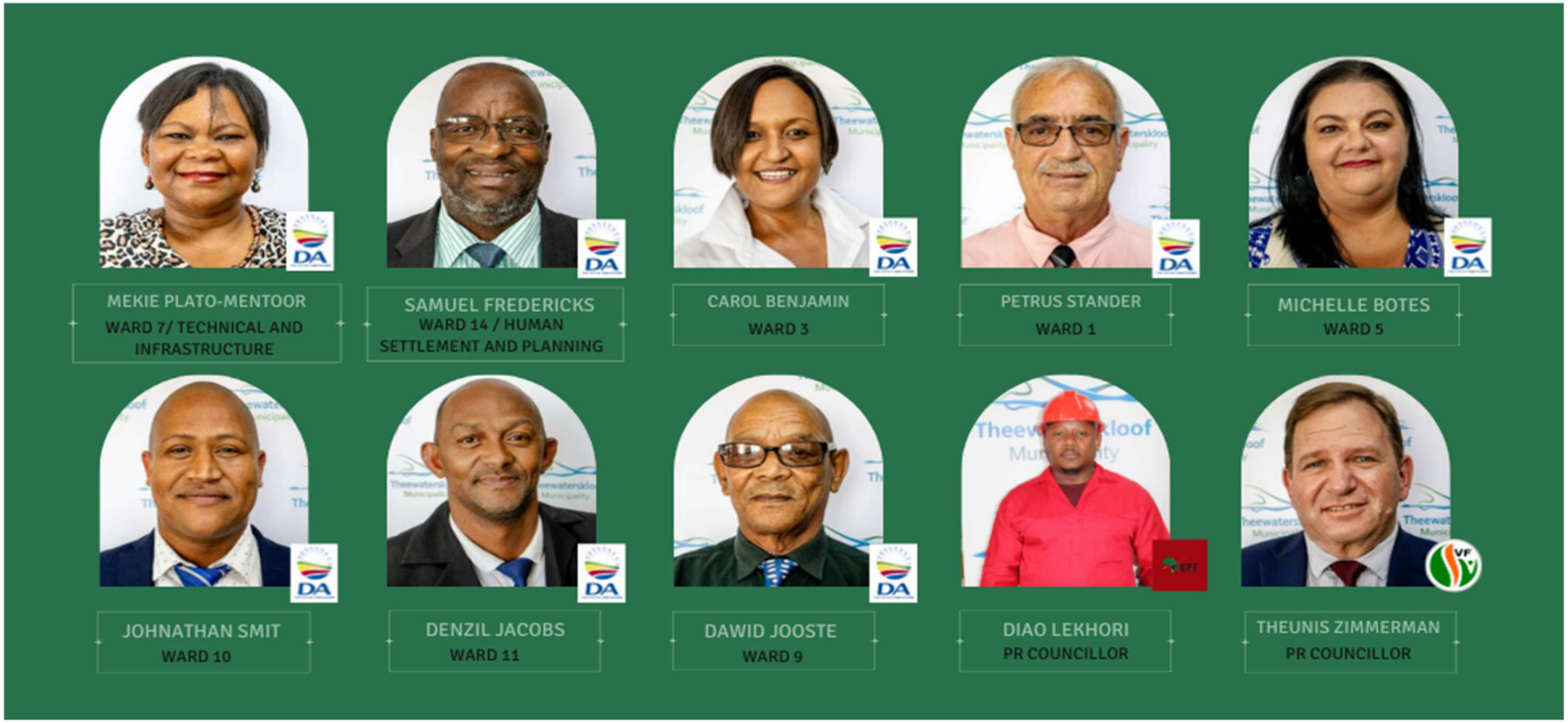
COMMITTEE	CHAIRPERSON
Financial Services	Cllr RL Mienies (Nov 2021 - Aug 2024)
	Cllr C Cloete (Nov 2024 - Currently)
Technical and Infrastructure Implementation Services	Cllr J Mckenzie: September 2023 - Oct 2024
	Aldm M Plato-Mentoor (Nov 2024 - Currently)
Human Settlements and Planning	Cllr TP Lemina (Nov 2021 - Aug 2024)
	Aldm S Fredericks (Nov 2024 - Currently)
Corporate Services	Aldm BB Mkhwibiso: 30 April - Aug 2024
	Cllr H Linnerts (Nov 2024 - Currently)
Community Services	Aldm MR Nongxaza (Nov 2021 - Aug 2024)
	Cllr Y Van Tonder (Nov 2024 - Currently)
Economic Development	Aldm JR Michels (Nov 2021 - Aug 2024)
	Alderman C Clayton (Nov 2024 - Currently)

FINANCIAL SERVICES COMMITTEE		**TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE**		**ECONOMIC DEVELOPMENT COMMITTEE**		**CORPORATE SERVICES COMMITTEE**		**COMMUNITY SERVICES COMMITTEE**		**HUMAN SETTLEMENTS AND PLANNING COMMITTEE**	
C Cloete:	**DA**	**M Plato-Mentoor:**	**DA**	**C Clayton**	**GOOD**	**H Linnerts**	**GOOD**	**Y Van Tonder**	**DA**	**S Fredericks**	**DA**
Chairman		**Chairman**				**Chairman**					
CA Benjamin	DA	M Mathews	GOOD	P Stander	DA	M Botes	DA	D Jacobs	DA	P Stander	DA
H Linnerts	GOOD	BB Mkhwibiso	ANC	C Benjamin	DA	J Smit	DA	H Linnerts	GOOD	C Clayton	GOOD
V Papier	PA	MA Nomkoko	ANC	V Papier	PA	T Zimmermann	FF+	H Syster	PA	H Syster	PA
RL Mienies	ANC	PJ Stander	DA			JD Lekhori	EFF	M Nongxaza	ANC		

2.1.1 COUNCILLOR PROFILE



MEET THE COUNCIL



MEET THE COUNCIL

TAPELO PRINCESS LEMINA
PR COUNCILLOR

RINAH MIENIES
WARD 6

MONWABISI RAYMOND NONGXAZA
PR COUNCILLOR

BONGIWE MKHWIBISO
PR COUNCILLOR

MBONGENI NOMKOKO
WARD 13

MAMOTHIPANE SHALE
WARD 12

MZWANELE MPAMBANI
WARD 8

DERICK APPEL
PR COUNCILLOR

CRAIG SMITH
PR COUNCILLOR

VANESSA PAPIER
PR COUNCILLOR

MAP OF THEEWATERSKLOOF WARDS

Councillors, Committees Allocated and Council Attendance

Council Members	Full Time / Part Time FT/PT	Committees Allocated	Ward Represented/ Party Represented	Percentage of Council Meetings Attendance %	Percentage Apologies for non-attendance %
W Wells	FT	Speaker	PR	100%	0%
LM De Bruyn	FT	Executive Mayor	PR	95%	5%
C Clayton	FT	Executive Mayoral Committee, Technical and Infrastructure Implementation Services Committee, Economic Development Committee, Human Settlements and Planning Committee	PR	100%	0%
S Fredericks	FT	Executive Mayoral Committee, Human Settlements and Planning Committee, Fraud and Risk Management Committee	WR	95%	5%
M Plato-Mentoor	FT	Executive Mayoral Committee, Technical and Infrastructure Implementation Services Committee	WR	95%	5%
Y Van Tonder	FT	Executive Mayoral Committee, Community Services Committee	WR	95%	5%
C Cloete	FT	Executive Mayoral Committee, Financial Services Committee, Fraud and Risk Management Committee	WR	95%	5%
H Linnerts	FT	Executive Mayoral Committee, Corporate Services Committee, Community Services Committee, Financial Services Committee,	PR	100%	0%

		Fraud and Risk Management Committee, Local Labor Forum (LLF), Employment Equity Committee,			
P Stander	PT	MPAC, Economic Development Committee, Human Settlements and Planning Committee	WR	95%	5%
C Benjamin	PT	Economic Development Committee, Financial Services Committee	WR	95%	5%
M Botes	PT	Corporate Services Committee, Employment Equity Committee, Local Labor Forum (LLF)	WR	95%	5%
R Mienies	PT	Financial Services Committee, Employment Equity Committee,	WR	95%	5%
M Mpambani	PT	Health and Safety Committee	WR	100%	0%
D Jooste	PT	Technical and Infrastructure Implementation Services Committee	WR	95%	5%
J Smit	PT	Corporate Services Committee, MPAC, Local Labor Forum (LLF)	WR	95%	5%
D Jacobs	PT	Community Services Committee, Health and Safety Committee,	WR	95%	5%
M Shale	PT	None	WR	90%	0%
W Nomkoko	PT	Technical and Infrastructure Implementation Services Committee	WR	100%	0%
D Appel	PT	Was Speaker from 2021 - Aug 2024, Human Settlements and Planning Committee	PR	100%	0%

M Nongxaza	PT	Community Services Committee , Local Labor Forum (LLF)	PR	100%	0%
T Lemina	PT	Economic Development Committee	PR	100%	0%
B Mkhwibiso	PT	None	PR	100%	0%
T Zimmermann	PT	Corporate Services Committee, Local Labor Forum (LLF)	PR	95%	5%
V Papier	PT	Technical and Infrastructure Implementation Services Committee, Economic Development Committee, Financial Services	PR	100%	0%
H Syster	PT	Community Services Committee, Human Settlements and Planning Committee	PR	100%	0%
D Lekhori	PT	Corporate Services Committee	PR	90%	10%
M Gana	PT	MPAC	PR	90%	10%
M Liebenberg	FT	was Mayor until August 2024	PR	95%	5%
J Michels	FT	Was Deputy Mayor until August 2024, Economic Development Committee	PR	100%	0%
J Mckensie	FT	Was Portfolio Chairperson for Technical and Infrastructure Implementation Services until August 2024	PR	100%	0%
S Shuma	FT	Was Deputy Mayor until August 2024, Economic Development Committee	PR	100%	0%

2.1.2 POLITICAL DECISION-TAKING

Meetings of Council were scheduled as follows for the period 01 July 2024 to 30 June 2025:

1. Council Meetings
   July to December 2024 = 3;

January to June 2025 = 7;
Total = 10

2. Special Council Meetings
   July to December 2024 = 8;
   January to June 2025 = 3;
   Total = 11

3. Council-in-Committee Meetings
   July to December 2024 = 3;
   January to June 2025 = 6;
   Total = 9
4. Special Council-in-Committee Meetings
   July to December 2024 = 3;
   January to June 2025 = 4;
   Total = 7

Notices of Council Meetings are placed on the Theewaterskloof Municipal website and all social media platforms of Theewaterskloof Municipality.

Notices of Council- and Special Council Meetings for the discussion of the Draft Annual Report; Annual Report and Oversight Report approval; Draft IDP and 2024/25 Draft Budget as well as the approval of the IDP and 2024/25 Budget were not advertised in the local newspapers as per previous years due to the cost involved taking the financial position of Theewaterskloof Municipality into consideration.

Agendas of Council- and Council In-Committee Meetings are distributed 5 working days prior to the meeting as per Rule 5(a) of the Rules of Order for Meetings of Council and Committees of Theewaterskloof Municipality. Agendas of Special Council- and Special Council In-Committee Meetings are distributed 2 working days prior to the meeting as per Rul 10(a) of the Rules of Order for Meetings of Council and Committees of Theewaterskloof Municipality.

Minutes of all Council-; Council In-Committee-; Special Council- and Special Council In-Committee Meetings are compiled within 10 working days and distributed within a reasonable period as per the Rules of Order for Meetings of Council and Committees of Theewaterskloof Municipality.

Agenda-items submitted to Council for discussion:

1. **First Quarter**
   - 65 Council Meeting Agenda-items
   - 1 Council In-Committee Meeting Agenda-items
   - 48 Special Council Meeting Agenda-items
   - 10 Special Council In-Committee Meeting Agenda-items

2. **Second Quarter**
   - 50 Council Meeting Agenda-items
   - 4 Council In-Committee Meeting Agenda-items
   - 9 Special Council Meeting Agenda-items
   - 1 Special Council In-Committee Meeting Agenda-items

3. **Third Quarter**
   - 87 Council Meeting Agenda-items
   - 16 Council In-Committee Meeting Agenda-items
   - 3 Special Council Meeting Agenda-items
   - 1 Special Council In-Committee Agenda-items

4. **Fourth Quarter**
   - 79 Council Meeting Agenda-items
   - 24 Council In-Committee Meeting Agenda-items
   - 4 Special Council Meeting Agenda-items
   - 2 Special Council In-Committee Meeting Agenda-items

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 2025, is outlined in the table below:

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MEET OUR MANAGEMENT TEAM

Theewaterskloof Municipality

Municipal Manager Walter Hendricks

Deputy Director Strategic Services and Stakeholder Realtions
Vacant

Chief Audit Executive
Anton Opperman

Director Technical and Infrastructure Implementation Services
Vacant

Director Community Services
Wilfred Solomons-Johannes

Director Corporate Services
GW Hermanus

Chief Financial Officer
Paul Mabhena

Director Economic Development and Planning
Vacant

2.2.1.1 FUNCTIONS AND RESPONSIBILITIES

The administration consists of five directorates, each containing several sub-directorates tasked with specific functional areas. Although there are clear distinctions regarding functions and responsibilities, the sub-directorates collaborate closely with one another to ensure efficiency and enhance 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 programmemes are celebrated, and where gaps are identified.
	Records Provincial Public Participation Forum 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 programmes 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.
	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 INTERGOVERNMENTAL STRUCTURES	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

First

	• 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 Programmeme 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.

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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 OBJECTIVES OF WARD COMMITTEES

The objective of Ward Committees is to enhance participatory democracy in local government.

The main objectives of ward committees are summarized below:

- Create formal unbiased communication channels and co-operative partnerships between the Municipality and the community within a ward.
- Ensure contact between the Municipality and the community through the use and payment of services.
- Create harmonious relationships between the residents of a ward, Ward Councilor, geographic diverse community and the Municipality.
- Facilitate public participation in the process of the development, review and implementation management of the IDP of the Municipality.
- The Ward Committee and Town Advisory Forums are regarded as the official liaison mechanism on all municipal matters within the community.
- It is an official body with which the ward Councilor liaise regarding any matter affecting the ward and more specifically items on the agenda of the municipality affecting that ward particularly.
- The Ward Committee should report back to their constituencies on a quarterly basis on matters discussed at the Ward Committee Meeting and provide the Minutes of such report back meetings to the Town office for inclusion in the Ward Committee agenda.

2.4.2 FUNCTIONALITY OF WARD COMMITTEES

- Ward committees have an important role to play in bridging the gap between the Town Office as representative for the Municipality and the community.

- A Ward Committee may make recommendations on any matter affecting its ward to the Ward Councilor, or through the Ward Councilor, to the Town Manager.

- A Ward Committee may have such duties and powers as may be delegated to it by the local Council of Theewaterskloof Municipality in terms of Section 59 of the Municipality System Act.

- The following represents duties and powers that may be delegated to Ward Committees by Theewaterskloof Municipality:
  - To create formal unbiased communication channels as well as co-operative partnership between the community and the Town Office;
  - Assist the Ward Councilor in identifying challenges and needs of residents;

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- Disseminate information in the ward concerning municipal affairs such as the Budget, Integrated Development Planning, Performance Management System (PMS), service delivery options and municipal priorities;
- Receive queries and complaints from residents concerning municipal service delivery, communicate it via the Ward Councilor to the Town Manager and provide feedback to the community on their response;
- Attendance and/or participation by ward committee member in other official forums from other spheres of government that is approved by the Municipality.
- Ensure constructive and harmonious interaction between the Municipality and community through the use and co-ordination of ward residents' meetings and other community development forums; and

- To serve as a mobilizing agent for community action within the ward. This may be achieved as follows:
  - Attending to all matters that affect and benefit the community.
  - Acting in the best interest of the community.
  - Ensure the active participation of the community in:
    - Service payment campaigns;
    - The Integrated Development Plan (IDP) process;
    - The Municipality's budgetary process;
    - Decisions about the provision of municipal services; and
    - Decisions about by-laws.
  - No executive powers may be delegated to Ward Committees.
  - A Ward Committee may express dissatisfaction in writing to the Speaker on the failure/inability of a Ward Councilor to convene ward committee meetings and provide feedback on issues raised by ward committee members emanating from their respective blocks and sectors.

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 2024/ 2025 financial year, 46 Ward Committee meetings were held across the 14 Wards and 36 Ward Councillor Report Back initiatives took place.

8 Ward Committees developed Ward Committee Operational Plans and it was submitted to the Department Local Government: Directorate 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 28 November 2024 and 23 January 2025 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
Ward 1	Piet Stander - Councillor	Yes	5	0	3
	Georg vd Riet				
	Sarette September				
	Cornelius Botha				
	Justin Johannes				
	Adam Blom				
	Steven Ndleleni				
	Kiro Tiemie				
	Francios Roux				
	Freddie Appel				
	Daniel Palmer				
Ward 2	Chris Cloete - Councillor	Yes	6	0	4
	Micheal Rouillard				
	Jomenda Mathews				
	Anita Cupido				
	Fredeline Delport				
	Magrieta Stellenberg				
	Clive Josephs				
	Ivan Steenkamp				
	Gavin Jones				
	George Juries				
Ward 3	Carol Benjamin - Councillor	Yes	4	0	3
	Zimkita Bistoli				
	Ettel Pheiffer				
	S Gamadala				
	Melanie Booysen				
	Tanya Bippert				
	Marlon Sauls				
	Rodney Nissan				
	M Emmerich				
Ward 4	Yvonne van Tonder - Councillor	Yes	6	0	3
	Elrico Jacobs				
	Tanya Bippert				

	MMJ Rousseau				
	Lizel Kimber				
	George Rhode				
	Nigel Vermeulen				
	Richard Lane				
	Stephen Wildschutte				
	Brian Oliver				
	Mitzi Buys				
Ward 5	Michelle Botes-Councillor	Yes	7	0	3
	Glaudi Skog				
	Charlotte Nel				
	Janine Syster Williams				
	Gelden Plaatjies				
	Unathi Noyi				
	Maria Armoed				
Ward 6	Rinah Mienies - Councillor	Yes	5	0	3
	Hester Blignaut				
	Jackie Nicholls				
	Monique Cananie				
	Alida Venter				
	N Mlata				
	Marius de Lange				
	Hilton Witbooi				
	Edwin July				
Ward 7	Mekie Plato-Mentoor - Councillor	Yes	4	0	3
	Jacobus Syms				
	Benita Europa				
	Jan Visagie				
	Henry April				
	Maria Herbert				
	Jackie Olivier				
	Christo Jacobs				
Ward 8	Mzwanele Mpambani-Councillor	Yes	0	0	1
	Bongile Makhaza				
	Vacant				
	Vacant				
	Vacant				
	Vacant				
	Victoria Tshazi				
	Religion				

	Dennis Johnson				
	Nolan van Rhodie				
	Lwazi Nodanda				
Ward 9	Dawid Jooste- Councillor	Yes	7	0	3
	Glaudi Skog				
	Jannie van der Colff				
	Hester Blignaut				
	Justin Jooste				
	Marius de Lange				
	Simon Sykes				
	Mary-Ann Swarts				
	Elizabeth Ambros				
Ward 10	Johnathan Smit- Councillor	Yes	0	0	1
	Johanoline Visser				
	Andrew Van Neel				
	Magrieta Steenkamp				
	Zandre Cananie				
	Caroline Botha				
	Glaudi Skog				
Ward 11	Denzil Jacobs- Councillor	Yes	1	0	1
	Siyabonga Ngalo				
	Benita Melwa				
	Michail Dreyer				
	Ivan Wyngaard				
	Niklaas Pietersen				
	Vacant Marjorette				
	Eric Adams				
	JP van der Westhuizen				
Ward 12	Sylvia Shale- Councillor	Yes	1	0	3
	Lubabalo Madizeni				
	William Nomaxhanya				
	Sonto Nkqi				
	Vacant -Melrose				
	Tina Johnson				
	Eva Philander				
	Nolan van Rhodie				
	Allen Inyinbor				
	Lynette de Bruyn				
	Vacant - Grabouw Taxi				

Ward 13	**M Nomkoko- Councillor**	**Yes**	**1**	**0**	**3**
	Allen Inyinbor				
	Tina Johnson				
	Tesswill Frans				
	Mxolisi Tobingunya				
	Hans Waterboer				
	Mfundo Mantashe				
	Christiaan Bailey				
	Vacant-Little Folks				
	Albertina Hoffman				
	Vacant - Grabouw Taxi				
Ward 14	**Samuel Fredericks- Councillor**	**Yes**	**1**	**0**	**1**
	Jackie Fisher				
	Charlene Van Wyk				
	Romeo Magerman				
	Angeline De Vos				
	Ivan Wyngaard				
	Dennis Johnson				
	Gershwin 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	Issues raised by community	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward 1- Councillor P Stander (Ward Councillor Report Back Meeting)	27-Jan-25	One	Four	Forty-nine	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 1- Councillor P Stander (Draft Meeting)	10-Apr-25	Three	Nine	Thirty-Five	Draft Budget Public Participation	Yes	Draft Budget Public Participation
Ward 1-Councillor P Stander (Ward Councillor Report Back Meeting)	9-Jun-25	One	Four	Twenty-Two	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 2- Councillor C Cloete (Ward Councillor Report Back Meeting)	28-Jan-25	One	one	Thirty	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 2- Councillor C Cloete (Ward Councillor Report Back Meeting)	25-Jan-25	One	Two	Seventeen	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 2-Councillor C Cloete (Draft Budget Meetings)	16-Apr-25	One	Ten	Twenty-One	Draft Budget Public Participation	Yes	Draft Budget Public Participation
Ward 2- Councillor C Cloete (Community	9-Jun-25	One	Three	Ten	Community Outreach Programmeme	Yes	Community Outreach Programmeme

Outreach Programmeme)							
Ward 2- Councillor C Cloete (Community Outreach Programmeme)	13-Jun-25	One	One	Nineteen	Community Outreach Programmeme	Yes	Community Outreach Programmeme
Ward 3- Councillor C Benjamin	12-Feb-25	One	Five	Four	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 3- Councillor C Benjamin (Draft Budget Meeting	7-Apr-25	Five	Twenty-One	Thirteen	Draft Budget Public Participation	Yes	Draft Budget Public Participation
Ward 3- Councillor C Benjamin (Ward Councillor Report Back Meeting)	11-Jun-25	Two	Five	Twelve	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 4 - Councillor Y van Tonder(Ward Councillor Report Back Meeting)	13-Feb-25	Two	Four	Thirty-Three	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 4 - Councillor Y van Tonder (Draft Budget Meeting)	7-Apr-25	Five	Twenty-One	Thirteen	Draft Budget Public Participation	Yes	Draft Budget Public Participation
Ward 4- Councillor Y van Tonder (Ward Councillor Report Back Meeting)	17-Jun-25	Five	Two	Nine	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 5- Councillor M Botes (Ward Councillor Report Back Meeting	5-Feb-25	Four	Five	Thirty-Seven	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 5-Councillor M Botes (Draft Budget Meeting)	15-Apr-25	Six	Three	Nineteen	Draft Budget Public Participation	Yes	Next Report Back Meeting
Ward 5- Councillor M Botes (Ward Councillor Report Back Meeting)	10-Jun-25	Three	Five	Sixteen	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 6- Councillor R Mienies (Ward Councillor Report Back Meeting)	11-Feb-25	Three	Six	Thirty-Two	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 6 - Councillor R Mienies (Draft Budget Meetings)	15-Apr-25	Six	Thee	Nineteen	Draft Budget Public Particiption Meeting	Yes	Draft Budget Public Participation
Ward 6 -Councillor R Mienies (Ward Councillor Report Back Meeting)	18-Jun-25	Two	Three	Nineteen	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 7 - Councillor M Plato- Mentoor (Ward Councillor Report Back Meeting	6-Feb-25	One	Two	Twenty	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 7 - Councillor M Plato - Mentoor (Draft Budget Meeting)	14-Apr-25	Three	Eight	Thirty-Six	Draft Budget Public Particiption Meeting	Yes	Draft Budget Public Participation

Ward 7- Councillor M Plato- Mentoor (Ward Councillor Report Back Meeting)	18-Jun-25	One	Two	Eight-Teen	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 8- Councillor M Mpambani (Draft Budget Public Participation Meeting)	9-Apr-25	Six	Twelve	Sixteen	Draft Budget Public Participtiion Meeting	Yes	Draft Budget Public Participation
Ward 8- Councillor M Mpambani (Draft Budget Public Participation Meeting)	23-Apr-25	Nine	Sixteen	Fifteen	Draft Budget Public Participtiion Meeting	Yes	Draft Budget Public Participation
Ward 9- Councillor D Joote (Ward Councillor Report Back Meeting)	4-Feb-25	One	Three	Forty- Six	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 9- Councillor D Jooste (Draft Budget Meeting)	15-Apr-25	Six	Ten	Twenty-Nine	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 9 - Councillor D Jooste (Ward Councillor Report Back Meeting)	17-Jun-25	One	Three	Twenty-One	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 10 - Councillor J Smit (Draft Budget Meeting)	9-Apr-25	Six	Twelve	Sixteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 10 - Councillor J Smit (Draft Budget Meeting)	23-Apr-25	Nine	Sixteen	Fifteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 11 -Councillor D Jacobs (Draft Budget Meeting)	9-Apr-25	Six	Twelve	Sixteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 11 -Councillor D Jacobs (Draft Budget Meeting)	23-Apr-25	Nine	Sixteen	Fifteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 11 - Councillor D Jacobs (Community Outreach Programmeme)	11-Jun-25	One	Two	Fifteen	Community Outreach	Yes	Community Outreach Programmeme
Ward 12 - Councillor M Shale (Ward Councillor Report Back Meeting)	6-Feb-25	One	Four	Thirty- Nine	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 12- Councillor M Shale (Draft Budget Meeting)	9-Apr-25	Six	Twelve	Sixteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 12 - Councillor M Shale (Draft Budget Public Participation Meeting)	23-Apr-25	Nine	Sixteen	Fifteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation

Ward 12 - Councillor M Shale (Ward Councillor Report Back Meeting)	17-Jun-25	One	Four	Forty	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 13 - Councillor M Nomkoko (Ward Councillor Report Back Meeting)	11-Feb-25	One	Four	Sixty-Four	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 13- Councillor M Nomkoko (Draft Budget Meeting)	9-Apr-25	Six	Twelve	Sixteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 13- Councillor M Nomkoko (Draft Budget Public Participation Meeting)	23-Apr-25	Nine	Sixteen	Fifteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 13 - Councillor M Nomkoko (Ward Councillor Report Back Meeting)	**9-Jun-25**	One	Four	Twenty-Five	Ward Councillor Report Back Meeting	Yes	Next Report Back Meeting
Ward 14- Councillor S Fredericks (Draft Budget Meeting)	9-Apr-25	Six	Twelve	Sixteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation
Ward 14- Councillor S Fredericks (Draft Budget Public Participation Meeting)	23-Apr-25	Nine	Sixteen	Fifteen	Draft Budget Public Participation Meeting	Yes	Draft Budget Public Participation

2.4.4 COMMENT ON THE EFFECTIVENESS ON THE PUBLIC MEETINGS

Our Quarterly Ward Councillor Report Back meetings and outreach initiatives were attended by the Public in certain wards. These meetings were effective as the community was given the opportunity to raise their issues and grievances with the Municipality. Public transport not available to transport Ward Committee Members and Members of the Public to meetings as well as the safety situation in Grabouw for the Councillors, Officials, Ward Committee Members and Members of the Public attending these meetings, caused some of our 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

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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)(c)(i) 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.

2.6.1 RISK MANAGEMENT OVERVIEW

In the course of our daily business activities, we encounter a range of risks. These risks include operational and other risks that are material and require comprehensive controls and on-going oversight.

To ensure business success we have adopted an enterprise-wide integrated approach to the management of risks. By embedding the risk management process into key business processes such as planning, operations, and new projects, we will be better equipped to identify events

affecting our objectives and to manage risks in ways that are consistent with the approved risk appetite.

To further implement this approach, all roles' players involved in the risk management process were identified and their responsibilities clearly documented to enforce a culture of disciplined risk-taking.

2.6.2 RISK MANAGEMENT OBJECTIVES

The objectives of risk management are to assist management with making more informed decisions which:

- Provide a level of assurance that current significant risks are effectively managed;
- Improve operational performance by assisting and improving decision-making and planning;
- Fostering a culture that is more innovative and less risk-averse involves encouraging calculated risks, particularly in the pursuit of opportunities that can benefit the Municipality; and
- Provide a sound basis for integrated risk management and internal control as components of good corporate governance

Risk Related Strategies

The Risk Management Framework is reviewed annually. Any amendments are recommended to Council for approval.

The Risk Management Framework includes the Risk Management Policy as well as the Risk Management Strategy and Implementation Plan.

Framework	Status Quo
Risk Management Policy, Risk Management Strategy, and Implementation Plan	Revised and amendments approved by the Council on 23 January 2025.

Fraud and Risk management is managed by the Risk Management Unit of the Theewaterskloof Municipality.

Key Initiatives and Actions of the Risk Management Unit for 2024/2025

During the 2024/2025 financial year, the Risk Management Unit (RMU) implemented several key initiatives and activities to strengthen governance, risk, and compliance processes across the municipality. These include:

- Conducting comprehensive annual departmental risk assessments with the participation of heads of departments and line managers, resulting in the most detailed municipal risk register to date.
- Maintaining a strong focus on fraud and corruption risks through the continuous monitoring and implementation of related risk action plans.
- Reviewing and updating the Anti-Corruption and Fraud Prevention Strategy, Policy, and Plan, which were approved by Council, thereby replacing the outdated Anti-Corruption and Fraud Prevention Plan.
- Actively engaging management at all levels in fraud and risk management processes to enhance accountability and awareness.
- Ensuring monthly updates of risk action plans by departmental managers, with ongoing monitoring and evaluation by the RMU.
- Compiling the Combined Assurance Model on a quarterly basis, aligned with the Council-adopted Combined Assurance Policy Framework.

- Conducting the annual review of the Combined Assurance Policy Framework to ensure continued alignment with best practices.
- Enhancing collaboration between the RMU and Internal Audit, reducing duplication, improving information sharing, and strengthening assurance coverage while maintaining Internal Audit's independence.
- Performing a Fraud and Risk Management Committee performance evaluation through individual assessments completed by committee members.
- Promoting best practice developments by making the review of the risk register, emerging risks, and incidents of corruption, fraud, and unethical behavior standard agenda items at Committee meetings.
- Including Fraud and Risk Management as a standing agenda item for Audit and Performance Audit Committee meetings, with regular progress feedback provided by the Risk Officer.
- Presenting the Risk Management Policy, Strategy, Implementation Plan, and the Anti-Corruption and Fraud Prevention Policy, Strategy, and Plan at a Council workshop to enhance awareness and governance oversight.
- Conducting Ethics, Anti-Corruption, and Fraud Prevention awareness sessions across all municipal offices during the 2024/2025 financial year.

2.6.3 FRAUD AND 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 FARMCO Terms of Reference.

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: FRAUD AND RISK MANAGEMENT COMMITTEE (FARMCO)

CAPACITY	MEETINGS
Chairperson: Municipal Manager	**20 August 2024** **09 October 2024** **10 March 2025** **14 May 2025**
Administrator: Risk Officer	
Director: Finance / CFO	
Director: Community Services	
Director: Technical and Infrastructure Implementation Services	
Director: Corporate Services	
Director: Economic Development and Planning	
Manager: Human Resources	**Specialised Contribution**
Manager: Information and Communication Technologies	**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 Risk Officer and Chief Audit Executive of Theewaterskloof Municipality are standing invitees in an advisory and observation capacity.	

2.6.4 RISK ASSESSMENTS

The risk assessment process for 2024/25 commenced in May/June 2024. 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 09 October 2024. 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.

2.6.5 STRATEGIC RISKS FOR THE MUNICIPALITY

Risk Description	Current Controls	Residual Risk	Risk Actions
Lack of functional segregation of duties within the ICT department	o ICT policy framework in place (covering access, security, and acceptable use). o Basic change management and incident management procedures implemented. o User IDs and passwords required for system access. o Limited administrator accounts with restricted access rights. o Periodic password changes enforced.	High	1. Establish clear ICT roles and responsibilities documented in job descriptions. 2. Update ICT policies to specifically address segregation of duties (SoD). 3. Review the ICT organogram to ensure adequate staffing levels for proper segregation.
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	High	Implementation of SOP for Land Invasions and Illegal Structures and report on prevention and correction measures taken.

	demolish illegal structures. o An Informal Management Department has been established to address and manage the Informal Settlement. o Utilization of an eviction contractor.		
Record breaking extreme weather and climate change.	o Participation in Western Cape Climate Change and Adaptation Forums o Municipal Disaster Management Plan in place and reviewed regularly o Early warning systems and communication channels through disaster risk units	High	1. Update and implement the Municipal Disaster Risk Management Plan. 2. Conduct regular community disaster preparedness drills. 3. Install early warning systems for floods, storms, fires, and drought. 4. Partner with the South African Weather Service for localized forecasts.
Inadequate budget to achieve municipal strategic and operational objectives	o Maintaining Status Quo (Make do with available resources)	High	1. Implement smart metering and digital billing systems to improve accuracy and reduce losses. 2. Strengthen debt collection by enforcing credit control policies. 3. Link budget planning more closely with risk assessments and service delivery priorities. 4. Regular budget monitoring dashboards for Council and management. 5. Improve public participation in budget processes to enhance credibility and buy-in. 6. Transparent communication of budget constraints and prioritization to communities."
Inability to provide bulk water when need arise (drought)	o Technical Drought Plan o General communication - Printed media and radio o Notifications (Possible Water restrictions) o Alternative provision through boreholes	High	1. Upgrade and expand bulk water supply infrastructure (pipelines, reservoirs, treatment plants). 2. Conduct regular maintenance and asset management to prevent breakdowns. 3. Develop redundancy in bulk water systems (alternative supply routes). 4. Develop a bulk water contingency plan for

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	○ Explore Water Source Alternatives on continuous basis		droughts or infrastructure failure. 5. Promote community awareness campaigns on responsible water use."
Protest action / Civil unrest	○ Local Economic Development and Social Development Departments in place to implement programmemes to improve the socio-economic conditions in Theewaterskloof. ○ Law Enforcement Units to respond to protest actions and civil unrest 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	1. Community Engagement Forums and IDP public participation processes 2. Deployment of Public Participation and Ward Committees 3. Close liaison with South African Police Services (SAPS) and disaster management 4. Conflict resolution and mediation interventions through community development workers 5. Monitoring of high-risk areas and early warning reporting 6. Rapid response teams coordinated through municipal safety structures"
Slow Recovery of Potential Revenue	○ Credit Control and Debt Collection Policy in place. ○ Indigent Policy applied to support vulnerable households. ○ Tariff Policy approved annually with the budget. ○ Monthly billing system (mSCOA) generating municipal accounts. ○ Use of the Central Supplier Database (CSD) for debtors and revenue tracking. ○ Interest charged on arrears to	High	1. Review and update the municipal Revenue Enhancement Plan. 2. Broaden the revenue base (new service charges, land-use fees, local economic development projects). 3. Introduce innovative payment channels (online platforms, mobile payments, retailers). 4. Implement smart meters for water and electricity to reduce losses. 5. Conduct regular data cleansing of the billing system. 6. Align property valuation roll with actual billing data. 7. Remove non-qualifying households from indigent support. 8. Conduct community campaigns to encourage a culture of payment.

	encourage payments. o Revenue recovery tracked in Section 71 MFMA reports (monthly to National Treasury). o Debtor's age analysis prepared monthly. o Oversight through Finance Committee and Audit Committee. o Payment arrangements negotiated with defaulting customers. o Awareness campaigns on the importance of paying for services.		9. Strengthen ward committee involvement in promoting revenue collection. 10. Provide transparent reporting on how revenue is used for service delivery.".
SCM is under resourced and under capacitated.	o "1. Supply Chain Management (SCM) Policy approved in line with the MFMA and National Treasury Regulations. o Delegations of authority in place for procurement processes. o Bid Committees (Specification, Evaluation, Adjudication) established. o Internal Audit reviews SCM processes. o Audit Committee oversight of SCM risks. o Use of the mSCOA financial system and National Treasury Central Supplier Database (CSD). o Checklists and templates in place for procurement compliance.	High	1. Fill vacant SCM posts urgently to ensure adequate staffing. 2. Review the SCM organogram to align with workload and compliance requirements. 3. Provide continuous training for SCM staff on MFMA, PPPFA, Preferential Procurement Regulations, and mSCOA. 4. Report SCM risks to management, Council, and oversight structures regularly. 5. Collaborate with Provincial and National Treasury for technical support. 6. Ensure funding for critical vacancies is prioritised in the MTREF."

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	○ Existing SCM officials allocated to critical functions. ○ Acting or shared responsibilities assigned where posts are vacant. ○ Monthly/quarterly SCM reports submitted to Council and Provincial Treasury. ○ Irregular, fruitless, and wasteful expenditure monitored and reported.		
Non-Compliance with Permit Conditions	○ Existing Infrastructure ○ Limited Supervision	High	1. Upgrade and expand bulk water supply infrastructure (pipelines, reservoirs, treatment plants). 2. Conduct regular maintenance and asset management to prevent breakdowns. 3. Develop redundancy in bulk water systems (alternative supply routes). 4. Promote community awareness campaigns on responsible water use.
Lack of public trust in the structures, processes and systems of the Theewaterskloof Municipality	○ Strategic intervention from the office of the Municipal Manager. Intense engagement with stakeholders. ○ Special media strategy that counterbalances the public negativity.	High	1. Develop a clear communication strategy with timely updates on service delivery, challenges, and progress. 2. Use multiple platforms (website, social media, radio, newsletters) to reach all communities. 3. Provide real-time updates on service interruptions (water, electricity, refuse removal).
Lack of available municipal owned land.	○ Land Use Management Scheme (LUMS) regulating development and zoning. ○ Integrated Development Plan (IDP) identifies land needs for housing and infrastructure.	High	1. Conduct a full land audit to identify all municipal, provincial, and national land within the jurisdiction. 2. Engage with Department of Public Works, Human Settlements, and provincial/national government for the

	○ Municipal Growth & Development Strategy aligned to provincial/national frameworks. ○ Engagement with Department of Human Settlements and Public Works for land acquisition. ○ Collaboration with Overberg District Municipality on regional spatial planning. ○ Informal settlement upgrading programmeme in place. ○ Compliance with Spatial Planning and Land Use Management Act (SPLUMA). ○ By-laws in place to manage illegal occupation and land invasions."		release of state-owned land. 3. Explore partnerships with private landowners for lease or co-development. 4. Review and update the Spatial Development Framework (SDF) to prioritize future land requirements. 5. Collaborate with Human Settlements to secure land for affordable housing projects. 6. Prioritize land allocation for housing, bulk services, and social infrastructure. 7. Establish regular reporting to Council on land availability and future demand. 8. Develop early warning mechanisms to detect land shortages and invasions.

2.6.6 RISK POLICIES AND STRATEGIES

The Municipality has a Fraud and Risk Management Policy, Fraud and Risk Management Strategy and Fraud and FARMCO Terms of Reference in place.

TABLE: RISK POLICIES AND STRATEGIES

NAME OF DOCUMENT	DEVELOPED YES/NO	COUNCIL APPROVAL
FARMCO Terms of Reference	Yes	23 January 2025
Risk Management Policy	Yes	23 January 2025
Risk Management Strategy	Yes	23 January 2025
Risk Management Implementation Plan	Yes	23 January 2025

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	23 January 2025
Fraud Prevention and Anti-Corruption Policy	Yes	23 January 2025
Fraud Prevention and Anti-Corruption Plan	Yes	23 January 2025

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

TABLE: 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 programmeme 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.

2024/2025 ANNUAL REPORT OF THE PERFORMANCE AUDIT AND AUDIT COMMITTEE

Speaker, Executive Mayor, Members of Council, The Municipal Manager, Directors, Ladies and Gentlemen, 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 2025.

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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 PAC was appointed by Council on 10 March 2022 and 26 April 2022.
The PAC Charter was revised and approved by Council on 30 April 2024.

PAC consisted of three (3) independent members who are all appropriately qualified, who are financially literate and who are acquainted with the Risk Management and Performance Management disciplines. One of the members, Ms. V Jobe, resigned on 20 June 2025.The PAC requested the Municipal Manager (MM) to prioritise the appointment of a new PAC member.

The PAC conducted self-assessments and Management conducted assessments of the PAC during April 2025 in order to measure its performance. The results of the assessments were reviewed and discussed at the PAC Meeting of 13 June 2025. The following concerns were raised in the assessments:

1. The PAC needs to be strengthened with more members with relevant expertise and skills and need to challenge management, especially in the area where internal and external audit recommendations take a long period to be implemented and monitored.

2. The PAC do not hold sufficient number of meetings and a lot of documents are emailed to the PAC which requires a lot of time which the PAC Members are not remunerated for and carry the risk of ensuring that the oversight and governance is in place.

3. The management team of the municipality does not regularly attend the PAC meetings and in the past, it was brought to the attention of the Mayor and the MM.

4. Not sure of the effectiveness of meetings. Inputs are made at the PAC especially around financial viability and performance indicators, but it is not sure if the Municipality is improving. Key vacant posts remain unfilled and the MM changes often.

5. The PAC usually has a huge task with the AFS as quality product is not always ready by the time the PAC needs to review.

The PAC is short of the 4th member of the committee and the challenges to maintain the quorum are sometimes stretched. Furthermore, the committee requires skills in IT, legal and finance to further augment the current skill set in the committee and also assist with stagger the retaining of the institutional knowledge for the TWK municipality, as members complete their appointment period on the PAC.

The PAC held 7 (seven) meetings during the financial year under review.
Dates of Performance Audit and Audit Committee meetings:

- 27 August 2024
- 19 September 2024
- 22 November 2024
- 9 December 2024
- 17 January 2025
- 14 March 2025
- 13 June 2025

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	6

Internal Audit

In terms of the IIA (Institute of Internal Auditors) standards, the Internal Audit unit must undergo an internal quality assessment. In April 2025 the PAC and the Management team evaluated the Internal Audit unit. The results of the evaluations were discussed at the PAC meeting of 13 June 2025.

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 13 June 2025.

The Internal Audit Department tabled 23 audit reports to the PAC during the period under review: (1 July 2024 - 30 June 2025)

- 105 findings were identified;
- 23 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 82 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.

Six of the significant findings identified were included in the Supply Chain Management Audit 1 November 2023 – 31 January 2024. This item was referred back by the PAC at the meeting of 19 September 2024, for additional comments from Financial Services. At the time of compiling this report no comments were provided to the PAC.

All the audits on the approved 2024/2025 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 (2 reports);
- Supply Chain Management 1 November 2023 – 31 January 2024;
- Supply Chain Management 1 February 2024 – 30 April 2024;
- Supply Chain Management 1 May 2024 – 31 July 2024;
- Supply Chain Management 1 August 2024 – 31 October 2024;
- Supply Chain Management 1 November 2024 – 31 January 2025;
- Cash Management and Investment Audit;
- Risk Management Audit;
- 2023/2024 Year End Stock Counts;
- Solid Waste 1st Quarter Audit 2024/2025;
- Performance Management 3rd Quarter 2023/2024 Audit;
- Performance Management 4th Quarter 2023/2024 Audit;
- Performance Management 1st Quarter 2024/2025 Audit;
- Performance Management 2nd quarter 2024/2025 Audit;

- Performance Management 3rd quarter 2024/2025 Audit;
- Recovery of Revenue Audit;
- Water Use Licence Audit;
- Ad Hoc Investigation LL04/2021/22
- Follow-up on outstanding Internal Audit Findings Quarter 4 of 2023/2024;
- Follow-up on outstanding Internal Audit Findings Quarter 1 of 2024/2025;
- Follow-up on outstanding Internal Audit Findings Quarter 2 of 2024/2025; and
- Follow-up on outstanding Internal Audit Findings Quarter 3 of 2024/2025.

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;
- Ad Hoc Investigation LL04/2021/22; and
- Supply Chain Management.

The PAC requested and has urged Management to take action to reduce the Supply Chain Management findings, as these are repeat findings of a serious nature.

Risk Management

There following Risk Management reports were presented to the PAC for the period under review:
- Minutes of the Fraud and Risk Management Committee Meetings;
- Risk Management Implementation Plan;
- Combined Assurance Model;
- Anti-Corruption and Fraud Prevention Strategy, Policy and Plan;
- Risk Management Strategy, Policy and FARMCO Terms of Reference;
- Combined Assurance Framework;
- Business Continuity Framework;
- Strategic and Operational Risk Registers; and
- Risk Management Maturity Assessment.

The PAC commends the Risk Officer for improvements made with regards to the Risk Management function since her appointment.

One member of the PAC attends FARMCO meetings. The following FARMCO Meetings were attended by a member of the PAC:
- 20 August 2024
- 10 December 2024
- 10 March 2025
- 14 May 2025

The PAC recommended that the risks identified by the Auditor General in their Engagement Letter and Strategy for the 2023/2024 audit, should be included in the Risk Registers.

The PAC requested that attention be given to risks where the "inherent risk" is indicated as "high" and the "control effectiveness" is indicated as "weak" or "unsatisfactory".

The PAC raised their concern about the lack of co-operation from the Directorates with regards to the compilation of the risk registers.

The PAC requested that action plans on the mitigation of risks should be updated and monitored regularly. Risk Action Plans should also be aligned to the SDBIP.

Performance Management

The 2023/24 Draft Annual Performance report was presented to the PAC on 27 August 2024.

The PAC is concerned about the regression of the municipality's overall performance and especially KPI's with regards to Capital Spending.

The PAC have reviewed the quarterly SDBIP Performance Reports submitted to the committee by the Internal Audit Department. The PAC requested that all underperforming KPI's should have detailed corrective measures indicated.

The PAC noted that numerous KPI's were removed with the SDBIP revision in February 2025 and the PAC suggested that KPI's that were removed should be replaced with new KPI's as some of the Directorates now are left with very few KPI's and for reporting purposes, it will then seem that these Directorates did not deliver any services for the period under review.

The PAC requested that all KPI's be updated as soon as possible to give a true reflection of the status of achievement of the KPI's. It was also requested that repeated Internal Audit findings, with regards to Performance Management, be given urgent attention and be resolved as soon as possible.

One of the PAC members attended the Section 57 Performance Reviews that were conducted on 14 February 2025 & 20 May 2025. The Chairperson of the PAC attended the Section 57 Performance Reviews that were conducted on 30 June 2025.

2023/2024 Annual Report

The Draft 2023/2024 Annual Report was presented to the PAC on 17 January 2025. The PAC provided comments on the Annual Report to the Manager: IDP & Performance Management.

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 quarterly 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.

The PAC raised its concern about the legislation requirements where it was indicated that the municipality was "unable to comply" and items were "completed after deadline" and requested Management to give attention to these items as soon as possible and provide feedback to the PAC.

Financial Information

The PAC raised its concern regarding financial state of the municipality. Concerns raised by the PAC includes the underspending of the Capital Expenditure Budget, the Cash flow of the municipality (the ability to pay creditors and the low debtor recovery) and repeat findings on Supply Chain Management issues, it seems that controls are lacking (it was requested that the Municipal Manager and the Management Team address these findings).

The PAC requested that they are kept updated on the financial status of the municipality and the financial recovery plan.

The PAC has:
- Reviewed and discussed the budget statements (section 71 reports) for July 2024, October 2024, January 2025 and April 2025;
- Reviewed the processes for compliance with legal and regulatory provisions; and
- Reviewed the skills and adequacy of staff.

Auditor-General

The PAC discussed the following with the Auditor-General:
- Auditor General Engagement Letter and Strategy of the 2023/2024 Audit (19 September 2024); and
- The report of the Auditor-General for the 2023/2024 audit (22 November 2024).

The PAC raised the same concerns as the AG during the 2023/2024 financial year.

The PAC conveyed its concern about the regression in the opinion of the Auditor-General.

The PAC provided oversight over the report regarding the status of the Audit Action Plan (Containing actions to be taken to resolve findings made by the Auditor-General in the 2023/2024 Management Report).

Information and Communication Technology

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

The reports included the following information:
- ICT Operational;
- Strategic ICT Project Planning;
- ICT Budget and Expenditure;
- ICT Governance;
- ICT Performance.
- Infrastructure Upgrades and Improvements;

Final

- Digital Communication Expansion;
- Disaster Recovery Site Development;
- Network Connectivity;
- Digitalization of Informal Settlements Housing Database;
- Vacancy – IT Manager;
- Empowering Digital Stability and Sustainability;
- Budget Review and Adjustment;
- Increase in Support Staff;
- Organizational Structure Review; and
- ICT Risks and Opportunities.

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

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.

MPAC Meetings attended:

15 January 2025
7 February 2025
26 February 2025
6 March 2025
5 May 2025

Although the MPAC has been appointed by Council on 28 November 2024, the PAC is nevertheless concerned about the non-functioning of the MPAC and backlog of responsibilities of the MPAC governance structure over the deviations, irregular, fruitless and wasteful expenditure and subsequent consequence management in terms of section 36 & 47 with reference to the AG Management report and Internal Audit findings where processes were not adhered to.

Events after reporting period (1 July 2024 – 30 June 2025):

Meeting with the Municipal Manager:

The PAC had a meeting with the Municipal Manager on 3 July 2025.
The following points were discussed:

1. Financial status of the Municipality as well as actions implemented and plans for the future to improve the financial sustainability of the Municipality;
2. Prioritising of appointment of PAC member;
3. Risk Management improvement;
4. Recurring findings on Internal Audit reports;
5. Negligence of Asset Maintenance / Management;
6. Management not attending / preparing for PAC Meetings; and
7. Consequence Management with regards to irregular expenditure.

Evaluation of Financial Statements and Annual Performance Report

The Draft 2024/2025 Annual Financial Statements were presented to the PAC on 28 August 2025. The PAC has reviewed, discussed and provided input on the unaudited draft Annual Financial Statements prior to submission to the Auditor-General. The draft AFS were methodically scrutinised with the Finance Department.

The PAC made the following comments with regards to the Annual Financial Statements:

- Attention should be given to COMAFs from the 2023/2024 audit that is still in progress and where preventative controls have not been implemented;
- Propper consequence management should be implemented;
- It should be ensured that reconciliations are correct before submission to the AG;
- The increase in AG fees is concerning. The budget that was presented to the PAC in September 2024 indicated that the AG fees will be about R 6 million where in the AFS it is more than R 8 million;
- The PAC noted the efforts being made with regards to debt collection and credit control and would like to thank staff for their efforts; and
- The PAC would like to request that they are updated about changes made to the AFS submitted to the PAC versus AFS submitted to the AG.

The Draft 2024/2025 Annual Performance Report was presented to the PAC on 28 August 2025. The PAC noted that this is not the final report and the completion of the report is dependent on the completion of the Annual Financial Statements. The PAC is concerned about the regression of the municipality's performance overall and especially KPI's with regards to Capital Spending.

The PAC made the following comments with regards to the Annual Performance Report:

- The PAC congratulated the municipality on receiving no findings on the previous APR (2023/2024 audit);
- The PAC raised its concern that the standard of Service Delivery might regress as a result of underperforming KPI's;
- The PAC requested that projects are completed as a matter of urgency as it seems that there are a few projects that are in-progress;
- Corrective measures should be as detailed as possible for the Annual Performance Report to prevent unnecessary questions / confusion; and
- It should be ensured that the information on the Annual Financial Statement and the Annual Performance Report agree.

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 2025

Municipal Audit Committee Recommendations

Date of Committee	**Report Name**	**Committee recommendations during 2024/2025**	**Recommendations adopted (enter Yes) If not adopted (provide explanation)**
27-Aug-24	Draft Annual Performance Report for the year ended 30 June 2024.	The Performance and Audit Committee reviews the Annual Performance Report for the 2023/2024 financial year	Yes
27-Aug-24	Draft Financial Statements for the year ended 30 June 2024.	The Performance and Audit Committee reviews the financial statements for the 2023/2024 financial year.	Yes
19-Sep-24	Performance- and Audit Committee Resolutions Follow-up	The Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
19-Sep-24	2023/2024 SDBIP Report Internal Audit Department 1 July 2023 – 30 June 2024	The Performance and Audit Committee takes note of the 2023/2024 SDBIP report for the Internal Audit Department as on 30 June 2024.	Yes
19-Sep-24	Review of Strategic Risk Register for 2023/2024	The register be referred to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Review of Operational Risk Register for 2023/2024	The register be referred to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Presentation of Combined Assurance Model 2023/24	The item be referred to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Incident or Emerging Risk	The item be referred to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Review of the Anti-Corruption and Fraud Prevention Strategy, Policy and Plan for 2023/24	The reviewed Strategy, Policy and Plan be submitted to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Review and Approval of the Anti-Corruption and Risk Management Policy, Strategy and Risk Operational Implementation Plan for 2024/25	For the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Financial Report for the month ending 31 July 2024.	That the Performance- and Audit Committee notes the attached financial report.	Yes
19-Sep-24	ICT Quarterly Report 1 April 2024 – 30 June 2024.	That the report be noted and that the committee discuss its concerns and highlights any issues requiring clarification.	Yes
19-Sep-24	Auditor-General Report Follow-up	That the Performance- and Audit Committee notes the report.	Yes
19-Sep-24	2023/2024 Annual Audit Opinion	That the Performance- and Audit Committee takes cognisance of	Yes

		the 2023/2024 Annual Audit Opinion.	
19-Sep-24	Audit Work Completed and Planned	That the Performance- and Audit Committee considers the audit work completed for the fourth quarter of the 2023/2024 year and approves the planned activities for the second quarter of the 2024/2025 year.	Yes
19-Sep-24	Supply Chain Management Audit 1 November 2023 – 31 January 2024	The Performance- and Audit Committee notes the report.	No – The agenda item be referred back for comments from the Directorate Financial Services.
19-Sep-24	Risk Management Audit	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	Performance Management Third Quarter 2023/2024 Audit	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	Performance Management Fourth Quarter 2023/2024 Audit	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	2023/2024 Year-End Stock Count Report	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	Internal Audit Evaluations per Audit for the Period 1 April 2024 – 30 June 2024.	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
19-Sep-24	Internal Audit Follow-up Reports	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	Compliance to Acts 1 April 2024 – 30 June 2024	The Performance- and Audit Committee takes cognisance of the Compliance to Acts for the period 1 April 2024 – 30 June 2024.	Yes
22-Nov-24	Auditor-General Report 2023/2024 Audit	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Performance- and Audit Committee Resolutions Follow-up	The Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
09-Dec-24	First Quarter Top Layer SDBIP Report	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Review of Operational Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
09-Dec-24	Review of Strategic Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
09-Dec-24	Review of the Anti-Corruption and Fraud Prevention Policy, Strategy, Plan, FARMCO Terms of Reference, Combined Assurance Framework and Business Continuity Framework for 2024/25	The Anti-Corruption and Fraud Prevention Policy, Strategy, Plan, FARMCO Terms of Reference, Combined Assurance Framework and Business Continuity Framework for 2024/25 be referred to the Performance- and Audit Committee for oversight.	Yes

09-Dec-24	Financial Report for the month ending 31 October 2024.	That the Performance- and Audit Committee notes the attached financial report.	Yes
09-Dec-24	ICT Quarterly Report 1 July 2024 – 30 September 2024.	That the report be noted and that the committee discuss its concerns and highlights any issues requiring clarification.	Yes
09-Dec-24	Audit Work Completed and Planned	That the Performance- and Audit Committee considers the audit work completed for the first quarter of the 2024/2025 year and approves the planned activities for the third quarter of the 2024/2025 year.	Yes
09-Dec-24	Supply Chain Management Audit 1 February 2024 – 30 April 2024	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Supply Chain Management Audit 1 May 2024 – 31 July 2024	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Solid Waste First Quarter 2024/2025 Audit	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Compliance to Acts 1 July 2024 – 30 September 2024	The Performance- and Audit Committee takes cognisance of the Compliance to Acts for the period 1 July 2024 – 30 September 2024.	Yes
09-Dec-24	Internal Audit Evaluations per Audit for the Period 1 July 2024 – 30 September 2024.	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
09-Dec-24	Internal Audit Follow-up Reports	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Changes in the Global Internal Audit Standards	The Performance- and Audit Committee takes cognisance of the changes in the Global Internal Audit Standards.	Yes
17-Jan-25	2023/2024 Draft Annual Report	The Performance- and Audit Committee takes note of the 2023/2024 Draft Annual Report	Yes
14-Mar-25	Performance- and Audit Committee Resolutions Follow-up	The Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
14-Mar-25	Second Quarter Top Layer SDBIP Report	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	2024/2025 SDBIP Report Internal Audit Department January 2025	The Performance and Audit Committee takes note of the 2024/2025 SDBIP report for the Internal Audit Department as on 31 January 2025.	Yes
14-Mar-25	Minutes of the Fraud & Risk Management Committee Meeting – 20 August 2024	The Performance and Audit Committee takes cognisance of the content of the Minutes of the Fraud and Risk Management Committee Meeting of 20 August 2024.	Yes

14-Mar-25	Risk Management Implementation Plan 2024/2025	The Risk Management Implementation Plan for 2024/2025 be referred to the Performance- and Audit Committee for oversight.	Yes
14-Mar-25	Presentation of Combined Assurance Model 2024/2025	The Combined Assurance Model be referred to the Performance- and Audit Committee for oversight.	Yes
14-Mar-25	Review of Strategic Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
14-Mar-25	Financial Report for the month ending 31 January 2025.	That the Performance- and Audit Committee notes the attached financial report.	Yes
14-Mar-25	ICT Quarterly Report 1 October 2024 – 31 December 2024.	That the report be noted and that the committee discuss its concerns and highlights any issues requiring clarification.	Yes
14-Mar-25	Audit Work Completed and Planned	That the Performance- and Audit Committee considers the audit work completed for the second quarter of the 2024/2025 year and approves the planned activities for the fourth quarter of the 2024/2025 year.	Yes
14-Mar-25	Supply Chain Management Audit 1 August 2024 – 31 October 2024	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Performance Management First Quarter 2024/2025 Audit	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Performance Management Second Quarter 2024/2025 Audit	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Water Use License Audit	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Recovery of Revenue Audit	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Ad Hoc Investigation LL04/2021/22	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Compliance to Acts 1 October 2024 – 31 December 2024	The Performance- and Audit Committee takes cognisance of the Compliance to Acts for the period 1 October 2024 – 31 December 2024.	Yes
14-Mar-25	Internal Audit Evaluations per Audit for the Period 1 October 2024 – 31 December 2024	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
14-Mar-25	Internal Audit Follow-up Reports	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Internal Audit 2025/2026 Budget Submissions	The Performance- and Audit Committee considers and make recommendations on the 2025/2026 Budget submissions of the Internal Audit Department	Yes

13-Jun-25	Performance- and Audit Committee Resolutions Follow-up	The Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
13-Jun-25	Third Quarter Top Layer SDBIP Report	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	2024/2025 SDBIP Report Internal Audit Department April 2025	The Performance and Audit Committee takes note of the 2024/2025 SDBIP report for the Internal Audit Department as on 30 April 2025.	Yes
13-Jun-25	Review of Strategic Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Review of Operational Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Risk Management Implementation Plan 2024/2025	The Risk Management Implementation Plan for 2024/2025 be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Presentation of Combined Assurance Model 2024/2025	The Combined Assurance Model be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Risk Management Maturity Assessment 2024-2025	The Risk Management Maturity Assessment be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Financial Report for the month ending 30 April 2025.	That the Performance- and Audit Committee notes the attached financial report.	Yes
13-Jun-25	ICT Quarterly Report 1 January 2025 – 31 March 2025.	That the report be noted and that the committee discuss its concerns and highlights any issues requiring clarification.	Yes
13-Jun-25	Audit Work Completed and Planned	That the Performance- and Audit Committee considers the audit work completed for the third quarter of the 2024/2025 year and approves the planned activities for the first quarter of the 2025/2026 year.	Yes
13-Jun-25	Cash Management and Investment Audit	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	Performance Management Third Quarter 2024/2025 Audit	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	Internal Audit Follow-up Reports	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	Auditor General Report Follow-up	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	Compliance to Acts 1 January 2025 – 31 March 2025	The Performance- and Audit Committee takes cognisance of the Compliance to Acts for the	Yes

		period 1 January 2025 – 31 March 2025.	
13-Jun-25	Replacement of Maintenance on Roads Audit on the 2024/2025 Annual Audit Plan	The Performance- and Audit Committee approves the replacement of the Maintenance on Roads Audit with a DORA Audit.	Yes
13-Jun-25	Internal Audit Plan 2025/2026	The Performance- and Audit Committee accepts and approves the Strategic Internal Audit Plan for 1 July 2025 – 30 June 2028 and the Internal Audit Plan for 2025/2026.	Yes
13-Jun-25	Performance- and Audit Committee Charter	The Performance- and Audit Committee takes cognisance of the draft revised Performance- and Audit Committee Charter	Yes
13-Jun-25	Internal Audit Charter	The Performance- and Audit Committee approves the Internal Audit Charter	Yes
13-Jun-25	Revised Internal Audit Methodology	The Performance- and Audit Committee approves the Internal Audit Methodology	Yes
13-Jun-25	Internal Audit Evaluations per Audit for the Period 1 January 2025 – 31 March 2025	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
13-Jun-25	Internal Audit Evaluation	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
13-Jun-25	Performance- and Audit Committee Evaluation	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
13-Jun-25	Performance- and Audit Committee Meeting Schedule	The Performance- and Audit Committee takes cognisance of the attached meeting schedule	Yes
13-Jun-25	Competence of the Theewaterskloof Municipal Staff	The Performance- and Audit Committee satisfy themselves of the competence of the TWK staff.	No – That the agenda-item be referred back and that the Internal Audit Department must highlight all the names of staff of the Directorate Finance and forward it to the Performance- and Audit Committee Members.

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 persal system to avoid non-compliance.

In order to supply goods or provide services to the municipality, the business needs to be registered on the Theewaterskloof 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 in the name of the supplier. (Bank Verification)
- Registered with the appropriate Industry Regulatory body for your specific industry (e.g. attorney with the law society), where applicable.
- BBBEE Certificate/ Sworn Affidavit
- Certified ID documents of the Directors of Company

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 and sign/ complete where necessary. 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 does not comply with the eligibility criteria as stated and your company you will be disqualified for further evaluation.

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 before 12:00 date of closing ; 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 after closing date.

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 for during the financial year of 2024/2025:

1. Problem Property By-Law, 2022 (05 September 2024)
2. New Integrated waste by-law 2024
3. New Integrated waste management plan 2024

2.11 WEBSITE

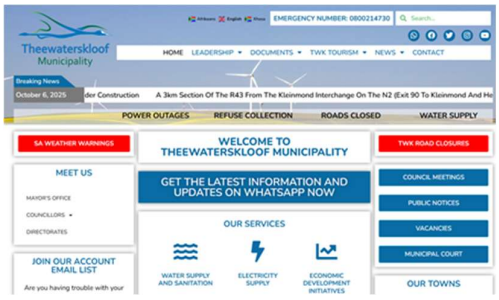
Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the Municipal Finance Management Act (MFMA) as well as other relevant legislation from the South African legal framework. This would be the formal legislative requirement, but the social and community benefits are obviously substantial. A website serves as a fundamental necessity, instrument, and resource for any organization in today's economy and era. Social media functions as a significant tool for contemporary communication, with various platforms being employed by different age groups and generations. The municipality is working to enhance the services it offers and disseminates on its website, as well as to improve the news and communication features available to the wider public and across other social media channels.

The municipal website aims to serve as a tool for enhancing accountability and transparency within communities, providing relevant information that is both accurate and updated promptly in accordance with our internal capabilities and the information at hand.

Our newly redesigned website features an improved layout and user experience, with several enhancements aimed at increasing accessibility and functionality. Key additions include:

- A scrolling news bar for urgent updates and announcements
- Dedicated tabs for essential services
- User-friendly online services, allowing residents to:
- Pay municipal accounts and traffic fines
- Submit building plan applications
- Apply for job opportunities via our new job application portal
- Event highlights and recognitions prominently displayed on the homepage

The municipal website is a crucial component of the Municipality's communication strategy, complementing other communication methods and social media platforms. This includes our Facebook, Collab Citizen App, Instagram, X (formerly known as Twitter), and WhatsApp pages as well.



Through ongoing improvements, the municipality aims to enhance the quality and reach of its digital services, ensuring that residents are well-informed and actively involved in local governance. The website remains a key instrument in promoting transparency, accountability, and inclusive communication across all communities we serve.

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 2024/25 – 05-Jun-2023
		Adjustment Budgets (1) 2024/25 – 23-Aug-2024
		Final Budget 2025/26-27 May 2024
All current budget-related policies	Yes	Final Budget Policy Changes_2026_4 June 2025 Final Budget_Budget Policies_2026_4 June 2025 Final_Budget_Policy_Changes_2025_23_May _AnnexureB
The previous Annual Report (Year 2023/24)	Yes	20-Mar-24
The Annual Report (Year 2024/25) published/to be published	Yes	Draft – January 2026
		Final - March-2026
All current Performance Agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards (Year 2023/24)	Yes	
		Performance Agreement ()
		Director Community Services -
		Performance Agreement (25 July 2025)
		Director Corporate Services - Mr.GW Hermanus
		Performance Agreement (25 July 2025)
		Municipal Manager - Mr. W. Hendricks
		Performance Agreement (25 July 2025)
		Director Financial Services - Mr. P. Mabhena
		Performance Agreement (25 July 2025)
		Director Technical and Infrastructure Implementation Services – Mr. H. Matthee
		Performance Agreement (05 - August 2025)
		Director Economic Development and Planning - Ms. N. Baliso
All service delivery agreements (Year 2024/25)	Yes	Quarter 1:
		Quarter 2:
		Quarter 3:
		Quarter 4:
All long-term borrowing contracts (Year 2024/25)	Yes	Monthly as per policy
All supply chain management contracts above a prescribed value for Year 2024/25	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 2024/25	N/A	None

Contracts agreed in Year 2024/25 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 2023/24	N/A	N/A
All quarterly reports tabled in the Council in terms of section 52 (d) during Year 2024/25	N/A	Q1 – 07 OCTOBER 2024
		Q2 – 10 FEBRUARY 2025
		Q3 - 04 APRIL 2025
		Q4 – 15 JULY 2025
Note: MFMA S75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course, encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.		

2.12 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The municipality conducted a satisfaction survey in June 2022. The municipality lacks both the financial resources and the capacity to perform such a survey on an annual basis.

Final

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 1 July 2024 to 30 June 2025 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 2024/25. The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Strategic Objective.

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.

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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.

Adjustment SDBIP 2024/25

The following elements necessitated the revision of the SDBIP:

The adjustment budget:

1. Adjustments during the 2024/25 Financial Year
2. Auditor General's recommendation on the 2023/24 Performance Audit.
3. Comments received from Internal Audit who assessed KPI's based on SMART principle.

The revision process was as follows:

- One on one sessions were held with all the directors and their heads of departments were 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.

Section 26 (1) and (2)(c) of the Municipal Budget and Reporting Regulations and in terms of the MFMA Section 54(1)(c) the Municipality may amend/adjust the SDBIP together with the Adjustment Budget. On 27 March 2025, Council approved the amended SDBIP.

The following amendments/adjustments were made as per the Adjustment Budget of 27 March 2025. To be read in conjunction with **Revised SDBIP 2024/25 in Annexure 1.**

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Top Layer Reference Number	Reason for adjustment/ amendment
TL35; TL36; TL37	KPI's removed. Funding removed with the adjustment budget
TL74; TL75	KPI's removed. The initial Council resolution was advertised for public comment. Numerous objections were received on this matter. A major concern was raised by one of the objectors that to their interpretation all outspans on ERF 595 must be utilised free of charge to that community of Greyton and that the Municipality has no right to develop/sell or lease of Ert 595
TL76	KPI wording changed to "Advertise tender for the lease of Erf 4762, Caledon for a Commercial Mixed-use Development by 30 June 2025"
TL77	KPI removed. Carried over to 2025/26. Awarding and concluding of lease agreement will not be within this financial year. As such, process will be longer than 3 months
TL82	KPI removed. Delays experienced in appointing contractor to start the project. Therefor funds not utilised by 30 June 2025
TL88	KPI target date changed to 30 June 2025. The Municipality experienced delays on the approval of the funding of the project from the Department of Infrastructure, which has been finally approved
TL91	KPI removed. Moved to the next financial year due to funding being shifted by the Department of Infrastructure during the budget cuts of the Western Cape Provincial Government
TL18	KPI target changed from 7 580 to 7560. During the Technical Indicator Description (TID) electricity rollover, the faulty meters not in use were taken off the system for data cleansing purposes
TL26; TL27; TL28	KPI target date changed to 30 June 2025
TL29	KPI removed. Council already approved a Payment of Professional Fees of Staff Members Policy in 2019
TL30	KPI removed. Duplication of TL27
TL38; TL39; TL40; TL41; TL42; TL43; TL44; TL47; TL48; TL49; TL50; TL51; TL53; TL54; TL59; TL61; TL63; TL64; TL65; TL67	KPI removed. No budget
TL46	KPI removed. Discussed design and completion – R150 000
TL52	KPI changed to "Spend 95% of the budget for Botrivier Treatment Works (phase 2) by 30 June 2025"
TL55	KPI changed to "Spend 95% of budget for Tesselaarsdal water pipeline (phase 2) by 30 June 2025"
TL57	KPI removed. No funding

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Top Layer Reference Number	Reason for adjustment/ amendment
TL60	KPI description changed to "Complete phase 1 of the upgrade and expansion of the Villiersdorp Water Treatment Works (WTW) by 30 June 2025"
TL66	KPI changed to "Complete main excess path to demarcated burial sites in Caledon by 30 June 2025"
TL68	KPI changed to "Spend 95% of the capital budget allocated for the Upgrading of Pineview Park sport Ground phase 1 in Grabouw by 30 June 2025 {(Total actual expenditure for the project)x100}"

SDBIP TL 2024/25 adjustments/amendments – 27 March 2025

Strategic and Municipal Performance for 2024/25

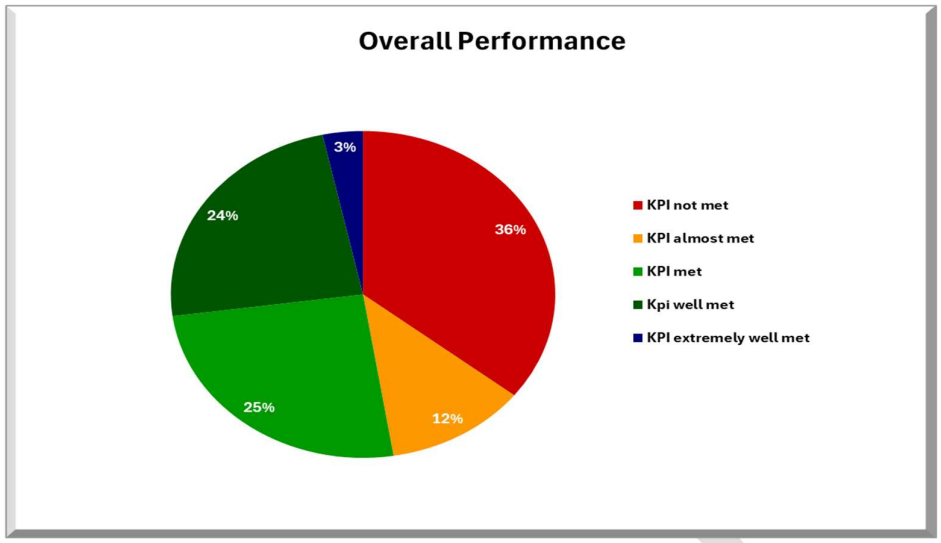
The following table explains the method by which the overall assessment of actual performance against targets set for the KPI's of the SDBIP is measured:

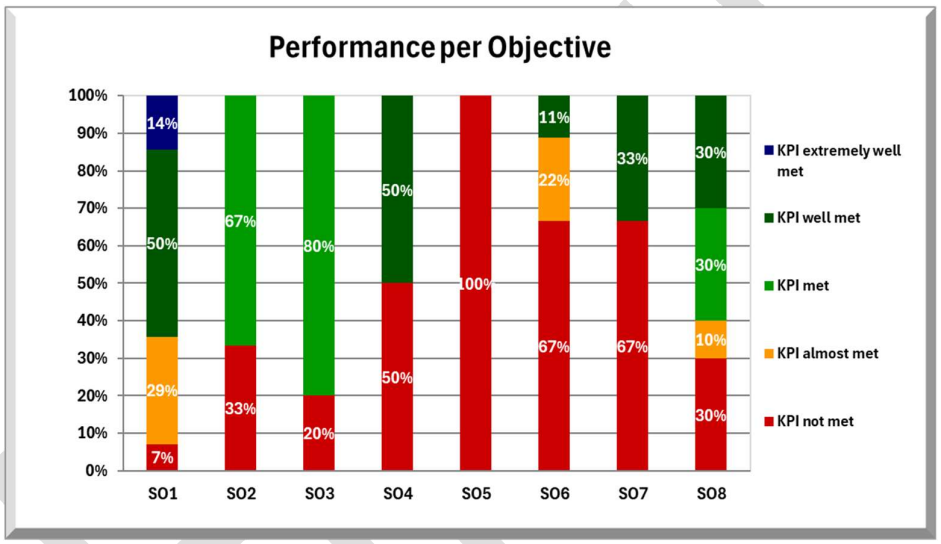
Category	Rating	Explanation
KPI Not Yet Measured	Not yet measured	KPI's with no targets or actuals in the selected period
KPI Not Met	KPI Not Met	0% > = Actual/Target< 75%
KPI Almost Met	KPI Almost Met	75% > = Actual/Target < 100%
KPI Met	KPI Met	Actual/Target = 100%
KPI Well Met	KPI Well Met	100% > Actual/Target < 150%
KPI Extremely Well Met	KPI Extremely Well Met	Actual/Target > = 150%

SDBIP measurement categories

The graphs below display the overall performance in terms of the Top Layer SDBIP per strategic objectives for 2024/25:

First





Measurement Category	Basic services for all	Democratic, responsive, and accountable government	Healthy and productive workforce	Improve the social environmental fabric of TWK community	Integrated Human Settlements	Maintenance, replacements, and upgrades of municipal infrastructure	Sound financial management and continuous revenue growth	Upgrading of Informal Settlements and prioritising the most needy housing allocation
	SO1	SO2	SO3	SO4	SO5	SO6	SO7	SO8
KPI Not Met	1	4	1	1	1	6	4	3
KPI Almost Met	4	0	0	0	0	2	0	1

KPI Met	0	8	4	0	0	0	0	3
KPI Well Met	7	0	0	1	0	1	2	3
KPI Extremely Well Met	2	0	0	0	0	0	0	0
Total	**14**	**12**	**5**	**2**	**1**	**9**	**6**	**10**

Overall performance per strategic objective

The Municipality had a total of 59 Top layer KPI's that was measured during the 2024/25 financial year. 53% of all KPI's was either achieved or achieved above the expected target, 12% was almost achieved whilst 36% was not achieved. Performance increased from 50% in 2023/24 to 53% in 2024/25.

Detailed Actual Performance for 2024/25 KPI's per Strategic Objectives

Basic services for all

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL13	Basic Service Delivery	Basic Service Delivery	Provide 6kl free basic water per month to all indigent households during the 2024/25 financial year	Number of indigent households receiving free basic water	All	6 295	6 200	6 200	6 200	6 200	**6 200**	**6 314**	G2
TL14	Basic Service Delivery	Basic Service Delivery	Provide 70kwh of free basic electricity per month to all indigent households (Excluding Eskom) during the 2024/25 financial year	Number of indigent households receiving free basic electricity	All	2 707	2 700	2 700	2 700	2 700	**2 700**	**2 583**	O
		Corrective Measure		Credit control actions and reminders. Threshold for qualification increased to R5 000									
TL15	Basic Service		Provide free basic refuse removal	Number of indigent household	All	6 324	6 250	6 250	6 250	6 250	**6 250**	**6 333**	G2

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
	Delivery	Basic Service Delivery	to indigent households in terms of the equitable share requirements during the 2024/25 financial year	olds receiving free basic refuse removal									
TL16	Basic Service Delivery	Basic Service Delivery	Provide free basic sanitation to indigent households in terms of the equitable share requirements during the 2024/25 financial year	Number of indigent households receiving free basic sanitation	All	6 295	6 250	6 250	6 250	6 250	**6 250**	**6 308**	G2
TL17	Basic Service Delivery	Basic Service Delivery	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 2024/25 financial year	Number of residential properties which are billed for water or have prepaid meters	All	15 987	15 980	15 980	15 980	15 980	**15 980**	**16 057**	G2
TL18	Basic Service Delivery		Number of residential properties connected to the municipal electrical	Number of residential properties which	All	7 571	7 560	7 560	7 560	7 560	**7 560**	**7 558**	O

Final

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
		Basic Service Delivery	infrastructure network (credit and prepaid electrical metering) (excluding ESKOM areas) and billed for the services during the 2024/25 financial year	are billed for electricity or have prepaid meters (excluding ESKOM areas)									
		Corrective Measure		Target almost met. only 2 meters short. The installation of new meters at new developments									
TL19	Basic Service Delivery	Basic Service Delivery	Number of residential properties for which refuse is removed once per week and billed for the services during the 2024/25 financial year	Number of residential properties which are billed for refuse removal once a month	All	16 108	16 085	16 085	16 085	16 085	**16 085**	**16 120**	G2
TL20	Basic Service Delivery	Basic Service Delivery	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)	Number of residential properties which are billed for sewerage	All	15 664	15 620	15 620	15 620	15 620	**15 620**	**15 702**	G2

Final

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
			and billed for the services during the 2024/25										
TL31	Basic Service Delivery	Basic Service Delivery	Achieve an average of 90% water sample compliance with SANS 241 micro biological indicators Water Treatment Works {(% achievement all WTW's/WTW's tested)	Average % water compliance in terms of SANS 241 achieved	All	92.22%	90%	90 %	90 %	90%	**90%**	**93.04%**	G2
TL32	Basic Service Delivery	Basic Service Delivery	Install and replace 1 500 pre-paid/smart water meters by 30 June 2025	Number of prepaid /smart water meters installed	All	1 303	150	450	450	450	**1 500**	**0**	R
		Corrective Measure		KPI to be removed and to be reported to Council in February 2025									

Final

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL34	Basic Service Delivery	Basic Service Delivery	Limit unaccounted water to less than 22%{(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold (incl free basic water) / Number of Kiloliters Water Purchased or Purified) x 100}	% unaccounted water captured in the report	All	21.68%	22%	22 %	22 %	22%	**22%**	**16.10%**	B
TL56	Basic Service Delivery	Basic Service Delivery	Spend 95% of the Capital Budget allocated for the Bulk Raw Water Pipe Replacement of Genadendal Berglyn Phase 2 by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	All	91.53%	10%	40 %	60 %	95%	**95%**	**84%**	O
		Corrective Measure		Tender was awarded and funds will be spend. We are currently awaiting approval for a variation order in terms of Clause 52 of SCM policy to maximize spending. The project is practically completed									

Final

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL69	Basic Service Delivery	Basic Service Delivery	Spend 95% of the Municipal Infrastructure Grant by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% MIG funding spent	All	99.14%	10%	40 %	60 %	95%	**95%**	**83%**	O
		Corrective Measure		Roll over application to retain the 17% underspending will be submitted									
TL70	Basic Service Delivery	Basic Service Delivery	Limit unaccounted electricity to less than 8.4% as at 30 June 2025 {(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	All	3.70%	8.40 %	8.40%	8.40%	8.40 %	**8.40 %**	**3.69 %**	B

b) Democratic, responsive, and accountable government

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL1	Good Governance and Public Participation	Good Governance and Public Participation	Compile and submit the final IDP to Council by 31 May 2025	Final IDP submitted to Council	All	1	0	0	0	1	**1**	**1**	G
TL2	Municipal Financial Viability and Management	Financial Viability	Compile and submit the final annual budget to Council by 31 May 2025	Final budget submitted to Council	All	1	0	0	0	1	**1**	**1**	G
TL3	Good Governance and Public Participation	Good Governance	Compile and submit the Oversight Report to Council by 31 March 2025	Report submitted to Council	All	1	0	0	1	0	**1**	**1**	G
TL4	Good Governance and Public Participation	Good Governance	Compile and submit the Draft Annual Report to Council by 31 January 2025	Draft Annual Report submitted to Council	All	1	0	0	1	0	**1**	**1**	G
TL6	Good Governance and Public Participation	Good Governance	Compile and submit Annual Performance Report (APR) to the AG by 31 August 2024	Annual Performance Report Submitted	All	1	1	0	0	0	**1**	**1**	G
TL7	Municipal Transformation and Institutional Development	Institutional Development	Appoint a panel of attorneys by 30 June 2025	Panel of attorneys appointed	All	New KPI for 2024/25. No audited comparative available	0	0	0	1	**1**	**0**	R

Final

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q 1	Q 2	Q 3	Q 4	Annual		
		Corrective Measure		Tender advertised, to close for submissions on the 11 July 2025									
TL8	Good Governance and Public Participation	Institutional Development	Review the risk register and submit to the FARMCO by 30 June 2025	Completed risk assessment submitted	All	New KPI for 2024/25. No audited comparative available	0	0	0	1	**1**	**1**	G
TL22	Good Governance and Public Participation	Good Governance	Achieve an unqualified audit opinion for the 2023/24 financial year	Unqualified audit opinion achieved	All	1	0	1	0	0	**1**	**0**	R
		Corrective Measure		Develop an audit action plan due for submission on the 31st of January 2025									
TL23	Municipal Financial Viability and Management	Financial Viability	Compile and submit the Annual Financial Statements to the Auditor General (AG) by 31 August 2024	Annual Financial Statements submitted to the AG	All	1	1	0	0	0	**1**	**1**	G
TL72	Good Governance and Public Participation	Local Economic Development	Award tender for the sale of a portion of Erf 595, Greyton for Education purposes by 31 December 2024	Tender awarded by 31 December 2024	All	0	0	1	0	0	**1**	**0**	R
		Corrective Measure		The Bid Specification Committee recommended that the original Council approval be referred back to Council for reconsideration, specifically to amend the condition restricting the sale exclusively to non-profit educare organisations. Tender will re-advertise upon Council approval									
TL73	Good Governance and Public Participation	Local Economic Development	Conclude the sale of a portion of Erf 595, Greyton for Education	Sale concluded by 31 March 2025	All	0	0	0	1	0	**1**	**0**	R

Final

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
			purposes by 31 March 2025										
		Corrective Measure		The Portfolio committee resolved that it would be in the best interest of the Municipality to consider returning the initial Council Resolution to Council to be reviewed									
TL76	Good Governance and Public Participation	Local Economic Development	Advertise tender for the lease of Erf 4762, Caledon for a Commercial Mixed-use Development by 30 June 2025	Tender advertised by 30 June 2025	All	New KPI for 2024/25. No audited comparative available	0	0	0	1	**1**	**1**	G

Democratic, responsive, and accountable government

c) Healthy and productive workforce

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL24	Municipal Transformation and Institutional Development	Institutional Development	The percentage of the municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2025 [(Actual amount spent on training/total personnel budget)x 100]	% of the personnel budget spent	All	0.06%	0%	0.10%	0.20%	0.30%	**0.30%**	**0.08%**	R
		Corrective Measure The Municipality do not budget 1% of the salary bill and therefore it will be impossible to achieve the target of 0.30%											

PROOF

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL 25	Municipal Transformation and Institutional Development	Institutional Development	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 2025	Number of people employed	All	2	0	0	0	3	**3**	**3**	G
TL 26	Municipal Transformation and Institutional Development	Institutional Development	Review the organogram and submit to Council 30 June 2025	Organogram submitted	All	0	0	0	0	1	**1**	**1**	G
TL 27	Municipal Transformation and Institutional Development	Institutional Development	Compile and submit a Rewards and Recognitions Policy to Council by 30 June 2025	Rewards and Recognitions Policy submitted by 30 June 2025	All	0	0	0	0	1	**1**	**1**	G
TL 28	Municipal Transformation and Institutional Development	Institutional Development	Compile and submit a Probation Policy to Council by 30 June 2025	Probation Policy submitted by 30 June 2025	All	New KPI for 2024/25. No audited comparative available	0	0	0	1	**1**	**1**	G

Healthy and productive workforce

Final

d) Improve the social environmental fabric of TWK community

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q 1	Q 2	Q 3	Q 4	Annual		
TL 68	Basic Service Delivery	Basic Service Delivery	Spend 95% of the capital budget allocated for the Upgrading of Pineview Park sport Ground phase 1 in Grabouw by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x 100}	% budget spent	All	98.40%	10 %	40 %	60 %	95 %	**95%**	**44 %**	R
		Corrective Measure The contractor is required to finish the works in terms of his updated programme. The remainder of the funding will be paid in period 13											
TL 71	Local Economic Development	Local Economic Development	Create temporary work opportunities in terms of EPWP by 30 June 2025	Number of temporary work opportunities created	All	327	50	70	70	53	**243**	**346**	G 2

Improve the social environmental fabric of TWK community

e) Integrated Human Settlements

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q 1	Q 2	Q 3	Q 4	Annual		
TL83	Basic Service Delivery	Basic Service Delivery	Construct 32 top structures for Hillside (Grabou	Number of top structures constructed	All	New KPI for 2024/25. No audited comparati	0	10	12	10	**32**	**0**	R

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q 1	Q 2	Q 3	Q 4	Annual		
			w) by 30 June 2025			ve available							
		Corrective Measure The Municipality will engage with the contractor to re-establish failure which will result in termination											

Integrated Human Settlements

f) Maintenance, replacements, and upgrades of municipal infrastructure

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL33	Basic Service Delivery	Basic Service Delivery	65% of effluent samples comply with permit values {(% compliance of all WWTW's achieved / the number of WWTW's tested)}	Average % achieved	All	58.35%	65%	65%	65%	65%	**65%**	**54.37%**	○
		Corrective Measure	**Corrective actions to be taken in order to be compliant:** **Botriver:** • Expedite the repairs to the unserviceable pumps and centrifuge • Clear blockages in sludge return line continuously • Clean Chlorine Contact Tank regular intervals **Caledon:** • Repair faulty switchovers and sludge return pumps • Investigate whether inflow meter sensor is faulty and repair • Clean contact Tank at regular intervals **Grabouw:** • Causes: ➢ Non disposal of sludge in wet weather conditions ➢ Two clarifiers faulty, busy with strip and quote ➢ Aerator ➢ Faulty, in for strip and quote by Greyton electrical • Corrective Action ➢ Consider returning the belt press to service. During winter disposing of sludge and drying beds remain a challenge. Returning the belt press can assist with disposing sludge regularly (can work all seasons) ➢ Fix the two faulty clarifiers and aerators **Tesselaarsdal:** • Operate all aerators continuously • Investigate the condition of the nozzles in the aeration tanks								

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL45	Basic Service Delivery	Basic Service Delivery	Spend 95% of the project budget approved for the electrification of the Theewaterskloof Area (INEP) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	All	New KPI for 2024/25. No audited comparative available	10%	40%	60%	95%	**95%**	**64%**	R
		Corrective Measure Riemvasmaak Project Site, civil works to be completed before installation of electrical infrastructure can take place. Rollover of remaining funds will be requested											
TL52	Basic Service Delivery	Basic Service Delivery	Spend 95% of the capital budget for the Botriver Treatment Works (Phase 2) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	%budget spent	All	97.54%	0%	0%	0%	95%	**95%**	**76%**	O
		Corrective Measure The evaluation take longer that was plan for appointment of JVC construction. JVC construction received the working permit later than anticipated											
TL55	Basic Service Delivery	Basic Service Delivery	Spend 95% of the capital budget for the Tesselaarsdal Water Pipeline (Phase 2) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	All	New KPI for 2024/25. No audited comparative available	0%	0%	0%	95%	**95%**	**100%**	G2
TL58	Basic Service Delivery		Spend 95% of the Capital Budget allocated for water pipe replacement in Ebenhaeser,	% budget spent	All	New KPI for 2024/25. No audited comparative available	10%	40%	60%	95%	**95%**	**0%**	R

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
		Basic Service Delivery	Hofmeyer, Ryke, Gaffley, Plum and Sam Streets at Grabouw (Phase 2) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}										
		Corrective Measure On 6 May 2025, again no quorum could be formed. We are currently waiting for a quorum that the tender can be advertised to proof WSIG that we have a commitment to rollover the funds. This report must also take into account the invoices submitted but not yet paid which includes the safety agents work. This award is subject to the approval of the rollover for the WSIG funds.											
TL60	Basic Service Delivery	Basic Service Delivery	Complete phase 1 of the upgrade and expansion of the Villiersdorp Water Treat Works (WTW) by 30 June 2025	Water Treatment Works upgraded and expanded by 30 June 2025	All	New KPI for 2024/25. No audited comparative available	0	0	0	1	**1**	**0**	R
		Corrective Measure		Corrective Actions Taken: • A revised project close-out schedule was developed and implemented to accelerate outstanding tasks while maintaining quality standards • Additional resources were allocated to expedite snag resolution and mitigate weather-related delays • Regular progress reviews were conducted to ensure alignment with the updated timeline and to improve responsiveness to unforeseen challenges									
TL62	Basic Service Delivery	Basic Service Delivery	Spend 95% of the capital budget allocated for the upgrade of the Grabouw Gypsy Queen bulk sewer and water provision by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	All	New KPI for 2024/25. No audited comparative available	10%	40%	60%	95%	**95%**	**55%**	R
		Corrective Measure The project will roll over and continue in 2025/26. The capital budget will be adjusted accordingly											

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q1	Q2	Q3	Q4	Annual		
TL66	Basic Service Delivery	Basic Service Delivery	Complete main excess path to demarcated burial sites in Caledon 30 June 2025	Access paths completed by 30 June 2025	All	New KPI for 2024/25. No audited comparative available	0	0	0	1	**1**	**0**	R
		Corrective Measure The project is postponed until funding can be made available in future budgets											
TL78	Basic Service Delivery	Basic Service Delivery	Spend 95% of the project budget approved for Villiersdorp Taxi Rank Upgrade (Phase 3) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% budget spent	All	54.99%	10%	40%	60%	95%	**95%**	**31.46%**	R
		Corrective Measure Due to circumstances outside our control and inclement weather, the project could not be finalised. A rollover application will be submitted for completion of the project by or before 30 June 2026											

Maintenance, replacements, and upgrades of municipal infrastructure

g) Sound financial management and continuous revenue growth

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q 1	Q 2	Q 3	Q 4	Annual		
TL 5	Basic Service Delivery	Basic Service Delivery	The percentage of the municipal capital budget spent on projects as at 30 June 2025 {(Actual amount spent on capital projects excluding orders/Total amount budgeted	% of capital budget spent	All	56.69%	10 %	40 %	60 %	95 %	**95%**	**60%**	R

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q 1	Q 2	Q 3	Q 4	Annual		
			for capital projects)X 100}										
		Corrective Measure Key contributing elements include delays in the appointment of service providers due to delays within the procurement processes, as well as challenges related to compliance and regulatory approvals. In several instances, project implementation was further impacted by contractor performance issues, adverse weather conditions, and unforeseen site-related complications											
TL 9	Municipal Financial Viability and Management	Financial Viability	Achieve a debtor payment percentage of 83% as at 30 June 2025 ((Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue) x 100	Payment % achieved	All	82.70%	70 %	75 %	83 %	83 %	**83%**	**84%**	G 2
TL 10	Municipal Financial Viability and Management	Financial Viability	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2025 ((Total Operating Revenue-Operating Grants)/Debt Service Payments (i.e. interest + redemption) due within one year)	Ratio achieved	All	12.15	0	0	0	11	**11**	**11.28**	R
		Corrective Measure											

Final

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q 1	Q 2	Q 3	Q 4	Annual		
		Financial Recovery Plan to be implemented in collaboration with Provincial -and National Treasury, revenue enhancement measures to be implemented											
TL 11	Municipal Financial Viability and Management	Financial Viability	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2025 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excl (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months it takes to cover fix operating expenditure with available cash	All	0	0	0	0	1.2	**1.2**	**0**	R
		Corrective Measure Financial Recovery Plan to be implemented in collaboration with Provincial -and National Treasury, revenue enhancement measures to be implemented											
TL 12	Municipal Financial Viability and Management	Financial Viability	Financial viability measured in terms of the outstanding service debtors as at 30 June 2025 (Total outstanding service debtors/	% of outstanding service debtors	All	88.69%	0%	0%	0%	70%	**70%**	**92.39%**	G2

Final

Ref	National KPA	Municipal KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
							Target					Actual	
							Q 1	Q 2	Q 3	Q 4	Annual		
			revenue received for services)										
TL 21	Good Governance and Public Participation	Basic Service Delivery	Spend 95% of project budget spent on the replacement of water meters project by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent	All	New KPI for 2024/25. No audited comparative available	10 %	40 %	60 %	95 %	**95%**	**0%**	R
		Corrective Measure Removal was resolved by Budget Steering Committee; the Municipality did not take up any loans in the 2024/25 financial year											

Sound financial management and continuous revenue growth

Final

h) Upgrading of Informal Settlements and prioritising the most needy housing allocation

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL79	Basic Service Delivery	Spend 95% of the approved project budget for Civil Engineering Services for Greyton Erf 595 by 30 June 2025	% budget spent	All	New KPI for 2024/25. No audited comparative available	0%	0%	0%	95 %	**95%**	**78%**	O
Corrective Measure			Outstanding invoices to be paid to the service provider to show on the capital expenditure									
TL80	Basic Service Delivery	Spend 95% of the approved project budget for Civil Engineering Services for Grabouw Gypsy Queen by 30 June 2025	% budget spent	All	New KPI for 2024/25. No audited comparative available	0%	0%	0%	95 %	**95%**	**100 %**	G 2
TL81	Basic Service Delivery	Submit the Final Basic Assessment Report to the Department of Environmental Affairs and Development Planning (DEADP) for Greater Grabouw Gypsey Queen Project by 31 January 2025	Final Basis Assessment Report submitted to DEADP by 31 January 2025	All	New KPI for 2024/25. No audited comparative available	0	0	1	0	**1**	**1**	G

Final

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
TL84	Basic Service Delivery	Service 408 sites in Villiersdorp Destiny Farm (Phase 2) by 30 June 2025	Number of sites serviced	All	New KPI for 2024/25. No audited comparative available	100	100	100	108	**408**	**408**	G
TL85	Basic Service Delivery	Spend 95% of the approved project budget for Civil Engineering Services for Caledon Riemvasmaak by 30 June 2025	% budget spent	All	New KPI for 2024/25. No audited comparative available	0%	0%	0%	95 %	**95%**	**100 %**	G2
TL86	Basic Service Delivery	Spend 95% of the approved project budget for Civil Engineering Services for Botrivier Beaumont by 30 June 2025	% budget spent	All	New KPI for 2024/25. No audited comparative available	0%	0%	0%	95 %	**95%**	**100 %**	G2
TL87	Basic Service Delivery	Spend 95% of the approved project budget for Civil Engineering Services Grabouw Rooidakke 1054 by 30 June 2025	% budget spent	All	New KPI for 2024/25. No audited comparative available	0%	0%	0%	95 %	**95%**	**40%**	R
Corrective Measure			Ensure project is shovel ready by the start of the financial year, by ensuring approvals and procurement are in place in the previous year. Introduce strict expenditure tracking tools and penalize any non-performance from service providers and replace non-performing service providers. Strengthen oversight and reporting by including financials in reports show planned and current expenditure. Engage with Finance Department to keep to the contracted timeline in terms of effecting payments									
TL88	Basic Service Delivery	Compile a layout plan for the Greater Villiersdorp UISP and submit to Human	Layout plan compiled and submitted by 28 June 2025	All	New KPI for 2024/25. No audited comparative available	0	0	0	1	**1**	**0**	R

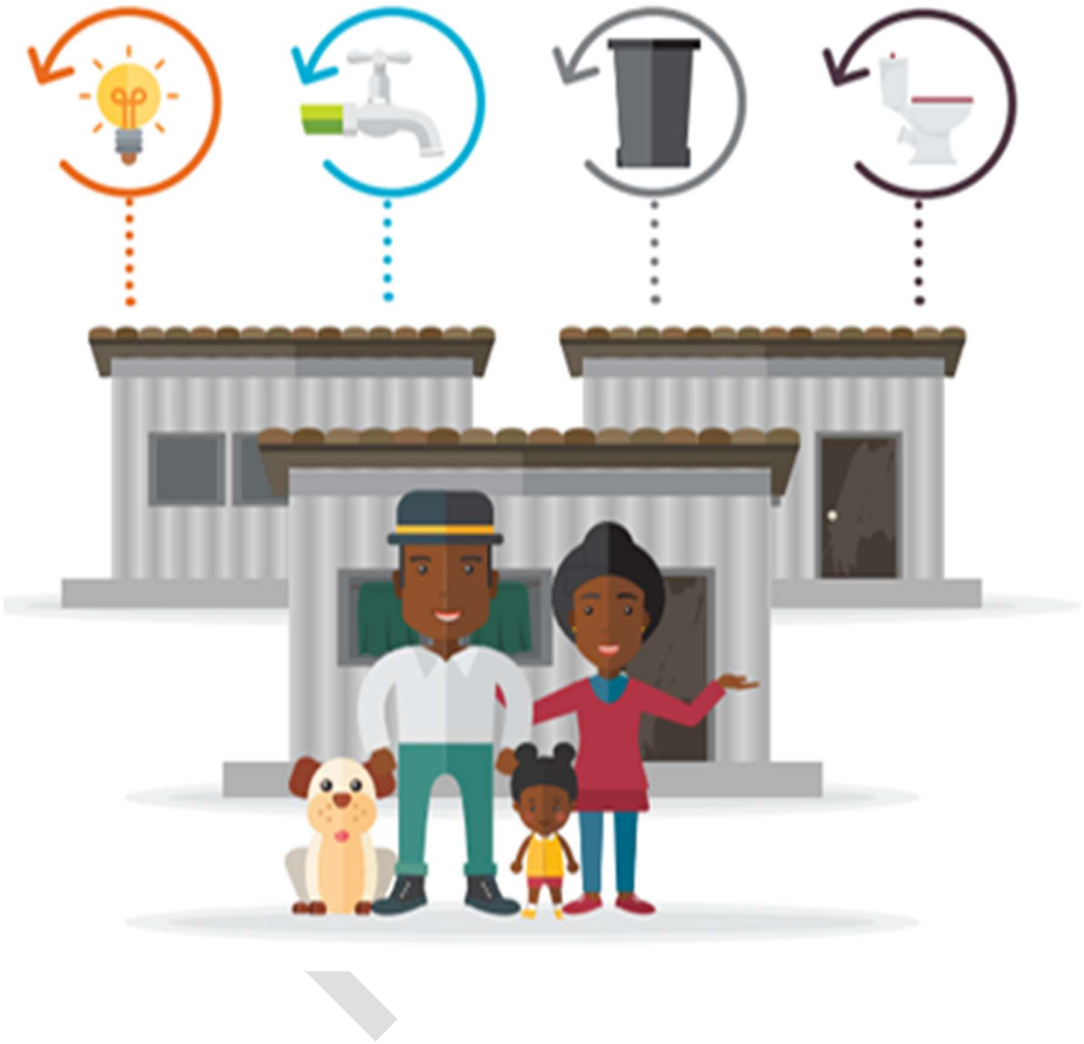
Final

Ref	National KPA	KPI	Unit of measurement	Wards	Actual performance of 2023/24	Overall performance 2024/25						
						Target					Actual	
						Q1	Q2	Q3	Q4	Annual		
		Settlements Portfolio Committee by 30 June 2025										
Corrective Measure			Will be submitted at the next portfolio meeting in August 2025									
TL89	Basic Service Delivery	Spend 95% of Housing Capital Grant by 30 June 2025 {(Total actual expenditure of the grant/Total amount budgeted for the housing capital grant) x 100}	% budget spent	All	59.73%	5%	30 %	65 %	95 %	**95%**	**63%**	R
Corrective Measure			Ensure projects are shovel ready by the start of the financial year, by ensuring approvals and procurement are in place in the previous year. Introduce strict expenditure tracking tools and penalize any non-performance from service providers and replace non-performing service providers. Strengthen oversight and reporting by including financials in reports show planned and current expenditure. Engage with Finance Department to keep to the contracted timeline in terms of effecting payments.									
TL90	Basic Service Delivery	Service 67 sites in Grabouw Waterworks Emergency Housing by 30 June 2025	Number of sites serviced	All	New KPI for 2024/25. No audited comparative available	16	16	19	16	**67**	**67**	G

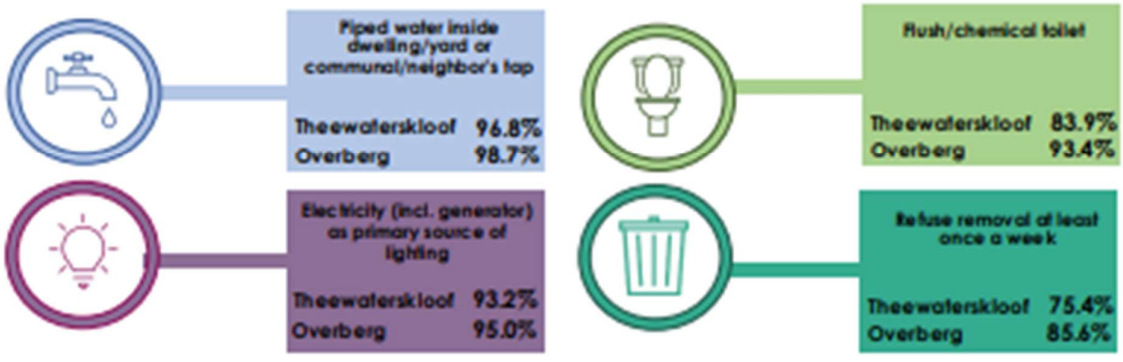
Upgrading of Informal Settlements and prioritising the most needy housing allocation

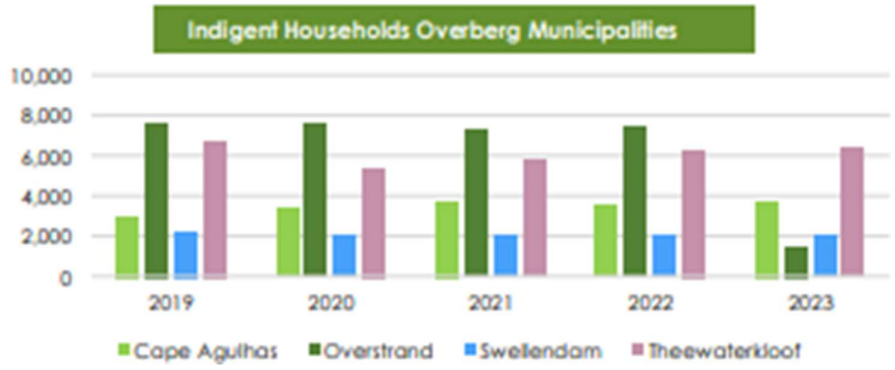
COMPONENT A: BASIC SERVICES

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



BASIC SERVICE DELIVERY





3.1 WATER PROVISION

Water Service Authority and Agreements:

Theewaterskloof Municipality serves as the Water Service Authority in its area.

Service Level Agreements are in place with various entities like Overberg Water Board, Groenland WUA, and Elandskloof Irrigation Board for bulk raw water provision.

Urban and Rural Water Service Levels:

Urban areas have access to water services with free basic water provided to all residents.

Rural farm areas may have service levels below RDP (Reconstruction and Development Programmeme) standards, with estimates needing verification through a survey.

COMPLETED WATER PROJECTS

1. Genadendal Augmentation: PHASE 2

- Objective: Provide adequate water to Genadendal and local businesses.
- Infrastructure: Raw water conveyed from Baviaans River via a pipeline, with upgrades and replacements to enhance reliability.

WATER LOSSES

Water losses within Water Distribution Networks (WDNs) are defined as the difference between the total volume of potable water introduced into the system (as measured at treatment works and bulk supply points) and the volume of metered, verified consumption billed to end-users.

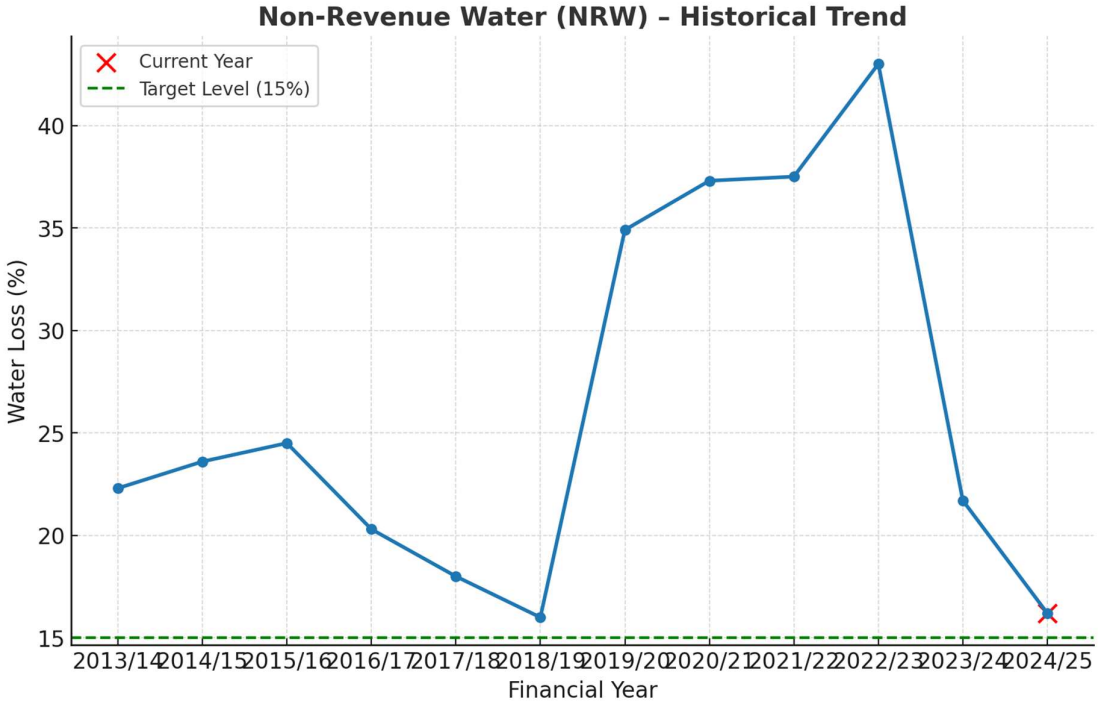
Losses are categorised as **Non-Revenue Water (NRW)**, comprising:

1. **Authorised Unbilled Consumption** – water legitimately used but not billed, such as firefighting, street cleaning, system flushing, and standpipe use in unmetered areas.
2. **Apparent Losses** – commercial losses resulting from:
    - Inaccurate or malfunctioning customer meters,
    - Data handling errors, and
    - Unauthorised connections and illegal consumption.
3. **Real Losses** – physical losses through leaks, bursts, overflows, and other infrastructure failures, typically the largest contributor to NRW.

Sustained high levels of NRW directly impact water security, operational efficiency, and financial sustainability.

Final

4. HISTORICAL OVERVIEW OF WATER LOSSES (ACCUMULATIVE)



Financial Year	Water Loss %
2013/14	22.3%
2014/15	23.6%
2015/16	24.5%
2016/17	20.3%
2017/18	18.0%
2018/19	16.0%
2019/20	34.9%
2020/21	37.3%
2021/22	37.5%
2022/23	43.0%
2023/24	21.7%
2024/25	16.2%

TECHNICAL CAUSES OF WATER LOSSES (2024/25)

The following primary causes have been identified through system monitoring, field investigations, and SCADA/Telemetry data analysis:

- **Pipe Breakages and Underground Leaks** – caused by material fatigue, ground movement, high-pressure transients (water hammer), and inadequate bedding of pipelines.
- **Post-Repair Water Flushing** – required to maintain potable water quality but contributing to measurable volumes of real loss.
- **Bulk Meter Malfunction** – inaccurate or uncalibrated master meters at treatment works and bulk delivery points.
- **Unmetered Consumption in Informal Settlements** – reliance on communal standpipes and the absence of individual meters leading to estimation errors.
- **Illegal Connections and Bypasses** – unauthorised tapping into supply lines for domestic or commercial use without billing.
- **Ageing Infrastructure** – older asbestos cement and steel pipelines prone to failure.
- **Valve and Hydrant Deterioration** – leading to pressure loss and unaccounted-for flows.
- **Pressure Management Deficiencies** – absence of pressure reducing valves (PRVs) or malfunctioning PRVs causing excessive system stress and leakage rates.
- **Vandalism and Theft** – damage to control valves, meters, and fittings.
- **Data Integrity Issues** – discrepancies between meter readings, billing records, and SCADA/remote data due to manual data capture errors or communication failures.

CURRENT AND ONGOING INITIATIVES (Q4 IMPLEMENTATION)

Leak Detection and Repair

- Deployment of **EPWP workers** and municipal plumbers for targeted leak repairs, with a focus on high-incidence areas in Villiersdorp and other informal settlements.
- Utilisation of **acoustic leak detection equipment** for proactive identification of hidden leaks.

Pressure Management

- Installation and calibration of PRVs in over-pressurised zones to reduce stress-related leakage.
- Zoning of distribution networks to enable sectorised control and monitoring.

Metering and Data Accuracy

- Replacement of ageing bulk water meters with electromagnetic flow meters for improved accuracy.
- Implementation of a **calibration schedule** for all critical metering points.

Community Engagement and Awareness

- Initiation of **community water-saving campaigns** in all towns to encourage leak reporting and responsible consumption.
- Training of ward committees and local leaders to assist in water loss awareness and enforcement against illegal connections.

Final

Asset Management

- Development of a prioritised **pipeline replacement programmeme** targeting asbestos cement mains with high breakage frequencies.
- Integration of GIS-based asset registers with incident logging for predictive maintenance planning.

Enforcement and Compliance

- Intensified monitoring for unauthorized connections with a zero-tolerance removal policy.
- Alignment with the **Water Services By-Law** for enforcement actions.

3.1.1 HIGHLIGHTS: WATER SERVICES

The table below indicates the highlights and achievements during the financial year:

Highlight	Description
Genadendal Raw Water Pipe Upgrading	Augmentation of Water supply to the community of Genadendal
Groenland Water Users Association	New Service Level Agreement have been concluded and signed for Water Supply to Grabouw
Completion of the Section 78 process in terms of the Local Government: Municipal Systems Act.	Section 78 investigation completed to extend and enter into a long-term contract with Overberg Water for the provision of water to Caledon, Middleton.

Nr	Project Title and Description	Project Category	Settlements which benefitted	Nr Beneficiaries		Impact Declaration
				Households	Population	
1	Bulk Raw Water Pipe Replacement of Genadendal Berglyn Phase	Bulk Water Pipeline	Genadendal	1315	4674	Ensure adequate bulk water pipeline capacity (Increased assurance of supply).
2	Construction of New Bulk Water Pipeline in Grabouw : Phase 5.	Bulk Water Pipeline	Grabouw	21680	85331	Ensure adequate bulk water pipeline capacity (Increased assurance of supply).
3	Construction of New Ringfeed for Water Pipeline in Tesselaarsdal	Water Reticulation	Tesselaarsdal	393	1676	Prevent any dead-end mains in water reticulation networks.
4	Infrastructure damages to pumpstation and bulk water pipe (Bot River)	Pumpstation and bulk pipeline	Bot River	-	-	Project was not implemented.
5	Membrane filters for water plants	WTW	Management Area	-	-	Project was not implemented.
6	Provision of Professional Services: Planning for Riviersonderend	Institutional	Riviersonderend	-	-	Water infrastructure planning for Riviersonderend
7	Raw water pipe replacement - Basil Newmark Pipeline Phase 3	Bulk Water Pipeline	Caledon	5093	18804	Ensure adequate bulk raw water pipeline capacity (Increased assurance of supply)
8	Rehabilitation of supply water line providing water for Riviersonderend	Bulk Water Pipeline	Riviersonderend	1994	7054	Ensure adequate bulk water pipeline capacity (Increased assurance of supply).
9	Rehabilitation of the secondary water pipe line in the mount	Bulk Water Pipeline				Ensure adequate bulk water pipeline capacity (Increased assurance of supply).
10	Smart Meters Replacement	WCWDM	Management Area	829	3125	Ensure all water usage is metered and billed. Reduce current high NRW.
11	Tesselaarsdal Bulk Water Upgrade Phase 1	Bulk Water Pipeline	Tesselaarsdal	393	1676	Ensure adequate bulk water pipeline capacity (Increased assurance of supply)
12	Upgrade of the Genadendal Chlorine Room to comply with SANS	WTW	Genadendal	-	-	Project was not implemented.
13	Upgrading of Villiersdorp Water Treatment Works	WTW	Villiersdorp	5 618	16 210	Increase water treatment capacity and ensure SANS241:2015 water quality compliance.
14	Water Pipe Replacement	Water Reticulation	Management Area	142	536	Replace old sections of water network with regular pipe bursts. Reduce NRW and Water Losses.
15	Water reticulation network washed away by flood water (Grabouw)	Water Reticulation	Grabouw	-	-	Project was not implemented.
16	Botrivier septic tanks	Septic Tanks	Botrivier	2	8	Installation of waterborne sewer networks (Higher Level of Service).
17	Caledon - Bulk outfall sewer upgrade	Bulk Sewer	Caledon	5093	18804	Ensure adequately bulk sewer pipeline capacity. Reduced risk of possible spillages due to inadequate capacity.
18	Infrastructure damages to pumpstation and bulk sewer outflow	Pumpstation and bulk sewer		-	-	Project was not implemented.
19	Rehabilitate the stormwater damages to the bulk sewer inflow	Bulk Sewer		-	-	Project was not implemented.
20	Sewerage networks upgrading of sewer line in Bos Street Grabouw	Sewer Drainage	Grabouw	6	21	Ensure adequate sewer drainage network capacity.
21	Upgrading of Bot River Waste Water Treatment Works: Phase 1	WWTW	Bot River	2386	8317	Ensure adequate WWTW capacity and ensurce compliance with final effluent quality.
TOTAL				44944	166236	

3.1.2 CHALLENGES: WATER SERVICES

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Aged and inadequate Infrastructure	Several bulk pipelines (raw and potable) are at risk due to old age and asbestos pipe material (having reached / nearing its end of life),

	frequency of failures and / or risk posed by flooding. Water reticulation pipe networks, with predominant presence of asbestos cement pipe material (AC), frequent collar leaks and /or failures and with ages exceeding 40 years (nearing of end of asset design life) are of concern.

3.1.3 WATER SERVICE DELIVERY LEVELS

Table C.2.2.1: Residential Water Services Delivery Access Profile: Water							
Census Category	**Description**	**Year 0**		**Year -1**		**Year 2**	
		2024/25		**2023/24**		**2022/23**	
		Nr	**%**	**Nr**	**%**	**Nr**	**%**
	WATER (ABOVE MIN LEVEL)						
Piped (tap) water inside dwelling/institution	House connections	22,752	46%	21,625	46%	20,575	46%
Piped (tap) water inside yard	Yard connections	5,019	10%	4,770	10%	4,539	10%
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Standpipe connection < 200 m	4,851	10%	4,611	10%	4,387	10%
	Sub-Total: Minimum Serivce Level and Above	**32,622**	**65%**	**31,007**	**65%**	**29,501**	**65%**
	WATER (BELOW MIN LEVEL)						
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Standpipe connection: > 200 m < 500 m	14,757	30%	14,021	30%	13,335	30%
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	Standpipe connection: > 500 m < 1 000 m	77	0%	77	0%	77	0%
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	Standpipe connection: > 1 000 m	39	0%	39	0%	39	0%
No access to piped (tap) water	No services	2,388	5%	2,269	5%	2,158	5%
	Sub-Total: Below Minimum Service Level	**17,261**	**35%**	**16,406**	**35%**	**15,609**	**35%**
	Total number of households	**49,883**	**100%**	**47,413**	**100%**	**45,110**	**100%**

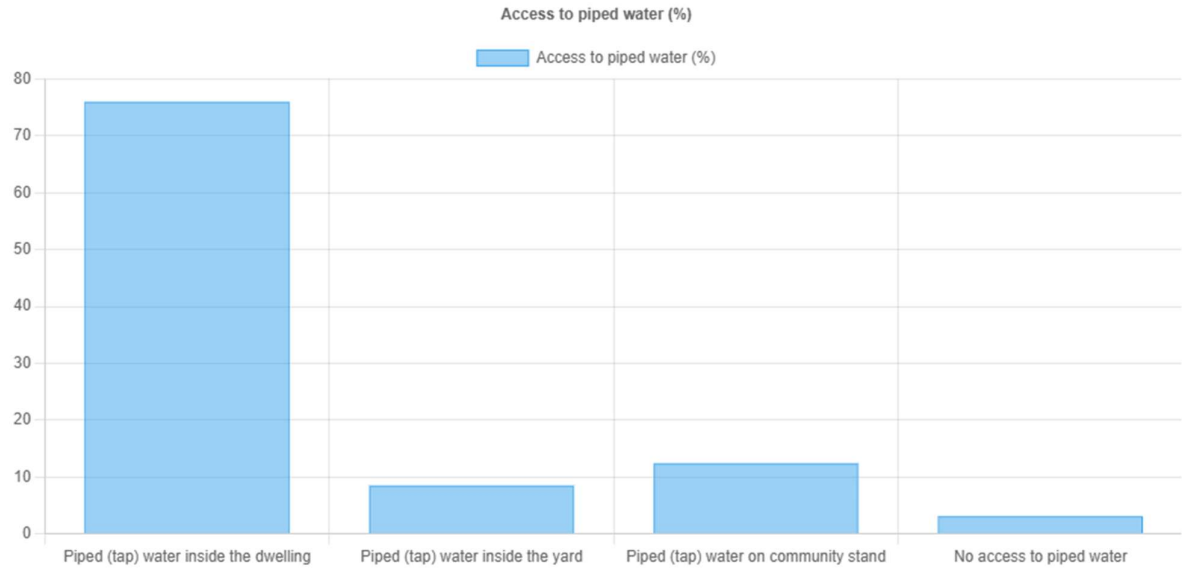
Table C.2.2.3: Residential Water Services Delivery Access Profile: Sanitation							
Census Category	**Description**	**Year 0**		**Year -1**		**Year 2**	
		2024/25		**2023/24**		**2022/23**	
		Nr	**%**	**Nr**	**%**	**Nr**	**%**
	SANITATION (ABOVE MIN LEVEL)						
Flush toilet (connected to sewerage system)	Waterborne	17,284	35%	16,422	35%	15,619	35%
	Waterborne: Low Flush	0	0%	0	0%	0	0%
Flush toilet (with septic tank)	Septic tanks / Conservancy	10,006	20%	9,507	20%	9,042	20%
Chemical toilet	Non-waterborne (min. service level)	75	0%	75	0%	75	0%
Pit toilet with ventilation (VIP)		140	0%	140	0%	140	0%
Other / Communal Services	Waterborne (min. service level, communal)	3,837	8%	3,646	8%	3,467	8%
	Sub-Total: Minimum Serivce Level and Above	**31,342**	**63%**	**29,790**	**63%**	**28,343**	**63%**
	SANITATION (BELOW MIN LEVEL)						
Pit toilet without ventilation	Pit toilet	186	0%	186	0%	186	0%
Bucket toilet	Bucket toilet	70	0%	70	0%	70	0%
Other toilet provision (below min. service level	Other	15,037	30%	14,282	30%	13,578	30%
No toilet provisions	No services	3,248	7%	3,085	7%	2,933	7%
	Sub-Total: Below Minimum Service Level	**18,541**	**37%**	**17,623**	**37%**	**16,767**	**37%**
	Total number of households	**49,883**	**100%**	**47,413**	**100%**	**45,110**	**100%**

Table C.2.1.1: User Connection Profile (Water Services)													
WSDP Ref. #	Category of users	Water Services						Wastewater Services					
		2024/25		2023/24		2022/23		2024/25		2023/24		2022/23	
		Nr	%	Nr	%	Nr	%	Nr	%	Nr	%	Nr	%
	RESIDENTIAL (DOMESTIC)												
3.3	Metered: Uncontrolled	14,509	39%	14,119	40%	14,195	41%	14,509	39%	14,119	40%	14,195	41%
3.3	Metered: Controlled	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Unmetered (flat rate)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Communal water supply	21,573	58%	20,478	58%	19,457	56%	21,573	58%	20,478	58%	19,457	56%
	Sub-Total: Residential	**36,082**	**98%**	**34,597**	**98%**	**33,652**	**98%**	**36,082**	**98%**	**34,597**	**98%**	**33,652**	**98%**
	EDUCATION												
3.3	Schools	36	0%	36	0%	36	0%	36	0%	36	0%	36	0%
	Tertiary educaton facilities	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Education	**36**	**0%**	**36**	**0%**	**36**	**0%**	**36**	**0%**	**36**	**0%**	**36**	**0%**
	HEALTH												
3.3	Clinics	18	0%	18	0%	18	0%	18	0%	18	0%	18	0%
3.3	Hospitals	1	0%	1	0%	1	0%	1	0%	1	0%	1	0%
3.3	Health Centres	1	0%	1	0%	1	0%	1	0%	1	0%	1	0%
	Sub-Total: Health	**20**	**0%**	**20**	**0%**	**20**	**0%**	**20**	**0%**	**20**	**0%**	**20**	**0%**
	INSTITUTIONAL												
	Public Institutions	20	0%	22	0%	33	0%	20	0%	22	0%	33	0%
3.3	Magistrate Offices	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
3.3	Police Stations	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
3.3	Prisons	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	etc	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Institutional	**20**	**0%**	**22**	**0%**	**33**	**0%**	**20**	**0%**	**22**	**0%**	**33**	**0%**
	INDUSTRIAL												
3.3	Dry industries	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
3.3	Wet industries	1	0%	2	0%	2	0%	1	0%	2	0%	2	0%
	Sub-Total: Commercial	**1**	**0%**	**2**	**0%**	**2**	**0%**	**1**	**0%**	**2**	**0%**	**2**	**0%**
	COMMERCIAL												
3.3	Businesses	583	2%	571	2%	565	2%	583	2%	571	2%	565	2%
3.3	Office Buildings	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Commercial	**583**	**2%**	**571**	**2%**	**565**	**2%**	**583**	**2%**	**571**	**2%**	**565**	**2%**
	MINING												
		0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Commercial	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**
	OTHER												
	Agriculture: raw water	198	1%	198	1%	198	1%	198	1%	198	1%	198	1%
	etc	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Other	**198**	**1%**	**198**	**1%**	**198**	**1%**	**198**	**1%**	**198**	**1%**	**198**	**1%**
	TOTAL	**36,940**	**100%**	**35,446**	**100%**	**34,506**	**100%**	**36,940**	**100%**	**35,446**	**100%**	**34,506**	**100%**

Table C.1.2: Quantity of Water Services Provided / Water Balance								
WSDP Ref. #	Regulations Ref. #	Description	m^3 per annum			Ml/d		
			Year 0	Year - 1	Year - 2	Year 0	Year - 1	Year - 2
			2024/25	2023/24	2022/23	2024/25	2023/24	2022/23
		RAW WATER						
7.2.1		Surface water purchased	1,541,970	1,813,423	1,365,262	4.22	4.97	3.74
7.1 / 7.2.2		Surface water abstracted	4,433,220	4,311,719	3,707,487	12.15	11.81	10.16
7.1 / 7.2.3		Ground water abstracted	291,761	317,400	354,070	0.80	0.87	0.97
7.2.14		Effluent recycled	0	0	0	0.00	0.00	0.00
7.2.4		*less* Raw water supplied to others	0	0	0	0.00	0.00	0.00
7.2.5		**Sub-Total: Raw Water supplied**	**6,266,951**	**6,442,542**	**5,426,819**	**17.17**	**17.65**	**14.87**
	10.2 (g) (i)	**BULK WATER SUPPLY**						
7.2.6		Volume of water treated	4,284,160	4,185,713	3,667,764	11.74	11.47	10.05
7.2.7	10.2 (a) (ii)	Purchased treated water	1,541,970	1,813,423	1,365,262	4.22	4.97	3.74
7.2.7A		Ground water not treated	0	0	0	0.00	0.00	0.00
7.2.6A		*less* Treated water supplied to others	0	0	0	0.00	0.00	0.00
		Sub-Total: System Input Volume	**5,826,130**	**5,999,136**	**5,033,026**	**15.96**	**16.44**	**13.79**
		WATER CONSUMPTION						
7.2.8.1		Billed Metered:	2,996,649	2,824,977	2,880,662	8.21	7.74	7.89
	10.2 (a) (i)	Domestic	1,891,042	1,756,284	1,675,355	5.18	4.81	4.59
	10.2 (a) (i)	Commercial	335,988	372,914	447,119	0.92	1.02	1.22
	10.2 (a) (i)	Industrial	32,446	41,266	53,972	0.09	0.11	0.15
	10.2 (a) (i)	Other	737,173	654,513	704,216	2.02	1.79	1.93
7.2.8.2		Billed Unmetered	49,726	64,061	11,912	0.14	0.18	0.03
	10.2 (a) (i)	Domestic	49,726	64,061	11,912	0.14	0.18	0.03
	10.2 (a) (i)	Commercial	0	0	0	0.00	0.00	0.00
	10.2 (a) (i)	Industrial	0	0	0	0.00	0.00	0.00
	10.2 (a) (i)	Other	0	0	0	0.00	0.00	0.00
7.2.8.3		Unbilled Metered	1,932,446	664,368	348,831	5.29	1.82	0.96
7.2.8.4		Unbilled Unmetered	11,651	11,998	10,067	0.03	0.03	0.03
	10.2 (g) (i)	**Sub-Total: Authorized consumption**	**4,990,472**	**3,565,404**	**3,251,472**	**13.67**	**9.77**	**8.91**
		UNACCOUNTED FOR WATER						
7.3.1		Raw water bulk loss	440,821	443,406	393,794	1.21	1.21	1.08
7.2.3/7.2.4		Billing losses	1,944,097	676,366	358,898	5.33	1.85	0.98
7.2.5		Apparent losses	142,062	413,734	302,864	0.39	1.13	0.83
7.2.5.1		Illegal connections	33,426	97,349	71,262	0.09	0.27	0.20
7.2.5.2		Inaccurate meters	66,853	194,699	142,524	0.18	0.53	0.39
7.2.5.3		Data errors	41,783	121,687	89,078	0.11	0.33	0.24
7.2.6		Real losses	693,596	2,019,998	1,478,689	1.90	5.53	4.05
	10.2 (g) (ii)	**Sub-Total: Unaccounted for water**	**835,658**	**2,433,732**	**1,781,554**	**2.29**	**6.67**	**4.88**
		WASTEWATER TREATMENT						
7.2.9	10.2 (a) (iii)	Total received at WWTW	3,471,096	3,236,502	3,897,171	9.51	8.87	10.68
7.2.11		Total discharged	2,421,138	2,163,021	2,650,039	6.63	5.93	7.26
7.2.13		Returned to environment	2,335,566	2,087,455	2,566,473	6.40	5.72	7.03
7.2.14		Recycled	85,572	75,565	83,566	0.23	0.21	0.23
	10.2 (a) (iv)	**Quantity of water supplied not discharged to WWTW's**	**1,519,376**	**328,902**	**-645,699**	**4.16**	**0.90**	**-1.77**

3.1.4 ACCESS TO WATER

Name	Frequency	%
Piped (tap) water inside the dwelling	32 785	76,0%
Piped (tap) water inside the yard	3 660	8,5%
Piped (tap) water on community stand	5 341	12,4%
No access to piped water	1 336	3,1%



3.1.5 EMPLOYEES WATER AND SEWERAGE NETWORKS

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	7	3	3	0	0
4 - 6	20	23	19	4	17%
7 - 9	13	14	13	1	7%
10 - 12	2	3	2	1	33%
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**42**	**43**	**37**	**6**	**14%**

3.1.6 FINANCIAL PERFORMANCE: WATER SERVICES

Financial Performance: Water Distribution					
					R'000
Details	Year 2023 - 2024	Year 2024 - 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	120,940	115,703	116,259	117,617	1%
Expenditure:					
Employees	–	–	–	–	0%

Repairs and Maintenance	27,458	18,814	22,002	19,296	-12%
Other	101,341	71,229	77,424	69,933	-10%
Total Operational Expenditure	128,799	90,043	99,426	89,229	-10%
Net Operational Surplus/ (Deficit)	**(7,859)**	**25,661**	**16,833**	**28,387**	**69%**
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 .					T3.1.8

3.1.7 CAPITAL EXPENDITURE: WATER SERVICES

Capital Expenditure Year: Water Distribution				
Water Distribution				
				R' 000
Capital Projects	**2024 - 2025**			
	Original Budget	**Adjustment Budget**	**Actual Expenditure**	**Variance to Adjustment budget**
Total All	**30,755**	**13,988**	**12,052**	**-14%**
Smart meter replacement	5,000	,514	,247	**-52%**
Upgrading of Tesselaarsdal Water Pipeline Phase 2	2,657	201	201	**0%**
Upgrading of Grabouw Bulk Water Pipeline Phase 5.2	7,136	–	–	**0%**
Water Pipe Replacement in Ebenhaeser, Hofmeyer, Ryke, Gaffle	2,522	522	4	**-99%**
Replace and Upgrade of Berglyn Raw Water in Genadendal Phase	2,478	1,826	1,531	**-16%**
Provision, Upgrade and Maintenance of Water Booster Pump Sta	2,800	57	57	**0%**
Provision of Professional Services: Grabouw Wastewater Trea	500	–	–	**0%**
Upgrade of Villiersdorp Water Treat Works (WTW)	4,662	10,418	10,013	**-4%**
Upgrade of RSE Ultra Fultration Plant	3,000	–	–	**0%**
Boorgat Villiersdorp	–	450	–	**-100%**
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.1.8 COMMENT ON THE CAPITAL EXPENDITURE: WATER SERVICES

The total budget allocated for capital expenditure for the year 2024/25 was 30,755, which was adjusted to 13,988. The actual capital expenditure for the year 2024/25 reached 12,052, resulting in a variance of -14%.

3.2 WASTEWATER (SANITATION) PROVISION

3.2.1 INTRODUCTION TO SANITATION SERVICES

SANITATION FACILITIES OVERVIEW

- Urban Areas: Formal households have waterborne sanitation facilities within their properties.
- Informal Areas: Communal ablution facilities are provided as a temporary emergency service.

CHALLENGES FACED

Service Provision on Private Land (Farms): Providing services on privately owned farms is challenging due to financial sustainability concerns. This includes ensuring ongoing operation, maintenance, and asset rehabilitation.

FREE BASIC SANITATION POLICY

Objective: To provide the most viable sanitation facilities to poor households.

Coordination: Health and hygiene promotion is crucial and must be managed in coordination between environmental health practitioners (EHPs) of the Overberg District Municipality and Theewaterskloof Municipality.

Funding: Adequate funding is necessary to support free basic sanitation. This funding may come from the local government equitable share and through cross-subsidies within the municipality.

SUBSIDIES

The municipality may need to subsidize operating and maintenance costs to ensure that basic sanitation services can be provided free to those in need.

COLLABORATION AND MANAGEMENT

Close collaboration between different municipal bodies (like EHPs) is emphasized to effectively manage health and hygiene aspects related to sanitation services.

In summary, Theewaterskloof Municipality faces challenges in ensuring equitable and sustainable sanitation services, particularly in informal and privately owned areas. The provision of free basic sanitation requires careful financial planning and collaboration between different governmental bodies to ensure effective implementation and maintenance of these services.

3.2.2 HIGHLIGHTS: WASTEWATER (SANITATION) SERVICES

The following table indicate the highlight of the financial year:

Highlights
Status of Water Services Projects Theewaterskloof Municipality completed or continued with the following key water and sewerage capital infrastructure projects during the 2024/202 financial year (Expenditure above R1 000 000). • Construction of new bulk water pipeline in Grabouw (Phase 5). • New ring-feed water pipeline in Tesselaarsdal. • Continue with the implementation of the Municipality's Water Pipeline Replacement Programmeme (Genadendal bulk raw water pipeline, Berglyn Phase; Basil Newmark raw water pipeline, Phase 3; Riviersonderend water supply pipeline; some other areas). • The Municipality continued with the installation of smart water meters, in order to ensure that all water usage is metered. • The Municipality continued with the upgrading of the Villiersdorp WTW. • The Municipality continued with the next phase of the upgrading of the Caledon bulk outfall sewer. • The Municipality started with the upgrading of the Botrivier WWTW (Phase 1).

3.2.3 CHALLENGES: SANITATION SERVICES

Sanitation Infrastructure (Major Risks)

Similar to water infrastructure, those sanitation infrastructure gaps that have been identified due to condition and/or capacity restraints are discussed for each town in the relevant section titled "Required Capital Projects per Services.

Similar to water, that some of the notable major risks are the following:

- Site security enhancements need to be made at several site
- Emergency standby generators and / or emergency storage capacity for sewage pump stations not yet equipped with suitable back-up facilities.

Sanitation Infrastructure Condition and Capacity

Town	Condition Metric	Grabouw	Botrivier	Villiersdorp	Caledon	Tesselaarsdal
SPS's	Condition	High risk	Low risk	Medium risk	n/a	n/a
SPS's	Capacity	High risk	Low risk	Low risk	n/a	n/a
Sewers - retic	Condition	High risk	Low risk	Medium risk	Medium risk	Low risk
Sewers - retic	Capacity	Medium risk	Low risk	Low risk	Low risk	Low risk
Sewers - bulk	Condition	Low risk	Low risk	Medium risk	Low risk	Low risk
Sewers - bulk	Capacity	Low risk	Low risk	Low risk	High risk	Low risk
WWTW	Green drop 2022	**87%**	**87%**	**87%**	**88%**	**Medium risk - 70%**
WWTW	Condition	High risk	Low risk	High risk	Low risk	Medium risk
WWTW	Capacity	Low risk	Medium risk	Low risk	High risk	Low risk
Sanitation (RDP)	Backlogs	High risk	High risk	High risk	Medium risk	Medium risk

Town	Condition Metric	Greyton	Genadendal	Voorstekraal	Bereaville	Riviersonderend
WWTW	Capacity	Low risk	Low risk	n/a	n/a	Medium risk
Sanitation (RDP)	Backlogs	Medium risk	Medium risk	Medium risk	Low risk	High risk

Town	Condition Metric	Greyton	Genadendal	Voorstekraal	Bereaville	Riviersonderend
SPS's	Condition	n/a	High risk	High risk	n/a	High risk
SPS's	Capacity	n/a	Low risk	Low risk	n/a	Low risk
Sewers - retic	Condition	Medium risk	Medium risk	Low risk	n/a	Medium risk
Sewers - retic	Capacity	Good	Low risk	Low risk	n/a	Low risk
Sewers - bulk	Condition	Good	Low risk	Low risk	n/a	Medium risk
Sewers - bulk	Capacity	Low risk	Low risk	Low risk	n/a	Low risk
WWTW	Green drop 2022	80%	83%	n/a	n/a	84%
WWTW	Condition	Low risk	Low risk	n/a	n/a	High risk

3.2.4 SANITATION SERVICE DELIVERY LEVELS

The table below indicates the service delivery levels for sanitation

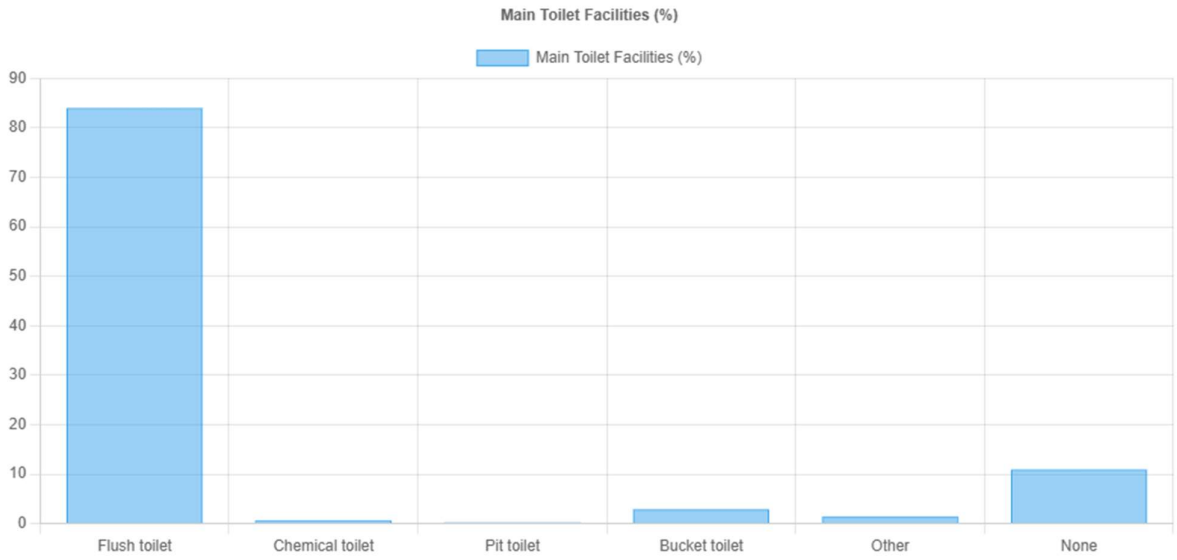
Table C.2.2.1: Residential Water Services Delivery Access Profile: Water							
Census Category	Description	Year 0		Year -1		Year 2	
		2024/25		2023/24		2022/23	
		Nr	%	Nr	%	Nr	%
	WATER (ABOVE MIN LEVEL)						
Piped (tap) water inside dwelling/institution	House connections	22,752	46%	21,625	46%	20,575	46%
Piped (tap) water inside yard	Yard connections	5,019	10%	4,770	10%	4,539	10%
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Standpipe connection < 200 m	4,851	10%	4,611	10%	4,387	10%
	Sub-Total: Minimum Serivce Level and Above	**32,622**	**65%**	**31,007**	**65%**	**29,501**	**65%**
	WATER (BELOW MIN LEVEL)						
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Standpipe connection: > 200 m < 500 m	14,757	30%	14,021	30%	13,335	30%
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	Standpipe connection: > 500 m < 1 000 m	77	0%	77	0%	77	0%
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	Standpipe connection: > 1 000 m	39	0%	39	0%	39	0%
No access to piped (tap) water	No services	2,388	5%	2,269	5%	2,158	5%
	Sub-Total: Below Minimum Service Level	**17,261**	**35%**	**16,406**	**35%**	**15,609**	**35%**
	Total number of households	**49,883**	**100%**	**47,413**	**100%**	**45,110**	**100%**

Table C.2.1.1: User Connection Profile (Water Services)													
WSDP Ref. #	Category of users	Water Services						Wastewater Services					
		2024/25		2023/24		2022/23		2024/25		2023/24		2022/23	
		Nr	%	Nr	%	Nr	%	Nr	%	Nr	%	Nr	%
	RESIDENTIAL (DOMESTIC)												
3.3	Metered: Uncontrolled	14,509	39%	14,119	40%	14,195	41%	14,509	39%	14,119	40%	14,195	41%
3.3	Metered: Controlled	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Unmetered (flat rate)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Communal water supply	21,573	58%	20,478	58%	19,457	56%	21,573	58%	20,478	58%	19,457	56%
	Sub-Total: Residential	**36,082**	**98%**	**34,597**	**98%**	**33,652**	**98%**	**36,082**	**98%**	**34,597**	**98%**	**33,652**	**98%**
	EDUCATION												
3.3	Schools	36	0%	36	0%	36	0%	36	0%	36	0%	36	0%
	Tertiary educaton facilities	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Education	**36**	**0%**	**36**	**0%**	**36**	**0%**	**36**	**0%**	**36**	**0%**	**36**	**0%**
	HEALTH												
3.3	Clinics	18	0%	18	0%	18	0%	18	0%	18	0%	18	0%
3.3	Hospitals	1	0%	1	0%	1	0%	1	0%	1	0%	1	0%
3.3	Health Centres	1	0%	1	0%	1	0%	1	0%	1	0%	1	0%
	Sub-Total: Health	**20**	**0%**	**20**	**0%**	**20**	**0%**	**20**	**0%**	**20**	**0%**	**20**	**0%**
	INSTITUTIONAL												
	Public Institutions	20	0%	22	0%	33	0%	20	0%	22	0%	33	0%
3.3	Magistrate Offices	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
3.3	Police Stations	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
3.3	Prisons	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	etc	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Institutional	**20**	**0%**	**22**	**0%**	**33**	**0%**	**20**	**0%**	**22**	**0%**	**33**	**0%**
	INDUSTRIAL												
3.3	Dry industries	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
3.3	Wet industries	1	0%	2	0%	2	0%	1	0%	2	0%	2	0%
	Sub-Total: Commercial	**1**	**0%**	**2**	**0%**	**2**	**0%**	**1**	**0%**	**2**	**0%**	**2**	**0%**
	COMMERCIAL												
3.3	Businesses	583	2%	571	2%	565	2%	583	2%	571	2%	565	2%
3.3	Office Buildings	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Commercial	**583**	**2%**	**571**	**2%**	**565**	**2%**	**583**	**2%**	**571**	**2%**	**565**	**2%**
	MINING												
		0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Commercial	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**
	OTHER												
	Agriculture: raw water	198	1%	198	1%	198	1%	198	1%	198	1%	198	1%
	etc	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Sub-Total: Other	**198**	**1%**	**198**	**1%**	**198**	**1%**	**198**	**1%**	**198**	**1%**	**198**	**1%**
	TOTAL	**36,940**	**100%**	**35,446**	**100%**	**34,506**	**100%**	**36,940**	**100%**	**35,446**	**100%**	**34,506**	**100%**

FINAL

3.2.5 ACCESS TO SANITATION

Name	Frequency	%
Flush toilet	36 220	84,0%
Chemical toilet	262	0,6%
Pit toilet	81	0,2%
Bucket toilet	1 265	2,9%
Other	588	1,4%



3.2.6 EMPLOYEES: SANITATION SERVICES

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	6	2	2	0	0
4 - 6	13	25	21	4	16%
7 - 9	19	21	18	3	14%
10 - 12	5	4	2	2	50%
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**43**	**52**	**43**	**9**	**17%**

3.2.7 FINANCIAL PERFORMANCE: SANITATION SERVICES

Financial Performance : Wastewater Management					
					R' 000
Details	Year 2023 - 2024	Year 2024 - 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	58,149	62,787	68,894	62,776	-9%
Expenditure:					
Employees	–	–	–	–	0%
Repairs and Maintenance	37,587	29,239	35,734	34,554	-3%
Other	28,728	33,291	31,542	30,043	-5%
Total Operational Expenditure	66,315	62,530	67,276	64,597	-4%
Net Operational Surplus/ (Deficit)	**(8,166)**	**,258**	**1,618**	**(1,820)**	**-212%**
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 .					T3.2.8

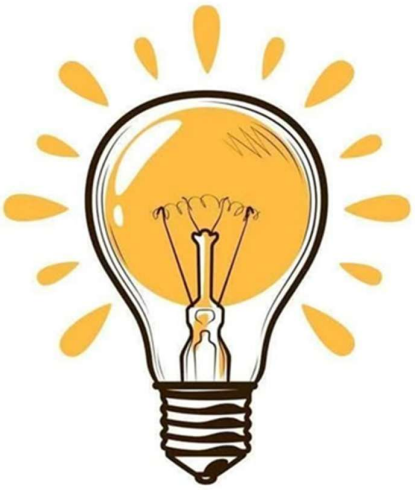
3.2.8 CAPITAL EXPENDITURE: SANITATION SERVICES

Capital Expenditure: Wastewater Management				
				R'000
Capital Projects	Year 2024/25			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Total All	**44,457**	**9,113**	**5,789**	**-36%**
Upgrading of Caledon Bulk Sewer Pipe Line	5,000	–	–	**0%**
Upgrading of Grabouw Gypsy Queen Bulk Sewer and Water	11,800	5,968	3,305	**-45%**
Replace and Relocate Sewer Network in Gaffley Street, Grabouw	2,500	–	–	**0%**
Replace Sewer network in Loop Street, Grabouw	2,500	–	–	**0%**
Upgrading of Disa Laan Pump Station in RSE	1,500	–	–	**0%**
Upgrading of Caledon Waste Water Treatment Works (WWTW)	6,500	–	–	**0%**
Provision of Professional Services: New Tesselaarsdal Waste	,500	–	–	**0%**
Upgrading of Greyton Waste Water Treatment Works (WWTW)	3,000	–	–	**0%**
Upgrading of the Housing Bulk Sewer Connection on Erf 595	,600	,167	,167	**0%**
Upgrading of Botrivier Waste Waster Treatment Works (WWTW)	7,948	2,819	2,157	**-23%**
Botrivier septic tank eradication	2,609	,160	,160	**0%**
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.2.9 COMMENT ON THE CAPITAL EXPENDITURE: SANITATION SERVICES -The total budget allocated for capital expenditure for the year 2024/25 was 41,957, which was adjusted to 9,113. The actual capital expenditure for the year 2024/25 reached 5,789, resulting in a variance of -36%.

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. Currently ESKOM and NERSA negotiate nationally what areas to give to the Municipalities to distribute power.

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. We busy with an energy efficiency project to save as far as possible by changing all the streetlights within the Theewaterskloof Municipality with LED light fittings.

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 Department are maintained.

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

ELECTRICITY (STREET LIGHTING)

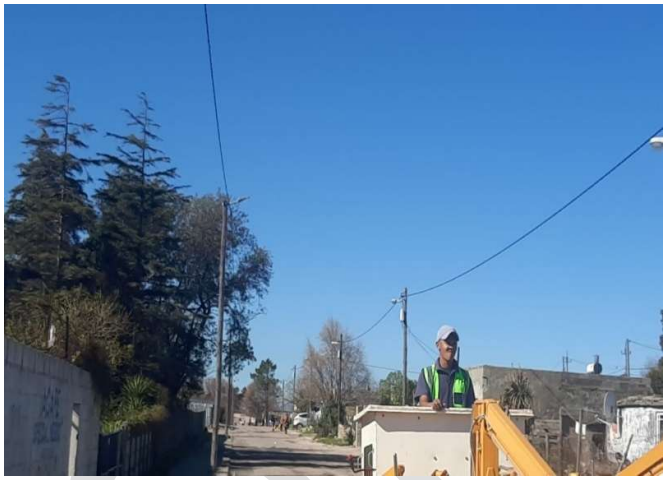
- Activity

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

Final

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

Currently vandalism is a big problem in the Theewaterskloof area, we are looking at ways to prevent the vandalism.



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:

- CALEDON - SPAR - 1 PIONEER STREET OVERBERG
- SH SUPERETTE - 120 MAIN ROAD
- MEGA SWEETS WHOLESALE & RETAIL - 13 DONKIN STREET
- CALEDON SUPERETTE - 8 MILL STREET
- BEEHIVE SUPERMARKET - 15 PLEIN STREET
- CALEDON MINI MARKET - 11 PLEIN STREET
- BIGTIME TUCKSHOP - 38 5TH AVENUE
- MASLAH TUCK SHOP - 20 ZAMBEZI STREET
- VLEI VIEW CAFE - 22 SECOND AVENUE, BERGSIG
- 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

GREYTON:

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

RIVIERSONDEREND:

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

BOTRIVIER:

- BOTRIVIER SUPERETTE - HOOFWEG, BOTRIVIER

VILLIERSDORP:

- BRINKS – SPAR - 29 HOOF STREET
- SUPER SAVE VILLIERSDORP - 7B 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
- 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
- SCUBA SCUBA SPAZA SHOP - 1 MAGNOLIA STREET
- N.E. STORES - 145 DISA STREET
- YELLOW SPAZA SHOP - 340 GONIWE PARK
- MAXWELL SHOP - 96 FH96C GONIWE PARK
- NANCY SHOP 1- 020 FJ GONIWE PARK

GRABOUW:

- AGRIMARK ELGIN - HOOF STRAAT
- GRABOUW - SUPERSPAR - N2 AND OUDEBRUG WEG
- VILLAGE SUPERMARKET - 10 WORCESTER STREET
- GRABOUW BUILD IT - 4 HIGH STREET, BUILD IT BUILDING

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.

Final

3.3.2 HIGHLIGHTS: ELECTRICITY SERVICES

The table below indicates the highlights of the financial year:

Highlights	Description
Continued service to communities	Even through tough financial times, continued high levels of service delivery continues

3.3.3 CHALLENGES: ELECTRICITY SERVICES

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Capital projects cancelled	Require funding to continue capital investment to electrical infrastructure

3.3.4 ELECTRICITY SERVICE DELIVERY LEVELS

The table below indicates the service delivery levels for electricity:

Households		
Description	**2023/24**	**2024/25**
	Actual	**Actual**
	No.	**No.**
Energy: (above minimum level)		
Electricity (at least min.service level)	54	45
Electricity - prepaid (min.service level)	7 998	7976
Minimum service level and above sub-total	8 263	8335
Minimum service level and above percentage	100%	**100%**
Energy: (below minimum level)		
Electricity (<min.service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0
Below minimum sevice level sub-total	0	0
Below minimum service level percentage	0	0
Total number of households	**8 263**	**8 335**

3.3.5 EMPLOYEES ELECTRICITY SERVICES

The table below indicates the number of staff employed within the unit:

Job Level	**2023/24**	**2024/25**			
		Budgeted posts	**Employees**	**Vacancies**	**Vacancies (as a % of total budgeted posts)**
	Number				
0 - 3	5	5	5	0	0
4 - 6	8	8	7	1	0
7 - 9	6	5	5	0	0
10 - 12	6	7	4	3	43%

13 - 15	1	1	0	1	100%
16 - 18	0	1	1	0	0
19 - 20	0	0	0	0	0
Total	**26**	**27**	**22**	**5**	**19%**

3.3.6 FINANCIAL PERFORMANCE: ELECTRICITY SERVICES

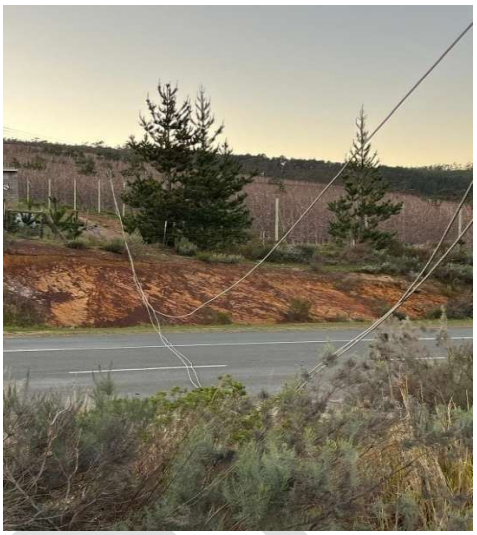
Financial Performance : Electricity Distribution					
					R'000
Details	**Year 2023 - 2024**	**Year 2024 - 2025**			
	Actual	**Original Budget**	**Adjustment Budget**	**Actual**	**Variance to Adjustment Budget**
Total Operational Revenue	148,969	168,892	178,959	166,610	-7%
Expenditure:					
Employees	–	–	–	–	0%
Repairs and Maintenance	13,809	13,923	12,947	12,334	-5%
Other	111,931	121,230	150,820	141,273	-6%
Total Operational Expenditure	125,740	135,153	163,767	153,607	-6%
Net Operational Surplus/ (Deficit)	**23,229**	**33,740**	**15,192**	**13,004**	**-14%**
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 .					T3.3.7

3.3.7 CAPITAL EXPENDITURE: ELECTRICITY SERVICES

Capital Expenditure Year 2024/25: Electricity Services				
				R' 000
Capital Projects	**2024/25**			
	Original Budget	**Adjustment Budget**	**Actual Expenditure**	**Variance from Adjustment Budget**
Total All	**18,703**	**4,637**	**3,040**	**-34%**
Computer Equipment	20	–	–	**0%**
Electrification TWK Area	5913	4206	2666	**-37%**
Upgrading network Uitsig	2300	72	62	**-13%**
Replacement of Miniature substations & upgrade of 11kV Network	800	72	62	**-13%**
Upgrading network Bergsig 10 th Avenue	700	72	62	**-13%**
Furniture and Office Equipment	8	–	–	**0%**
Machinery and Equipment	62	–	–	**0%**
Replace overhead line (Buitenkant street)	1500	72	62	**-13%**
Upgrading network Neethling,Church and Myburgh Streets	1200	72	62	**-13%**
Upgrading network Parkstreet	1200	72	62	**-13%**
Replace Streetlight luminairs with LED luminairs	5000	–	–	**0%**
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.3.8 COMMENT ON THE CAPITAL EXPENDITURE: ELECTRICITY SERVICES

The total budget allocated for capital expenditure for the year 2024/25 was 18,703, which was adjusted to 4,637. The actual capital expenditure for the year 2024/25 reached 3,040, resulting in a variance of -34%.



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 the Theewaterskloof Municipal area.

We are regulated under the National Waste Management Act No 59 of 2008 and the National Environmental Management Act No 107 of 1998.

- A new integrated by -law has been develop in the 2023/24 financial year to comply with the legislation due to the outdated bylaw of 2015. The primary objective of this by-law is to establish a waste management hierarchy of priorities, in the following order of priority for activities - avoidance, minimization and reduction of waste;
- re-use of waste;
- recycling, reclaiming, processing and treatment of waste; and
- disposal of waste

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. Towns like Grabouw, Caledon, Villiersdorp and Botrivier are on a wheelie-bins system and Greyton, Genadendal and Riviersonderend on a black bag system
- Only builder's rubble and mix waste are disposed at the municipality's waste disposal site in Riviersonderend.
- 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 which belong to Overberg District Municipality. Theewaterskloof and Overstrand share this disposal

facility and Cape Agulhas Municipality also needs to make used of this site. This will lower the cost as we pay per tonnage what we dispose.

- Villiersdorp disposal facility need attention as it is completely vandalised and we currently use the old landfill.
- Recycling and waste recovery is currently done in Grabouw, Villiersdorp, Caledon, Greyton and Riviersonderend and the current ratio that we recover from waste stream is 15.93 %.
- 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
- 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.

The following disposal facilities exist in the following towns:

- Grabouw - Waste Transfer Station
- Caledon - Waste Transfer Station and Material Recovery Centre
- Riviersonderend - Waste Transfer Station and Material Recovery Centre
- Greyton - Drop -off
- Botrivier - Drop -off
- Tesselaarsdal - Drop-off
- Villiersdorp Landfill

3.4.2 HIGHLIGHTS: WASTE MANAGEMENT

The following table indicates the highlights of the financial year:

Highlights	Description
New integrated waste by-law 2024	Older version of 2015 outdated and replace
New integrated waste management plan 2024	Adopted 2024
3 x new refuse compactors	3 vehicles through MIG Application

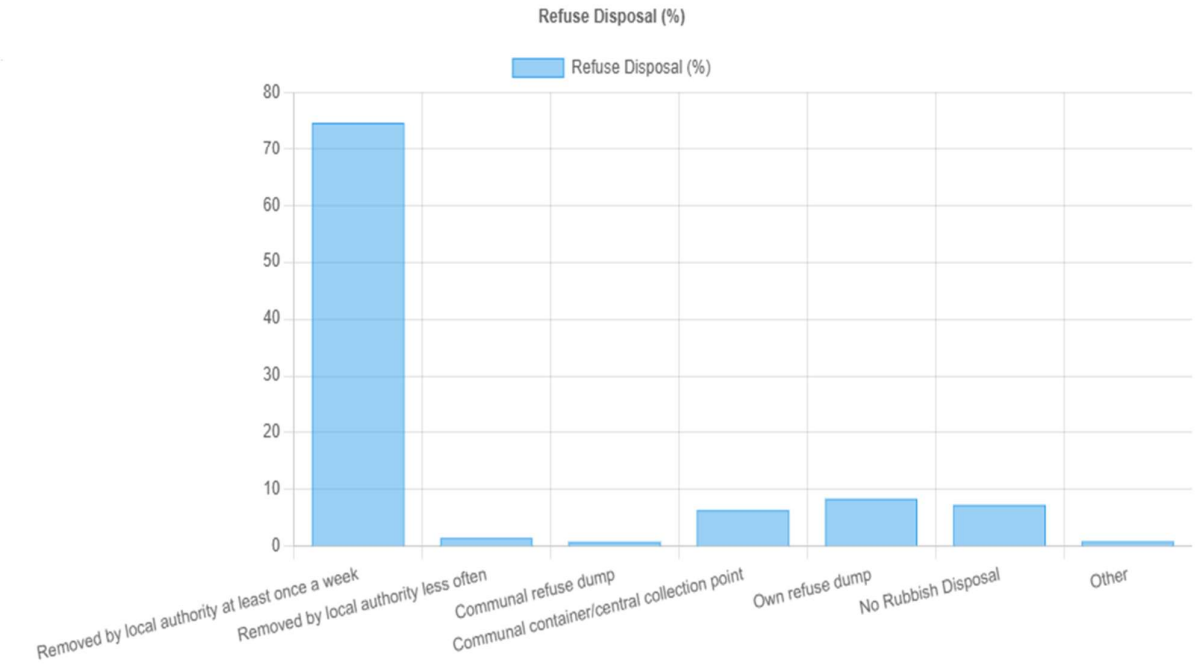
3.4.3 CHALLENGES: WASTE MANAGEMENT

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Old fleet for collection	Purchase 3 new compactors
Illegal dumping's	Monthly reporting on illegal dumping's

3.4.4 WASTE MANAGEMENT SERVICE DELIVER

Name	Frequency	%
Removed by local authority at least once a week	32 211	74,7%
Removed by local authority less often	657	1,5%
Communal refuse dump	334	0,8%
Communal container/central collection point	2 768	6,4%
Own refuse dump	3 607	8,4%



3.4.5 EMPLOYEES SOLID WASTE MANAGEMENT (TRANSFER AND STREET CLEANSING)

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	54	70	63	7	10%
4 - 6	23	13	12	1	7%
7 - 9	11	15	14	1	7%
10 - 12	3	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**91**	**98**	**89**	**9**	**9%**

3.4.6 FINANCIAL PERFORMANCE: WASTE MANAGEMENT SERVICES

Financial Performance : Solid Waste Management Services					
					R'000
Details	Year 2023 - 2024	Year 2024 - 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	75,205	46,119	62,403	62,720	1%
Expenditure:					
Employees	18,549	16,839	18,175	17,626	-3%
Repairs and Maintenance	3,265	5,685	5,380	4,491	-17%
Other	41,969	48,653	47,632	49,178	0%
Total Operational Expenditure	63,783	71,177	71,186	71,294	-2%
Net Operational Surplus/ (Deficit)	**11,422**	**(25,057)**	**(8,783)**	**(8,575)**	**-2%**
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 .					T3.4.7

3.4.7 CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES

Capital Expenditure : Solid Waste Management Services				
				R'000
Capital Projects	2024/25			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Adjustment Budget
Total All	**5,000**	**–**	**–**	**0%**
Refurbishment Villiersdorp Water Treatment Facility (WTF)	4,000	–	–	**0%**
Provision of Professional Services: Greyton Landfill Rehab	,500	–	–	**0%**
Provision of Professional Services: Botrivier Drop Off	,500	–	–	**0%**
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.4.8 COMMENT ON THE CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES

The total budget allocated for capital expenditure for the year 2024/25 was 5,000, which was adjusted to 0. The actual capital expenditure for the year 2024/25 reached 0, resulting in a variance of -0%.

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 programmemes; 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 about services through targeted housing consumer education programmemes; providing security of tenure through the Title Deeds Restoration Programmeme.

Key Objectives:

- **Increased housing delivery:** Providing adequate and affordable housing to all within the Theewaterskloof jurisdictional area.
- **Improved quality of life:** Enhancing the living conditions and well-being of people living in human and informal settlements.
- **Spatial integration:** Creating more inclusive and equitable urban environments.
- **Sustainable human settlements:** Developing settlements that are environmentally, socially, and economically sustainable.
- **Strengthened institutional capacity:** Enhancing the ability of government and other stakeholders to plan, implement, and manage human settlements.

Alignment to Council Strategic Objectives

The provision of sustainable integrated Human Settlements is one of the strategic objectives adopted by Council. The Human Settlements Department intents to achieve this objective through the progressive realisation of the following service delivery imperatives:

- Acceleration Of Affordable Housing (Gap/Flisp) Help Me Buy a House
- Upgrading Of Informal Settlements/Improved Basic Services
- Reblocking/Superblocking – De-Densification of Informal Settlements
- Transfering Land Ownership (State Owned)
- Acquisition Of Suitable Land for Human Settlements
- Public -Private Partneships
- Title Deeds Restoration Programmeme
- Housing Need Analysis

The demand for housing is driven by various socio-economic factors:

1. Population Growth and Household Formation:

- **Increased Demand:** As populations grow, especially in urban areas, the need for housing naturally increases.
- **Household Formation:** Changes in household structures, like more single-person households or young adults leaving their parents' homes, also contribute to the demand for separate housing units.
- **Rural-Urban Migration:** People moving from rural areas to cities for better job opportunities or other reasons also add to the pressure on urban housing markets, including the need for low-cost options.

2. Affordability Challenges:

- **Rising Housing Costs:** Increases in house prices and rental costs make it harder for many people, especially those with lower incomes, to afford housing.
- **Income Inequality:** Income disparities mean that some households simply cannot afford to pay market rates for housing.
- **Limited Access to Credit:** Difficulties in obtaining mortgages or other forms of financing can also restrict access to homeownership for some individuals.
- **Minimum Wage and Housing Costs:** In many areas, the minimum wage is not sufficient to afford even a modest apartment, especially in high-cost urban areas.

3. Supply Constraints:

- **Limited Land Availability:** In many areas, the availability of suitable land for building is limited, which can restrict the supply of new housing.
- **Construction Costs:** Rising costs of materials and labour can make it more expensive to build new homes, including those in the low-cost category.
- **Regulatory Barriers:** Complex building codes, zoning regulations, and other permitting processes can also slow down or discourage the development of new housing.

Theewaterskloof Housing Demand Analysis

Total registered housing demand amounts to **14 575** for the last quarter

- Towns with the most informal settlements evidently have the highest demand
- 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.

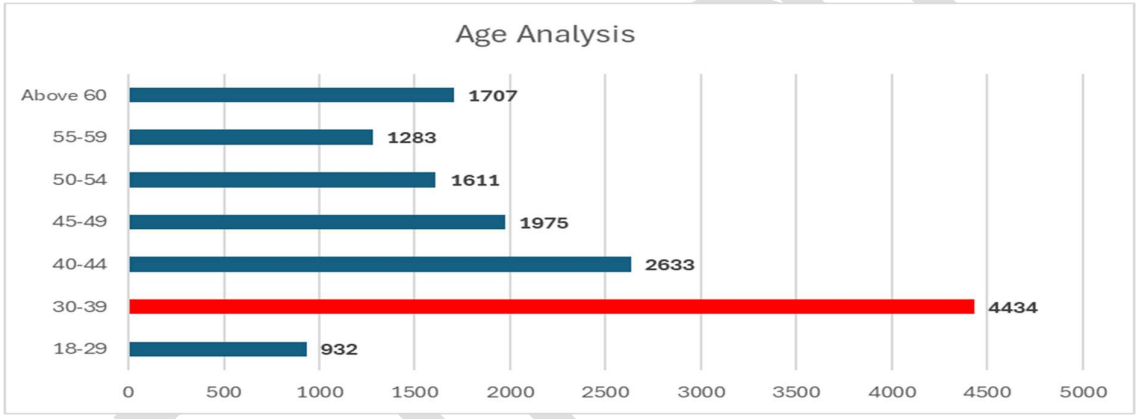
1. 80% of the total demand falls within the low-cost housing qualification income bracket.
2. 20% of the total demand falls within the affordable housing market.
3. 55% of the demand falls in the age category under 45.

final

Demand Per Town		Age Analysis							Low Cost Housing	GAP/Affordable Housing					
Town	Demand Per Town	18-29	30-39	40-44	45-49	50-54	55-59	Above 60	0-3500	3501-7000	7001-15000	15001-22000	22001 Above	Disabled	Military Veterans
Botrivier	1112	106	384	201	144	92	63	134	977	92	39	7		11	2
Caledon	1826	100	581	395	200	214	150	181	1569	176	46	11		23	34
Genadendal	432	32	147	74	44	44	27	73	366	39	24	4		3	
Grabouw	6317	508	2122	1069	927	612	542	545	4630	1234	333	49		77	82
Greyton	389	21	122	78	61	39	23	53	352	31	8	2		2	
Riviersonderend	921	43	281	191	99	106	68	161	811	84	21	7		17	15
Tesselaarsdal	124	15	34	24	7	3	18	25	110	11	2	1		2	
Villiersdorp	3454	107	763	601	493	501	392	535	2774	516	146	15		62	42
TOTALS	**14575**	**932**	**4434**	**2633**	**1975**	**1611**	**1283**	**1707**	**11589**	**2183**	**619**	**96**	**36**	**197**	**175**

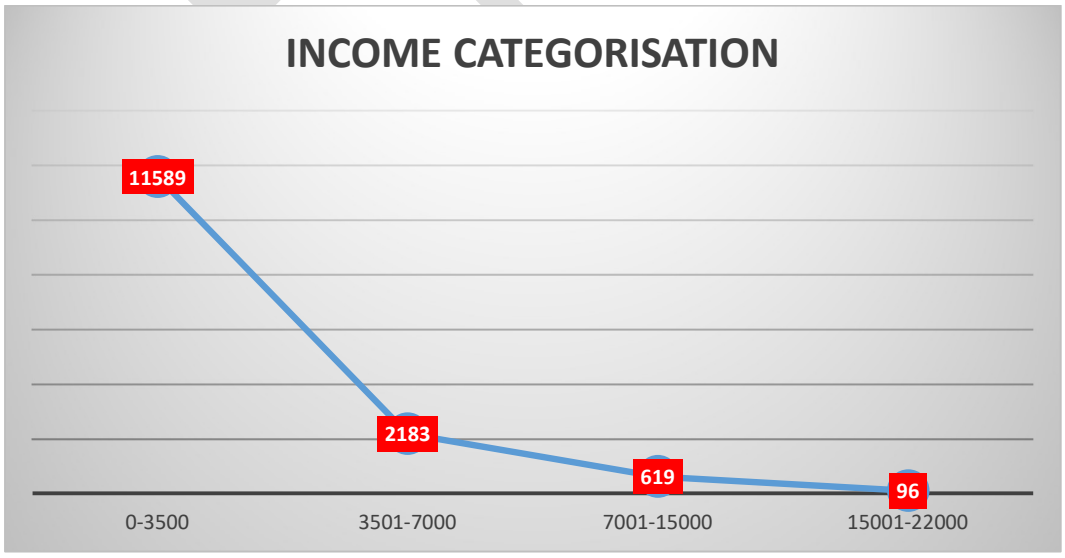
- Grabouw accounts for 6317 of the total demand, which is 43%, and Villiersdorp 3454 equating to 23% of the total demand.

Demand Age Analysis



As per the above graphical illustration **4434 (30%)** of the housing demand is within the 30-39 age category.

Demand Per Income categorisation



As per the above graphical illustration 80% (11 589) of the total demand fall withing low-cost housing income range and 20% (2898) in the affordable housing income range.

INFORMAL SETTLEMENTS MANAGEMENT

Overview and Strategic Mandate

The Informal Settlement Management Unit continues to implement the Municipality's mandate of promoting safe, inclusive, and progressively upgrading informal settlements. Core focus areas include land management and containment, incremental upgrading, disaster and incident response, data accuracy, beneficiary administration, service delivery coordination, and compliance with relevant human settlements legislation and SOPs, including:

- SOP: Prevention of Illegal Occupation & Land Invasion
- Winter Readiness Plan 2024/2025
- Demolition Operations Procedure
- Incident Response Protocol

The Municipality currently manages 37 informal settlements comprising of approximately 22 382 structures, reflecting a year-on-year increase of 3.7% (from 21 577 in 2023/2024). This increase is primarily due to improved enumeration and data refinement efforts, not unmanaged growth.

Growth Analysis 2023/2024 vs 2024/2025

Indicator	2023/2024	2024/2025	Change	Comment
Total informal structures	21 577	22 382	+805	This increase include improvement in counting accuracy and identification of previously unnumbered units
Number of informal settlements	37	37	No change	Reflects containment success
Uncontrolled growth	High risk	Limited & stabilised	Improved enforcement, surveillance & interdict execution	

Top 3 settlements by proportion of total structures:

1. Grabouw – 16 208 structures (72.41%)
2. Villiersdorp – 4 104 structures (18.34%)
3. Caledon – 1 294 structures (5.78%)

Together these three account for 96.53% of all informal structures in Theewaterskloof.

Land Management, Containment & Demolition Operations

Containment Measures

The Unit enhanced visibility and daily patrols in hotspot areas in alignment with:

- Containment Action Plan
- Illegal Occupation SOP (reviewed 2024/2025)
- Law Enforcement joint operations
- Drone-supported imagery (DLRRD collaboration)

Despite community-driven pressure on land, growth was successfully stabilised, with all 37 settlements maintained within predefined boundaries.

Demolition of Illegal Structures

Through a combination of planned and rapid-response operations, the Unit — supported by Law Enforcement and an appointed demolition service provider — demolished 44 illegal structures during the financial year:

Area	Units Demolished
Riviersonderend	12
Grabouw	30
Myddleton	2
Others	0

Incident Response & Winter Readiness

Fire Incidents

The Unit responded to fire incidents across multiple towns, with the majority concentrated in Grabouw and Villiersdorp. Assistance provided included starter kits, relief items, humanitarian support, and inter-departmental coordination with Disaster Management.

Winter Readiness 2024/2025

- Activities implemented included:
- Risk mapping and stormwater assessments
- Clearing of drains in collaboration with Town Offices
- Emergency material distribution
- Early-warning communication
- Monitoring of high-risk slopes and flood-prone areas

Beneficiary Administration & Occupation Certificates

The Unit rolled out a major Occupation Certificate (OC) Drive to restore dignity, formalise occupancy, and improve administrative control over Temporary Relocation Areas (TRAs) and formalised sites.

Enumeration, Data Integrity & Digital Transformation

Database Refinement

The Unit is in the process of developing full Integrated Informal Settlement Digital Database including:

- Permission-controlled access
- Capturing timestamps
- User accountability tracking
- Interface improvements for field teams
- Support for integrated reporting

Surveying Project

A multi-year surveying programmeme was initiated to correct historical data gaps.
Completed or near-complete areas include:
Madiba Park, Velapi, Myddleton, Klipheuwel, Waterworks, Hillside, Bergendal, Joe Slovo, Zola, and others.
Some large settlements (e.g., Riemvasmaak, Enkanini, Kgotsong) remain in progress, with completion scheduled for 2025/2026.

Final

External Partnerships & Capacity Building

Key partnerships strengthened during the reporting year:

- Chrysalis Academy: placement of Law Enforcement students in the Unit
- Provincial Infrastructure Department: EPWP training for housing consumer education
- DLRRD: drone mapping and data support
- Grabouw SAPS & CPF: structure-numbering initiative in Iraq
- Department of Police Oversight & Community Safety: placement of students

These collaborations enhance operational capacity without increasing baseline staffing costs.

Conclusion

The 2024/2025 financial year demonstrates clear progress in:

- Strengthening containment
- Improving data integrity
- Enhancing visibility and enforcement
- Formalising beneficiary administration
- Responding effectively to hazard related incidents
- Deepening community and intergovernmental partnerships
- Integrating digital transformation into frontline operations

Despite resource constraints and increasing population pressure, the Unit has effectively stabilised growth in informal settlements and positioned the Municipality for more data-driven, efficient upgrading and management in 2025/2026.

TITLE DEEDS – SECURITY OF TENURE PROVISION

The municipality has a legal obligation to guarantee that when ownership of immovable property is transferred to housing beneficiaries, a title deed is ultimately provided. Many beneficiaries, in various historic subsidised 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 among its communities, to ensure security of tenure towards communities and ensuring the rights and values listed above to the communities. We seek financial support to provide the Title Deeds to the communities we assist, and this document outlines the strategies the municipality has implemented to eliminate its Title Deeds backlog.

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 properties (Rooidakke) belonging to the National Department of Public Works and Infrastructure. For these developments, the municipality received an authorisation from the National Department Public Works and Infrastructure to occupy and build on their land. These houses have already been handed over to the beneficiaries and occupied by the beneficiaries.

The land surveying, sub-divisions and Township Establishment are town planning approvals which are yet to be finalised and consequently the transfer to the approved subsidy beneficiary could never have taken 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 Programmeme (TRP), however, we still had the challenge of land that was not registered into the name of the Municipality.

3.5.2 PRIORITISED IRDP HOUSING SITES

The prioritised IRDP housing site figures for the financial year is indicated in the table below:

Site	Units
Subsidy: Priority 1 Destiny Farm	408 Sites

3.5.3 GAP HOUSING SITES

The table below indicates the GAP housing sites of the municipality, and the number of units built:

Site	Property	Units
GAP: Priority 1		
2024/2025	Sale of Gap Erven in Caledon Sale of Gap Erven in Riviersonderend	34 Erven were advertised 18 Erven were advertised
GAP Total		

3.5.4 HIGHLIGHTS: HOUSING

The following table indicates the highlights of the financial year:

Highlights	Description
Property Management also contributes to the Income generation of the Theewaterskloof Municipality	From the 34 GAP Erven in Caledon, 28 erven were awarded to prospective buyers
3 of the Erven 5, purchase prices were paid in full signing of the Deed of Sales, the other 2 Erven, 10%. **An amount of R179 050.00 has already been generated from the Sale of the 5 Erven in Riviersonderend**	From the 18 GAP Erven in Riviersonderend, 5 Erven were awarded.

3.5.5 CHALLENGES: HOUSING

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Illegal occupation and invasion of municipal land	Obtained court interdicts on vacant municipal land and appointed a service provider for the demolition of illegal informal structures
Inadequate basic services provision – informal settlement locations	Where access to bulk infrastructure availability is restricted, the municipality provides chemical ablution facilities
Evictions – Provision of temporary accommodation	Apply for the transfer of state-owned land to the municipality
Tittle Deeds Restoration Backlog & Funding	Submitted revised Title Deeds Business Plan Application to the Provincial Department of Infrastructure for funding approval

3.5.6 HOUSEHOLDS WITH ACCESS TO BASIC HOUSING

The table below indicates the statistics of households with access to basic housing:

Number of households with access to basic housing			
Financial Year	**Total households (including formal and informal settlements)**	**Households' informal settlements**	**Percentage of households in formal settlements**
2024/25	**38 392**	**22 335**	**58 %**

3.5.7 HOUSING WAITING LIST

Financial Year	Number of housing units on waiting list	% Housing waiting list increase/(decrease)
2023/24	14008	4%
2024/25	14575	

3.5.8 HOUSING ALLOCATION

Financial year	Allocation	Amount spent	% spent	Number of houses built	Number of sites serviced
	R'000	R'000			
2023/24	75186	39 978	53	8	182
2024/25	29151	10 726	37	0	475

3.5.9 EMPLOYEES HUMAN SETTLEMENTS

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	1	1	1	0	0
7 - 9	2	5	5	0	0
10 - 12	7	8	8	0	0
13 - 15	1	2	2	0	0
16 - 18	2	2	1	1	50%
19 - 20	0	0	0	0	0
Total	**13**	**18**	**17**	**1**	**5%**

3.5.10 FINANCIAL PERFORMANCE: HOUSING SERVICES

Financial Performance: Housing Services					
					R'000
Details	Year 2023 - 2024	Year 2024 - 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	39,923	80,983	130,587	82,149	-37%
Expenditure:					
Employees	8,935	9,241	10,314	10,130	-2%
Repairs and Maintenance	2,251	1,816	1,043	1,051	1%
Other	5,742	9,586	13,049	10,217	-22%
Total Operational Expenditure	16,928	20,643	24,406	21,398	-12%
Net Operational Surplus/ (Deficit)	**22,995**	**60,340**	**106,181**	**60,751**	**-43%**
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 .					T3.5.5

3.5.11 CAPITAL EXPENDITURE: HOUSING SERVICES

Capital Expenditure : Housing Services				
				R' 000
Capital Projects	2024/25			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Total All	**76,173**	**124,942**	**77,609**	**-38%**
Furniture and Office Equipment (Housing)	,75	,71	–	**-100%**
Grabouw - Hillside : Installation of Civil Engineering	8,000	–	–	**0%**
Greyton Portion of Erf 595: Detailed Planning	2,000	1,305	1,021	**-22%**
Greater Grabouw Planning	–	,423	,423	**0%**
Caledon: Riemvasmaak Upgrading of Informal Settlement (UISP)	–	–	–	**0%**
Computer Equipment (Housing)	,75	,71	–	**-100%**
Machinery and Equipment (Housing)	,40	–	–	**0%**
Caledon Riemvasmaak	2,000	1,984	1,984	**0%**
Rooidakke (1054)	3,000	1,114	1,139	**0%**
Grabouw Iraq	12,000	–	–	**0%**
Gypsy Queen (255)	3,000	2,000	2,000	**0%**
Greater Grabouw - Gyspsey Queen	,500	–	–	**0%**
Greater Villiersdorp UISP (2600)	2,300	–	–	**0%**
Villiersdorp Destiny Farm (1133)	39,983	116,708	69,776	**-40%**
Water Works Emergency Housing (67) - Gypsey Queen	1,200	1,116	1,116	**0%**
Botriver Beaumont Services Ph1(272) Ph2(774)	2,000	,150	,150	**0%**

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.

3.5.12 COMMENT ON THE CAPITAL EXPENDITURE: HOUSING SERVICES

The total budget allocated for capital expenditure for the year 2024/25 was 76,173, which was adjusted to 124,942. The actual capital expenditure for the year 2024/25 reached 77,609, resulting in a variance of -38%.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

3.6.1 INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The goal of the Theewaterskloof Municipality is to guarantee that the procedures and guidelines concerning subsidies for indigent and low-income households are accessible to everyone. This is achieved by maintaining permanent offices in various locations where individuals can apply for a subsidy with the help of an office representative.

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

The tables below indicate the number of households that received free basic services in the 2023/24 and 2024/25 financial years:

Financial Year	Number of households								
	Total no of HH	Free basic electricity		Free basic water		Free basic sanitation		Free basic refuse removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2023/24	43 121	2 707	6	6 295	15	6 295	15	6 324	15
2024/25	43 121	2583	6	6 314	15	6 308	15	6 333	15

Table 1: Free basic services: Number of households

Financial Year	Indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value R'000	No. of HH	Unit per HH (kwh)	Value R'000
2023/24	2 707	70	228	2898	70	132.84
2024/25	2 583	70	253	3041	70	140.42

Table 2: Free basic services: Electricity

Financial Year	Indigent Households		
	No. of HH	Unit per HH (kl)	Value R'000
2023/24	6 295	6	277
2024/25	6 314	6	291

Table 3: Free basic services: Water

Financial Year	Indigent Households		
	No. of HH	R value per HH	Value R'000
2023/24	6295	Free	232
2024/25	6308	Free	245

Table 4: Free basic services: Sanitation

Financial Year	Indigent Households				
	No. of HH	Service per HH per week	Value R'000	Unit per HH per month	Value R'000
2023/24	6324	Free Weekly	259	-	-
2024/25	6333	Free Weekly	274	-	-

Table 5: Free basic services: Refuse removal

3.6.2 FINANCIAL PERFORMANCE: FREE BASIC SERVICES DELIVERED

Financial Performance: Cost to Municipality of Free Basic Services Delivered					
					R '000
Services Delivered	Year 2023 - 2024	Year 2024 - 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Water	13,510	14,277	14,862	14,977	1%
Waste Water (Sanitation)	13,672	14,488	14,930	14,934	0%
Electricity	6,133	6,786	6,892	6,416	-7%
Waste Management (Solid Waste)	15,392	16,315	16,754	16,764	0%
Total	**48,707**	**51,866**	**53,438**	**53,091**	**-1%**
					T3.6.4

Final

COMPONENT B: ROAD TRANSPORT

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

3.7 ROADS

3.7.1 INTRODUCTION TO ROADS

1. **Infrastructure Ageing and Focus Shift:**
   - Initially, the focus was primarily on upgrading gravel roads to paved roads.
   - Currently, the focus includes not only upgrading but also rehabilitation, resealing, and ongoing maintenance projects funded through capital funding.

2. **Contract-Based Upgrading**:
   - Roads are upgraded through contracted projects, suggesting involvement of external contractors or firms for execution.

3. **Maintenance Programme**:
   - There exists a five-year maintenance programme with defined priorities and budgets.
   - This programme is accessible through the PMS (Prescribed Minimum Standards) and Integrated Transport Plan, indicating a structured approach to road maintenance.

4. **Pedestrian and Bicycle Infrastructure**:
   - There is limited provision for pedestrian and bicycle travel within the municipal area.
   - Conventional sidewalks are available primarily in central business districts, suggesting a need for expanded infrastructure to accommodate non-motorized travel.

5. **Specific Upgrades Mentioned**:
   - The document doesn't explicitly list roads that have been upgraded from gravel to paved/surfaced roads with drainage facilities.
   - The absence of specific examples implies a general policy or ongoing process rather than specific completed projects listed in this section.

In summary, Theewaterskloof Municipality is actively managing its road infrastructure, focusing not just on initial upgrades but also on ongoing maintenance and rehabilitation. The provision for pedestrian and bicycle infrastructure is noted as limited, with potential for future expansion to support non-motorized travel.

3.7.1.1 CHALLENGES: ROADS

The table below indicate the challenge faced during the financial year:

Description	Actions to address
Source funding for Road Rehabilitation	Technical Engineering Reports submitted to the Department of Infrastructure for Main Road Upgrading's

3.7.2 GRAVEL ROADS INFRASTRUCTURE: KILOMETRES

The table below indicates the amount of gravel roads constructed, maintained and upgraded during the financial year:

Gravel roads infrastructure: Kilometres				
Financial year	**Total km's gravel roads**	**New gravel roads constructed**	**Gravel roads upgraded to paved**	**Gravel roads graded/maintained (km)**
2023/24	89	0	1	Operations
2024/25	88	0	0	67

3.7.3 TARRED ROAD INFRASTRUCTURE: KILOMETRES

The table below indicates the number of tarred/paved roads constructed, maintained and upgraded during the financial year:

Tarred/paved road infrastructure: Kilometres					
Financial year	**Total tarred/paved roads**	**New tar roads**	**Existing tar roads re-tarred**	**Existing tar roads re-sheeted**	**Tar/paved roads maintained**
2023/24	172.1	1	0.5	0	Operations
2024/25	173.1	0	0	0	1.4

3.7.4 COST OF MAINTENANCE AND CONSTRUCTION OF ROADS

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

Financial year	**Gravel**			**Tar**		
	New	**Gravel to Tar**	**Maintained**	**New**	**Reworked**	**Maintained**
						R'000

2023/24	2.5	R5 000 000	75	1	Operations	Operations
2024/25	0	0	R470 000	0	0	0
The cost for maintenance includes stormwater						

3.7.5 EMPLOYEES: ROAD SERVICES AND STORMWATER

The table below indicates the number of staff employed within the Unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	3	1	1	0	0
4 - 6	56	59	50	9	15%
7 - 9	20	19	18	1	5%
10 - 12	6	7	5	2	28%
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**85**	**86**	**74**	**12**	**14%**

3.7.6 FINANCIAL PERFORMANCE: ROAD SERVICES

Financial Performance : Road Services					
					R'000
Details	Year 2023 - 2024	Year 2024 - 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	–	,170	6,435	–	-100%
Expenditure:					
Employees	–	–	–	–	0%
Repairs and Maintenance	43,342	26,252	27,263	26,945	-1%
Other	7,330	6,637	6,814	7,171	5%
Total Operational Expenditure	50,672	32,889	34,077	34,116	**0%**
Net Operational Surplus/ (Deficit)	**(50,672)**	**(32,719)**	**(27,642)**	**(34,116)**	**23%**
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 .					T3.7.8

3.7.7 CAPITAL EXPENDITURE: ROAD SERVICES

Capital Expenditure: Road Services				
				R' 000
Capital Projects	2024/25			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Adjustment Budget
Total All	**15,150**	**13,042**	**341**	**-97%**
Upgrading of Chavonnes Bridge in Caledon	3,000	-	-	**0%**
Upgrading of Mountain View Street in Middleton	870	–	–	**0%**
Upgrading of the Caledon Waste Transfer Facility (WTF)	5,500	–	–	**0%**
Upgrading of Muller Street Stormwater in RSE	-	–	–	**0%**
Upgrading of Freezia Street in RSE	780	–	–	**0%**
Upgrading of Carl Jonas Street in Genadendal	2,500	–	–	**0%**
Provision of Professional Services: Upgrading of Bosmanskloof	500	–	–	**0%**
Upgrading of Murtle Street in Botrivier	2,000	–	–	**0%**
Caledon Roadway Enhancement: 40mm A-E2 Frictional Asphalt Resurfacing Hoop Street and Plein Street from 0km to 1,49km	-	6,300	–	**-100%**
Flood damages	-	3,481	–	**-100%**
Infrastructure in the Rooidakke Development in Grabouw project	-	3,261	,341	**-90%**
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.7.8 COMMENT ON THE CAPITAL EXPENDITURE: ROAD SERVICES

The total budget allocated for capital expenditure for the year 2024/25 was 15,150, which was adjusted to 13,042. The actual capital expenditure for the year 2024/25 reached 341, resulting in a variance of -97%.

3.8 TRANSPORT AND FLEET MANAGEMENT

3.8.1 FLEET MANAGEMENT

Introduction to Fleet Management Services:

Fleet management within Theewaterskloof Municipality is a strategic function that ensures municipal vehicles and equipment are effectively managed to support service delivery across all towns and communities. The municipality relies on a diverse fleet—including refuse compactors, sewer suction tankers, graders, light delivery vehicles (LDVs), and pool cars—to carry out essential services that directly impact residents' quality of life.

The objective of fleet management is to ensure that these assets are safe, reliable, cost-effective, and fit for purpose. This is achieved through structured processes covering procurement, preventative maintenance, repairs, fuel management, licensing, tracking, and eventual replacement or disposal. A well-managed fleet reduces downtime, extends the useful life of vehicles, and ensures compliance with regulatory and financial standards

Highlights: Fleet Management Services

The following table indicates the highlights of the financial year:

Highlights	Description
New Vehicles Procured	3x Refuse Compactors: R 7,206,676.54 1x Digger Loader: R 1,324,902.02

Challenges: Fleet Management Services

The table below indicates the challenges faced during the financial year:

Description	Actions to address
Refuse Removal	3x Refuse Compactors: R 7,206,676.54

3.8.1.1 EMPLOYEES: FLEET MANAGEMENT

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	1	1	0	1	100%
10 - 12	0	0	0	0	0
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**2**	**2**	**1**	**1**	**50%**

3.8.2 TRANSPORT SERVICES

KEY CHALLENGES ACROSS TOWNS:

- **Botrivier**
  - Poor access to N2 National Road in western parts.
  - No direct link between northern and southern parts due to N2.
  - High poverty levels.

- **Caledon**
  - Southern neighbourhoods isolated from services and employment.
  - Limited local employment opportunities.
  - Subsidized housing backlog.

- **Genadendal**
  - Poverty and lack of economic opportunities.
  - No clearly defined town centre.

- **Grabouw**
  - Seasonal migration linked to fruit farming.
  - High poverty and subsidized housing backlog.
  - Limited industrial development.

- **Greyton**
  - Spatial integration challenges.
  - Lack of parking for businesses.
  - Growing demand for commercial and tourism development.

- **Riviersonderend**
  - N2 divides the town.
  - Poor streetscape along N2.
  - Economic opportunities limited beyond 1 km from N2.

- **Tesselaarsdal**
  - Limited economic opportunities.
  - Lack of road hierarchy.

Final

- **Villiersdorp**
  - Physical constraints to urban development.
  - Limited local facilities within easy walking distance.
  - High poverty and subsidized housing backlog.

PROPOSED TRANSPORT PROJECTS

Rail Initiatives: Develop vintage rail and upgrade Cape Town to Overberg rail link for freight and passenger transport (Botrivier, Caledon, Grabouw).

Non-Motorized Transport (NMT): Develop pedestrian walkways and cycle routes to improve local mobility (across all towns).

Local Road Infrastructure: Upgrade and expand local roads to improve connectivity and access to economic nodes (across all towns).

Public Transport (PT) and Facilities: Develop PT routes and facilities to enhance accessibility (e.g., new rank location in Caledon).

Tourism and Commercial Development: Encourage mixed-use and tourism-related developments (across all towns).

Infrastructure for Economic Zones: Develop infrastructure (like electric vehicle charging stations, industrial zones) to support economic growth (across all towns).

PRIORITY AREAS

Based on the prioritization criteria:

- **NMT Projects:** Given high emphasis by stakeholders and municipalities.
- **Rehabilitation and Maintenance:** Prioritize over upgrade projects.
- **Local Economic Development Zones:** Focus on infrastructure and accessibility improvements.
- **Rail and Tourism Initiatives:** Promote regional economic growth and tourism potential.

CONCLUSION

Each town within TWKM faces unique challenges related to transport and infrastructure. Prioritizing NMT, local road upgrades, and supporting economic zones will be crucial in addressing these challenges and fostering sustainable development across the region. Coordination between stakeholders and careful budget allocation will be key in successfully implementing these projects

3.9 WASTEWATER (STORMWATER DRAINAGE)

Stormwater Infrastructure Condition at a Glance: Theewaterkloof Municipality's Stormwater Management Plans for towns were last prepared in 2015 and the extent and detail are outdated, given that several towns have experienced the addition of more informal settlements (often with these being established in low-lying flood-prone areas) during the last 9 years and the effects of climate change taking hold with drier conditions during summers (greater loss of vegetation) and more frequent high-intensity storms prevalent during winter months. Continuing new developments (formal and informal) with increases in paved surfaces (and associated litter) have also contributed to more surface water run-off that needs to be managed.

The results of town-based TWKM Customer Services Manager interviews, backed up by a selected number of visits / ad-hoc evidence points to the following major SW risk conditions:

Town	Stormwater Master Plan (Last update)[1]	CS risk[2] level?	Stormwater road infrastructure & urban areas / most at risk of flooding
Grabouw	2015	High	Savory Street SW canal to be formalised (Rooidakke area), flooding along the banks of the Palmiet River, notably the taxi rank (Worcester Str) and Fish market (incl. Fish Market Sewage Pump Station). A large no of SW manhole covers is broken / damaged and SW pipe conduits filled with rubbish (new TWKM owned jet-vac truck is required)
Caledon	2015	High (Roads highlighted as no 1 priority)	Myddleton suffers from regular storm water damage; existing side drains / drainage not adequate or completely lacking. Grids required for kerb / manhole inlets. 2nd Ave (Riemvasmaak area) SW pipe size inadequate.
Tesselaarsdal	2015	Moderate-high	Low-level bridges, steep gravel road giving access to WWTW & community hall. Bethoeskloof main road (steep section): inadequate grading & use of existing side-drain
Botrivier	2015	High (Myrtle Rd highlighted as no 1 priority)	Amandla Str ("potholed beyond repair"), Myrtle Str (300mm Ø SW pipe under-sized), St Peters Way (improved cross-fall & drainage required), Jakaranda Str (ponding water), Fouche Str and cemetery area
Villiersdorp	2015	Moderate	Voortrekker Street (also issues with water entering sewer system), loss of gravel from gravel roads (steep roads), "lei-water" / irrigation canal system issues during flooding events.
Rivier-sonderend	2015	High	Inadequate SW system: Muller Street (existing 300mm Ø SW pipe undersized – flooding affects access to waste transfer station) & low-lying Joe Slovo area. Risk of flooding to lower elevated sewage pump stations along river bank
Greyton	2015,	High	Flooding along river banks, erosion of river banks. Inadequate funding for gravel road maintenance result in inadequate cross-fall and drainage.
Genadendal, Bereaville & Voorstekraal	2015	Low-medium	In Genadendal generally not severe; provided that regular maintenance is done to open SW drains.

Town	Conclusions: Major Risk / Priority Capital Projects
Caledon	General ➢ Implement seasonal stormwater cleaning plan before raining season ➢ Prioritize cost-effective pothole repairs management strategies. Required Major Risk Schemes ➢ Consultant to be appointed to update and prepare new stormwater master plan ➢ Aim to re-gravel (light) at least **0.7 km** of gravel roads annually, for a period of 10 years, those roads that are considered poor or very poor (Town Technical Officer to advise). ➢ Investigate and upgrade existing stormwater pipe in 2nd Ave (Riemvasmaak). ➢ Upgrade and install new surface water drainage pipes and channels in Myddleton (multi-year programme) ➢ Resurfacing and re-construction of poorest condition roads in a phased manner ➢ Other recommended schemes as indicated in Required Maintenance Capital programme,

Tesselaardsal	General ➢ Undertake capital stormwater drainage improvements (new side drains) in Tesselaarsdal and Bethoeskloof to reduce deterioration of existing gravel roads. Required Major Risk Schemes ➢ Consultant to be appointed to update and prepare new stormwater master plan ➢ Upgrade the gravel road leading to the WTW / borehole and community hall with new surfaces road. Also construct a formal stormwater drain / surface water channel for the steepest sections ➢ Aim to re-gravel (light) at least **0.6 km** of gravel roads annually, for a period of 10 years, those roads that are considered poor or very poor (Town Technical Officer to advise). ➢ Other recommended schemes as indicated in Required Maintenance Capital programme,
Botrivier	General ➢ Reconstruct those asphalt roads that are in "very poor" condition (beyond economic repair with damage already caused to pavement layers. Required Major Risk Schemes ➢ Consultant to be appointed to update and prepare new stormwater master plan ➢ Highest risk – Myrtle Street (Gravel Road); road to be upgraded to asphalt road with adequate stormwater management ➢ Amandla street (asphalt road; pot-holed beyond economic repair); road needs to be reconstructed and resurfaced. ➢ Improve road surface (incl. cross-fall) and drainage for St Peters Way ➢ Improve road surface and drainage for Jakaranda Str (ponding water) ➢ Improve road surface and drainage for Fouche Str ➢ Improve road surface and drainage around cemetery area ➢ Aim to re-gravel (light) at least **1.0 km** of gravel roads annually, for a period of 10 years, those roads that are considered poor or very poor (Town Technical Officer to advise). ➢ Other recommended schemes as indicated in Required Maintenance Capital programme,

GENADENDAL

Town	Conclusions: Major Risk / Priority Capital Projects
	➢ Develop and implement a structured stormwater drainage system to mitigate flood risks. This includes the construction of proper drainage channels, retention ponds, and other water management infrastructure to alleviate the impact of intense precipitation events. Required Major Risk Schemes ➢ Consultant to be appointed to update and prepare new stormwater master plan ➢ Aim to re-gravel (light) at least **2 km** of gravel roads annually, for a period of 10 years, those roads that are considered poor or very poor (Town Technical Officer to advise). ➢ Other recommended schemes as indicated in Required Maintenance Capital programme,

Town	Conclusions: Major Risk / Priority Capital Projects
Grabouw	General ○ Prioritise periodical road maintenance program (see mentions in executive summary) ○ Implement seasonal stormwater cleaning plan before raining season ○ Plan minor road repairs before the surface breaks. ○ Prioritize cost-effective pothole repairs management strategies. Required Major Risk Schemes ➢ Consultant to be appointed to update and prepare new stormwater master plan ➢ Resurface Old Cape Road, Main Road and Rooidakke in order of priority ➢ Aim to re-gravel (light) at least **1.1 km** of gravel roads annually, for a period of 10 years, those roads that are considered poor or very poor (Town Technical Officer to advise). ➢ Savory Street stormwater canal to be formalised / improved ➢ Appoint consultant to investigate flooding issue at Worcester Street (taxi rank) and prepare concept cost estimate. Implement solution where feasible. ➢ Other recommended schemes as indicated in Required Maintenance Capital programme,

Town	Conclusions: Major Risk / Priority Capital Projects
Villiersdorp	General ➢ Seek increased capital and operational budget allocations . ➢ Implement cost-effective maintenance strategies and prioritize critical repairs. ➢ Roads are in a very poor condition and capital funding is to be made available for resurfacing of badly deteriorated asphalt roads on an annual basis. A phased annual programme of work is required Required Major Risk Schemes ➢ Consultant to be appointed to update and prepare new stormwater master plan ➢ Aim to re-gravel (light) at least **0.6 km** of gravel roads annually, for a period of 10 years, those roads that are considered poor or very poor (Town Technical Officer to advise). ➢ Resurface Voortrekker Street and investigate / repair possible link with foul sewer system ➢ Other recommended schemes as indicated in Required Maintenance Capital programme
Riviersonderend	General ➢ Implement a comprehensive road maintenance program, including regular inspections and timely repairs. Use high-quality materials and invest in durable road surfacing. Required Major Risk Schemes ➢ Consultant to be appointed to update and prepare new stormwater master plan ➢ Upgrade existing 300mm Ø stormwater pipe along Muller Street. This lower elevated road and adjacent low-lying Joe Slovo residential area is prone to flooding during severe storms (area of old river course) ➢ Aim to re-gravel (light) at least **2 km** of gravel roads annually, for a period of 10 years, those roads that are considered poor or very poor (Town Technical Officer to advise). ➢ Other recommended schemes as indicated in Required Maintenance Capital programme,
Greyton	General ➢ Develop tailored maintenance strategies for mixed-surface sections considering the unique characteristics of both asphalt and unbound granular surfaces. Regular inspection and upkeep of these sections. Required Major Risk Schemes ➢ Consultant to be appointed to update and prepare new stormwater master plan ➢ Aim to re-gravel (light) at least **1 km** of gravel roads annually, for a period of 10 years, those roads that are considered poor or very poor (Town Technical Officer to advise). ➢ Appoint consultant to design and price concept designs for river erosion and flood protection works, following outcome of stormwater master plan. Implement initial mitigations subject to outcome (provisional sum) ➢ Other recommended schemes as indicated in Required Maintenance Capital programme,

3.9.1 STORMWATER INFRASTRUCTURE

The table below shows the total kilometers of stormwater infrastructure maintained, upgraded and the kilometers of new stormwater pipes installed:

Stormwater infrastructure: Kilometers				
Financial year	**Total stormwater measures**	**New stormwater measures**	**Stormwater measures upgraded**	**Stormwater measures maintained**
2023/24	167.5	0.5	0.5	Operations
2024/25	167.5	0.03	0	Operations

3.9.2 COST OF CONSTRUCTION/MAINTENANCE

The table below indicates the amount of money spent on stormwater maintenance:

Financial year	**Stormwater measures**		
	New R'000	**Upgraded R'000**	**Maintained R'000**
2023/24	3 891	0	Operations
2024/25	30	0	Operations

3.9.3 EMPLOYEES: STORMWATER SERVICES

Stormwater services employees are included with Road services employees.

Final

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 policies. The line function aims to facilitate sustainable urban and rural development.

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 By-law on Municipal Land Use Planning. Decisions are either made by the Municipal Planning Tribunal, established in terms of Section 70 of the Theewaterskloof Municipality By-law on Municipal Land Use Planning, or the Authorised Official, as determined by Section 68 of the Theewaterskloof Municipality By-law on Municipal Land Use Planning.

Table T3.10.2 illustrates the breakdown of the types of land use applications that were scrutinised and finalised during the financial year under review. In total, 51 land use applications were finalised, which comprised the different types of applications as contained in the table appearing from below. The number of land use applications submitted increased from 101 in the 2023–2024 financial year to 114 in 2024–2025 financial year. This could be attributed to the possible improved economic conditions of the local residents within Theewaterskloof municipal area.

The Building Control Section in turn finalised a total number of 402 building plans applications during the financial year. An increase in the number of building plans approved can be observed from the previous financial year. This can be due to various reasons, attributed mainly to the improved economic conditions of the local residents within Theewaterskloof municipal area.

3.10.1.1 HIGHLIGHTS: PLANNING AND BUILDING CONTROL SECTION

The following table indicate the highlights of the financial year:

Highlights	Description
Riviersonderend Mosque	Land use application was approved for a mixed-use development which include a Mosque
Increase staff capacity	Appointment of the Manager :Town Planning and Building Control
Municipal Outreach Programme	Building Control engaged with the farming community regarding the submission and processing of building plans.

3.10.1.2 CHALLENGES: PLANNING AND BUILDING CONTROL SECTION

The table below indicate the challenge experienced during the financial year:

Description	Actions to address
Capacity constraints	The Building Control Section has been functioning with a funded vacant position of building

	inspector since August 2024. The filling of this vacant position is underway and will be finalised soon.

3.10.1.3 SERVICE STATISTICS: PLANNING AND BUILDING CONTROL

The table below indicates the performance statistics for Planning and Building Control:

Type of service	2023/24	2024/25
Building plans application processed	336	402
Total surface (m²)	61817	73938m²
Approximate value (Rand)	295 719250	100 1343501
Building plans income generated	1455878	2071285
Residential extensions	30	34
Land use applications finalized	47	51
Rural applications	33	34

3.10.2 APPLICATIONS FOR LAND USE DEVELOPMENT

Type of service	2023/24	2024/25
Planning applications finalised	47	51
Departure	28	35
Consent Use	13	14
Rezoning	12	7
Sub-division	11	6
ROR	0	2
Extension of validity period	1	2
Consolidation	1	3
Amendment of SDP	0	1
Closure of Public Place	1	1
Permission of the zoning scheme	0	0
Amendment of sub-divisional plan	0	1

3.10.3 PLANNING POLICY OBJECTIVES

PLANNING POLICY OBJECTIVES									
Service Objectives	**Outline service targets**	**2021/2022**		**2022/2023**		**2023/2024**		**2024/25**	
		Target	**Actual**	**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.	90%	99%	95%	82%	95%	96.5%	95%	96.75%

	Process land use applications within 60 days (delegated official) after receipt of all outstanding and relevant information and documents.	85%	93%	90%	97%	90%	97%	95%	99.58%
	Process land use applications within 120 days (MPT) after receipt of all outstanding and relevant information and documents.	90%	98%	95%	100%	95%	100%	95%	91.67%
Conduct inspections within a reasonable timescale	Conduct building site inspections of approved building plans within 10 working days after receipt of request.	100%	1 00%	100%	100%	100%	100%	100%	100%
	Percentage occupation certificates issued within 10 working days.	100%	94%	100%	92%	95%	100%	95%	100%
									T 3.10.3

3.10.4 EMPLOYEES: PLANNING SERVICES AND IDP

The table below indicates the number of staff employed within the Unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	4	4	4	0	0
10 - 12	5	9	8	1	11%
13 - 15	4	2	2	0	0
16 - 18	1	3	2	1	33%
19 - 20	0	0	0	0	0
Total	**14**	**18**	**16**	**2**	**11%**

3.10.5 FINANCIAL PERFORMANCE: PLANNING SERVICES

Financial Performance : Planning Services					
					R000'
Details	Year 2023/24	Year 2024/25			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2,105	2,398	2,398	4,061	69%
Expenditure:					
Employees	12,012	11,061	11,886	11,824	-1%
Repairs and Maintenance	3	13	17	4	-79%
Other	(12)	(11)	(12)	1,589	-113%
Total Operational Expenditure	–	–	–	13,416	0%
Net Operational Expenditure	**(2,105)**	**(2,398)**	**(2,398)**	**9,355**	**-490%**
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

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

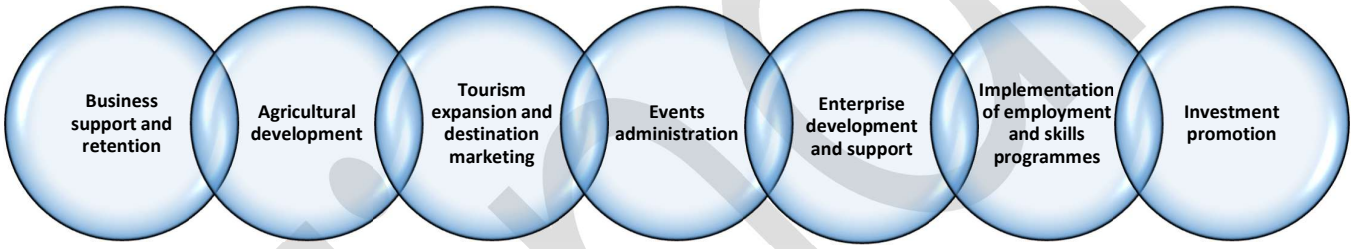
3.11.1 INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT SERVICES

Local Economic Development (LED) is a strategic and participatory process designed to enhance the economic capacity of a local area, thereby improving its prospects and the quality of life for its residents. It involves collaboration between the public sector, private enterprises, and non-governmental stakeholders to stimulate economic growth, create employment opportunities, and foster inclusive development.

Theewaterskloof Municipality remains steadfast in its commitment to LED as a central pillar of local transformation and sustainable development. Through this approach, the municipality strives to empower communities and the private sector alike, by creating an enabling environment where businesses can thrive, livelihoods can be enhanced, and local potential can be realised.

In 2020, the municipality adopted the Local Economic Development Strategy, which outlines a vision to sustainably grow the Theewaterskloof economy by supporting and retaining existing businesses, while simultaneously creating new, inclusive economic opportunities within priority sectors. These sectors are strategically aligned with the region's distinctive natural, social, and economic characteristics.

The strategy is underpinned by key focus areas, including:



In alignment with this vision, the LED Department continued the rollout of core programmemes and initiatives during the 2024/2025 financial year, aimed at enhancing local economic resilience, promoting entrepreneurship, and increasing community participation in the local economy.

The section that follows provides an overview of performance highlights and achievements in local economic development and tourism for the 2024/2025 financial year.

BUSINESS SUPPORT SERVICES

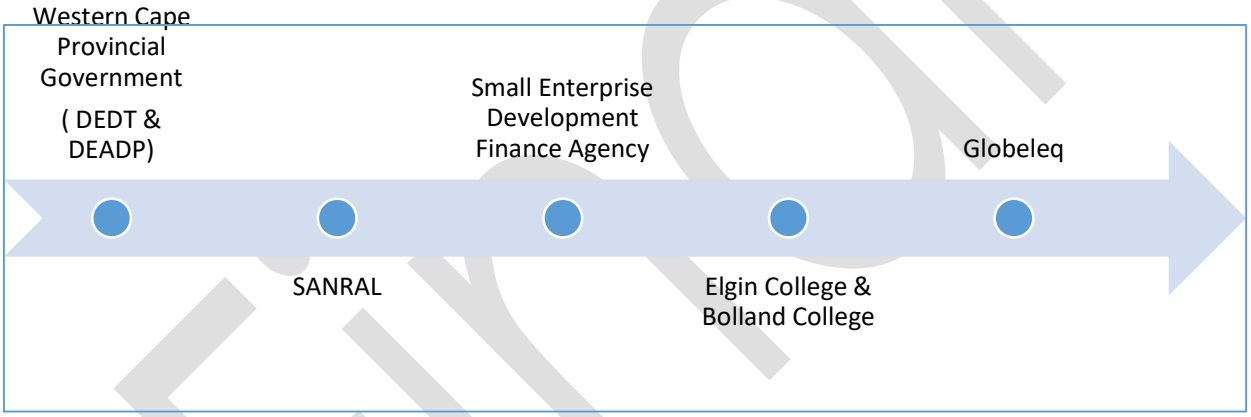
During the 2024/2025 fiscal year, the following business support services were provided:

ENTERPRISE DEVELOPMENT & SUPPORT SERVICES

Enterprise Development within the LED Department encompasses strategic Enterprise and Supplier Development (ESD) programmemes and tailored interventions aimed at nurturing the growth of the entrepreneurial sector. The primary objective is to promote the sustainable development of small, black-owned enterprises by providing access to relevant support services. These services include business awareness campaigns, structured training programmemes, compliance support, mentorship, and other essential tools to help entrepreneurs maximise their potential, generate income, and expand their businesses.

During the 2024/2025 financial year, the Department of Local Economic Development and Tourism (Enterprise Development Unit) significantly scaled up its support for local entrepreneurs and small businesses. These efforts were achieved through strengthened partnerships and collaborations with both public and private sector stakeholders.

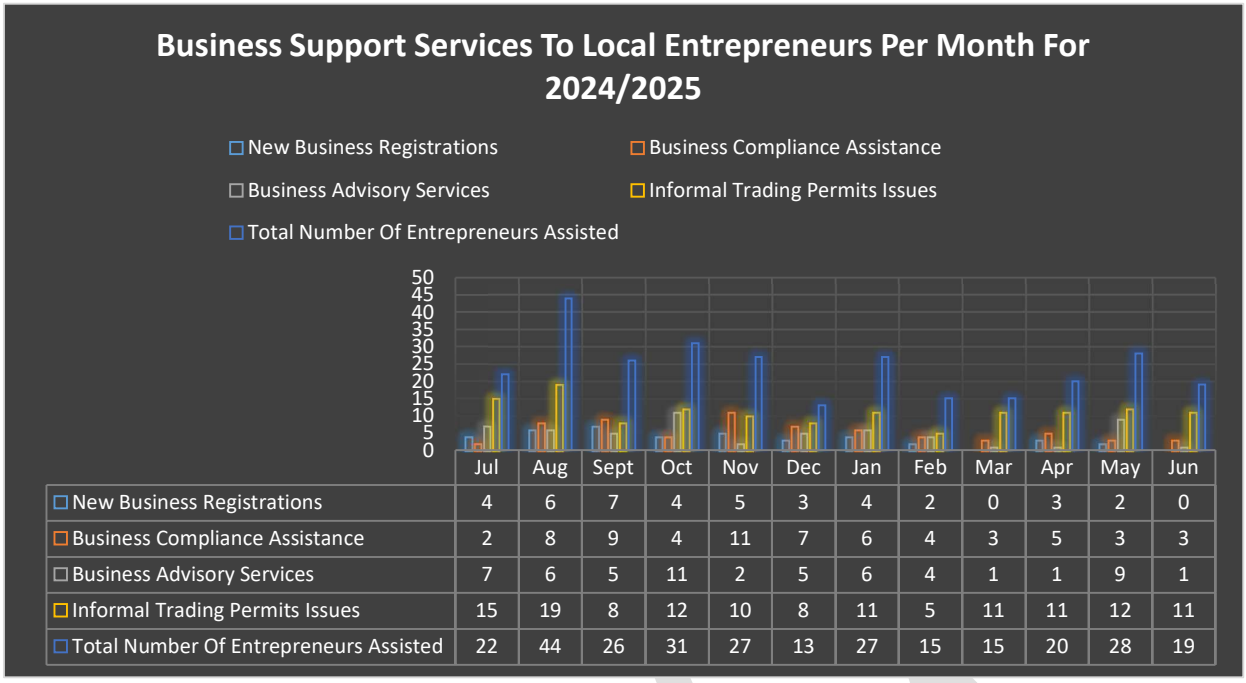
Key partners for the 2024/2025 financial year included:



These partnerships have enabled the municipality to deliver high-quality business development interventions, including access to funding opportunities, compliance training, marketing and financial management workshops, and practical support to strengthen local businesses.

Furthermore, the municipality provided direct support to walk-in entrepreneurs across its local offices in various towns. These services ranged from guidance on business registration and regulatory compliance to assistance with informal trading permits, accessing markets, and navigating funding channels. The impact of these collaborative efforts has been instrumental in empowering entrepreneurs, especially youth and women-owned enterprises, to build sustainable businesses and contribute meaningfully to the local economy.

The following section provides a month-by-month breakdown of enterprise development support activities delivered during the 2024/2025 financial year:



	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
New Business Registrations	4	6	7	4	5	3	4	2	0	3	2	0
Business Compliance Assistance	2	8	9	4	11	7	6	4	3	5	3	3
Business Advisory Services	7	6	5	11	2	5	6	4	1	1	9	1
Informal Trading Permits Issues	15	19	8	12	10	8	11	5	11	11	12	11
Total Number Of Entrepreneurs Assisted	22	44	26	31	27	13	27	15	15	20	28	19

SMME DEVELOPMENT TRAINING/AWARENESS WORKSHOPS

As part of the organisation's ongoing business development and support services, a series of targeted training sessions and workshops were conducted during the 2024/2025 financial year to support the growth and sustainability of local SMMEs.

These initiatives were delivered in partnership with strategic stakeholders, including Small Enterprise Development Fund Agency (SEDFA), National Home Builders Registration Council (NHBRC), South African National Roads Agency Limited (SANRAL), GLOBELEQ ENERGY, Western Cape Department of Economic Development and Tourism (WC: DEDAT), National Electronic Media Institute of South Africa (NEMISA), and the Western Cape Department of Infrastructure (WC: DOI). The workshops focused on key areas such as compliance with industry standards, financial literacy, and access to funding and support mechanisms.

Business-related training and development workshops are essential in empowering local entrepreneurs with the tools and knowledge required to thrive in a competitive economic landscape. These initiatives strengthen business management skills, improve operational efficiency, and enhance understanding of regulatory requirements. By facilitating access to expert guidance and practical resources, they help bridge gaps in capacity, promote innovation, and expand market opportunities, ultimately contributing to a more inclusive and resilient local economy.

INTEGRATED BUSINESS TRAINING AND WORKSHOPS REPORT (01 JULY 2024 – 30 JUNE 2025)

The LED Department remains committed to fostering local economic growth through targeted business training and workshops, empowering entrepreneurs and contractors across Theewaterskloof Municipal Areas. These initiatives focused on enhancing competitiveness, improving compliance, developing essential skills, and unlocking new opportunities. Over the past twelve (12) months, a diverse range of programmes were delivered, despite facing operational challenges.

Tender Training

The quarter commenced with a strong focus on the civil construction sector. Six (6) initiatives were held, all centred on SANRAL tender opportunities. Three (3) dedicated Tender Training sessions equipped thirty-eight (38) local contractors in Caledon, Riviersonderend, and Botrivier with crucial knowledge on bidding processes, industry compliance, costing, and pricing for SANRAL projects. Complementing these, three (3) SANRAL Tender Clarification Meetings were conducted to brief potential tenderers on specific advertised opportunities and scopes of work.

Pricing & Costing Training, Digital Entrepreneurship Training & NHBRC Training

This period observed the highest level of activity with nine (9) diverse initiatives. Addressing a critical need identified by the LED Department, a two-day TWK/Seda Pricing & Costing Training was held in Caledon for ten (10) local contractors, aiming to improve their bid submission success. Two (2) focused training sessions were delivered. A three-day Costing and Pricing Training in Riviersonderend strengthened the financial management skills of twenty (20) local entrepreneurs, specifically addressing the critical challenge of accurately pricing products and services – a key factor in early business survival.

Recognising the digital shift, three (3) Digital Entrepreneurship Training Sessions in partnership with NEMISA were held in Caledon, Grabouw, and Villiersdorp. These sessions empowered thirty-one (31) local entrepreneurs to leverage online

platforms, social media, and digital tools to benefit their businesses, a significant new offering for the region. A comprehensive five-day NHBRC Training was conducted, providing sixteen (16) local contractors with advanced theoretical and practical knowledge in regulations, soil, foundation, and structural work, and the opportunity to register as home builders. Six (6) of the participants undertook the trade registration test.

- **Artisan Skills Training through the EPWP Youth Skills Programme by the Western Cape: Department of Infrastructure**

The recruitment phase for a significant EPWP Youth Skills Programme commenced, with Interview Sessions held in Caledon and Grabouw. This partnership with the Western Cape Department of Infrastructure (DoI) will provide unemployed youth with specialised artisan skills training in construction over 12+ months. An Engineering Construction Supplier Development Training session equipped seventeen (17) local civil engineering contractors in Caledon with vital knowledge on managing contracts, project management, risk allocation, and dispute avoidance with the DoI, enhancing their ability to secure and deliver on projects. An Informal Traders Engagement session was held in Villiersdorp with six (6) traders to discuss facility renewal and business support needs.

- **Compliance Training on National Home Builders R Council (NHBRC) Policies**

The LED Department initiated a three-day training session with the NHBRC for Municipal Building Control Units, which was attended by officials from Theewaterskloof and Cape Agulhas Municipalities. This session, prompted by feedback from contractors, aimed to upskill officials on new regulations and ensure alignment of knowledge between the municipality and local builders, ultimately supporting a more consistent and efficient built environment.

- **Impact of initiatives**

Over the past twelve (12) months, the LED Department facilitated a total of twenty-one (21) distinct business training sessions, workshops, and engagement initiatives. Based on recorded attendance figures and applying a conservative 20% reduction to account for potential duplication where individuals may have

attended multiple sessions, it is estimated that approximately one hundred and forty-one (141) unique local entrepreneurs, contractors, and unemployed residents directly benefited from these capacity-building programmemes. These sessions covered critical areas including tender readiness, financial management (costing & pricing), digital business skills, construction regulations (NHBRC), contract management, and specific vocational skills linked to infrastructure projects. These interventions are vital for improving the competitiveness and sustainability of local SMMEs, enhancing employability, and ensuring local businesses and workers are better positioned to access and succeed in economic opportunities within and beyond the municipal area.

– **Challenges**

A noticeable decline in the number of initiatives occurred in the latter half of the year. This reduction is primarily attributed to the scaled-back engagement from key partner SEDA since early 2025, alongside operational constraints such as the lack of dedicated municipal transport for the LED Department. Furthermore, attendance has been impacted by a perception among some entrepreneurs stemming from past unfulfilled commitments by agencies like SEDA, SEFA, and NYDA. Addressing these partnership and resource challenges will be crucial for rebuilding momentum in the new financial year.

PARTNERSHIP/s

During the 2024/2025 financial year, the Theewaterskloof Municipality, through its Local Economic Development (LED) Department, strengthened and expanded its partnerships with key public and private sector institutions. These partnerships continue to play a vital role in enhancing local economic growth, supporting entrepreneurship, and addressing infrastructure and skills development needs with the municipalital area. Given the financial and capacity constraints typically faced by under-resourced municipalities. Collaborations are critical in delivering impactful, sustainable development initiatives that benefit communities. In under-resourced municipalities,

such collaborations are critical in delivering impactful, sustainable development initiatives that benefit communities.

Partnership Initiatives Implemented

The Western Cape Department of Economic Development and Tourism (DEDAT) continued to serve as a strategic partner, facilitating a range of developmental programmemes, including the Contractor Development Programmeme and the Overberg Investment Roadshow, which aimed to improve local business competitiveness and attract investment to the region.

Globeleq has maintained its commitment to youth entrepreneurship by supporting the winners of the 2023/2024 *Biggest Deal Competition*. During this financial year, four youth entrepreneurs began a 12-month accredited entrepreneurial course at Elgin College, fully funded by Globeleq. This initiative continues to strengthen the entrepreneurial ecosystem among the youth in Theewaterskloof Municipality.

The National Home Builders Registration Council (NHBRC) played a key role in capacitating the local construction sector by hosting several workshops with emerging home-builder contractors and the municipal Building Control Unit. These engagements have improved compliance standards and helped local contractors become more competitive within and beyond the region.

The Western Cape Department of Infrastructure (WCDoI), in partnership with the municipality, launched several skills development initiatives. In the 2024/2025 financial year, a pilot Carpentry Skills Programmeme was introduced, selecting 15 youth each from Caledon and Grabouw. These participants will commence theoretical training in the first quarter of the 2025/2026 financial year, followed by a 10-month practical placement, preferably on active construction sites. The initiative is part of a broader drive to build artisanal skills in areas such as electrical work, health and safety, and general repairs.

Final

Additionally, the municipality renewed its multi-year agreement with the Western Cape Department of Environmental Affairs and Development Planning (DEADP). During the period under review, the municipality received an additional amount of R900,000 in grant funding, complimenting the R1.1 million allocated in the previous year. This funding enabled the commencement of Phase 3A of the Villiersdorp Transport Hub Upgrade Project. A contractor was appointed in May 2025, with project completion targeted for the first quarter of the 2025/2026 financial year.

Through these strategic collaborations, the municipality continues to unlock opportunities that would otherwise not have been possible due to limited internal resources. These partnerships serve as the cornerstone of local economic advancement by leveraging external expertise, funding, and capacity to address the socio-economic needs of communities within Theewaterskloof Municipal Area.

SANRAL ROAD PROJECTS

The municipality partnered with SANRAL on two (2) major infrastructure projects: (i) the N2 resurfacing project between Caledon and Grabouw, Contract SANRAL N002-020-2021/2: Periodic Maintenance (Resurfacing) of N2 from Houwhoek to Caledon, and the (ii) Contract SANRAL N.002-025-2023/1: Routine Road Maintenance of N2 between Elgin Forest Reserve and Rietkuil Outspan

The South African National Roads Agency SOC Ltd. (SANRAL), in collaboration with Theewaterskloof Municipality, has implemented two significant infrastructure projects aimed at improving the N2 national route that runs through the region. These projects — focusing on both periodic resurfacing and routine maintenance — have brought meaningful socio-economic benefits to the communities of Grabouw, Botrivier,

Caledon, and Riviersonderend, aligning with the municipality's goal of promoting inclusive economic growth.

Under Contract N002-020-2021/2, resurfacing work on the N2 between Houwhoek and Caledon (km 38.00 to km 67.70) significantly improved road safety, driving conditions, and stormwater infrastructure. The project involved guardrail realignment, slurry application, culvert installations, and road signage upgrades. The project had final completion date in February 2025.

Similarly, Contract N.002-025-2023/1 focuses on routine road maintenance covering a 183.2 km stretch from Elgin to Rietkuil Outspan. Activities include general road upkeep, verge maintenance, and structural inspections to maintain long-term road quality. These projects generated vital job opportunities for residents. According to progress reports from September 2024:

- Caledon employed nineteen (19) local workers.
- Botrivier employed fifty-four (54) residents.

Combined, more than seventy (70) local labourers were employed, far exceeding initial targets, with over 37% of the labour force being youth and 33% being women. This high level of employment contributed to local income generation and skills development within under-resourced communities.

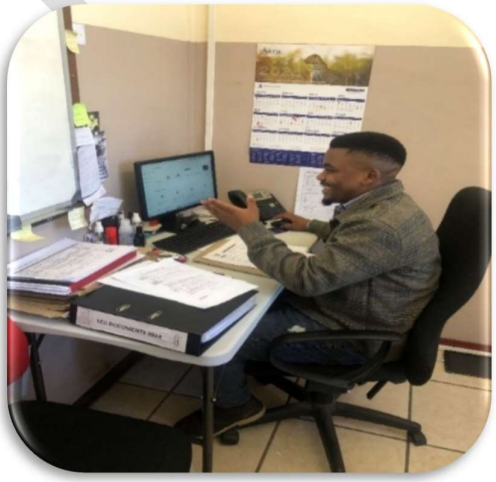
A key deliverable under both contracts has been the inclusion of Targeted Enterprises (TEs)—local SMMEs classified as Exempted Micro Enterprises (EMEs) and Qualifying Small Enterprises (QSEs)—to participate in subcontracting work. Packages awarded included: Traffic accommodation (Entsha AOT), Road slurry applications (T&D Civils), temporary road marking (Arionvect), Site security (Smart Security), Supply of diesel (ZWH Projects), Gabions (Ukugqwesa), Guardrails and fencing (Napa Civils and Matiaba).

In total, over R6.7 million has been spent on TEs, contributing 8.8% of the final estimated contract value toward enterprise development. This initiative directly supports local businesses in becoming more competitive and sustainable. Contractors, including Civils 2000 and Damians Contractors Civil, also delivered accredited training programmemes for subcontractors and local labourers. Training covered: Occupational health and safety, Road safety and signage, financial literacy and enterprise management, Skills audits and mentorship for SMMEs. This capacity-building approach ensures the long-term viability of local contractors beyond the lifespan of the projects.

Project Liaison Committees (PLCs) were established to guide and monitor local participation, ensuring transparency and community involvement in contractor appointments and labour recruitment. These PLCs helped maintain accountability and aligned project activities with community development. The SANRAL road improvement projects have not only enhanced vital transport infrastructure in Theewaterskloof Municipality but also contributed significantly to local economic empowerment, employment creation, and SMME development. These projects exemplify the power of strategic partnerships in overcoming resource constraints faced by municipalities and in delivering tangible, inclusive development outcomes.

- **Skills Development**

The LED Department continued to prioritise local youth empowerment through meaningful workplace experience and technical skills development during the 2024/2025 financial year. The intern appointed during the 2023/2024 financial year had his contract extended by an additional six months into the 2024/2025 financial year. This extension was granted to ensure that Public Management student from Boland College, could complete the minimum required workplace experiential learning to obtain his N6 qualification. During this extended period, the intern successfully secured a permanent position at Eskom as a Senior Administrator in Caledon. He attributes this achievement to the practical experience and mentorship received during his internship within the LED Department, which significantly contributed towards his personal and professional development.



After the above appointment, the LED Department, in partnership with Boland College, facilitated a new experiential learning opportunity another student in the same field of learning, a local youth from Caledon. As a Management Assistant N5 student at Boland College, a requirement for the replacement is to obtain the N6 qualification. After four months of dedicated work within the department, Nicole was offered a more meaningful temporary employment opportunity in the Supply Chain Management Department of Theewaterskloof Municipality. The work exposure, guidance, and quality mentorship she received in the LED Department were instrumental in enabling her to excel during the interview process and secure the position.

Additionally, the department expanded its commitment to artisan training through the Artisan Skills Development: Training for Tomorrow's Workforce programmeme, which was officially launched during Youth Month 2025. In collaboration with the Western Cape Department of Infrastructure, the LED Department facilitated the enrolment of over 120 unemployed youth from Caledon and Grabouw. The first cohort of 30 participants (15 from each town) commenced their 12-month training in carpentry. These trainees will be placed at various sites to gain valuable hands-on work experience aligned with their field of study. This initiative forms part of a broader effort to bridge the gap between academic qualifications and employment readiness.

In addition to youth-focused training, the LED Department, in partnership with the National Home Builders Registration Council (NHBRC), provided technical training to three Building Control Officials within Theewaterskloof Municipality. The training enhances their technical proficiency, equipping them with updated knowledge on industry regulations and best practices. The intervention followed several NHBRC training sessions previously provided to local contractors on house-building and general construction, further promoting an integrated approach between the public and private sectors for quality assurance and compliance.

These interventions underline the LED Department's commitment to utilising skills development and training as powerful tools for empowerment, local employment, and improved service delivery. Through partnerships, targeted support, and capacity building, the department continues to play a pivotal role in creating pathways for sustainable livelihoods for youth and municipal officials.

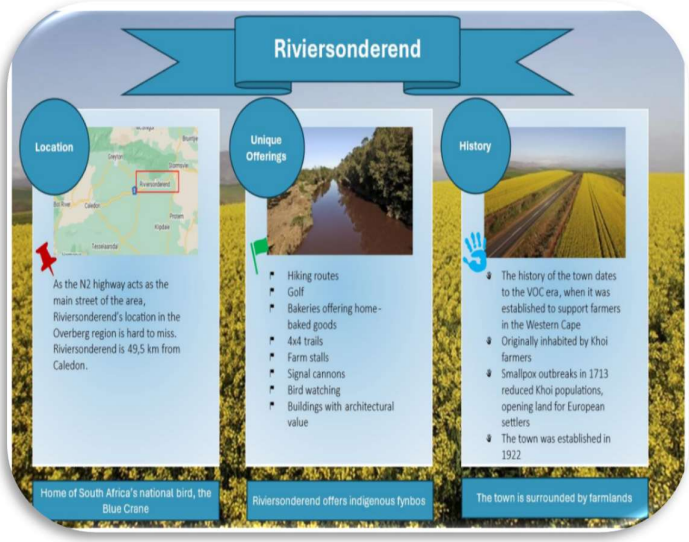
TOURISM

Theewaterskloof Municipality is situated in the Overberg District of the Western Cape, and is a category B municipality. It is one of the four municipalities in the district, covering approximately 4,080 km², which constitutes about a third of the district's total area of 12,241 km². Encompassing a rich natural landscape, the municipality boasts attractions such as the Theewaterskloof Dam, the Kogelberg Biosphere, vineyards, and crop and fruit fields, as well as diverse fynbos and wildflower habitats. Notably, these areas serve as habitats for the national bird, the blue crane.

The local community of Theewaterskloof Municipality is relatively poor due to low-income generation. Despite the resultant small tax base, the municipality strives to improve infrastructure for service and product delivery. Theewaterskloof Municipality is valued due to its participation in processes aimed at providing a peaceful and safe environment for everyone, especially women and children. It has a successful town management model that ensures that democratic governance is brought closer to the people by empowering local communities through local government.

The municipality has identified tourism as a crucial factor in driving economic growth. A comprehensive draft tourism strategy was developed, which outlines initiatives aimed at educating and empowering local communities to actively participate in the tourism sector. Moreover, this strategy provides a roadmap for the development of infrastructure projects geared towards enhancing the overall visitor experience. These projects may include improvements to transportation networks, upgrades of public spaces, and the preservation of cultural and natural heritage sites. Such investments not only cater for the needs of tourists but also contribute towards an enhanced quality of life for the local communities.

Final


Riviersonderend
Location
As the N2 highway acts as the main street of the area, Riviersonderend's location in the Overberg region is hard to miss. Riviersonderend is 49,5 km from Caledon.
Unique Offerings
Hiking routes
Golf
Bakeries offering home-baked goods
4x4 trails
Farm stalls
Signal cannons
Bird watching
Buildings with architectural value
History
The history of the town dates to the VOC era, when it was established to support farmers in the Western Cape
Originally inhabited by Khoi farmers
Smallpox outbreaks in 1713 reduced Khoi populations, opening land for European settlers
The town was established in 1922
Home of South Africa's national bird, the Blue Crane
Riviersonderend offers indigenous fynbos
The town is surrounded by farmlands

Greyton/Genadendal
GREYTON
Location
Greyton/Genadendal is situated on the R406 between Caledon and Riviersonderend. The most direct route from Cape Town to Greyton and Genadendal would be via the N2 through Somerset West and over Sir Lowry's Pass.
Unique Offerings
Greyton Nature Reserve
Mountain biking trails
Saturday Morning Market
Historic village walk
Hiking
Bird watching
Art Meander
Horse riding
Wellness and retreat spas
History
Established in 1854 and named after Sir George Grey
The region was initially inhabited by the Hassequas and Attaques Khoi-Khoi tribes
Agriculture historically included vegetable and fruit production
It is both a lifestyle and tourism destination
Wide variety of coffee shops, restaurants, and art galleries
These towns offer an old English village atmosphere

Grabouw / Elgin Valley
ELGIN GRABOUW
EXPERIENCE OUR MAGIC
Location
Grabouw/Elgin is a farming area in the Overberg District. The area is about 70 km from Cape Town and on the N2 National Road. You will pass through Somerset West before heading over Sir Lowry's Pass, which will take you over the mountains and straight to Grabouw.
Unique Offerings
Wine farms with tastings
Fresh chrysanthemums, roses and, protea cultivation
Restaurants serving local cuisine
Cool Wine Festival
Elgin Railway Market
Mountain biking
Kogelberg Nature Reserve
Hiking trails
Farm stalls
History
The history of the Grabouw / Elgin region is shaped by agriculture
Grabouw is situated on Grietjiesgat farm
The area was originally inhabited by Khoi-Khoi people
The predominantly Coloured and Afrikaans-speaking population reflects its rich cultural heritage
Offers outdoor activities year around
Popular wedding destination
Apple export region

Tesselaarsdal
Location
Tesselaarsdal is situated on the northern side of the Kleinriver Mountains, 20 km south of Caledon.
Unique Offerings
A perfect breakaway from the city
A place to experience natural beauty
Hiking and mountain biking trails
Outdoor activities
Country cuisine
Wedding venues
Potters and craft distilleries
History
Tesselaarsdal is named after Johannes Tesselaar (1748-1810) a German immigrant's son, who became a landowner
Small-self-sustainable farms have emerged
This village offers a rare off-the-map experience
Tesselaarsdal is part of the Cape Country Meander Route

Given the above, the following are the highlights about tourism marketing and development for the 2024/2025 financial year:

Revision of the Theewaterskloof Tourism Strategy 2024

The Theewaterskloof Local Municipality identified tourism as a crucial factor for driving economic growth. A comprehensive tourism strategy serves to outline initiatives aimed at educating and empowering local communities to actively participate in the tourism sector. Moreover, the strategy provides a roadmap for the development of infrastructure projects geared towards enhancing the overall visitor experience. In the 2024/2025 fiscal year, Urban Econ was appointed to assist with the revision of the Theewaterskloof Tourism to develop a roadmap for the development and promotion of tourism as a key economic driver of the local economy.

A phased-in approach was followed in the conceptualisation and revision of the Tourism Strategy 2024/2025 for Theewaterskloof Municipality. The process involved an initial inception meeting, the establishment of a steering committee to guide the process, a consultative phase to orient the project, a spatial and socio-economic review, policy review, tourism demand and supply analysis, SWOT Analysis, a draft strategic framework indicating the development priorities, stakeholder workshops, and lastly a draft action plan.

PRELIMINARY RESULTS OF THE SITUATIONAL ANALYSIS CRAFTED TO ADDRESS IMMEDIATE CONCERNS RAISED

OBJECTIVE 1:
Coordinate destination marketing for the Theewaterskloof Municipal Area

- Develop and host TWK
- Cooperation with RTO
- Linkage with town level marketing
- Awareness creation of tourist activities to tourism, business & accommodation

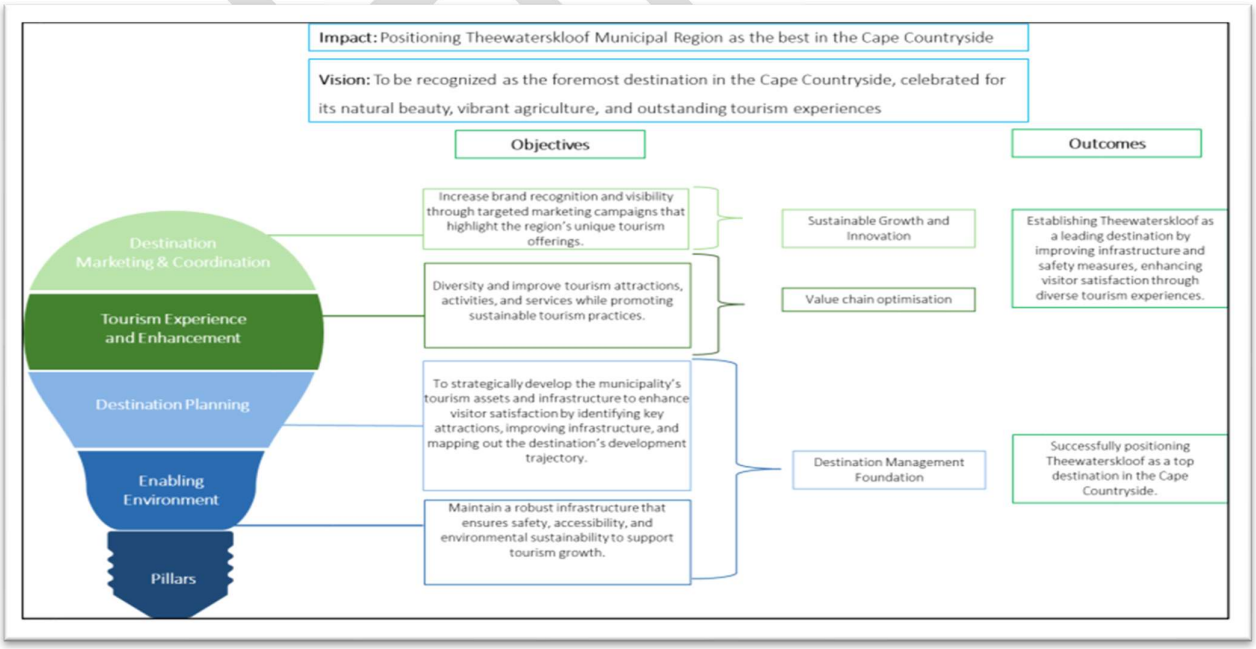
OBJECTIVE 2:
Create a scenic route through eight towns for breathtaking country experiences

- Develop TWK as scenic destination by creating scenic routes through all eight towns of the region
- Zoning as a means to control the type, density or distribution of development
- The control of signage

OBJECTIVE 3:
A sustainable tourism network offering premium services with strong community backing

- Monitoring tourism sustainability
- Diversifying, and differentiate tourism products
- Navigate diverse perspectives regarding the expansion of hte tourism industry for the local economy
- Increase the length of stays
- Focus on visitor experiences that are a reflection of th the environment of TWK Area
- Enhance the cultural and art aspect of Theewaterskloof
- Inorporate the wine farms and fresh produce to create a tourism experienc that is unique to the area.

THEEWATERSKLOOF MUNICIPALITY STRATEGIC FRAMEWORK



SWOT analysis of TheewaterskLOOF TOURISM SITUATION

Strengths	Weaknesses	Opportunities	Threats
Natural Attractions: Abundance of natural beauty including mountains, Theewaterskloof Dam, scenic landscapes, wine farms, and apple farms	**Infrastructure:** Limited signage	**Tourism Development:** Potential for infrastructure development to support tourism (signage)	**Competition:** Competition from nearby tourist destinations within the Western Cape (Franschhoek wine route)
Cultural Heritage: Rich cultural history	**Seasonality:** Dependency on seasonal tourism, particularly in winter months	**Events and Festivals:** Hosting events and festivals to attract tourists throughout the year	**Safety and Security:** Potential safety concerns on tourism outdoor routes
Outdoor Activities: Hiking, mountain biking, water sports and eco-tourism	**Marketing and Promotion:** Insufficient marketing efforts to promote Theewaterskloof as a distinct tourist destination	**Culinary Tourism:** Promoting local cuisine and culinary experiences (wine farms, farm stalls, and apple farms)	**Economic Factors:** The economy affects income for travel, and lack of financial support
Proximity to Cape Town: Close to Cape Town, a major international tourist destination	**Skills and Training:** Need for training in tourism-related skills	**Sustainable Tourism:** Growing demand for eco-friendly and sustainable tourism experiences	**Restrictions and Red Tape for Applications:** Limiting opportunities to host events that could attract tourists and enhance local tourism
Infrastructure: Towns are clean, general good infrastructure	**Diversification:** Reliance on limited types of tourism experiences, potentially limiting appeal to diverse tourist demographics	**Collaboration:** Collaborating with neighbouring regions and municipalities to create regional tourism packages	**Underutilized Resources:** Insufficient development of lesser-known attractions and experiences
S	W	O	T

Implementation Priorities for Tourism

Theewaterskloof Municipality has significant potential as a diverse and experience-rich tourism
destination that is rooted in its natural landscapes, cultural heritage, and vibrant communities. Opportunities in adventure, agritourism, leisure, and ecotourism present compelling avenues for attracting a wide range of visitors while delivering tangible benefits to local economies. While some areas demonstrate strong tourism readiness,

others require targeted intervention. Key priorities include addressing infrastructure gaps, improving signage and cleanliness, activating underutilised sites, and enhancing the overall visitor experience.

These priorities were repeatedly highlighted during stakeholder engagements and form the foundation of a responsive and place-based strategy. In line with the Western Cape Tourism Blueprint 2030, the strategy emphasises data-driven planning, community participation, and inclusive growth. A comprehensive tourism audit will be undertaken to inform infrastructure investments and identify development opportunities specific to each town. The establishment of a centrally located tourism information centre along the N2 corridor will serve both as a gateway and a promotional hub by improving visibility and accessibility. Crucially, success depends on strong coordination between and alignment of stakeholders. A dedicated tourism working group – led by a full-time coordinator and supported by a capacitated department – is recommended to drive implementation. This group will be responsible for streamlining processes, supporting event development, guiding investment packaging, and aligning local efforts with regional priorities. By building a unified and stakeholder-driven tourism brand and by fostering enabling conditions for youth participation, enterprise growth, and investment attraction, Theewaterskloof can position itself as a leading destination in the Western Cape. It will be a destination that reflects its unique identity and a shared vision for sustainable and inclusive tourism development

TOURISM INITIATIVES IMPLEMENTED (2024/2025 FY)

The following tourism initiatives were implemented during the 2024/2025 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.

- **TOURISM CAREER DAY THEMED: "*A TOURISM CAREER DAY TO INSPIRE FUTURE CRUISE SHIP PROFESSIONALS*"**

  A Tourism Career Day was held for 100 learners in collaboration with Theewaterskloof Municipality, Shosholoza Ocean Academy, and the Department of Education in the Overberg District. The event sought to inspire and prepare students for diverse career opportunities within the cruise ship

industry, motivating them to take proactive steps toward building their future career development plans. The key objectives of the event were to create awareness by exposing learners to a broad spectrum of career paths they may not have previously considered. To guide by sharing valuable information on internship programmes, bursary opportunities, and essential skills for effective job applications. To facilitate meaningful engagement between students and

representatives from Shosholoza Ocean Academy.

Theewaterskloof Municipality partnered with the Shosholoza Ocean Academy team, i.e., explaining the various cruise Ship Career Opportunities in Hospitality & entertainment, i.e., waitstaff, bartenders, entertainment crew, shore excursion staff, housekeeping crew, the technical & engineering staff, i.e., maintenance technicians, cadets, electrical officers, management component, i.e., Shore Excursion Manager, Environmental Operations Manager, supporting staff, i.e., HR Learning & Development Manager, Contact Centre Agents. The various secondary schools in Theewaterskloof Municipal area attended the career day, such as the following: Bissetsdrift Academy, Villiersdorp, De Rust Futura Academy, Groenberg Secondary School, Grabouw, Emil Weder High School, Overberg High School, and Villiersdorp Secondary School.

- **TOURISM SAFETY CAMPAIGN – THEEWATERSKLOOF MUNICIPALITY KICKED OFF FESTIVE SEASON WITH THE ROAD SAFETY AND TOURISM DRIVE**

On 13 December 2024, Theewaterskloof Municipality officially launched its Festive Season campaign at Dassiesfontein, near Caledon, in a vibrant event aimed at promoting road safety and boosting tourism in the region. The initiative

was organised in collaboration with key stakeholders, such as the Department of Mobility, South African Police Service (SAPS), Theewaterskloof Traffic Services, Overberg District Municipality Fire Services, and Beyond Black Mountain.

The campaign's core objectives were clear: raise awareness about safe driving during the high-traffic festive period, highlight Theewaterskloof's tourism offerings, and foster community engagement. In keeping with this spirit, motorists passing through the area received goodie bags containing a variety of sponsored items, like refreshments and vouchers to informational brochures and pamphlets. In-kind contributions came from several local businesses and organisations, including Abev, Caledon Casino & Hotel, Villiersdorp Tourism, Coca-Cola, Hermanus Times, MZ Traders, Greeffee, and the local museum.

The event was attended by prominent municipal figures, including the Deputy Mayor and the Speaker of the Theewaterskloof Municipal Council, who addressed the gathering and reinforced the importance of safety, collaboration, and community spirit during the festive season. The Deputy Mayor delivered an encouraging message to officers on duty, commending their dedication to keeping roads safe during one of the busiest times of the year.

The programmeme highlights included the distribution of sponsored items to motorists, speeches from municipal leaders, and visible engagement between the public and representatives from the various safety and tourism bodies. The strong partnership between government departments, law enforcement, fire services, and tourism organisations underscored a united commitment to ensuring that both residents and visitors enjoy a safe, welcoming, and vibrant festive season in Theewaterskloof. By blending road safety awareness with tourism promotion, this launch set a positive tone for the holiday period, reinforcing the municipality's commitment to protecting lives while showcasing the area's attractions.

- **PEBBLES SKILLS PROGRAMME**

The Pebbles Hospitality Programmeme recruited eighteen (18) young people from Caledon and Middleton, focusing on holistic development and practical skills. The main objective of the project is to provide opportunities to youth from farming communities, offering personal growth opportunities, exposure to tourism, and training in hospitality and agriculture. While prioritising farm-based applicants, young people from Caledon are also encouraged to apply.

The partnership between the Pebbles Project and Theewaterskloof Municipality showcases the power of working together to tackle youth unemployment and skills shortages. Pooling resources and expertise, the programmeme opens doors to education and training opportunities that match industry needs, promoting equity and sustainable community growth.

The programmeme offers free transport and meals during training, access to Pebbles Project support services, including mentorship, career guidance, and community initiatives, skills training to prepare participants for tourism and related industries.

Twenty-four (24) students enrolled for the project (13 males and 5 females) within the targeted age group between 15 – 25 years of age. Six applicants who were over 25 years of age, received CV and job application support.

Upskilling youth in the Tourism Industry is important as it contributes to employment opportunities, as tourism offers flexible, entry-level jobs for young people without prior experience. Through tourism, hospitality training improves service, customer care, and sustainable practices for local and international markets. It also contributes to economic growth, whereby skilled workers strengthen both local and national economies. Cultural and language exposure builds confidence and professionalism. All participants received non-financial support and resources to complete the training project duration of 12 months. The recruitment marks a key step in equipping

young people with the skills and confidence to enter the tourism sector, transforming lives and strengthening community resilience.

- **FOOD SAFETY TRAINING**

The Tourism, Training and Business Institute of South Africa (TTBISA), in partnership with the Elgin Railway Market, hosted a Food Safety Training session in Grabouw. The session brought together 21 participants, mainly local food vendors and traders, with the goal of improving hygiene and food handling practices. The training covered essential topics such as safe food preparation and storage, personal hygiene for food handlers, compliance with legal and health regulations, as well as strategies to prevent cross-contamination. Recognising that food safety is a cornerstone of successful tourism, the programmeme aimed to build consumer confidence, safeguard public health, and reduce the risk of foodborne illnesses, thereby enhancing the visitor experience in Theewaterskloof. Beyond imparting practical skills, the initiative reflected the municipality's commitment to responsible tourism and local economic growth by empowering vendors through capacity building.

- **BOTRIVIER TRAIN STATION BEAUTIFICATION PROJECT – BOTRIVIER WELCOMES TOURISTS WITH NEW PILOT TRAIN INITIATIVE**

Botrivier is set to welcome an exciting new chapter in tourism with the launch of pilot tourist train trips in partnership with Ceres Rail, local business owners, and Theewaterskloof Municipality. The initiative aims to attract more visitors to the charming village by offering scenic rail journeys between Elgin and Botrivier, positioning the town as a must-stop destination along the route.

To kick off the project, the historic Botrivier Train Station underwent a month-long beautification programmeme led by local business owners and supported by the municipality. Sixteen casual workers were employed to clean, restore, and enhance the station and its surroundings, transforming it into a warm and inviting space for travellers. The work involved improving the overall appearance, ensuring the station met tourism-ready standards, and creating a welcoming environment for both local and international visitors.

This pilot project not only improved the visual appeal of the station but also created temporary jobs, encouraged community participation, and strengthened Botrivier's image as a scenic tourism hub. By aligning with Theewaterskloof's broader tourism development strategy, the collaboration demonstrates how public-private partnerships can successfully revitalise heritage spaces while boosting local economic growth.

With the station now prepared for the arrival of Ceres Rail's tourist trains, the project marks an important step toward unlocking Botrivier's tourism potential and offering visitors a memorable gateway to the region's beauty and hospitality.

THEEWATERSKLOOF TOURISM BI—MONTHLY TOURISM NEWSLETTER SHOWCASES LOCAL ATTRACTIONS

As part of its ongoing efforts to promote tourism in the region, Theewaterskloof Municipality has launched a Tourism Bi-Monthly Newsletter in collaboration with the Communications Department. Designed to highlight the area's unique attractions, events, and tourism entrepreneurs, the newsletter serves as a cost-effective marketing tool, particularly valuable given the municipality's limited budget.

Targeted primarily at domestic tourists, the newsletter is distributed via social media platforms and shared with various external tourism agents and promoters. Since its inception, the initiative has received positive feedback, with four editions already produced for the 2024/2025 period. Each edition features

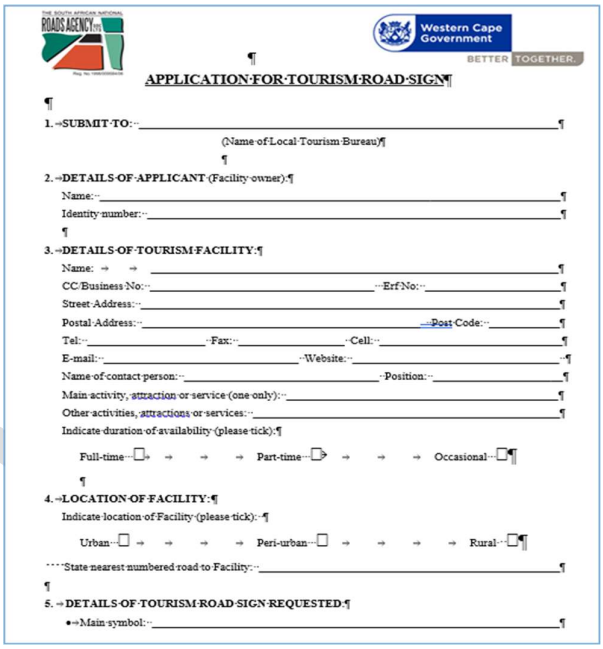
a variety of engaging articles, from spotlighting hidden gems and must-visit destinations in Theewaterskloof to promoting local events, seasonal activities, and success stories from tourism-related businesses. Themes often centre on heritage tourism, eco-tourism, adventure experiences, and community-driven initiatives, giving readers a rich and authentic view of the region's offerings.

In addition to driving interest in Theewaterskloof's attractions, the newsletter also provides a platform for local entrepreneurs to showcase their products and services, helping to stimulate the local economy. The municipality is committed to implementing effective monitoring measures to track the impact of the newsletter, with the goal of measuring its role in attracting more visitors to the area. The Department continues to

actively source non-financial marketing opportunities to complement the newsletter, ensuring that Theewaterskloof's tourism potential is shared widely and that both and visitors are inspired to explore the beauty, culture, and hospitality the region has.

- **TOURISM SIGNAGE - GUIDING VISITORS AND STRENGHTENING THEEWATERSKLOOF TOURISM APPEAL**

Tourism businesses in Theewaterskloof Municipality are encouraged to apply for official tourism signage boards through the Regional Tourism Liaison Committee (RTLC). These signs are not intended as advertisements but serve a vital function, that of a helping guide to both locals, tourists, and attractions where they can enjoy an authentic experience. Clear, compliant signage is essential for improving visitor navigation, enhancing accessibility, and boosting tourism numbers in the region.



APPLICATION FOR TOURISM ROAD SIGN

1. SUBMIT TO: _____
(Name of Local Tourism Bureau)

2. DETAILS OF APPLICANT (Facility owner):
Name: _____
Identity number: _____

3. DETAILS OF TOURISM FACILITY:
Name: _____
CC/Business No: _____ Erf No: _____
Street Address: _____
Postal Address: _____ Post Code: _____
Tel: _____ Fax: _____ Cell: _____
E-mail: _____ Website: _____
Name of contact person: _____ Position: _____
Main activity, attraction or service (one only): _____
Other activities, attractions or services: _____
Indicate duration of availability (please tick):
Full-time ☐ Part-time ☐ Occasional ☐

4. LOCATION OF FACILITY:
Indicate location of Facility (please tick):
Urban ☐ Peri-urban ☐ Rural ☐
State nearest numbered road to Facility: _____

5. DETAILS OF TOURISM ROAD SIGN REQUESTED:
• Main symbol: _____

To encourage applications, the municipality regularly advertises the process on its official website, www.twk.gov.za, inviting local product owners to apply. In the latest reporting period, two tourism signage applications were processed and tabled to the RTLC for consideration—one was approved, while the other was declined due to non-compliance with regulatory requirements. This underlines a key challenge: many applications fail because they do not meet the necessary road authority regulations.

Recognising that inadequate signage limits visitor numbers and impacts the tourism economy, the municipality has prioritised awareness and training initiatives to assist tourism operators in understanding and meeting compliance requirements. These efforts will be strengthened in the coming year through targeted awareness campaigns, ensuring that more local attractions can benefit from approved tourism signage.

Looking ahead, a comprehensive tourism signage audit is planned for the 2025/2026 financial year. The audit will assess the condition, visibility, and coverage of existing signs, identify gaps, and guide improvements. By combining clear application guidance, compliance support, and regular auditing, Theewaterskloof aims to create a consistent, welcoming, and well-signposted tourism landscape that makes it easier for visitors to explore and enjoy the region's diverse attractions.

EVENTS ADMINISTRATION

During the 2024/2025 fiscal year, the Theewaterskloof Local Municipality continued to position event hosting as a core driver of cultural cohesion, social connection, and economic growth. Guided by its Events By-law (Western Cape Government Gazette No. 7754 of 7 April 2017) and supported by the online events portal developed with the Western Cape Department of Economic Development, the municipality streamlined event permit applications to ensure efficiency and accessibility. Between 1 July 2024 and 30 June 2025, a total of 46 events were approved, generating notable revenue for the local economy of R 60 676.10. It also lead to creating business opportunities, and strengthening tourism appeal. Beyond the economic benefits, these events contributed to community development, fostered partnerships among stakeholders, and advanced corporate social responsibility by supporting local initiatives and promoting inclusive participation across the municipality. The portal is online and can be accessed via the *(Link:* https://westerncape.collaboratoronline.com/default.aspx)

In line with the municipal tariff policy and the approved Events By-law, the Theewaterskloof Local Municipality supports community-based initiatives by offering reduced tariffs and, where applicable, waiving fees to encourage the hosting of local events. From 1 July 2024 to 30 June 2025, a total of R1 265.80 in event application fees was waived. This included R632.90 for the Caledon Blanket Run Fundraising Event (a municipal event) and R632.90 for the Botrivier Main Street Open Day Christmas Light Festival.

For the 2025/2026 financial year, Council has approved the following event application tariffs:

SIZE OF EVENT	TARIFF
Small Event (30–500 persons)	• R1 733.83 + R260.07 VAT = R2 094.00
Medium Event (501–2 000 persons)	• R2 599.30 + R389.90 VAT = R3 139.00
Large Event (2 001–5 000 persons)	• R5 495.48 + R824.32 VAT = R6 636.00
Very Large Event (5 001+ persons)	• R8 243.13 + R1 236.47 VAT = R9 954.00
Special Reduced Rate for schools, churches, NGOs, and charity events	• R550.35 + R82.55 VAT = R632.90

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) embodies the dedication of businesses to create a positive impact within their communities through philanthropy and social investment. In Theewaterskloof Municipality, event organisers are encouraged to reinvest in local development as part of the event administration process. For the third consecutive year, the Origin Music Festival has demonstrated this commitment by funding community upliftment projects to the value of R79 168.00 during the 2024/2025 fiscal year. Beneficiaries included the Genadendal Rugby Club, located in a rural Moravian town which is 30 km from Caledon, which received R59 168.00 to support players from financially challenged backgrounds and cover rising transport costs, and South African Olympic athlete from Caledon, who received R20 000.00 to assist with his participation in the 2024 Paris Olympics and subsequent representation of South Africa in the Netherlands in May 2025. These contributions not only provided direct financial support but also strengthened community pride and development in the region.

Figure 1: Genadendal Rugby Club receiving equipment as part of sponsorship from Origin Festival Organising Committee

***Figure 2:** Adrian Swart (South African Olympic Athlete 2024) (Caledon)*

EXPANDED PUBLIC WORKS PROGRAMMEME 2024/2025 PERFORMANCE overview

The Expanded Public Works Programmeme (EPWP) is a government-led initiative designed to provide social protection through temporary work opportunities, while also contributing to community development, skills growth, and the delivery of public assets and services. The programmeme aims to achieve three key outcomes: income generation, employment and skills development, and the provision of community infrastructure and services.

In Theewaterskloof Municipality, the National Department of Public Works sets annual performance targets, which are monitored according to the number of work opportunities created, full-time equivalents (FTEs), and demographic participation rates across the **Social**, **Infrastructure**, and **Environmental & Culture** sectors.

Performance Highlights for 2024/2025

Against a target of 243 work opportunities, the municipality achieved **346**, exceeding expectations by over 40%. Similarly, the FTE target of 81 was significantly surpassed, with **162 FTEs** recorded. Strong performance in the first half of the year contributed to this overachievement, particularly in the Infrastructure and Social sectors.

TARGETS vs ACTUAL (WO & FTE) 2024/2025 FINANCIAL YEAR

	W/O TARGET	ACTUAL W/O	FTE TARGET	ACTUAL FTE's
QUARTER 1	50	178	20.25	66
QUARTER 2	70	91	20.25	53
QUARTER 3	70	30	20.25	22
QUARTER 4	53	47	20.25	21
TOTALS	**243**	**346**	**81**	**162**

Demographic Achievements vs Targets:

- **Youth:** Target 55% | Achieved **59%** (exceeded target)
- **Women:** Target 60% | Achieved **36%** (shortfall)
- **People with Disabilities:** Target 2% | Achieved **0.2%** (shortfall)

Sector Implementation

In total, **13 grant-funded projects** were delivered:

- **Social Sector:** Four **(**4) projects, including customer care support, administrative assistance, a substance abuse recovery programmeme in Caledon, Botrivier, and Grabouw, and a water meter audit.
- **Infrastructure Sector:** Five (5) projects focusing on road and stormwater maintenance in Riversonderend, Botrivier, Greyton, and Genadendal, as well as wastewater treatment in Caledon.
- **Environmental & Culture Sector:** Four (4) projects, including open space beautification in Myddleton/Tesselaarsdal, cleaning operations in Grabouw and Botrivier, and the Villiersdorp plumber apprenticeship programmeme.

SOCIAL SECTOR PROJECTS	***INFRASTRUCTURE SECTOR PROJECTS***	***ENVIRONMENTAL & CULTURE SECTOR PROJECTS***
• IG/CUSTOMER CARE REGISTRATION & LICENCING • IG/ADMINISTRATIVE SUPPORT • IG/SUBSTANCE USE DISORDER RECOVERY AND REINTEGRATION CALEDON, BOTRIVER & GRABOUW • IG/WATER METER AUDIT	• IG/RIVIERSONDEREND ROADS & STORMWATER • IG/BOTRIVER ROADS & STORMWATER • IG/CALEDON WASTE WATER TREATMENT WORKS • IG/GREYTON & GENADENDAL ROADS & STORMWATER	• IG/GRABOUW CLEANING OF OPEN SPACES AND CEMETERIES • IG/GRABOUW SOLID WASTE TRANSFER STATION • IG/MYDDLETON/ TESSELAARSDAL BEAUTIFICATION OF OPEN SPACES • IG/BOTRIVER CLEANING OF OPEN SPACES • IG/VILLIERDORP PLUMBER & ASSISTANT PLUMBER

Quarterly site inspections were conducted throughout the year to ensure quality standards, compliance, and progress tracking.

Skills Development & Training

Training is central to EPWP's long-term impact, equipping participants with both technical and life skills to improve employability. In 2024/2025, the municipality appointed a service provider to facilitate **Health and Safety Level 2 training** for 24 participants, funded through the EPWP grant. This initiative culminated in a certificate ceremony celebrating participants' achievements.

The training approach also included:

- **Job-specific skills** to improve performance in EPWP roles.
- **Life skills training** such as CV writing, financial management, and literacy.
- **Strategic alignment** with national skills development priorities and partnerships with the private sector.

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EPWPs trained in health and safety

Mitzi Buys

Theewaterskloof Municipality (TWK) recently awarded 24 EPWP (Expanded Public Works Programme) participants with Health and Safety Level 2 certificates.

TWK Municipal Manager Walter Hendricks said: "Our workers, the EPWP and others are very important and invaluable to our municipality, and we need to look after the health and safety of our staff. It is good that you did this course to obtain this certification, and I am sure that it will help you pave the way for your future."

TWK Executive Mayor Lincoln de Bruyn said: "It is both an honour and a pleasure to stand before you today as we gather to celebrate a significant milestone in our municipality's commitment to skills development and community upliftment. Today marks not only the completion of the Health and Safety Level 2 training programme, but also the beginning of a new chapter in the professional journeys of 24 dedicated participants."

He said the EPWP is more than just a government initiative; it is a visionary platform that transforms lives.

"As a cross-cutting function, EPWP training underpins all our sectors, namely infrastructure, social and environment and culture, ensuring that no matter where a participant's interests lie there is an opportunity to grow, learn and make a tangible contribution to society.

"Recognising the critical importance of workplace safety, Theewaterskloof Municipality appointed a service provider to deliver comprehensive Health and Safety Level 2 training. In just one day of intensive instruction our 24 participants immersed themselves in the principles and practices that protect lives, preserve health and uphold the highest standards of workplace safety. These competencies are not only essential for EPWP projects but serve as a foundation for every future endeavour in their careers."

Cynthia Clayton, Deputy Executive Mayor of TWK, congratulated all the graduates and also emphasised the importance of health and safety in the workplace. The certificate handover took place in the Caledon Council Chambers.

Due to transport problems [illegible] all the participants were present.

In front are TWK Municipal Manager Walter Hendricks, TWK Executive Mayor Lincoln de Bruyn and TWK Deputy Mayor Cynthia Clayton. Behind are the graduates proudly showing their Health and Safety Level 2 certificates with Elana Lotriet and Caylin Swartz of TWK's Local Economic Development Department. Photo: Mitzi Buys

Figure 1: Article on EPWP Training in Hermanus Times, 23 July 2025

Financial Performance

The municipality received **R1 563 000** in EPWP grant funding for 2024/2025 under Phase V (2024–2029), as per the Division of Revenue Act (DORA). Grant expenditure was tracked monthly and annually to ensure compliance and efficiency.

Successes

- Exceeding work opportunity and FTE targets.
- Strong youth participation, surpassing national targets.
- Delivery of diverse sector projects that addressed community needs.
- Enhanced training offerings, improving participant employability.

Challenges

- Underperformance in women and disability participation rates.
- Delays in some project roll-outs due to procurement processes.
- Budget limitations affecting the scale and scope of certain projects.

Improvement Measures

- Strengthening recruitment strategies to meet gender and disability inclusion targets.
- Enhancing project planning to reduce start-up delays.
- Expanding partnerships with private sector stakeholders to increase funding and training opportunities.
- Continuing to align training with local economic opportunities for sustainable employment outcomes.

The 2024/2025 EPWP results for Theewaterskloof Municipality reflect a strong commitment to job creation, skills development, and community upliftment. While notable progress has been made—particularly in youth employment and exceeding overall work opportunity targets—the municipality will focus on inclusive recruitment, streamlined project delivery, and targeted training to ensure even greater impact in the outer years.

Final

3.11.2 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES

The table below indicates the number of staff employed within the Unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	2	2	2	0	0
10 - 12	2	2	2	0	0
13 - 15	0	0	0	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
Total	**5**	**5**	**5**	**0**	**0**

3.11.3 FINANCIAL PERFORMANCE: LOCAL ECONOMIC DEVELOPMENT SERVICES

Financial Performance : Local Economic Development Services					
					R'000
Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	214	900	2000	629	-69%
Expenditure:					
Employees	2,338	3,051	3,068	3,063	0%
Repairs and Maintenance	4	12	11	5	-56%
Other	2034	2468	1969	1789	-9%
Total Operational Expenditure	4376	5531	5048	4857	-4%
Net Operational Expenditure	(4,162)	(4,631)	(3,048)	(4,228)	39%
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 .					T3.11.9

3.11.4 CAPITAL EXPENDITURE: LOCAL ECONOMIC DEVELOPMENT SERVICES

Capital Expenditure: Local Economic Development Services				
				R' 000
Capital Projects	2024/2025			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance from budget
Total All	**900**	**2 000**	**629**	-68.55%
Villiersdorp Upgrade Phase III - Taxi Rank	900	2 000	629	-68.55%
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.11.5 COMMENT ON THE CAPITAL EXPENDITURE: LOCAL ECONOMIC DEVELOPMENT SERVICES

The total budget allocated for capital expenditure for the year 2024/25 was 900, which was adjusted to 2 000. The actual capital expenditure for the year 2024/25 reached 900, resulting in a variance of -68.55%.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.12 INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

3.12.1 SUSTAINABLE & COMMUNITY DEVELOPMENT SERVICE DELIVERY

- **PERSONS WITH DISABILITIES (PWD)**
  - **TWK Disability Network**

During this year, the TWK Disability Network advanced its strategic focus on disability by piloting the Disability Empowerment Model (DEM), developed by the National Department of Social Development in partnership with JICA. This initiative has strengthened collaboration with stakeholders, promoted inclusion, and created new opportunities for persons with disabilities to access services and participate meaningfully in community life.

The DEM Pilot Project established a Working Group, coordinated by the Regional Department of Social Development & the TWK Municipality Disability Network Coordinator, with Councillor Jacobs serving as ambassador for persons with disabilities in TWK. Participating organisations—Agape Family Ministries (Grabouw), Mind Over Matter (Genadendal), and Tools4Life (Villiersdorp)—are represented on the Working Group, with all members being persons with disabilities.

2024/25 Activities:

- **Task Team Formation:** Election, role allocation, and clarification of responsibilities for representatives from Agape Family Ministries, Mind Over Matter, and Tools4Life (25 July 2024).
- **Capacity Building:** Two-day educational training on Alzheimer's & Dementia, public awareness, advocacy, and community capacity enhancement (6–7 November 2024).
- **Awareness Campaigns:** Ran in-person and online campaigns during Disability Rights Awareness Month (3 November – 3 December 2024).
- **Webinar Participation:** In January 2025, Cllr Denzil Jacobs and Senior Development Officer joined a webinar on advancing the Disability Accessibility Movement across municipalities, led by DSD MEC & HOD offices.
- **Planning & Review:** DEM Working Group planning session (18 February 2025) assessed post-training progress; followed by a two-day strategic planning workshop (3–4 June 2025) to develop a six-month action plan for implementation, monitoring, and review.

The DEM Working Group has an implementation plan with measurable outcomes and has kicked off by taking concrete actions to improve service delivery for persons with disabilities, including meetings with the Overberg Education Department, primary healthcare facilities, and the Department of Home Affairs to address accessibility concerns. In addition to implementation activities that will continue, the next step is to finalise a Disability Policy for Theewaterskloof Municipality, to be tabled, adopted by Council, and launched publicly on **3 December** – International Day of Persons with Disabilities

DEM WORKING GROUP REPRESENTATIVES

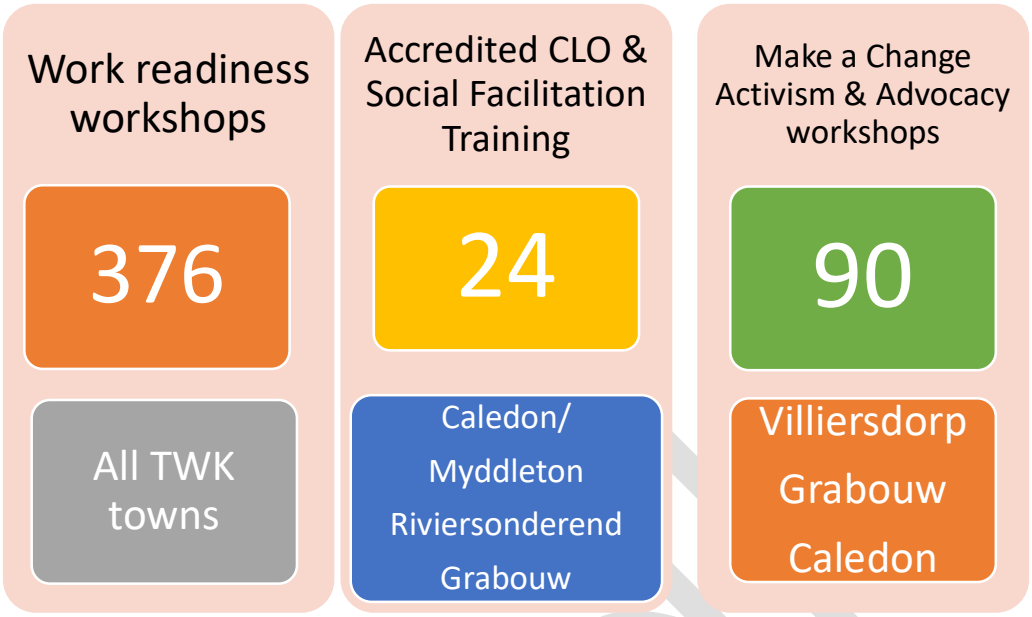
Strategic Planning workshop, 3 – 4 June 2025

- **YOUTH**

Career Pathway Development Interventions

This year, our youth focus was directed towards Career Development initiatives, creating opportunities for young people to explore career paths, build skills, and prepare for the world of work. Activities included youth-in-service programmemes, workplace readiness workshops, and partnerships with provincial and local institutions to provide training and guidance. These initiatives aimed to equip youth with the knowledge, confidence, and support needed to make informed career choices and to access meaningful employment.

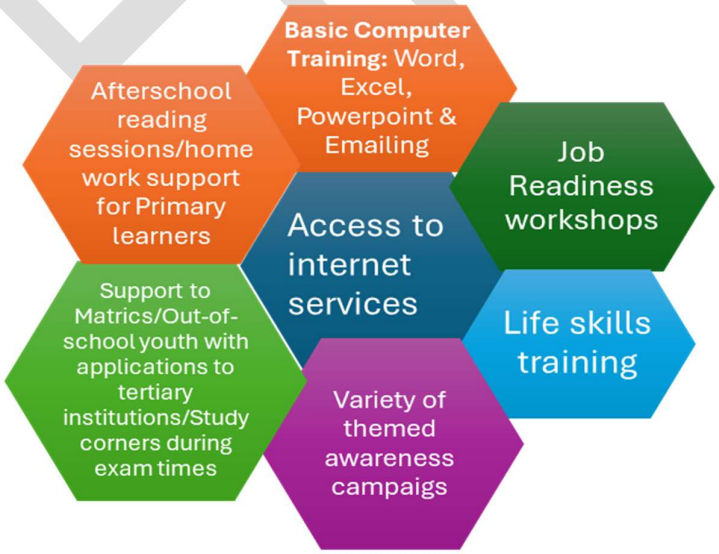
Below is a breakdown of the various interventions, the number of young people reached and the towns represented:



- **Villiersdorp Youth Café (VYC)**

The Villiersdorp Youth Café continues to provide support to youth from the town and its surrounding farming communities, in the form of access to skills development and learning programmemes. These initiatives equip participants with practical skills, personal growth opportunities, and pathways to employment. The Youth Café has become a safe space where youth are supported to build confidence, strengthen their capabilities, and contribute positively to their communities.

Its daily and weekly programmemes include the After-School Game Changer, study support, sports and educational activities, internet access, and guidance with bursary, tertiary, and job applications, including support for youth entrepreneurship.



- **Zazi Zandi Project (Youth in Service initiative)**

  Empowering Early Childhood Development Through Libraries: The Zazi iZandi Youth Development Programme

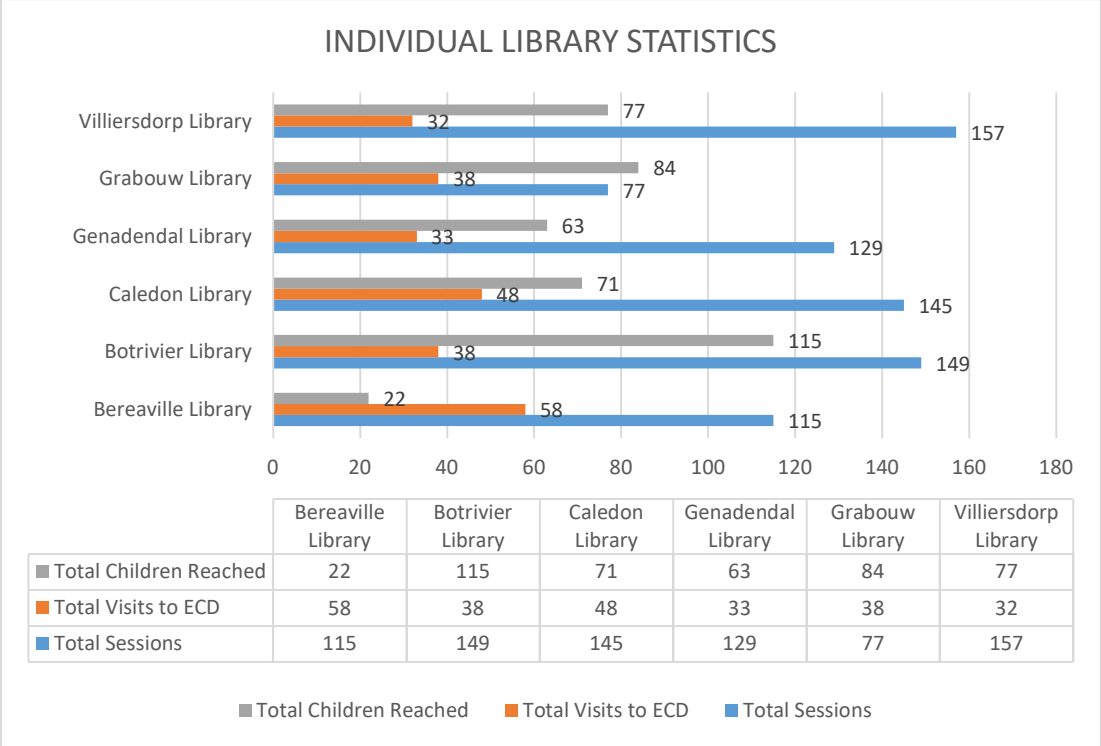
  At its core, Zazi iZandi focuses on letter-sound recognition, enabling ECD learners to identify letters, sounds, and shapes before entering the foundation phase of formal education. By integrating play-based learning with culturally relevant content, the programme fosters early literacy in learners' home languages, promoting inclusivity and cognitive development.

  Since its **inception in February**, the programme has *reached 432 participants across 776 sessions.* Feedback has been overwhelmingly positive, with an average satisfaction score of 4.3 out of 5, underscoring its effectiveness and community impact. The programme aligns with the Western Cape Government's strategic vision of cultivating an educated, healthy, and inclusive society through innovative, youth-led initiatives.

  Zazi iZandi is more than a literacy programme—it is a catalyst for educational transformation and community empowerment. By investing in early learning, youth leadership, and public infrastructure, this initiative is laying the foundation for a more equitable and innovative South Africa. With continued support and strategic scaling, Zazi iZandi has the potential to become a national model for inclusive, community-driven education.

Key Metrics

Metric	**Value**
Number of YeBoneers / Library Champions	21
Total Sessions Held to Date	776
Total of Children Reached	432
Total of Early Childhood Development Centres	19



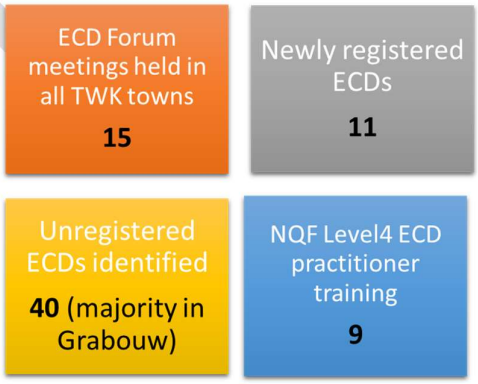
	Bereaville Library	Botrivier Library	Caledon Library	Genadendal Library	Grabouw Library	Villiersdorp Library
Total Children Reached	22	115	71	63	84	77
Total Visits to ECD	58	38	48	33	38	32
Total Sessions	115	149	145	129	77	157

- **EARLY CHILDHOOD DEVELOPMENT (ECDS)**

Elgin Community College (ECC) serves as the Department of Basic Education's service provider for the entire Overberg District, focusing on ensuring that informal Early Childhood Development (ECD) structures are registered and fully compliant with DBE regulations so they can operate as functional educational facilities for children. Through their interventions, ECC also provides ongoing capacity building and access to resources for registered facilities, including aftercare centres.

The Municipality's Sustainable Development Department maintains a strong working relationship with ECC, which gives us valuable insight into the ECD sector within Theewaterskloof—particularly regarding the functioning of both formal and informal spaces that provide early childhood development services to children.

Below is a breakdown of ECC's work done within Theewaterskloof for the 2024/25:



Challenges

- High water account costs for ECDs leasing municipal facilities from TWK.
- Lack of pedestrian crossings near ECDs, raising safety concerns for children.
- Limited support for beautification and maintenance of facilities (grass, gardens, fencing).
- Riviersonderend remains underdeveloped with no available land or municipal facilities for ECDs.
- ODM health and fire certificate fees are unaffordable due to high costs and annual increases.

Highlights

- ECC's mass online registration drive resulted in 37 Bronze certificates being issued to ECDs.
- Grabouw ECD practitioners successfully completed a First Aid course facilitated by EMS.
- Upgrading of the Greyton Speelsentrum delivered significant impact:
  - Status improved from Bronze (unregistered) to Gold (full 5-year registration).
  - Child capacity increased from 25 to 55.
  - Staffing grew from 1 to 3 practitioners, creating employment opportunities.
  - Partnership between ECC, TWK Municipality and Globeleq boosted local economic growth.

- **SUBSTANCE ABUSE (LOCAL DRUG ACTION COMMITTEE)**

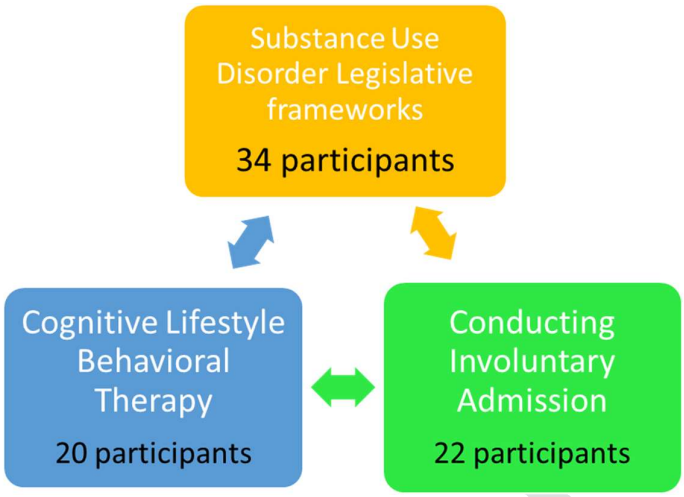
Theewaterskloof Municipality, through its partnerships with government departments, civil society organisations and community stakeholders, continues to prioritise programmemes that strengthen social development, health, education and safety within our communities.

The LDAC Annual Report for April 2024 – March 2025 was submitted to the Western Cape Substance Abuse Forum (Provincial DSD) in May 2025.

Below is a summary of the key data and activities undertaken by TWK LDAC stakeholders for reporting period:

Services	0 – 18yrs	18 – 35yrs	36 – 59yrs	60+
Awareness and/or educational sessions	2076	1229	714	14
Screenings/assessment of service users	44	139	44	1
Community-based treatment (CBT)	5	79	13	1
Individual counselling	198	146	53	2
Referrals to inpatient/mental health services	7	21	6	0
Service users in recovery	1	73	23	0

- **Capacity building workshop for TWK LDAC stakeholders**



- **Flourish 1000days project**

The Flourish host in Villiersdorp continued to provide critical support to women and girls during this reporting period. Antenatal and postnatal classes were offered to pregnant and new mothers, ensuring that the *first 1,000 days*—from conception to a child's second birthday—are safe, healthy, and nutritionally sound.

This period is widely recognised as crucial for laying the foundation for a child's lifelong health and development.

In addition, the host ran the *Blossom Café* health and wellness programmeme, which focused on teenage girls. Through this platform, girls were equipped with practical life skills to help them navigate the challenges of adolescence and prepare for adulthood.

Service delivery during the period (females only) reached the following numbers across both interventions:

Intervention	0 – 18yrs	18 – 35yrs	35 – 59yrs	60+
Antenal	0	10	1	0
Postnatal	2	9	3	0
Lewendige Lyfies (14 moms/grandmom with their children)	0	13	0	1
Blossom Café	25 - 53	0	0	0

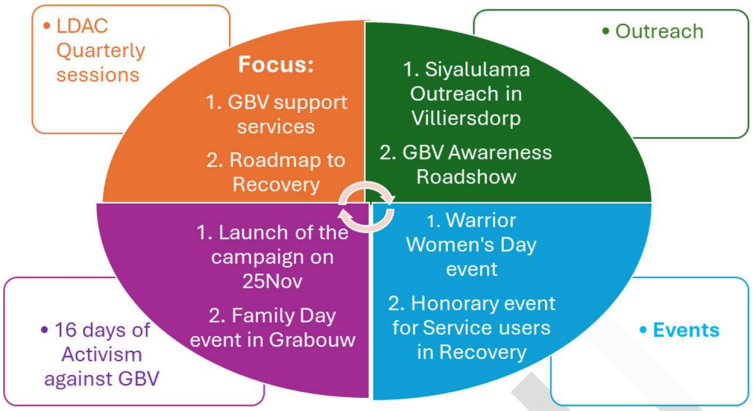
The TWK LDAC has established a working relationship with the Provincial DSD Policy Development and Restorative Services Unit. Following engagements with the unit and recognising the alignment of priorities regarding substance use disorders (SUD), it was agreed that the unit will facilitate the orientation, induction, and strategic planning workshop for newly appointed LDAC members in **August 2025**.

The workshop, scheduled for September, will cover:

- Contextualising SUD legislation in South Africa.
- The Prevention of and Treatment for Substance Abuse Act 70 of 2008.
- Regulations for the Prevention and Treatment of Substance Abuse Act (2013).
- The Cannabis for Private Purposes Act 7 of 2024.
- The new National Drug Master Plan (2025–2029).

- Drafting the TWK Mini Drug Master Plan (3-year cycle), including Monitoring and Evaluation mechanisms to track the impact of LDAC's work.

In addition to the services rendered, the LDAC hosted and/or jointly ventured into variety of interventions, as outlined below:



- **Theewaterskloof Safe House (Caledon House Of Hope)**

The Caledon House of Hope provides short-term emergency and safe accommodation for women, and their children, when necessary, who are victims of domestic and gender-based violence. It is not intended for temporary housing or as a shelter for homeless persons. All referrals to the Safe House are made through established safety stakeholder networks. The Safe House was **closed** for maintenance and upgrading from **21 March and reopened on 18 June**.

Client statistics for this period:

Number of new intakes	Number of clients who exited
Women = 17	Women = 10
Children = 3	Children = 1

Services provided to clients:

- Individual assessment – IDP's developed for each woman
- Group counselling
- One-on-one counselling
- Self-esteem programmemes
- 12-step programme (substance users)
- Arts & crafts skills development/ therapeutic sessions

- **STAKEHOLDER MANAGEMENT**

Sustainable development department has four formal networks (TWK Disability Network, TWK LDAC, Youth 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.

3.12.2 EMPLOYEES: SUSTAINABLE DEVELOPMENT

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	1	1	1	0	0
4 - 6	1	1	1	0	0
7 - 9	0	0	0	0	0
10 - 12	1	3	2	1	33%
13 - 15	0	0	0	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
Total	**4**	**6**	**5**	**1**	**17%**

3.12.3 INTRODUCTION TO LIBRARY SERVICES

During the 2024–2025 financial year, libraries in Theewaterskloof demonstrated their evolving role as dynamic community hubs. They offered a wide range of services—from traditional reading materials to practical assistance with government applications—while adapting to the changing needs of our communities.

Community Services and Outreach

Libraries expanded their service offerings to include support for unemployment applications, tax registration, and learner enrolment on the WCED system. Staff remained responsive and flexible, adjusting workflows to meet community needs and promoting libraries as spaces for development and learning.

Special Projects

Bereaville Library Opening: Launched on 25 October 2024, this dual-purpose facility serves both educational and public library functions, marking a milestone for Theewaterskloof Municipality.

Year beyond 1000 Stories Project: Celebrated its fourth graduating class with 19 out of 23 Yeboneers completing the programme.

Zazi iZandi Youth Development Programme: Focused on early childhood literacy through culturally relevant, play-based learning. It reached 432 participants across 776 sessions.

Theewaterskloof libraries have evolved into vibrant community hubs that go beyond traditional book lending. They serve as inclusive spaces for learning, development, and civic engagement. From supporting government services like unemployment applications and tax registration to hosting literacy programmes and youth development initiatives, libraries have become essential pillars of community support. Their adaptability and commitment to meeting the changing needs of residents underscore their importance in fostering lifelong learning and social cohesion.

Executive Summary

This annual report consolidates quarterly performance data, special projects, and service statistics for Theewaterskloof Library Services from October 2024 to June 2025. It highlights membership trends, circulation figures, outreach efforts, and literacy programmes. Libraries evolved as community hubs, offering both traditional and practical services such as government applications, while adapting to the changing needs of their communities.

Membership Growth

Growing library membership was achieved through several strategies:

- Hosting engaging events like workshops and author talks.
- Tailoring services to community needs.
- Offering exclusive digital content via the Libby App.
- Creating a resource-rich environment.
- Partnering with local organizations.
- Simplifying the membership signup process.
- Monitoring and adapting to service trends.

Service Statistics

Type of Service	2024/25 Figures
Library Members	7,531
Books Circulated	105,540
Exhibitions Held	305
Internet Users	9,072
School Group Visits	3,928

Community Services & Outreach

Libraries expanded services to support unemployment applications, tax registration, and WCED learner enrolment. Staff adapted workflows to meet community needs, promoting libraries as spaces for development and learning.

Literacy & Reading Programmes

Literacy and reading programmes are essential for fostering a love of reading and improving literacy skills in communities. Effective types of programmes are implemented at libraries and educational institutions. Implementing these programmes enhances literacy rates and fosters a lifelong love of reading.

Storytime Sessions

- Regular hours for different age groups, including toddlers, children, and even adults, can encourage a love for reading from an early age.

Reading Programmes

- These programmes keep children engaged in reading, during afterschool programmes and holiday programmes.

Reading Circles

- Setting up reading challenges with rewards to motivate readers to explore more books and genres.

Literacy Workshops

- Workshops that focus on improving specific literacy skills, such as comprehension, vocabulary, and writing, can be very beneficial.

Digital Literacy Programmes

- To increase the importance of digital literacy, programmes that teach how to navigate and evaluate online information.

Partnerships with Schools

- Collaborating with local schools to align library programmes with the school curriculum to enhance the effectiveness of literacy initiatives.

Author Visits and Readings

- Inviting authors to read their books and discuss their writing processes to inspire young readers and writers.

Zazi iZandi Youth Development Programme

Purpose: Strengthen Early Childhood Development (ECD) through library-based learning.

Approach:

- Letter-sound recognition for foundational literacy.
- Play-based learning with culturally relevant content.
- Literacy in learners' home languages.

Impact: Reached 432 participants across 776 sessions. Strong collaboration with local ECD centers.

Special Projects & Events and highlights

- Bereaville Library officially opened in October 2024 as a dual-purpose facility on the premises of the Bereaville Primary School

-

Year Beyond 1000 Stories Project graduated 19 of 23 Yeboneers in November 2024.

World Read A loud day

- Date: February 5, 2025
- Purpose: Promote reading for enjoyment among children aged 0–12.
- Goal: Reach 3,000 children with read-aloud sessions.
- Outcome: Successfully reached 3,665 children.
- Impact: Enhanced literacy and reading culture in early childhood.

Pineview& Grabouw Library

Bereaville Library

RSE & Oostergloed Library

Caledon Library

Library Week

- Date: 17 March – 23 March 2025
  Focus Areas:
  - Promoting sustainability and inclusivity through library services
  - Outreach to schools, ECD centres, Old Age Homes, and workplaces
  - Fostering mutual respect, cultural awareness, and social cohesion

- Empowering communities through education and lifelong learning

Stakeholders Involved:

- Local schools
- Early Childhood Development (ECD) centres
- Old Age Homes and c
- Community organizations and members

- Participants: 3151

World Book Day

- Date: April 23, 2025
- Global celebration of books and reading.
- Activities: Book gifting, author talks, costume
- Participants: 2,001 across Theewaterskloof.
- Goal: Encourage joy of reading and book ownership.

Africa Day

- Date: May 25, 2025
- Commemorates founding of the Organization of African Unity (OAU).
- Activities: Cultural performances, heritage discussions.

- Participants: 1,431 community members.
- Purpose: Promote African unity and cultural pride.

Child Protection Week

- Dates: 25 May – 1 June
- Purpose: To raise awareness about the importance of preventing child abuse and neglect.
- Focus is to
  Educating communities on recognizing signs of abuse
  Encouraging the reporting of suspected abuse
  Promoting support for at-risk families
  Strengthening community involvement in child safety
- Participation: A total of 2,096 participants engaged in various activities and campaigns during the week.

Youth Day

- Date: June 16, 2025
- Honors youth protest apartheid education policies.
- Focus: Empowering youth and recognizing their role in shaping the future.
- Libraries hosted community engagement activities.
- Reflections on courage, activism, and youth leadership.

Impact Stories

Alumni Yeboneers

Background: Graduates of the YearBeyond youth service initiative.

Development: Gained skills through mentoring and professional training.

Community Contributions: Monifah Potberg: Active in Genadendal and Greyton and Kirsten Goliath: Active in Caledon. Both support ECDs and work as field workers at Elgin Community College.
Their efforts are vital to early childhood growth and development.

Challenges Faced

Challenge	Description
Budget Constraints	Vacant positions are frozen despite personnel needs.
Technology Shifts	High demand for digital collections, limited resources.
Ongoing Vandalism	Threats to infrastructure and staff safety.

Overall Impact

Libraries continue to be resilient, inclusive, and empowering spaces, adapting to community needs and fostering development. Their resilience is evident in how they have responded to a range of challenges—technological, social, and economic.

Libraries have overcome digital transformation pressures, shifting from traditional print-based services to hybrid and fully digital models. Many of our libraries introduced online catalogues, e-lending platforms, and virtual programmeming to meet users where they are. Our libraries even provided Wi-Fi hotspots and device lending to bridge the digital gaps.

Despite budget constraints and staffing shortages, libraries have sustained their impact by forming strategic partnerships, mobilizing volunteers, offering internships, and appointing youth to ensure long-term sustainability. As vital community hubs, libraries remain committed to providing safe, accessible, and empowering spaces for learning, connection, and support.

3.12.4. LIBRARY SERVICES STATISTS

3.12.4.1 LIBRARY SERVICES HIGHLIGHTS

The table below indicates the highlights of the financial year:

Highlights	Description
World Read Aloud Day.	Exceeded its goal by reaching 3,665 children, promoting literacy and a culture of reading.
Library Week: Under the theme "Libraries for Sustainable Communities"	Libraries engaged with schools, ECD centres, old age homes, and workplaces to foster inclusivity and social cohesion.
Child Protection Week	About 2,096 participants was educated on child abuse prevention and community support strategies

3.12.4.2 LIBRARY SERVICES CHALLENGES

The table below indicates the challenges faced during the financial year:

Challenge	Description

Budget Constraints	Vacant positions been freezing and staff shortages at libraries , despite personnel costs being a priority.
Technology Shifts	Demand for digital collections grew, but resources remained limited.
Ongoing Vandalism	Infrastructure and staff safety were threatened, requiring proactive security and community engagement strategies.

3.12.4.3 SERVICE STATISTICS FOR LIBRARIES

The table below indicates the service statistics for library services:

Type of service	2023/24	2024/25
Library members	8852	7531
Books circulated	100199	10540
Exhibitions held	315	305
Internet users	5447	9072
New library service points or wheelie wagons	None	None
Visits by school groups	6231	3928

3.12.5 EMPLOYEES: LIBRARY SERVICES

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	18	16	16	0	0
7 - 9	8	7	7	0	0
10 - 12	3	3	3	0	0
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**30**	**27**	**27**	**0**	**0**

3.12.6 FINANCIAL PERFORMANCE: LIBRARIES

Financial Performance: Libraries					
					R'000
Details	**Year 2023/2024**	**Year 2024/2025**			
	Actual	**Original Budget**	**Adjustment Budget**	**Actual**	**Variance to Budget**
Total Operational Revenue	10,563	10,021	10,011	8,745	-13%

Expenditure:					
Employees	8,825	9,421	9,171	9,143	0%
Repairs and Maintenance	225	210	14	8	-37%
Other	1272	407	589	494	-16%
Total Operational Expenditure	10,322	10,038	9,773	9,646	-1%
Net Operational Expenditure	,241	(16)	,238	(901)	-479%
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 .					T3.52.5

3.12.7 CAPITAL EXPENDITURE: LIBRARIES SERVICES

Capital Expenditure: Libraries				
				R' 000
Capital Projects	**2024/2025**			
	Budget	**Adjustment Budget**	**Actual Expenditure**	**Variance to Adjustment budget**
Total All	**10**	**-**	**–**	**-100%**
Furniture and Office Equipment (New)	10	-	–	100%
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.12.8 COMMENT ON THE CAPITAL EXPENDITURE: LIBRARIES SERVICES

The total budget allocated for capital expenditure for the year 2024/25 was 10, which was adjusted to 0. The actual capital expenditure for the year 2024/25 reached 0, resulting in a variance of -100%.

3.13 CEMETERIES AND CREMATORIUMS

3.13.1 OVERVIEW

Theewaterskloof Local Municipality manages several cemeteries and a crematorium to meet the burial and cremation needs of its residents. Although all the towns in TWK area consist of at least one cemetery, as a municipality we are struggling keep up with the basic requirements of maintaining our cemeteries. This past year, several cemeteries suffered significant damage from severe storms, resulting in destroyed infrastructure and displaced grave markers. Our town offices remain positive and attempt to do regular maintenance, cleaning and weed control at our cemeteries. The Towns appointed dedicated teams (EPWP's) to focus on the upkeep of the cemeteries.

CHALLENGES

Description	Actions to address
Available space	Availing spaces were necessary

SERVICE STATISTICS: CEMETERIES

The table below indicates the performance statistics for Cemeteries:

Type of service	2024/25
Indigent **burials**	48
Total	**48**

3.13.2 FINANCIAL PERFORMANCE: CEMETERIES & CREMATORIUMS

Financial Performance: Cemeteries and Crematoriums					
					R'000
Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	645	1061	1061	800	-25%
Expenditure:					
Employees	–	–	–	–	–
Repairs and Maintenance	337	275	162	90	0%
Other	337	184	154	154	0%
Total Operational Expenditure	674	458	316	244	-23%
Net Operational Expenditure	(29)	,602	,745	,557	-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 .					T3.55.5

3.13.3 CAPITAL EXPENDITURE: CEMETERIES & CREMATORIUMS

Capital Expenditure : Cemeteries & Crematoriums				
				R' 000
Capital Projects	2024/2025			
	Budget	Adjustment Budget	Actual Expenditure	Variance to Adjustment budget
Total All	**2,742**	**721**	**11**	**-99%**
Construction of Caledon Cemetery Access Paths	2,742	721	11	**-99%**
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.13.4 COMMENT ON THE CAPITAL EXPENDITURE: CEMETERIES & CREMATORIUMS

The total budget allocated for capital expenditure for the year 2024/25 was 2,742 which was adjusted to 721. The actual capital expenditure for the year 2024/25 reached 11, resulting in a variance of -99%

COMPONENT E: ENVIRONMENTAL PROTECTION

3.14 BIO-DIVERSITY AND POLLUTION CONTROL

3.14.1 BIO-DIVERSITY OVERVIEW

Biodiversity conservation is essential for maintaining the ecological balance and ensuring sustainable natural resources. Theewaterskloof Municipality aims to protect various species, habitats, , and ecosystems through targeted conservation efforts and community engagement.

Key Biodiversity Initiatives

INITIATIVE	DESCRIPTION	ACHIEVEMENTS
Protected Areas Management	Management of existing protected areas to conserve wildlife and natural habitats.	Regular monitoring and maintenance of nature reserves such as Kogelberg Biosphere Reserve and the Greyton Nature Reserve.
Habitat Restoration Projects	Restoration of degraded habitats to improve ecological health.	Successful replanting of indigenous vegetation in the Grabouw and Botrivier areas.
Community Engagement and Education	Environmental education programmes to raise awareness about biodiversity.	Our TWK Libraries, in collaboration with the Environmental Department, host various exhibitions aimed at raising awareness about the environment and promoting the significance of biodiversity.
Invasive Species Management	Control and eradication of invasive plant and animal species.	Ongoing eradication of alien species

3.14.2 POLLUTION CONTROL

Effective pollution control is crucial for safeguarding public health and maintaining environmental quality. Theewaterskloof Municipality implements various measures to manage and reduce pollution across different sectors.

Key Pollution Control Measures

MEASURE	DESCRIPTION	ACHIEVEMENTS
Water Quality Monitoring	Regular monitoring of water sources to ensure they meet quality standards.	Routine water testing at key water sources including rivers, dams, and treatment plants.
Air Quality Monitoring	Monitoring of air pollution levels and implementation of control measures.	Regular air quality assessments and enforcement of air pollution regulations for industries.
Stormwater Management	Management of stormwater to prevent pollution and flooding.	Maintenance and upgrading of stormwater drainage systems to manage runoff and reduce pollution.
Sewerage Management	Proper treatment and management of wastewater.	Upgrades to wastewater treatment plants to improve treatment processes and reduce environmental impact.

3.14.3 HIGHLIGHTS: BIO-DIVERSITY AND POLLUTION CONTROL

The following table indicate the highlights of the financial year:

Highlights
Appointment of 2 interns in the environmental department

3.14.4 CHALLENGES: BIO-DIVERSITY AND POLLUTION CONTROL

The table below indicate the challenge faced during the financial year:

Description	Actions to address
Pollution of water resource	Education and planning

3.14.5 FINANCIAL PERFORMANCE: POLLUTION CONTROL

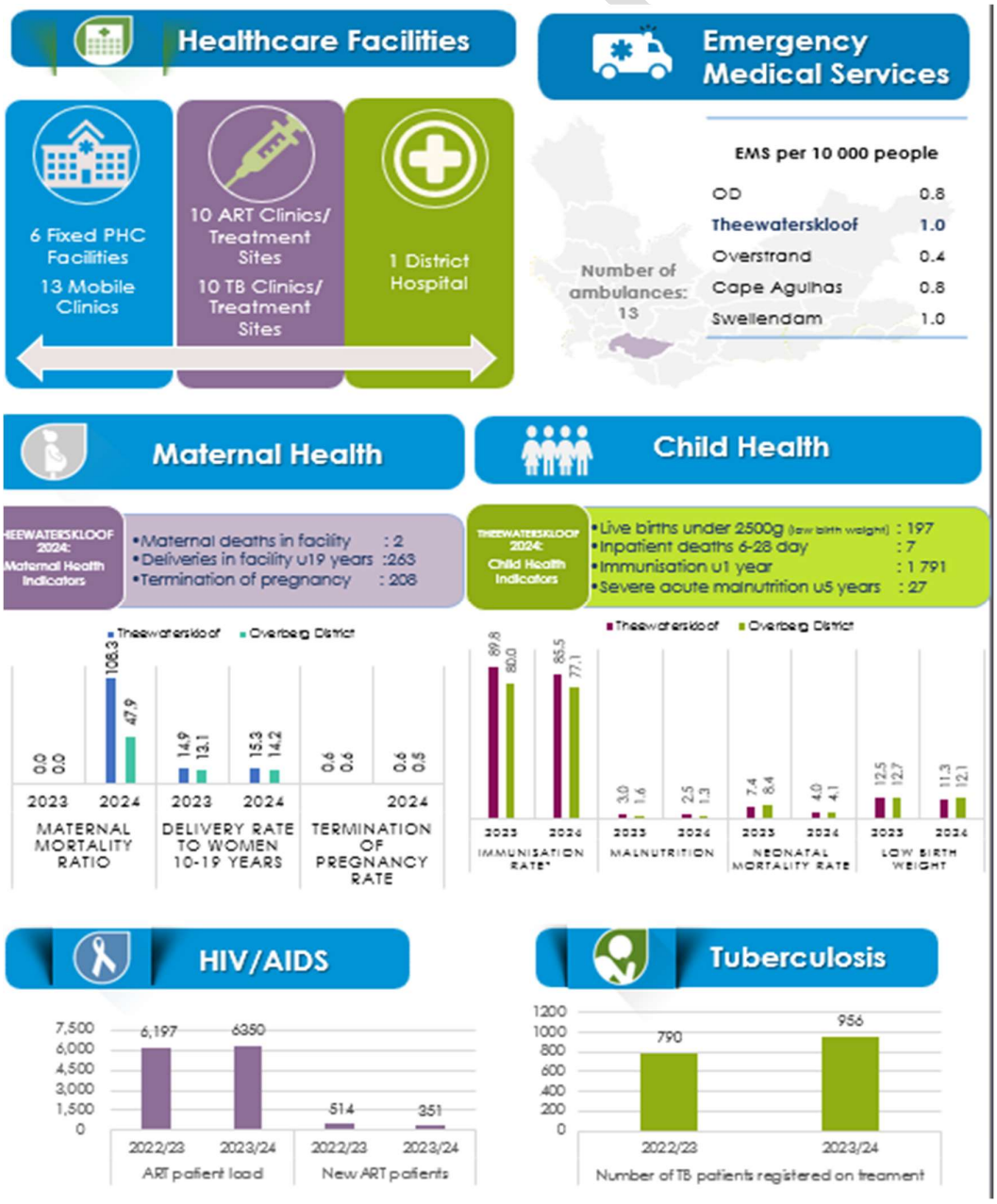
Financial Performance: Pollution Control					
					R'000
Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	–	–	–	–	0%
Repairs and Maintenance	–	–	–	–	0%
Other	34	123	103	–	-100%
Total Operational Expenditure	34	123	103	–	-100%
Net Operational Expenditure	34	123	103	–	-100%
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 .					T3.59.5

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

Our mission encompasses the following key pillars:

- Ensuring Safety and Security
- Collaboration and Partnerships
- Education and Empowerment
- Innovation and Adaptability
- Accountability and Transparency

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
2) Accident Investigation and Management
3) Traffic Control and Management
4) Public Safety Education and Awareness
5) Road Safety Inspections and Compliance
6) Speed Control and Traffic Calming Measures
7) Parking Management
8) Traffic Engineering and Planning

Final

9) Collaboration and Coordination
10) Data Analysis and Reporting

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
2) Road Safety Education and Awareness
3) Public Transport Regulation
4) Infrastructure and Engineering
5) Data Analysis and Technology Integration
6) Collaboration with Stakeholders
7) Community Engagement and Partnerships
8) Continuous Training and Professional Development

REGISTRATION AND LICENCING SERVICE

The functions that are rendered at the Theewaterskloof Driving License Testing Centre (DLTC) Caledon are as follow:

- Appointment for Learners and driver license tests
- Go for an eye test
- Issuing temporary driving license
- Issuing learners' license
- Issuing duplicate learners' license
- Renewal of Driver's License
- Renewal of PDP (Professional Driving Permit)

Different licenses are issued for the various categories of motor vehicles:

- Code A1
- Code A
- Code B
- Code C1
- Code C
- Code EB
- Code EC1
- Code EC

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
2) Driver Licensing
3) Vehicle Licensing and Renewal
4) Permit and Certification Services
5) Title Transfers and Ownership Changes
6) Records and Database Management
7) Compliance and Monitoring
8) Customer Service
9) Financial Management
10) Process Improvement and Policy Development

Final

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
2) Customer Experience
3) Digital Transformation
4) Compliance and Regulatory Adherence
5) Staff Training and Development
6) Collaboration and Stakeholder Engagement
7) Data Analytics and Reporting
8) Continual Process Evaluation and Improvement

Achievements

1) Streamlined Application Processes
2) Enhanced Compliance and Fraud Prevention
3) Modernized Technology Infrastructure
4) Staff Training and Skill Development
5) Efficient Backlog Management
6) Improved Customer Service and Communication
7) Proactive Legal and Regulatory Compliance
8) Optimal Resource Allocation

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.

Our Equipped Staff

A well-trained workforce means tasks can be performed much faster if employees know what they're doing and the quality of work will also improve. Mistakes are far less likely to occur if individuals have the best training for the job that they do.

These are the kind of employees on whom you can count to arrive on time and finish their tasks. Reliable employees take responsibility for their assignments and meet deadlines. They show integrity by completing tasks and showing up even when a leader isn't looking over their shoulder or offering praise.

LAW ENFORCEMENT SERVICE

The Law Enforcement Unit of the Theewaterskloof Municipality focuses on all the municipal by-laws, land invasion, managing the animal pound, monitoring of 24-hour CCTV control room and access control at the TWK Municipal Head Office

Other services rendered by the Law Enforcement Unit include 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
2) Public Safety and Security
3) Traffic Law Enforcement

4) Community Policing
5) Crowd Control and Event Security
6) Crisis Management and Emergency Response
7) Investigation and Intelligence
8) Community Outreach and Education
9) Enforcement of Laws and Regulations
10) Collaboration and Partnerships

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
2) Community Policing
3) Traffic Safety and Enforcement
4) Emergency Preparedness and Response
5) Technology and Innovation
6) Professional Development and Training
7) Community Engagement and Public Relations
8) Collaboration with Stakeholders
9) Youth Outreach and Crime Prevention
10) Data-Driven Approaches

Operations

DATE	**AREA**	**COMPLAINT / OPERATION DETAILS**	**OUTCOME**
03/07/2024	Caledon	Integrated Operation with Immigration	Four undocumented immigrants were arrested according to Act 13 / 2002 Section 49(1)1a) and were taken into custody at Caledon SAPS: CAS 13/07/2024; CAS 14/07/2024; CAS 15/07/2024; CAS16/07/2024 refers.
16/08/2024	Grabouw	Integrated Operation: School Search	The principal of Umyezo Wama Apile Secondary School approached SAPS to do a school search after several fights took place on and outside the school premises between pupils. The focus was not to arrest but more to educate and to confiscate items that could be used to injure or even kill during these fights. The entire school was searched and several knives and scissors were confiscated and handed back to the principal.
04/10/2024	Riviersonderend	Integrated Operation: Spaza Shops	Operation commenced at 10:00 at SAPS where briefing took place. Operation started where illegal drug houses was identified in the squatter camp as well in the neighbourhood.

			A VCP as well as a Stop & Search was successfully conducted Four arrests were made: Obvious Mubhoui | 20 years | Undocumented Immigrant (Act 13 / 2000 Sec 49 (1)(a) Robert Matere | 37 years | Possession of Drugs (Tik) Siyan Mudjingwa | 41 years | Undocumented Immigrant (Act 13 / 2000 Sec 49 (1)(a) Meluleki Tarugarira | 26 years | Undocumented Immigrant (Act 13 / 2000 Sec 49 (1)(a)
05/11/2024	Botrivier	Integrated Operation: Spaza Shops	Five spaza shops were also visited for compliance. Those who were transgressing were fined. Expired goods were taken off the shelves and the shop assistants destroyed the expired goods in our presence.
16/01/2025	Genadendal	Integrated Operation: Spaza Shops	A coordinated operation was initiated in the Genadendal region, during which follow-up inspections were conducted at various shops.. Six (6) shops were identified that caused some problems. Infringement notices (Section 56) were issued at three (3) shops for non-compliance and expired goods. We have also visited Emil Welder High School, where members motivated the students and made awareness about the abuse and misuse of drugs and carrying illegal weapons at school.
27/02/2025	Greyton/Genadendal	Integrated Operation: Safe Schools	In response to recent concerns and complaints received from the community regarding potential drug-related activities at Genadendal / Greyton Primary Schools, a comprehensive search operation was conducted within the school premises. The primary objective of this operation was to ensure the safety and well-being of students and staff by proactively identifying and addressing any illegal substances or dangerous materials. This report outlines the procedures followed during the operation, the findings, and the subsequent actions taken to uphold the integrity of the school environment. The
04/04/2025	Villiersdorp	Integrated Operation	Integrated operation was conducted in Villiersdorp, SAPS, Law Enforcement, Provincial Traffic, and Municipal Traffic. VCP at R321 Betko, 168 Vehicles were stopped, several notices were issued. Cas Nr:

			Dealing in Liquor: 19/04/2025 Undocumented Immigrants: 21/04/2025; 22/04/2025
30/06/2025	Grabouw	Integrated Operation	Thirteen (13) unoccupied illegal structures were identified in the Marikana, Railway lines, and Covid informal settlements. Court interdicts were given to SAPS legal aid to verify the legality of the operation. Only two structures were not demolished because they had active electrical boxes inside.

Community Awareness Projects

Animal Pound Successes

DATE	AREA	COMPLAINT/ OPERATION DETAILS	SUCCESSES
15 August 2024	Grabouw	Stray Animals	19 stray animals (goats) impounded and subsequently released after payment of fine.
29 August 2024	Grabouw	Stray Animals	3 stray animals (cows) impounded and subsequently released after payment of fine.
19 October 2024	Villiersdorp	Stray Animals	11 stray animals (goats) impounded and subsequently released after payment of fine.
23 October 2024	Botrivier	Stray Animals	Stray animals (pigs) impounded and subsequently released after payment of fine

Highlights: Public Safety

The following table indicate the highlight of the financial year:

Highlights	Description
Reduction in Road Fatalities	Through targeted operations and awareness campaigns, fatalities in Theewaterskloof showed a decline compared to the previous year.
Major Campaigns Delivered	Festive Season operations (Dec 2024–Jan 2025). School Transport Safety operations (Jan 2025 onwards). Easter Road Safety Campaign (18–21 April 2025). Preparations for Alcohol Evidential Centre (AEC) Truck operations ahead of the Dec 2025 festive period.
Public Engagement via Imbizos and Roadshows	New platforms allowed residents to raise service delivery concerns and resolve outstanding fines, with reductions of up to 40% approved by Council to improve compliance.

Revenue Collection Success	Through targeted operations and awareness campaigns, fatalities in Theewaterskloof showed a decline compared to the previous year.
Sustainable Resource Management	Achieved more than a 50% reduction in overtime expenditure without compromising core service delivery.
Professional Development	Traffic officers began training in advanced alcohol detection (AEC truck), ensuring readiness for DUI enforcement.

Public Safety highlight

Challenges: Traffic Services and Law Enforcement

The table below indicates the challenges faced during the financial year:

Challenges	Actions to address
Capacity Constraints	The department will be looking at collaboration and partnerships, intergovernmental and with the private sector, to address the capacity constraints in terms of additional vehicles, specialised equipment, etc.
Financial Constraints	The focus on enforcement of stringent revenue collection methodologies will assist with the unlocking of additional and sustainable revenue generating streams for the municipality.
Technological Transition	The awarding of the fine collection system and speed cameras will create a more conducive environment for enforcement and technical assistance and transition with the new equipment that will be provided by the new service provider.

Public Safety challenges

Service statistics for Public Safety

The table below indicates performance statistics for Traffic and Law Enforcement Services:

Details	2023/24	2024/25
Motor vehicle licenses processed	35 523	38 344
Learner driver licenses processed	3 236	3 395
Driver licenses processed	9 940	6 230
Driver licenses issued	6 934	3 972
Fines issued for traffic offenses	17 301	14 862
R-value of fines collected	R3 787 100	R3 689 200
Roadblocks held	62	88
Complaints attended to by Traffic Officers	10	14
Awareness initiatives on public safety	12	14

3.18.1 EMPLOYEES: TRAFFIC AND LAW ENFORCEMENT1

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	3	3	2	1	33%
4 - 6	12	12	12	0	0
7 - 9	38	42	39	3	7%
10 - 12	12	13	11	2	15%
13 - 15	3	3	3	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
Total	**69**	**74**	**68**	**6**	**8%**

3.18.2 FINANCIAL PERFORMANCE: TRAFFIC AND LAW ENFORCEMENT

Financial Performance : Traffic and Law Enforcement					
					R'000
Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	19,148	28,302	29,454	27,582	-6%
Expenditure:					
Employees	24,175	20,721	22,530	22,073	-2%
Repairs and Maintenance	,166	,342	,330	,146	-56%
Other	18,245	28,599	30,361	27,046	-11%
Total Operational Expenditure	42,586	49,663	53,221	49,264	-7%
Net Operational Expenditure	**(23,438)**	**(21,361)**	**(23,767)**	**(21,682)**	-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 .					T3.65.5

3.18.3 CAPITAL EXPENDITURE: TRAFFIC AND LAW ENFORCEMENT

Capital Expenditure : Traffic and Law Enforcement				
				R' 000
Capital Projects	2024/2025			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Total All	7,363	14	8	-44%

Machinery and Equipment (New)	133	14	8	-44%
Furniture and Equipment (New)	30	–	–	0%
Safety and security equipment for Law Enforcement	–	–	–	0%
Construction of Grabouw Driver's License Testing Centre (DLTC)	7,200	–	–	0%
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.18.4 FINANCIAL PERFORMANCE: ANIMAL CONTROL

Financial Performance : Animal Control					
					R'000
Details	**Year 2023/2024**	**Year 2024/2025**			
	Actual	**Original Budget**	**Adjustment Budget**	**Actual**	**Variance to Budget**
Total Operational Revenue	,135	,135	,135	,293	117%
Expenditure:					
Employees	–	–	,8	,4	-50%
Repairs and Maintenance	,47	,115	,103	,30	-71%
Other	,317	1,059	,521	,504	-3%
Total Operational Expenditure	,363	1,175	,632	,538	-15%
Net Operational Expenditure	**(228)**	**(1,040)**	**(497)**	**(245)**	-51%
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.					T3.67.5

3.19 DISASTER MANAGEMENT

3.19.1 INTRODUCTION TO DISASTER MANAGEMENT

Disaster management is a critical function of Theewaterskloof Local Municipality aimed at preparing for, responding to, recovering from, and mitigating the impacts of disasters. Our comprehensive approach ensures community safety, resilience, and effective management of emergencies.

DISASTER MANAGEMENT FRAMEWORK

Theewaterskloof Municipality follows a structured disaster management framework based on the principles outlined in the Disaster Management Act, 2002 (Act No. 57 of 2002) as Approved by the TWK Council and the National Disaster Management Framework. This framework encompasses the four phases of disaster management: Prevention, Preparedness, Response, and Recovery.

DISASTER MANAGEMENT PHASES

PHASE	DESCRIPTION
Prevention	Measures to avoid or reduce the risk of disasters. Includes planning, risk assessment, and community education.
Preparedness	Actions to ensure readiness for potential disasters. Includes training, simulations, and resource management.
Response	Immediate actions taken to address the impact of a disaster. Includes emergency services, evacuation plans, and public communication.
Recovery	Efforts to restore affected communities to normalcy. Includes rebuilding, rehabilitation, and support for affected individuals.

PROJECTS: DISASTER RISK ASSESSMENT

The risk assessment conducted by a service provider, with assistance from the 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:

Final

- Winter readiness sessions were held with internal departments in preparation of the winter season starting in July 2024. These sessions were held to develop a programme 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-hand with Working on Fire.
  - 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:
  - The developing of programmes which is assigned to help prevent, alleviate, and mitigate the impact of flooding and storm incidents.

3.19.2 EMPLOYEES: DISASTER MANAGEMENT

The table below indicates the number of staff employed within the Unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	1	1	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**1**	**1**	**0**	**0**	**0**

3.19.3 FINANCIAL PERFORMANCES: DISASTER MANAGEMENT

Financial Performance: Disaster Management					
					R'000
Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	–	0
Expenditure:					
Fire fighters	–	–	–	–	0%
Other employees	1,514	1	0	1	86%
Repairs and Maintenance	396	102	52	28	-47%
Other	2,631	2,449	3,381	2,774	-18%
Total Operational Expenditure	4,542	2,552	3,434	2,802	-18%
Net Operational Expenditure	**4,542**	**2,552**	**3,434**	**2,802**	-18%
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 .					T3.66.5

Final

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

INTRODUCTION

The Sports and Recreation function continues to play a critical role in fostering community cohesion, youth development, and active lifestyles across Theewaterskloof Municipality. Despite fiscal constraints under the Financial Recovery Plan, the municipality has leveraged partnerships with the Department of Cultural Affairs and Sport (DCAS) and local stakeholders to deliver sustainable sporting opportunities and support to local clubs.

This report provides an overview of the progress made in sports development during this period July 2024 till June 2025, including key achievements, challenges, and future goals.

SPORTS DEVELOPMENT OBJECTIVES

Theewaterskloof Municipality's sports development strategy was designed with the following key objectives:

- Increase sports participation at all levels.
- Develop and maintain sports infrastructure across all towns.
- Promote youth sports as a pathway for personal and social development.
- Ensure inclusivity in sports by focusing on underrepresented groups such as women, youth, and people with disabilities.
- Foster partnerships with local and regional sports bodies to strengthen resources and coaching capacity.

YOUTH SPORTS DEVELOPMENT

One of the key pillars of Theewaterskloof's sports development strategy is youth engagement. Several initiatives were introduced to nurture young talent and provide pathways for both recreational and competitive sports.

One of the new youth development programmes introduced by the Western Cape Government (DCAS) to Theewaterskloof and the broader Overberg District in 2024.

Pool4Change: aims to foster a sense of belonging among at-risk youth by using cue sports as a transformative tool.

The initiative is designed to uplift and empower young people, particularly those in underprivileged communities, through structured educational and developmental programmes. This is youth empowerment through sport and is a school-based initiative with the target audience ranging from 9 to 18years.

The current participating schools are:

Town	School	Number participants
Caledon	Swartberg High school	8 learners
Genadendal	LR Schmidt Primary Emil Weder High school	72 learners
Grabouw	Groenberg Secondary School	22 learners

Highlights:

- Observing children who once struggled with discipline find purpose and belonging through cue sports has been a deeply rewarding outcome of this initiative
- x pool tables sponsored by Dept of Cultural Affairs and Sport (DCAS) to this initiative with another 2 applied for
- One of the year's standout achievements was Emil Weder High School receiving a special invitation to the 2025 Ultimate Pool Schools Championships (from 6 – 10 October 2025). This recognition followed their outstanding performance, most notably during the Interschools match against Swartberg High School, and reflects the growing impact of cue sports in our schools
- The initiative was also able to raise R 10 000 for the learners to participate in the 2025 Ultimate Pool Schools Championships

Challenges and Opportunities

- Supplier delays: Backlogs in table deliveries have resulted in frustration among schools eager to join the initiative, slowing down broader participation.
- Recognition as a sport: Pool is not consistently acknowledged as a formal sporting code, which limits institutional support and visibility despite the high level of talent in the Overberg region.

Opportunities

- Unlocking potential through recognition: With formal recognition of pool as a sporting code, schools and players would benefit from greater legitimacy, visibility, and inclusion in mainstream sporting programmemes.
- Growth through investment: Increased funding and resource allocation would enable more schools to access equipment, broaden participation, and strengthen the initiative's long-term sustainability.

Caledon Cricket:

- The club has several youths playing in our 3rd, second,1st and ladies' teams; also have a junior structure where the club has identified Swartberg Primary school and Riviersonderend Primary school currently as our feeding source.
- The youngest player in our ladies' team is 11 years old. The ladies' team is made up of girls under 12, of whom some are in the Boland teams, and several under 16 and under 19 girls.
- The highest age of ladies is probably 22 years old. Our 3rd team also has players as young as 13 and 14 playing for Caledon, coming from both Swartberg High School and Overberg High School.
- The Club has also incorporated Riviersonderend players with a total of 18 players from this town.

Highlights

- After several successful years competing in the 1st Division, our club achieved promotion to the Boland Promotion League in the 2023/2024 season following our victory in both the Overberg 50 and T20 competitions.
- Caledon Cricket Club have since been promoted to the highest level of competition in Boland Cricket — the **Premier League**. This promotion was made possible by our compliance with Boland Cricket's criteria, which include maintaining three men's teams, a women's team, and an active youth development structure.
- Caledon Cricket Club has a proud and rich history within Caledon, Boland, and the broader Western Province. Despite being based in a small town, we continue to produce exceptional cricketing talent, with players representing Boland across various age groups and senior divisions

Challenges

- Shared sporting facilities – Cricket shares the grounds with other sporting codes that do not recognize the importance of cricket in Caledon, leading to conflicts and limited access.
- Facilities not up to Premier League standard – The pitch preparation is inadequate, no Bomac roller is available, and the B-field is in poor condition due to soccer use.
- Lack of funding – The club struggles to fund travel and operations as most players are students or school learners.
- Low spectator attendance and income: Cricket does not attract as many spectators as rugby, reducing gate revenue.
- Limited long-term planning – No structured plan exists to guide cricket growth in Caledon.

Opportunities

- Establish dedicated access and scheduling for cricket through engagement with the municipality and other sports codes to ensure fair and consistent facility use.
- Source funding to upgrade facilities to meet league standards by securing essential equipment (e.g., Bomac roller) and improving field maintenance and infrastructure.
- Mobilize funding and sponsorships from local government, businesses, and sports development bodies to cover key expenses.
- Promote community engagement through awareness campaigns, school outreach, and family-friendly match days to increase attendance and income.
- Develop a strategic cricket development plan outlining goals for infrastructure, player growth, and sustainability.

Department of Cultural Affairs & Sports Contribution

During the 2024/25 financial year, funding from the Department of Cultural Affairs and Sport (DCAS) was successfully accessed and distributed to various sporting codes and clubs across TWK. This support enabled clubs to participate in leagues, improve facilities, and enhance development pathways for youth and community members.

Annually the DCAS invest into the 2 MOD (Mass participation; Opportunity and access; Development and growth) Centres and recreational centres in Caledon and Grabouw (school & Thusong Centre) through provision of sports equipment to implement various sports programmemes. MOD Centres is an after-school, mass participation programmeme that provides school-going youth with access to various fun-filled, play-based and modified activities in recreation and sport, as well as in arts and culture, daily.

Furthermore, DCAS extended its support by providing funding as well as assistance with accommodation, transport, and refreshments across the following initiatives:

In May 2025 learners from Grabouw, Tesselaarsdal, Myddleton, Caledon & Riviersonderend participated in the provincial indigenous games in Hermanus.

On 16 May 2025, the Provincial Minister for Cultural Affairs and Sport (DCAS) hosted a handover ceremony in Caledon, where a cheque of R1.1 million was awarded towards sports funding and equipment for the Overberg's local sports federations

In June 2025, a women's leadership training was hosted for women in sport with participants from Caledon included

Highlights: Sport and Recreation

The following table indicate the highlight of the financial year:

Highlights	Description
Start of Pineview Park Upgrade	Service provider submitted the final work programmeme schedule for the upgrade
Caledon RFC & SAFCOL in Sanlam Boland top 12 (2024 season)	Both teams played in top 12; Caledon RFC progressed to the semi-finals of the competition
Caledon Cricket affiliation with Boland Cricket	Affiliation formalised in early 2025, with 70 registered players.

Challenges: Sport and Recreation

The table below indicates the challenges faced during the financial year:

Challenges	Actions to address
Financial constraints	Submission of funding proposals to DCAS and other external stakeholders

Service statistics for Sport and Recreation

The table below indicates performance statistics of sport and recreation services:

Type of service	2023/24	2024/25
Community parks		
Number of parks with play park equipment	5	5
Number of wards with community parks	1	1
Swimming pools		
Number of visitors per annum	N/A	N/A
R-value collected from entrance fees	N/A	N/A
Sport fields		
Number of wards with sport fields	6	6
Sport halls		
Number of wards with sport halls	N/A	N/A
Number of sport associations utilizing sport halls	N/A	N/A

CONCLUSION

The 2024–2025 fiscal year marked progress in advancing sports development within Theewaterskloof Municipality. Through a range support and access to facilities towards youth-focused programmemes and inclusive initiatives, the municipality continues to strengthen the foundation for fostering participation, discipline, and social cohesion. These efforts are contributing to the growth of a vibrant and active sporting culture that not only develops talent but also builds a stronger, more connected community.

Looking ahead, the municipality remains committed to strengthening partnerships, broadening access, and securing greater recognition and resources to ensure that sports continue to inspire, empower, and unite communities across Theewaterskloof.

3.20.1 EMPLOYEES: PARKS

The table below indicates the number of staff employed within the Unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	10	3	2	1	33%
4 - 6	30	28	28	0	0
7 - 9	5	9	7	2	22%
10 - 12	2	1	0	1	100%
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	**47**	**41**	**37**	**4**	**8%**

3.20.2 FINANCIAL PERFORMANCE: SPORT AND RECREATION

Financial Performance: Sport and Recreation					
					R'000
Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	58	49	49	64	30%
Expenditure:					
Employees	92	1	59	104	0%
Repairs and Maintenance	1,641	496	382	162	-58%
Other	424	134	92	120	31%
Total Operational Expenditure	2,158	631	533	386	-28%
Net Operational Expenditure	**(2,100)**	**(582)**	**(483)**	**(322)**	**-33%**
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 .					T3.68.4

3.20.3 CAPITAL EXPENDITURE: SPORT AND RECREATION

Capital Expenditure : Sport and Recreation				
				R' 000
Capital Projects	2024/2025			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Adjustment Budget
Total All	3,420	2,513	1,114	-56%
Upgrading of Pineview Park sport Ground in Grabouw	2,670	2,513	1,114	-56%
Upgrading of clubhouse	750	–	–	0%
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

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

The table below indicates the number of staff employed within the Unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
Section 56	1	6	6	0	0
Total	**1**	**6**	**6**	**0**	**0**

Employees: ADMINISTRATION CORP, HEAD OFFICE (INCLUDING ADMIN STAFF IN TOWNS AND TOWN MANAGER POSITIONS)

The table below indicates the number of staff employed within the Unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	7	6	6	0	0
4 - 6	19	18	18	0	0
7 - 9	19	17	15	2	14%
10 - 12	10	6	6	0	0
13 - 15	3	1	1	0	0
16 - 18	5	0	0	0	0
19 - 20	0	0	0	0	0
Total	**63**	**48**	**46**	**2**	**4%**

Employees: INTERNAL AUDIT

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				

0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	2	2	2	0	0
13 - 15	0	0	0	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
Total	**3**	**3**	**3**	**0**	**0**

3.21.2 FINANCIAL PERFORMANCE: EXECUTIVE AND COUNCIL

R'000

Details	**Year 2023/2024**	**Year 2024/2025**			
	Actual	**Original Budget**	**Adjustment Budget**	**Actual**	**Variance to Adjustment Budget**
Total Operational Revenue	118	113	157	86	-46%
Expenditure:					
Employee Related Cost	8,545	2,072	7,253	8,294	14%
Remuneration of Councillors	13,189	14,356	14,356	13,148	-8%
Repairs and Maintenance	–	25	18	12	-34%
Other	2,342	2,239	1,418	876	-38%
Total Operational Expenditure	24,077	18,691	23,046	22,330	-3%
Net Operational Expenditure	**(23,958)**	**(18,578)**	**(22,889)**	**(22,244)**	-3%
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 .					T3.69.5

3.22 FINANCIAL SERVICES

3.22.1 INTRODUCTION TO FINANCIAL SERVICES

Financial Sustainability continues to pose a challenge for the Municipality and represents a vital goal that is difficult to attain due to global, national, and provincial economic conditions. This issue was once again the focal point of the Municipality's most recent strategic planning session.

The purpose and overarching aim of the directorate is to implement robust and transparent financial management practices to enhance efficiency and service delivery. The directorate remains dedicated to establishing an effective financial administration in compliance with relevant legislation.

The Finance Department oversees the financial operations of the municipality. Its goal is to guarantee the efficient and effective management of financial resources to secure the municipality's financial sustainability. It serves as the principal authority over all municipal assets and must ensure prudent financial management.

Challenges: Financial Services

The following table indicates the challenges faced during the financial year:

Description	Actions to address
No smart water meters could be procured due to financial constraints	The municipality is currently implementing a Financial Recovery Plan aimed at stabilising cash flow. Once financial stability is restored, procurement of smart meters will be prioritised in the new financial year.

3.22.2 EMPLOYEES: FINANCIAL SERVICES

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	27	26	25	1	4%
7 - 9	29	30	27	3	10%
10 - 12	14	16	14	2	12%
13 - 15	6	9	7	2	22%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	**77**	**82**	**74**	**8**	**9.7%**

3.22.3 FINANCIAL PERFORMANCE: FINANCIAL SERVICES

Financial Performance: Financial Services					
					R'000
Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	276,509	331,180	298,259	287,104	-4%
Expenditure:					
Employees	31,968	33,439	32,777	32,684	0%
Repairs and Maintenance	576	1,163	321	180	-44%
Other	38,828	52,530	53,045	46,687	-12%
Total Operational Expenditure	71,371	87,133	86,143	79,551	-8%
Net Operational Expenditure	**205,138**	**244,047**	**212,116**	**207,553**	-2%
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 .					T3.70.5

3.22.4 CAPITAL EXPENDITURE: FINANCIAL SERVICES

Capital Expenditure : Financial Services				
				R' 000
Capital Projects	2024/2025			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Adjustment Budget
Total All	**276**	**409**	**126**	**-54%**
Machinery and Equipment (New)	25	–	–	-100%
Furniture and Office Equipment (New)	95	–	23	-76%

Furniture and Equipment (Renew)	11	–	–	-100%
Furniture and Equipment (New)	7	–	–	-100%
Computer Equipment (New)	88	409	103	18%
Computer Equipment (Upgrade)	50	–	–	-100%
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

COMMENT ON FINANCIAL SERVICES PERFOMANCE OVERALL

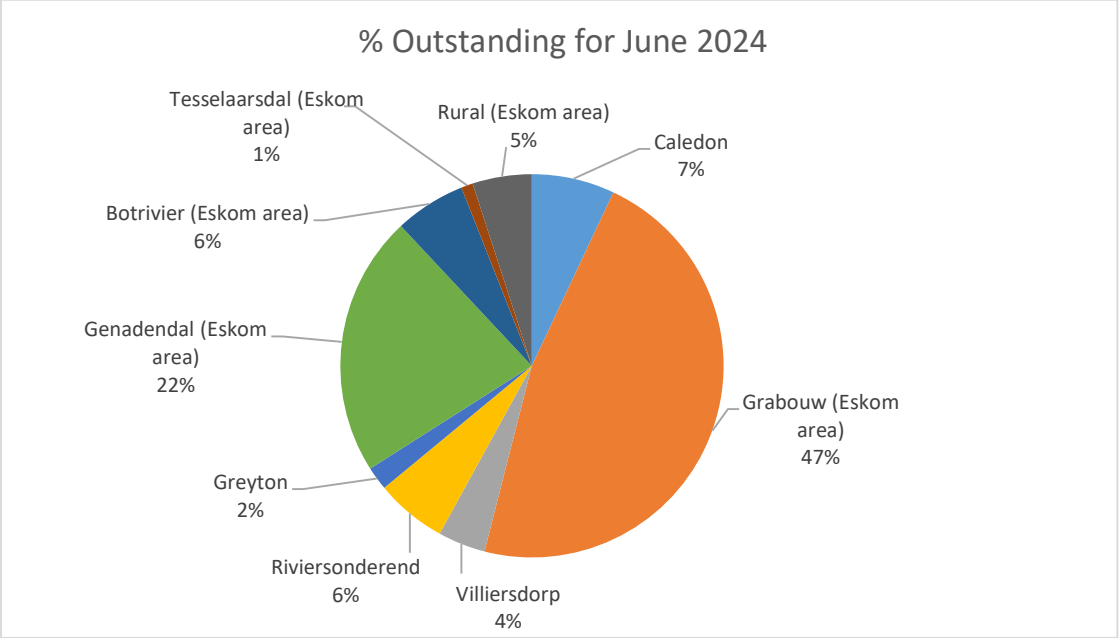
The municipality is facing severe financial strain, marked by unfunded budgets for the 2024/25 and 2025/26 financial years, without innovative funding strategies. The Municipality is currently experiencing a challenging cash flow situation and unfavourable financial ratios because of diminished personal financial reserves.

Ratio	2023/24 Audited AFS	2024/25 Unaudited AFS
Capital Expenditure to Total Expenditure	12.33%	12.01%
Collection Rate	83.76%	82.72%
Net Debtors Days	48.39	47.18
Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	(0.63)	(0.15)
Current Ratio	0.37	0.35
Creditors Payment Period (Trade Creditors)	126.57	176.59
Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	2.82%	1.44%
Remuneration as % of Total Operating Expenditure	32.31%	37.15%

Following the conclusion of the fiscal year, the Municipality is currently in the process of executing the Financial Recovery Plan. This plan outlines urgent financial recovery strategies that have been evaluated and endorsed by both the Provincial and National Treasury, with a particular emphasis on enhancing revenue collection and reducing expenditures. While this may have a temporary impact on service delivery, it will be alleviated through the implementation of these measures

Outstanding debt per town as of 30 June 2024:

June 2024			
Town	**Amount outstanding for June 2024**		**% Outstanding for June 2024**
Caledon	R	24 506 237	7%
Grabouw (Eskom area)	R	160 290 190	47%
Villiersdorp	R	12 108 793	4%
Riviersonderend	R	19 589 095	6%
Greyton	R	8 173 905	2%
Genadendal (Eskom area)	R	73 719 482	22%
Botrivier (Eskom area)	R	18 906 868	6%
Tesselaarsdal (Eskom area)	R	2 602 377	1%
Rural (Eskom area)	R	19 262 065	6%
Total	**R**	**339 159 011**	**100%**



3.22.6 ASSESSMENT OF ARREARS ON MUNICIPAL SERVICES AND PROPERTY RATES

Debt Recovery			
			R' 000
Details of the types of accounts raised and recovered	**Billed in year**	**Payment**	**Percentage Collection**
Rates	161,347	157,204	97%
Service Charges	339,598	304,907	90%
Total	**500,945**	**462,111**	**92%**
			T3.70.2

3.23 HUMAN RESOURCE SERVICES

3.23.1 HUMAN RESOURCE INTRODUCTION

Human Resource Division (HR) has primary responsibility for managing, assisting and dealing with all staff 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 programme. 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
- 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.

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.

3.23.2 HIGHLIGHTS: HR

The following table indicate the highlight of the financial year:

Highlights	Description
Community Training programmeme	Basic Plumbing Course in collaboration with the Department of Water and Sanitation
Internal study Bursaries	Allocation of 9 internal study bursaries
External study bursaries	Awarding of 7 study bursaries to youth from the Theewaterskloof community
Minimum Competency Training programmeme.	Successful completion of a Minimum Competency Training programmeme.

3.23.3 CHALLENGES: HR

The table below indicates the challenges faced during the financial year:

Challenges	Actions to address
Low staff morale due to various factors	Continues communication with staff
Implementation challenges in respect of the Municipal Staff Regulations	Allocation of budgetary and other Resources

3.23.4 EMPLOYEES: HUMAN RESOURCE SERVICES

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	2	2	2	0	0
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	0
Total	**8**	**10**	**8**	**2**	**20%**

3.23.5 FINANCIAL PERFORMANCE: HUMAN RESOURCE SERVICES

Financial Performance: Human Resource Services

R'000

Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Adjustment Budget
Total Operational Revenue	786	76	237	523	121%
Expenditure:					
Employees	5,926	6,462	8,022	6,187	-23%
Repairs and Maintenance	–	–	–	–	–
Other	8,526	9,221	8,456	9,419	11%
Total Operational Expenditure	14,452	15,683	16,478	15,606	-5%
Net Operational Expenditure	**(13,666)**	**(15,608)**	**(16,241)**	**(15,083)**	-7%
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 .					T3.71.5

3.23.6 CAPITAL EXPENDITURE: HUMAN RESOURCE SERVICES

Capital Expenditure : Human Resource Services

R' 000

Capital Projects	2024/2025			
	Original Budget	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
Total All	**,73**	**–**	**–**	**0%**
Computer Equipment (New)	25	–	–	0%
Computer Equipment (Renew)	25	–	–	0%
Furniture and Office Equipment (New)	23	–	–	0%
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

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

The Information and Communications Technology (ICT) Department of Theewaterskloof Municipality plays a vital role in ensuring the stability and efficiency of the municipality's digital infrastructure. Despite facing ongoing challenges such as limited staffing and budget constraints, the department remains

committed to maintaining operational continuity and supporting service delivery through effective management of network systems and the adoption of modern technologies.

Key investments, including the implementation of Microsoft SharePoint, have led to notable improvements in efficiency and performance. This report provides an overview of the department's recent achievements, ongoing initiatives, and critical areas requiring strategic focus to ensure continued progress and service excellence.

3.24.1.1 HIGHLIGHTS: ICT SERVICES

The following table indicates the highlights of the financial year:

Highlights	Description
Procurement of new Sophos Core Firewall	The ICT Department successfully acquired and began implementing a new Sophos XGS 3300 firewall. This critical upgrade is aimed at significantly enhancing the municipality's cybersecurity posture, protecting internal systems from external threats, and ensuring the integrity of sensitive data.
Launch of Dedicated WhatsApp Communication Channel	A dedicated WhatsApp channel was created to improve direct communication with residents. With over 4,000 followers to date, this platform is being used to enhance service delivery by providing real-time updates, outage notifications, and general municipal information, thereby strengthening community engagement and responsiveness.

Table 1. ICT Services highlights

3.24.1.2 CHALLENGES: ICT SERVICES

The table below indicates the challenges faced during the financial year:

Description	Description
Lack of Funding	Inability to procure essential hardware due to budget constraints. Existing servers are out of warranty, and there is a shortage of laptops and desktops.
Aging Infrastructure	Old servers and end-user devices are no longer under warranty, increasing the risk of downtime and reduced performance.
Telephone System Issues	Service provider fails to meet SLA obligations, causing persistent issues with the municipal telephone system.
Shortage of ICT Support Staff	Insufficient staffing levels result in delayed response times and hinder proactive system maintenance.
Lack of Segregation of Duties	Limited personnel lead to overlapping responsibilities, which poses operational and audit risks.
Disaster Recovery Limitations	Absence of dedicated hardware and software for disaster recovery compromises the municipality's ability to respond to critical incidents.

3.24.2 EMPLOYEES: ICT SERVICES

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0

7 - 9	2	2	2	0	0
10 - 12	2	2	2	0	0
13 - 15	1	1	1	0	0
16 - 18	0	1	0	1	100%
19 - 20	0	0	0	0	0
Total	**5**	**6**	**5**	**1**	**100%**

3.24.3 FINANCIAL PERFORMANCE: ICT SERVICES

Financial Performance: ICT Services					
					R'000
Details	**Year 2023/2024**	**Year 2024/2025**			
	Actual	**Original Budget**	**Adjustment Budget**	**Actual**	**Variance to Adjustment Budget**
Total Operational Revenue	–	–	–	–	0%
Expenditure:					
Employees	2,614	2,087	3,319	3,134	-6%
Repairs and Maintenance	8,236	8,360	10,596	8,777	0%
Other	1,515	2,491	2,187	2,055	-6%
Total Operational Expenditure	12,366	12,938	16,102	13,965	-13%
Net Operational Expenditure	**(12,366)**	**(12,938)**	**(16,102)**	**(13,965)**	-13%
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 .					T3.72.5

3.24.4 CAPITAL EXPENDITURE: ICT SERVICES

Capital Expenditure Year 2024/2025: ICT Services				
				R' 000
Capital Projects	**Year 2024/2025**			
	Original Budget	**Adjustment Budget**	**Actual Expenditure**	**Variance to Adjustment Budget**
Total All	950	603	348	-173%
Computer Equipment (New)	950	603	348	-173%
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate.				

3.25 PROPERTY MANAGEMENT

The Property Management Unit within Theewaterskloof Municipality plays a key role in the sustainable governance, administration, and strategic deployment of the Municipal immovable property portfolio. As custodian of a diverse range of land assets, the Unit operates at the intersection of legal compliance, socio-economic and local-economic development, and municipal planning priorities.

Its core mandate includes the categorisation, maintenance, leasing, disposal, and acquisition of municipal land in line with the provisions of the Municipal Finance Management Act (MFMA), the Municipal Asset Transfer Regulations (MATR), and the Municipal own Administration of Immovable Property Policy. It ensures that all land related decisions are transparent, financially sound, aligned to the Integrated Development Plan (IDP), and compliant with applicable statutory processes.

Strategically, the Unit serves as the enabling arm for leveraging municipal property to support economic development, infrastructure investment and it plays a key role in identifying and preparing land parcels for investment, managing lease agreements, responding to public interest uses, and formalising ownership.

The Unit also supports interdepartmental coordination by providing technical inputs to planning, legal, and finance teams, and chairs or contributes to platforms. Through its work, the Property Management Unit ensures that land is used as a developmental tool to benefit the communities of Theewaterskloof.

Over the past two years, the Property Management Unit has faced a number of operational and capacity related challenges. However, many of these obstacles have been successfully addressed through proactive collaboration with internal departments, neighbouring municipalities, and, in certain instances, the Provincial Government as part of broader Financial Recovery Plan engagements.

Despite of all these challenges, the Unit has demonstrated resilience and growth. Strategic planning and adaptive problem solving have led to the launch of new property related projects, the strengthening of interdepartmental working relationships, and the development of governance documentation and operational tools. These advancements have laid the a solid groundwork for a more integrated, forward-thinking approach towards municipal property management.

The following tables provide a summary of key highlights, challenges encountered, and the corresponding approaches adopted under each category.

3.25.1 HIGHLIGHTS: PROPERTY MANAGEMENT

The following table indicate the highlight of the financial year:

Highlights	Description
Sale of Victoria Hall	The sale of Victoria Hall to the Department of Infrastructure was concluded to enable the development of a much-needed larger health clinic, addressing critical healthcare needs within the surrounding communities within Caledon.
Filling position of Head : Property Management	The key position as Head Property Management has been vacant since February 2023 and was filled in February 2025
Review and adoption of new Administration of Immovable Property Policy	Property Management is guided by a range of legislative frameworks, which have been consolidated and formally adopted by the Municipal Council in the form of a dedicated policy. With the review and adoption of the updated Administration of Immovable Property Policy, the management and governance of municipal immovable assets are now aligned with applicable legislation, ensuring consistency,

	transparency, and legal compliance in the administration of property matters.
Review and categorize Investment ready properties	In March 2025, the Economic Development Portfolio Committee initiated formulation of a list of strategic priority projects aimed at identifying investment ready properties and prioritising potential 'low hanging fruit' properties that could be packaged and released to the market within the 2025/26 financial year. This proactive approach was intended to accelerate municipal led investment facilitation and promote high impact development opportunities. As part of this process, a list of ten strategically and well-located properties were identified. The Portfolio Committee, in collaboration with officials within the Economic Development and Planning Directorate, conducted on-site inspections to assess the physical conditions, development potential, and readiness of each parcel of land. After the visits, further technical investigations and planning processes were undertaken to prepare the properties for structured marketing and eventual disposal. This initiative also marked a turning point in institutional arrangements aimed at collaboration within the Directorate: Economic Development and Planning as well as a Peer-to-Peer outreach with Hessequa Municipality. It further sparked a renewed commitment to integrated planning and cross functional cooperation, addressing challenges associated with silo mentality and its operational plans and strategies. The project further initiated the need for a TWK Investment Property Profile as well as a TWK Investment and Marketing Strategy.
Initiation of Municipal Land Audit	Over the years, it became evident that certain properties earmarked for disposal were either not disposed of or had their processes cancelled, resulting in some land parcels effectively 'falling through the cracks'. As part of the Municipal Financial Recovery Plan, a comprehensive and updated land audit, along with a revised Land Disposal Strategy, has been identified as a priority to address these gaps and ensure improved oversight and strategic alignment going forward. This programme has been initiated and will be conducted and presented within the 2025/26 Financial year.
Initiation of Theewaterskloof Municipal Investment Property Profile	The drafting of a TWK Investment Property Profile will be a strategic response to the need for clear, investor focused documentation of municipal land assets with development potential. As land becomes a key enabler of local economic growth, infrastructure investment, and spatial transformation, the Municipality requires a professional, centralised portfolio that showcases properties suitable for immediate investment, strategic planning, and future economic infrastructure. The compilation of such document has been drafted and workshopped with Council in the 2025/26 Financial Year.
Initiation of Theewaterskloof Municipal Investment and Marketing Strategy	The TWK Investment and Marketing Strategy will provide a key guidance through targeted marketing

	tools, interdepartmental coordination, and platforms such as the Investment Steering Unit (ISU).The strategy will ensure that investment ready land is effectively packaged and promoted to the right audiences. It will align with national and provincial directives, including the MFMA, MATR as well as the SCM Policy. The compilation of such document has been initiated and will be drafted and workshopped with Council in the 2025/26 Financial year.

3.25.2 CHALLANGES: PROPERTY MANAGEMENT

The table below indicate the challenge faced during the financial year:

Description	Actions to address
Since February 2023, the Property Management Unit has been significantly understaffed, operating with only two permanently appointed employees. This limited capacity has placed considerable strain on the unit's ability to perform its full range of functions effectively.	The Department has utilised the EPWP programme to supplement its capacity for the past 2 years, resulting in the placement of an individual to assist with routine administrative functions within the Property Management Unit. The additional Senior Administrator Property Management has been filled with the successful incumbent commencing on 1 September 2025.
The position of Head: Property Management has remained vacant since February 2023, resulting in a lack of consistent leadership, strategic direction, and departmental oversight during this period. This leadership vacuum affected negatively continuity in decision making, project implementation, and the overall coordination of property related functions within the Municipality.	The position was filled in February 2025.
The Property Management Unit currently operates without a centralised, automated electronic system to support its core functions. All critical processes, including property registers, lease management, record keeping, data capturing, and day-to-day administrative tasks, are conducted manually across various disconnected platforms or physical files. **This manual method of operation is not only time-consuming and labour intensive, but it also poses significant challenges to data accuracy, accessibility, and overall operational efficiency. The absence of an integrated digital system limits the Unit's ability to track property related transactions in real time, generate reports, flag key compliance deadlines, and respond swiftly to internal and external enquiries.**	To address these inefficiencies and support modern governance standards, the implementation of a secure, automated property management system has become an urgent institutional priority. Such a system would enhance data integrity, improve service delivery, and enable strategic property planning. Collaborator through Business Engineering was approached to pilot a prototype programme for future implementation and budgeting purposes.
The proposed sale of a portion of Erf 595 Greyton, earmarked for the establishment of an English-medium school, has not progressed as initially planned. During the preparation of the tender specifications, and upon submission of the proposed tender to the relevant committee, it was recommended that both the original Council resolution and the sale conditions be reviewed and reconsidered. Specifically, concerns were raised regarding the viability and fairness of limiting the sale exclusively to non-profit educational institutions, prompting reasons for re-assessment.	The proposed sale should be referred to Council to obtain a clear and updated mandate. It may also be prudent to conduct a formal needs assessment or initiate a call for proposals to better determine the strategic investment potential of the property and align the intended use with broader community needs and development priorities.

3.25.3 EMPLOYEES: PROPERTY MANAGEMENT

The table below indicates the number of staff employed within the unit:

Job Level	2023/24	2024/25			
		Budgeted posts	Employees	Vacancies	Vacancies (as a % of total budgeted posts)
	Number				
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	2	2	2	0	0%
13 - 15	0	1	1	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	**2**	**3**	**3**	**0**	**0%**

3.25.4 FINANCIAL PERFORMANCE: PROPERTY SERVICES

R'000

Details	Year 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2,048	1,733	1,733	2,100	21%
Expenditure:					
Employees	,123	,17	,75	,54	-27%
Repairs and Maintenance	3,605	4,108	4,331	4,097	-5%
Other	2,382	3,901	3,266	3,431	5%
Total Operational Expenditure	6,111	8,027	7,672	7,583	-1%
Net Operational Expenditure	**(4,063)**	**(6,294)**	**(5,939)**	**(5,482)**	(,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 .					T3.73.5

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

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 EMPLOYMENT EQUITY

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

The Employment Equity targets and goals are presented to Management at shortlisting's during the recruitment and selection process. Employment Equity targets and goals which include the three highest levels of Management are provided to Directors on a monthly basis to create awareness of targets and goals set within the Employment Equity Plan. Employment Equity meetings are set to outline the targets and goals achieved during the year.

Employment equity targets and actuals

African		Coloured		Indian		White	
Target	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**
83	9	31	18	0	0	39	1

Table 6: 2024/25 equity targets and actuals by racial classification

Males (including disability)		Females (including disability)	
Target	**Actual**	**Target**	**Actual**
45	20	108	8

Table 7: 2024/25 Employment equity targets and actuals by gender classification

Specific occupational categories - Race

The table below indicates the number of employees (excluding vacancies) by race within the specific occupational categories:

Occupational	Male				Female				Total
Categories	**A**	**C**	**I**	**W**	**A**	**C**	**I**	**W**	
Legislators senior officials and managers	4	19	0	6	2	3	0	6	40
Professionals	0	2	0	1	1	8	0	4	16
Technicians and associate professionals	3	22	0	6	3	2	0	0	36
Clerks	10	38	0	0	21	104	0	8	181
Service and sales workers	8	26	0	0	0	8	0	0	42
Craft and related trades workers	17	72	0	0	2	3	0	0	94

Plant and machine operators and assemblers	24	77	0	1	6	11	0	0	119
Elementary Occupations	36	54	0	0	12	32	0	0	134
Total	**102**	**310**	**0**	**14**	**47**	**171**	**0**	**18**	**662**

Table 2. Occupational categories

Specific Occupational Levels - Race

The table below categories the number of employees by race within the occupational levels:

Occupational	Male				Female				Total
Levels	**A**	**C**	**I**	**W**	**A**	**C**	**I**	**W**	
Top Management	1	3	0	1	0	0	0	0	6
Senior Management	2	5	0	2	1	0	0	0	10
Professionally qualified and experienced specialists and mid-management	0	15	0	3	2	6	0	5	31
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	14	57	0	6	13	52	0	11	153
Semi-skilled and discretionary decision making	60	198	0	2	20	88	0	2	370
Unskilled and defined decision making	26	31	0	0	10	25	0	0	92
Total	**102**	**310**	**0**	**14**	**47**	**171**	**0**	**18**	**662**

4.1.1 EMPLOYEES

EMPLOYEES

Description	Year 2023/2024	Year 2024/2025			
	Employees	Approved Posts Budgeted	Employees	Vacancies Budgeted	Vacancies
	No.	No.	No.	No.	%
Water and Sewerage Networks	42	45	56	6	11%
Sanitation Services (Water and Sewerage Purification)	43	48	50	9	18%
Electricity	26	28	22	5	22%
Solid Waste Management Services	91	96	100	9	9%
Human Settlements (Including Informal Settlements)	13	18	17	1	6%
Roads Services (Streets and Storm water)	85	90	100	12	12%
Planning Services (Building Control)	12	14	16	2	12%
Sustainable Development	4	5	4	1	25%
Local Economic Development	5	5	5	0	0%
IDP	2	2	2	1	50%
Libraries	30	33	27	0	0%

Valuations	1	1	1	0	0%
Internal Audit	3	4	3	0	0%
Public Safety (Traffic)	69	72	68	6	8%
Parks (Including Botanical Gardens and Cemeteries)	47	49	39	4	9%
Administration	63	67	63	2	4%
Disaster Management	1	1	1	0	0%
Sport and Recreation	1	1	1	0	0%
The Executive (Top Management)	1	6	6	0	0%
ICT Services	5	6	5	1	20%
Financial Services	77	83	75	8	9%
Property Management	2	3	3	0	0%
Legal Services	2	3	3	3	0%
Fleet	2	2	2	0	0%
Human Resources	8	10	8	2	25%
Totals	**635**	**692**	**677**	**72**	11%

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.

4.1.2 VACANCY RATE

The approved organogram of the Municipality had 745 posts for the 2024/25 financial year. The actual positions filled are indicated in the tables below by post and by functional level. 83 posts were vacant at the end of 2024/25, resulting in a vacancy rate of 11%. The table below indicates a breakdown of vacancies within the Municipality:

Per post level		
Post level	**Filled**	**Vacant**
Municipal Manager and MSA Section 57 and 56 employees	4	2
Middle management (T14-T19)	47	27
Admin officers (T4-T13)	519	51
General workers (T3)	92	3
Total	**662**	**83**
Per functional level		
Functional area	**Filled**	**Vacant**
Office of the Municipal Manager	7	2
Corporate Services	39	2
Financial Services	80	8
Community Services	454	59
Technical and Infrastructure Implementation Services	39	6
Economic Development and Planning	41	6
Total	**662**	**83**

Details	Total Appointments as of beginning of Financial Year (including promotions)	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2022/23	625	42	7%
2023/24	636	50	8%
2024/25	677	29	5%
**** 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***			

STAFF TURNOVER RATE

Below is a table that shows the staff turnover rate within the Municipality:

Financial year	Appointments at the end of each Financial Year	New appointments	Terminations during the year	Turnover Rate
2023/24	636	26	37	5.8%
2024/25	662	17	32	4.8%

Final

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 as well as Organisational Development and Employee Assistance

4.2.2 HUMAN RESOURCE POLICIES AND PLANS

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

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

HR policies categories supplied to Municipality		
No.	**Policy**	**Date**
1	Employment Equity Policy	15-Sep-11
2	Medical Assistance for Former Emp	05-May-11
3	EAP Policy	01-Jun-12
4	HIV/Aids Policy	30-Mar-13
5	Leave Policy	01-Apr-13
6	Payment of Travel and Subsistence	Reviewed by Council on 21 February 2020
7	Recruitment and Selection Policy	Policy was reviewed by Council on 07 November 2023
8	Induction Policy	07-Aug-12
9	Policy Use of Protective Equipment	14-Jan-10
10	Sexual Harassment Policy	01-Sep-11
11	Smoking Policy	26-May-08
12	Education and Training Policy	Policy was reviewed by Council on 27 March 2024
13	Bursary Scheme Policy	15-Oct-08
14	Health and Safety Policy	01-May-08
15	Scarce Skills Policy	20-Mar-13
16	Vehicle Allowance Policy	29-Mar-17
17	Appointment of Retired Prof	01-Jul-17
18	Policy Transport Allowance for Councillors	Policy was reviewed by Council on 29 March 2017
19	Cellular Allowance Policy	01-Nov-16
20	Overtime Policy	01-Nov-16
21	Acting Allowance	Policy was reviewed by Council on 09 November 2023
22	Performance Management Development Framework	Policy was approved by Council on 27 March 2024
23	Payment of professional Fees	31-Oct-19

4.3 INJURIES, SICKNESS AND SUSPENSIONS

4.3.1 INJURIES

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

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

Directorates	2023/24	2024/25
Office of the Municipal Manager	0	0
Corporate Services	2	2
Financial Services	1	0
Community Services	39	36
Technical and Infrastructure Implementation Services	0	1
Economic Development and Planning	2	0
Total	**44**	**39**

NUMBER AND COST OF INJURIES ON DUTY

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	496	16	3%	31	780 704.00
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	496	16	3%	31	780 704.00

T4.3.1

4.3.2 SICK LEAVE

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

Department	2023/24	2024/25
Office of the Municipal Manager	106	118
Corporate Services	234	392
Financial Services	376	870
Community Services	2606	4821

Technical and Infrastructure Implementation Services	405	593
Economic Development and Planning	556	310
Total	**4 283**	**7 104**

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)	0	0	0	0	0	0
Skilled (Levels 3-5)	2661	26%	190	236	13	1 521 954
Highly skilled production (levels 6-8)	2085.5	23%	158	201	12	1 515 287
Highly skilled supervision (levels 9-12)	1730.5	23%	123	140	13	1 994 564
Senior management (Levels 13-18)	618	17%	39	52	12	1 440 487
MM and S57	9	56%	2	6	1.50	32 883
Total	**7104**	**23%**	**512**	**635**	**52**	**6 505 175**
**** - Number of employees in post at the beginning of the year***						T4.3.2
****Average is calculated by taking sick leave in column 2 divided by total employees in column 5***						

4.3.3 COMMENT ON INJURY AND SICK LEAVE

The efficient administration of sick leave is crucial for the Municipality and has a direct effect on service delivery.

Management obtains quarterly reports on sick leave to detect potential misuse of sick leave and to implement corrective actions to mitigate 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**
Director Community Services	Dereliction of duties	04 April 2025	Charge sheet served.	Hearing ongoing
Senior Clerk / Cashier	Dishonesty	16 February 2024	Charge sheet served. Hearing finalised	Waiting on finding and outcome
ICT Technician	Dereliction of duties / Dishonesty	11 February	Charge sheet served. Hearing was postponed. New date identified	Ongoing
Supervisor: Motor registration	Gross negligence	20 June 2025	Investigation ongoing	Ongoing

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 (BONUS) BY GENDER					
Designations	**Beneficiary profile**				
	Gender	**Total number of employees in group**	**Number of beneficiaries**	**Expenditure on rewards Year 2024/25**	**Proportion of beneficiaries within group**
				R' 140 696	**75%**
Lower skilled (Levels 1-2)	Female	0	0	0	0
	Male	0	0	0	0
Skilled (Levels 3-5)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled production (levels 6-8)	Female	0	0	0	0
	Male	0	0	0	0
	Female	0	0	0	0

Highly skilled supervision (levels 9-12)	Male	0	0	0	0
Senior management (Levels 13-15)	Female	0	0	0	0
	Male	0	0	0	0
MM and S57	Female	1			
	Male	2			
	Total	3			
Has the statutory municipal calculator been used as part of the evaluation process?					Yes
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

The Municipality will follow a phased-in approach with the implementation of individual performance management.

Phase 1 will be from T-Levels 14 - 18. Performance Agreements were already issues to the staff members on these levels. The second phase will be the junior management from T7 - T13 and the final phase will be from T3 - T6.

A draft Rewards and Recognition Policy to reward staff members for outstanding performance is currently on the agenda of the HR Policy Working Group for discussion. The position of Human Resource Practitioner: Performance Management has also been filled which will address the capacity challenges around the implementation of performance management.

Final

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).

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

Management level	Gender	Number of employees identified for training at start of the year (2024/25)	Number of employees that received training (2024/25)
Municipal Manager and Section 57 employees	Female		
	Male	2	2
Legislators, senior officials and managers	Female	1	1
	Male	2	2
Associate professionals and technicians	Female	6	6
	Male	3	3
Professionals	Female		
	Male		
Clerks	Female	6	6
	Male	5	5
Service and sales workers	Female		
	Male		
Craft and related trade workers	Female		
	Male		
Plant and machine operators and assemblers	Female		
	Male	7	7
Elementary occupations	Female		
	Male		
Sub-total	**Female**	13	**13**
	Male	19	**19**
Total			

Table 1. Skills matrix

SKILLS DEVELOPMENT – TRAINING PROVIDED

The table below gives an indication of the training provided to employees for the financial year:

Occupational categories	Gender	Training provided within the reporting period (2024/25)	
		Learnerships	
		Target	Actual
Municipal Manager and Section 57 employees	Female		
	Male	2	2

Legislators, senior officials and managers	Female	1	1
	Male	2	2
Professionals	Female		
	Male		
Technicians and associate professionals	Female	6	6
	Male	3	3
Clerks	Female	6	6
	Male	5	5
Service and sales workers	Female		
	Male		
Craft and related trade workers	Female		
	Male		
Plant and machine operators and assemblers	Female		
	Male	7	7
Elementary occupations	Female		
	Male		
Sub-total	**Female**	13	13
	Male	19	19

4.5.1 NUMBER OF SKILLED EMPLOYEES

SKILLS MATRIX														
Management level	**Gender**	**Employees in post as at 30 June Year 2025**	**Number of skilled employees required and actual as at 30 June Year 2024**											
			Learnerships			**Skills programmemes & other short courses**			**Other forms of training**			**Total**		
		No.	**Actual: End of Year 2024**	**Actual: End of Year 2025**	**Target**	**Actual: End of Year 2024**	**Actual: End of Year 2025**	**Target**	**Actual: End of Year 2024**	**Actual: End of Year 2025**	**Target**	**Actual: End of Year 2024**	**Actual: End of Year 2025**	**Target**
MM and s57	Female	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	2	0	2	2	0	0	0	0	0	0	0	0	0
Councillors, senior officials and managers	Female	4	3	3	6	14	0	5	14	0	14	0	0	10
	Male	3	1	3	7	3	10	10	15	0	15	0	0	3
Technicians and associate	Female	0	0	0	0	15	0	20	10	0	10	0	0	65
	Male	3	3	3	9	2	10	20	10	0	10	0	0	40

professionals*														
Professionals	Female	10	0	10	20	15	0	20	10	0	10	0	0	30
	Male	4	0	4	8	2	0	20	2	0	2	0	0	40
Sub total	Female	14	3	13	26	37	0	45	34	0	34	0	0	20
	Male	12	4	13	26	7	0	50	27	0	27	0	0	20
Total		26	7	26	52	44	20	95	61	0	61	0	0	208
***Registered with professional Associate Body e.g., CA (SA)**														T4.5.1

4.5.1.1 SKILLS DEVELOPMENT EXPENDITURE

The table below indicates that a total amount of R283,124 was allocated to the workplace skills plan and that 16% of the total amount was spent in the (2024/25) financial year:

Skills Development				
				R' 000
Year	**Total Employee Related Cost budget**	**Total Allocated**	**Total Spend**	**% Spent**
2023 - 2024	293,057	1,920	2,426	21%
2024 - 2025	283,124	2,014	2,408	16%

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.	B.				
	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	**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	0	0	0
Chief financial officer	0	0	0	0	0	0
Senior managers	0	0	0	0	0	0
Any other financial officials	0	0	0	0	0	0
Supply Chain Management Officials						
Heads of supply chain management units	0	0	0	0	0	0
Supply chain management senior managers	1	0	1	1	0	0
TOTAL	**2**	**0**	**2**	**1**	**0**	**0**

** This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)* T4.5.2

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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	0
	Male	0
Skilled (Levels 3-5)	Female	26
	Male	48
Highly skilled production	Female	5
(Levels 6-8)	Male	18
Highly skilled supervision (Levels9-12)	Female	7
	Male	5
Senior management (Levels13-18)	Female	1
	Male	1
MM and S 57	Female	0
	Male	0
	Total	111

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). T4.6.2

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 graded lower
Administrators	2	T9	T10	Position graded lower
Senior Traffic Officer	1	T10	T13	Settlement Agreement
Sports and Recreation Officer	1	T11	T15	Placement
Building Control Officer	1	T11	T16	Settlement Agreement

4.6.3 EMPLOYEES APPOINTED TO POSTS NOT APPROVED

PERMANENT EMPLOYEES APPOINTED TO POSTS NOT APPROVED ORGANOGRAM

Department	**Level**	**Date of appointment**	**No. appointed**	**Reason for appointment when no established post exists**
None				

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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	2023 - 2024	2024 - 2025			2024 - 2025 Variance	
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property Rates	153,616	161,158	161,124	161,347	0.12%	0.14%
Service charges	305,340	330,460	345,658	339,598	2.77%	-1.75%
Investment revenue	5,897	7,763	3,600	3,280	-57.75%	-8.90%
Transfers recognised - operational	153,350	165,950	169,146	163,406	-1.53%	-3.39%
Other own revenue	90,273	122,326	110,888	84,972	-30.54%	-23.37%
Total Revenue (excluding capital transfers and contributions)	**708,476**	**787,657**	**790,416**	**752,602**	**-4.45%**	**-4.78%**
Employee costs	275,384	273,249	283,124	281,511	3.02%	-0.57%
Remuneration of Councillors	13,189	14,356	14,356	13,148	-8.41%	-8.41%
Debt impairment	88,788	127,000	114,066	100,461	-20.90%	-11.93%
Depreciation and asset impairment	34,241	35,811	35,691	41,321	15.38%	15.77%
Finance charges	41,699	47,642	49,933	47,204	-0.92%	-5.46%
Bulk purchases - electricity	101,021	100,718	125,718	120,104	19.25%	-4.47%
Inventory Consumed	40,327	39,767	46,517	39,711	-0.14%	-14.63%
Contracted services	143,213	56,912	70,119	58,563	2.90%	-16.48%
Transfers and subsidies	1,952	5,781	8,017	5,501	-4.84%	-31.38%
Other expenditure	117,210	77,694	88,709	78,672	1.26%	-11.31%
Losses	40,560	8,515	7,210	11,293	32.63%	56.62%
Total Expenditure	**897,585**	**787,445**	**843,462**	**797,490**	**1.28%**	**-5.45%**

Surplus/(Deficit)	**(189,110)**	**,212**	**(53,045)**	**(44,887)**	**-21224.79%**	**-15.38%**
Transfers and subsidies - capital (monetary allocations)	78,252	112,748	61,922	38,444	-65.90%	-37.92%
Transfers and subsidies - capital (in-kind)	1,804	–	101,790	64,996	#DIV/0!	-36.15%
Surplus/(Deficit) for the year	**(109,053)**	**112,960**	**110,667**	**58,553**	**-48.17%**	**-47.09%**
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	78,252	112,748	61,922	38,444	-65.90%	-37.92%
Borrowing	38,095	98,104	–	,0	-100.00%	–
Internally generated funds	9,820	8,823	118,248	70,382	697.74%	-40.48%
Total sources of capital funds	**126,167**	**219,675**	**180,170**	**108,827**	**-50.46%**	**-39.60%**
Financial position						
Total current assets	121,441	124,852	110,251	113,847	-8.81%	3.26%
Total non current assets	1256,200	1570,408	1407,567	1329,461	-15.34%	-5.55%
Total current liabilities	325,507	203,190	356,389	326,779	60.82%	-8.31%
Total non current liabilities	328,922	486,799	327,731	334,764	-31.23%	2.15%
Community wealth/Equity	723,213	1005,270	833,698	781,765	-22.23%	-6.23%
Cash flows						
Net cash from (used) operating	75,837	138,860	93,955	49,202	-64.57%	-47.63%
Net cash from (used) investing	(124,731)	(220,847)	(72,108)	(33,782)	-84.70%	-53.15%
Net cash from (used) financing	(20,640)	64,283	(26,494)	(14,178)	-122.06%	-46.49%
Cash/cash equivalents at beginning of year	85,916	(1,033)	16,383	16,383	-1686.45%	0.00%
Cash/cash equivalents at the year end	**16,383**	**145,309**	**178,918**	**85,916**	**-40.87%**	**-51.98%**
Cash backing/surplus reconciliation						
Cash and investments available	16,383	(2,308)	20,385	17,624	-863.56%	-13.54%
Application of cash and investments	273,307	84,612	248,229	314,470	271.66%	26.69%
Balance - surplus (shortfall)	**(256,925)**	**(86,920)**	**(227,843)**	**(296,846)**	**241.51%**	**30.29%**
Asset management						
Asset register summary (WDV)	1250,872	1553,039	1393,787	1393,787	-10.25%	0.00%
Depreciation & asset impairment	34,241	35,811	35,691	41,321	15.38%	15.77%
Renewal of Existing Assets	67,625	127,253	42,490	27,389	-78.48%	-35.54%
Repairs and Maintenance	159,061	126,525	134,796	125,660	-0.68%	-6.78%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1						*T5.1.1*

5.3 COST CONTAINMENT

The MFMA Municipal Cost Containment Regulations, 2019 (the Regulations) were published on 07 June 2019, with effective date 01 July 2019. Reports to Council in the previous year addressed the administrative process in anticipation of the promulgation of the regulations. These considerations were based on MFMA Circular No. 82 Cost Containment Measures (Updated November 2016).

Subsequent to the regulations being gazetted, National Treasury issued MFMA Circular No 97 –Cost Containment Measures on 31 July 2019. This circular advises regarding proposed formats for reporting on budgets, expenditure and savings as addressed in the regulations. The Theewaterskloof Municipality Cost Containment Policy was approved by Council on 22 August 2019 and subsequently revised annually.

Of importance to note is that the Budget Steering Committee gave effect to stringent cost containment restrictions over the past number of years, in terms of the budget policy guidance, to advise Council in this regard. Templates have furthermore been implemented as part of operating procedures, to guide decision making regarding use of consultants and feasibility considerations. The administration gives further effect in implementing the regulations and this is being attended to on a continuous basis, applying the stipulations of Budget directives and Budget related policies.

Cost Containment In-Year Report

Measures	Original Budget	Adjustment Budget	YTD Budget Q1	Q1 YTD Actual	Total Savings Q1	YTD Budget Q2	Q2 YTD Actual	Total Savings Q2	YTD Budget Q3	Q3 YTD Actual	Total Savings Q3	YTD Budget Q4	Q4 YTD Actual	Total Savings Q4
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Use of consultants	14,733	13,800	1,911	1,911	–	4,208	4,208	–	6,716	6,239	477	13,800	9,952	3,849
Travel and subsistence	619	437	314	256	58	587	469	118	803	641	162	437	902	(464)
Domestic accommodation	281	51	–	–	–	–	–	–	–	–	–	51	55	(5)
Sponsorships	1,066	502	37	37	–	248	248	–	384	384	–	502	690	(187)
Events and catering	480	251	3	3	–	15	15	–	50	50	–	251	69	181
Communication	1,815	1,515	220	220	–	405	405	–	703	703	–	1,515	1,063	452
Other related expenditure items	3,454	1,933	837	837	–	837	837	–	1,117	1,117	–	1,933	822	1,110
Total	**22,448**	**18,489**	**3,322**	**3,264**	**58**	**6,300**	**6,182**	**118**	**9,773**	**9,134**	**639**	**18,489**	**13,553**	**4,936**

5.4 GRANTS

Grant Performance						
						R' 000
Description	2023 - 2024	2024 - 2025			2024 - 2025 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
National Government:	**179,250**	**185,496**	**181,423**	**173,865**	**-6%**	**-4%**
Local Government Equitable Share	131,583	140,900	140,900	140,900	0%	0%
Expanded Public Works Programmeme	1,684	1,563	1,563	1,563	0%	0%
Integrated National Electrification Programmeme (Municipal Grant) Capital	–	5,142	3,691	2,380	-54%	-36%
Integrated National Electrification Programmeme Operating (VAT)]	,500	,771	,515	,357	-54%	-31%
Local Government Financial Management Grant	1,456	1,565	1,661	1,615	3%	-3%
Local Government Financial Management Grant (VAT)	,112	,235	,139	,137	-41%	-1%
Municipal Infrastructure Grant	20,556	26,365	26,308	21,868	-17%	-17%
Municipal Infrastructure Grant (VAT)	3,081	3,955	3,946	3,280	-17%	-17%
Water Services Infrastructure Grant	8,169	4,348	2,348	1,535	-65%	-35%
Water Services Infrastructure Grant (VAT)	1,225	,652	,352	,230	-65%	-35%
Municipal Disaster Recovery Grant	6,287	–	–	–	0%	0%
Municipal Disaster Recovery Grant VAT	1,120	–	–	–	0%	0%
Energy Efficiency & Demand Side Management Grant	3,478	–	–	–	0%	0%
Provincial Government:	**50,898**	**92,750**	**150,018**	**92,220**	**-1%**	**-39%**
Community Development Workers	,118	,113	,157	,86	-24%	-46%
Financial Management Capacity Building Grant Operating	,180	,500	,710	,519	4%	-27%
Financial Management Capacity Building Grant Capital	–	–	,55	,55	0%	0%
Human Settlement Development Operating	,845	5,000	8,000	5,275	6%	-34%
Human Settlements Development Capital	39,078	75,983	21,151	11,922	-84%	-44%
Human Settlements Development Capital (In-Kind)	–	–	101,436	64,951	0%	-36%
Library Service Operating	10,210	9,928	9,928	8,642	-13%	-13%
Library Service Capital	,253	,10	–	–	-100%	0%
Maintenance of Main Roads Operating	–	,170	,135	–	-100%	-100%
Maintenance of Main Roads Capital	–	–	6,300	–	0%	-100%
Regional socio-economic projects (RSEP)	,214	,900	2,000	,629	-30%	-69%
Thusong Centre	–	,146	,146	,140	-4%	-4%
District Municipality:	**–**	**–**	**,450**	**,267**	**0%**	**-41%**
Safety Project Grant	–	–	,450	,267	0%	-41%
Other grant providers:	**,714**	**–**	**,161**	**,449**	**0%**	**178%**
National Skills Fund (SETA)	,714	–	,161	,449	0%	178%
Total Transfers and Grants	**230,862**	**278,246**	**332,052**	**266,801**	**-4%**	**-20%**
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T5.2.1

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 Programmeme.

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 Programmeme (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 Programmeme (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 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.

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.

Local Government Support Grant - This grant is utilised to provide financial assistance to local municipalities to augment and support current humanitarian relief initiatives.

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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 2023 - 2024**	**Actual Grant 2024 - 2025**	**2024 - 2025 Municipal Contribution**	**Date Grant terminates**	**Date Municipal contribution terminates**	**Nature and benefit from the grant received, include description of any contributions in kind**
Parastatals						
Safety Project Grant	–	,267	–			
National Skills Fund (SETA)	,714	,449	–			
Private Sector / Organisations						
Provide a comprehensive response to this schedule						T5.2.3

The municipality received a total of R0,716 m from Donors other than the division of revenue act.

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.

Asset management is the systematic process of planning, acquiring, operating, maintaining, and disposing of assets like buildings, infrastructure, and equipment with the objective to ensure efficient service delivery throughout the asset's lifecycle. It involves tracking and controlling assets in an asset register, ensuring they are used effectively, and are maintained in good condition to prevent loss, waste, and service disruptions.

Some key aspects of Asset Management include:

•Lifecycle Management:

It covers the entire life of an asset, from initial planning and acquisition to its eventual disposal.

•Cost-Effectiveness:

The goal is to manage assets in the most cost-effective way, balancing costs, risks, and performance.

•Service Delivery:

Effective asset management ensures that the physical resources needed to provide public services are in good condition and available when needed.

•Asset Register:

This is a crucial database that records details about each asset, including purchase price, condition, and useful life.

•Maintenance and Safeguarding:

It involves both the physical maintenance of assets to keep them in good condition and ensuring they are protected from damage, theft, or loss.

Asset Management is important for:

•Operational Efficiency:

Proper management prevents equipment breakdowns and ensures smooth operations of public services.

•Financial Accountability:

It provides a framework for accurate financial reporting and helps prevent mismanagement of assets.

•Strategic Decision-Making:

Data from asset management systems informs decisions about future investments and resource allocation.

•Regulatory Compliance:

It helps governments meet their obligations regarding the proper management of assets.

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.

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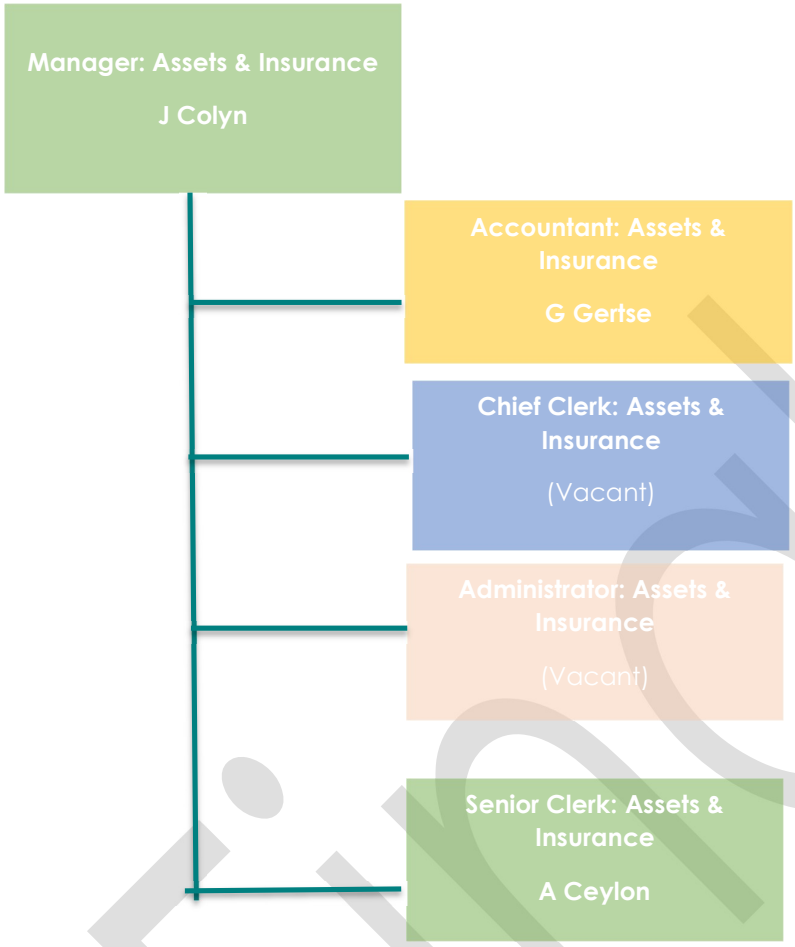
ASSET MANAGEMENT UNIT (AMU)

There are currently no capacity development initiatives in terms of the AMU.



TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2024-25	
Asset 1	
Name	Reinforced Concrete Structure
Description	Grabouw Water Treatment Plant
Asset Type	Infrastructure
Asset Acquisition Value	**2024-2025**
	15,807,049
Capital Implications	General Maintenance
Policies in Place to Manage Asset	Operating Plan
Asset 2	
Name	Dewatering Plant (Large Works)
Description	Container Composting Plant
Asset Type	Infrastructure
Asset Acquisition Value	**2024-2025**
	11,706,705
Capital Implications	General Maintenance

Policies in Place to Manage Asset	Operating Plan
Asset 3	
Name	Wire Fence
Description	Security Fence
Asset Type	Infrastructure
Asset Acquisition Value	**2024-2025**
	8,913,417
Capital Implications	General Maintenance
Policies in Place to Manage Asset	Operating Plan
	T5.3.2

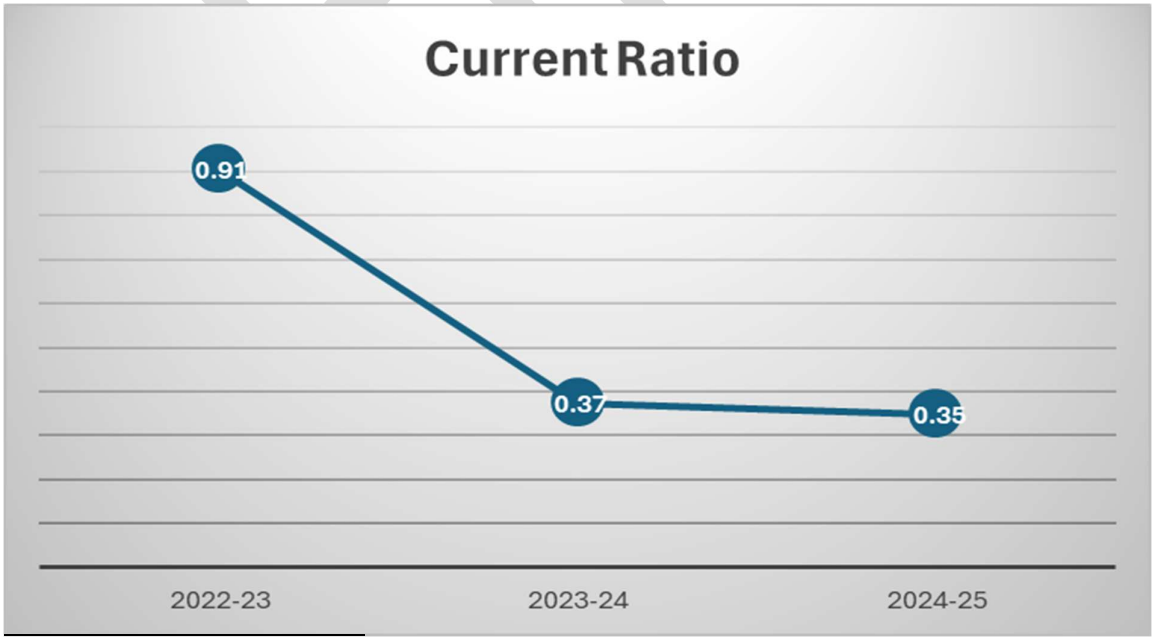
5.6 REPAIRS AND MAINTENANCE EXPENDITURE

Repair and Maintenance Expenditure: 2024 - 2025				
				R' 000
Description	**Original Budget**	**Adjustment Budget**	**Actual**	**Adjustment Budget variance**
Repairs and Maintenance Expenditure	126,525	134,796	125,660	6.78%
				T5.3.4

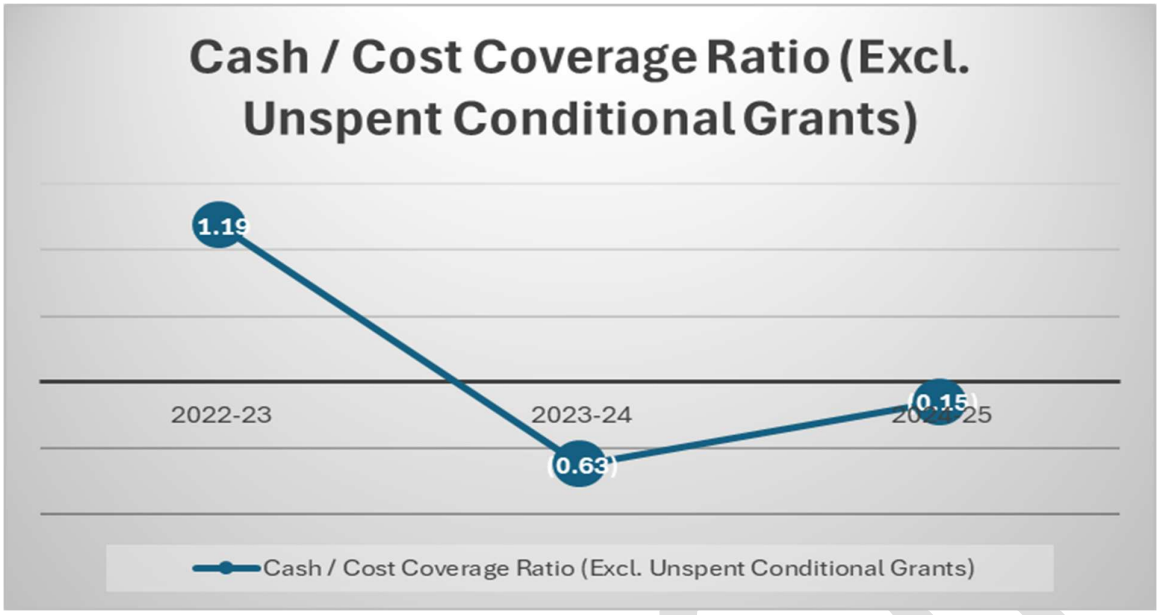
In 2024/25 Theewaterskloof municipality budgeted R126,525 for repairs and maintenance. This was adjusted to R 134,796. The actual repairs and maintenance for the year 2024/25 amounted to R 125 6660 m, meaning that there was an underspending of 6,78 % of the repairs and maintenance budget.

5.7 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS[6]

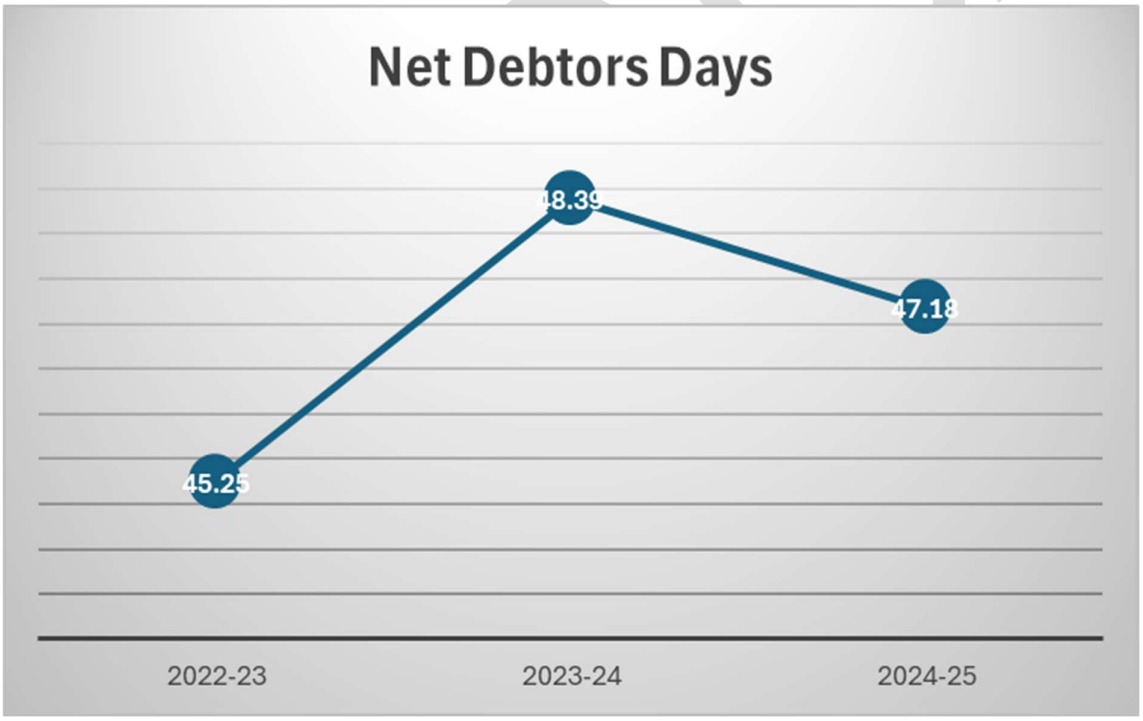
LIQUIDITY RATIO



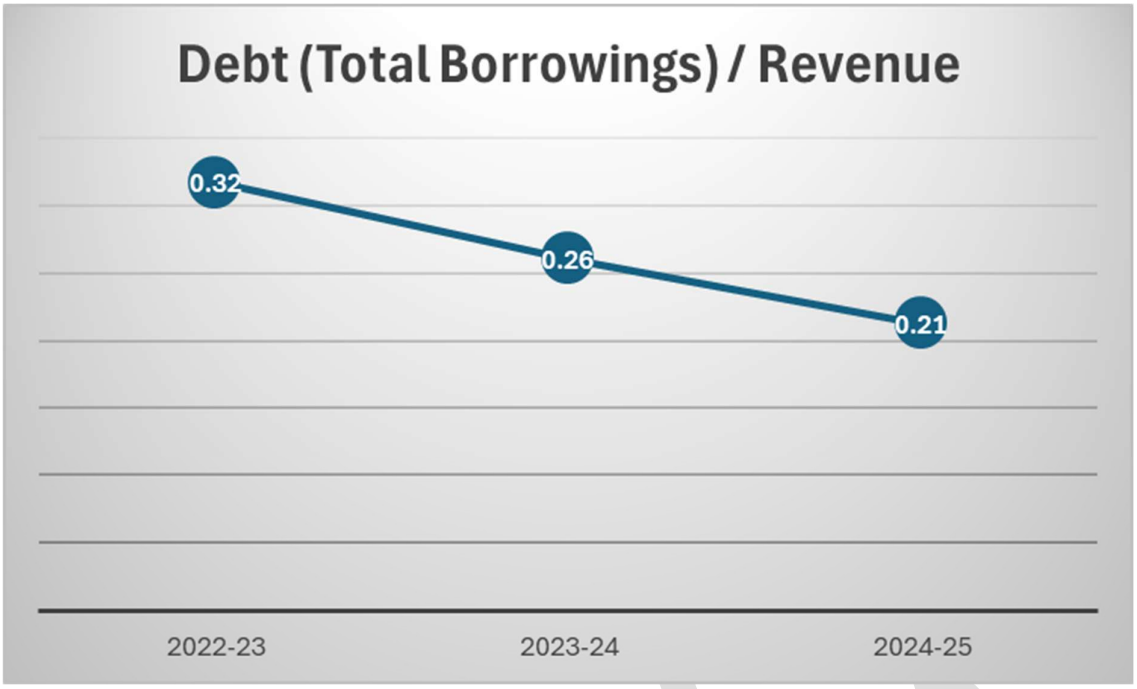
COST COVERAGE



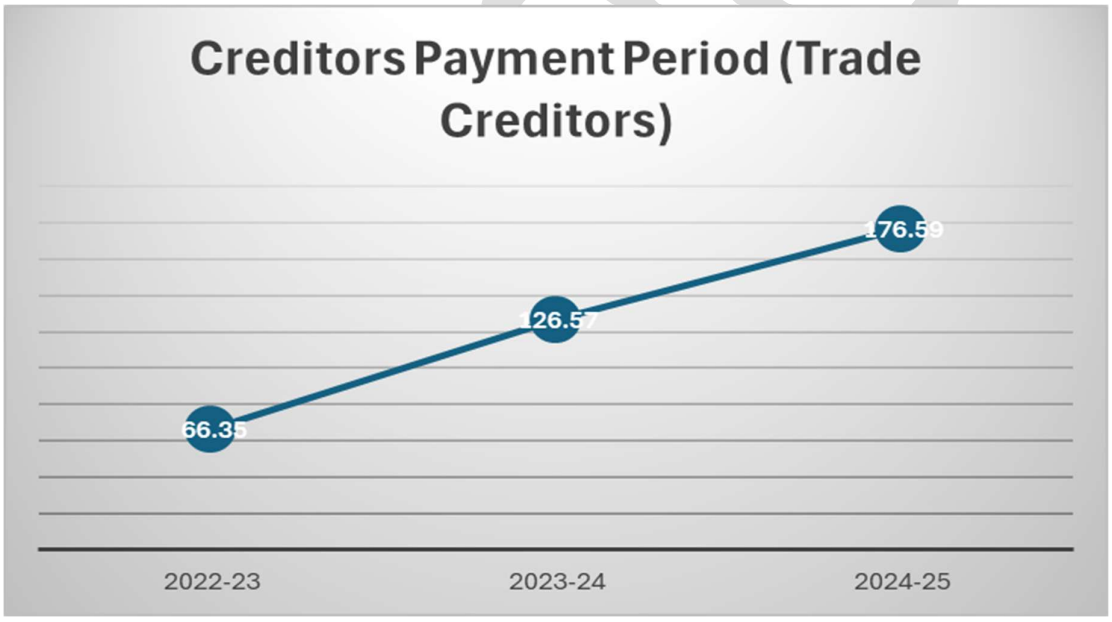
NET DEBTORS DAYS



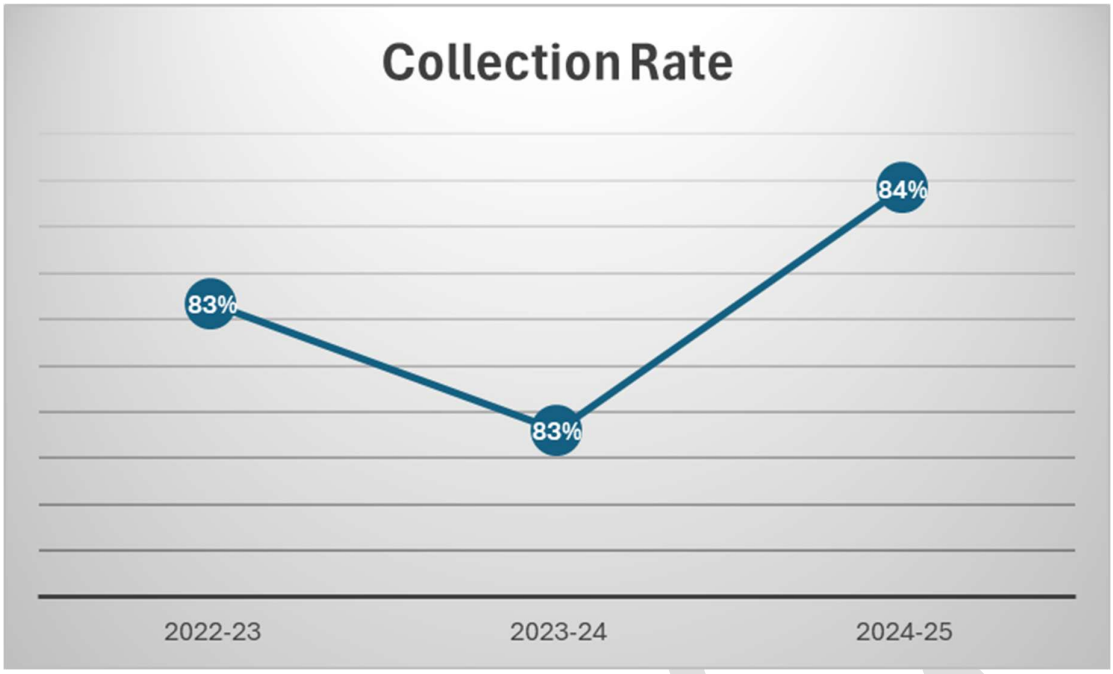
DEBT COVERAGE



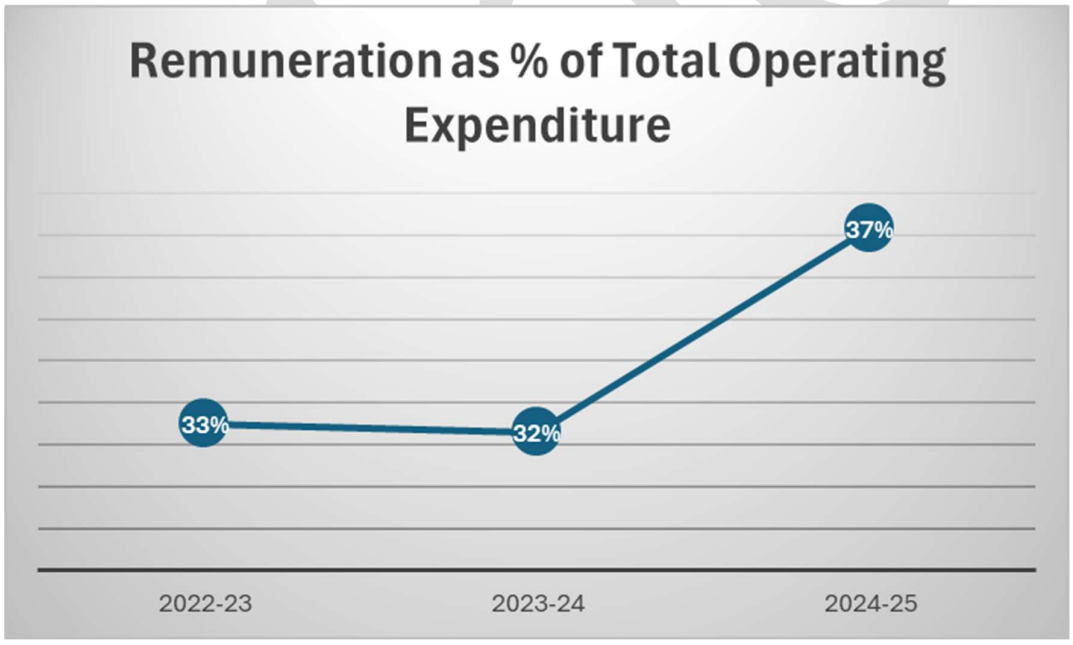
CREDITORS PAYMENT PERIOD



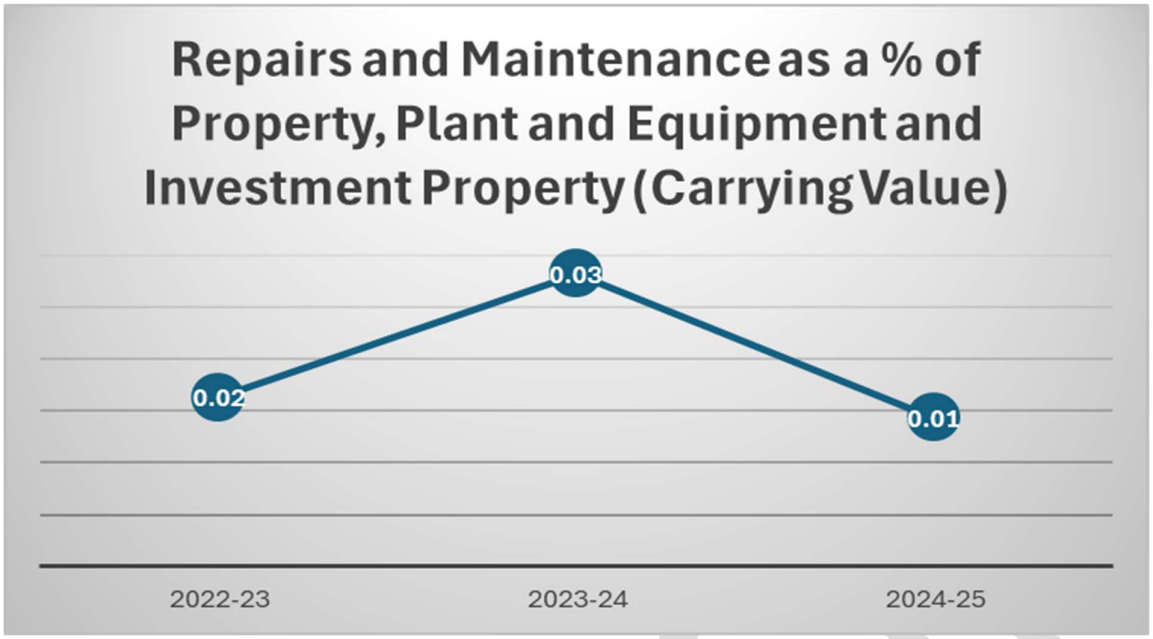
COLLECTION RATE



REMUNERATION AS % OF TOTAL OPERATING EXPENDITURE



REPAIRS AND MAINTENANCE



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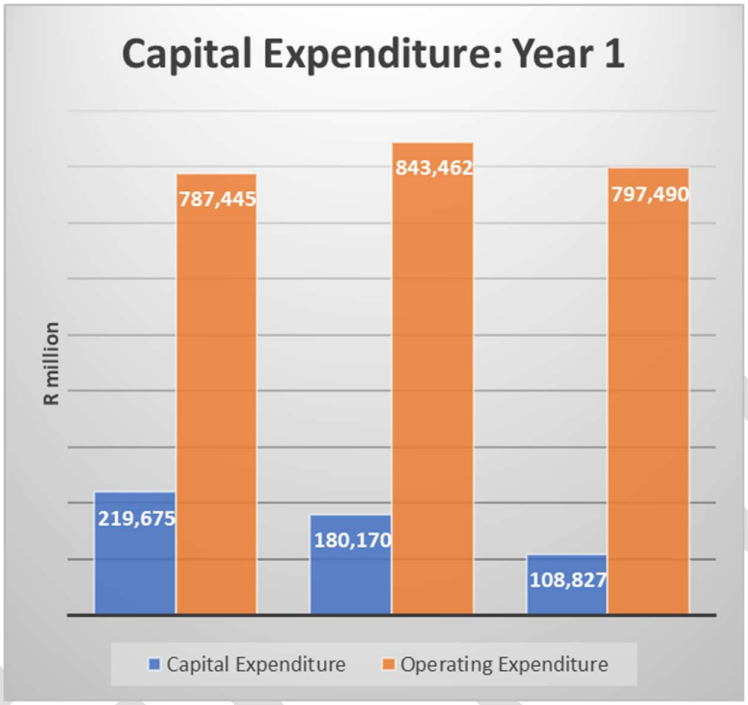
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

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.

In 2024-25 Theewaterskloof municipality approved a capital budget of R 219,675m which was adjusted to R 180,170m.The Total Capital Expenditure for the year ended 30 June 2025 amounts to R 108,827 m.



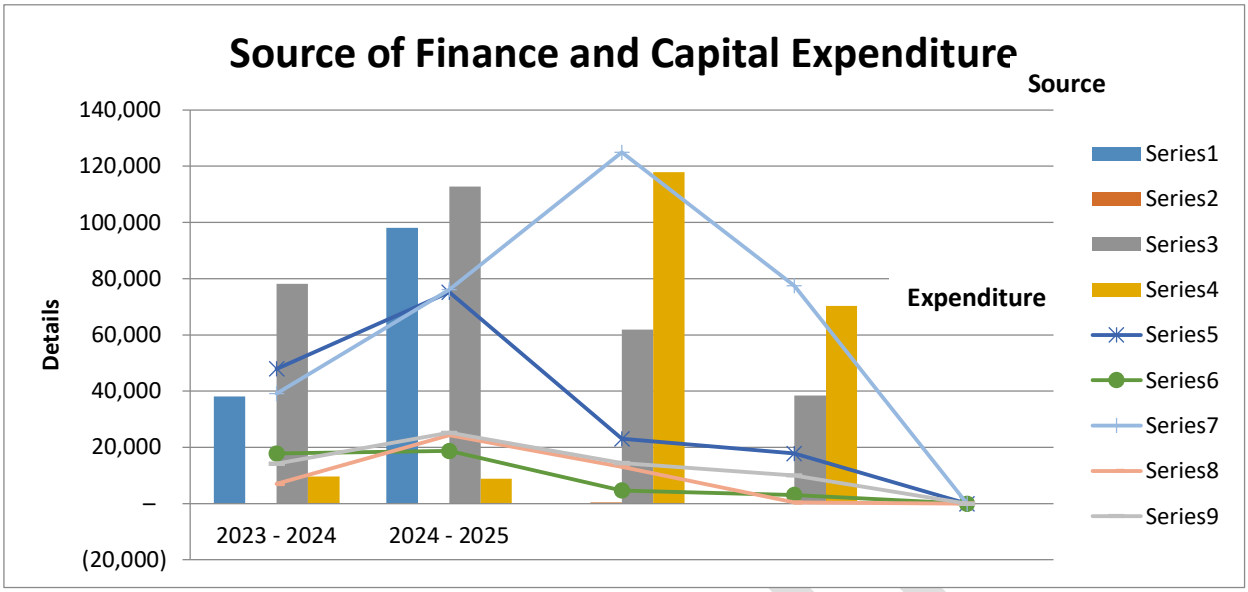
R million	Original Budget	Adjustment Budget	Pre-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	219,675	180,170	108,827	50%	166%
Operating Expenditure	787,445	843,462	797,490	-1%	106%
Total Operating and Capital Expenditure	**1007,119**	**1023,632**	**906,317**	**10%**	**113%**
Water and sanitation	75,212	23,101	17,842	76%	129%
Electricity	18,703	4,637	3,040	84%	153%
Housing	76,173	124,942	77,609	-2%	161%
Roads, Pavements, Bridges and storm water	17,150	13,042	,341	98%	3820%
Other	32,437	14,449	9,995	69%	145%

Total Capital Expenditure per Function	**219,675**	**180,170**	**108,827**	**50%**	**166%**
Borrowing	98,104	–	,0	100%	0%
Internally generated funds	8,823	118,248	70,382	-698%	168%
Grants and subsidies	112,748	61,922	38,444	66%	161%
Other	–	–	–	–	–
Total Capital Expenditure per Funding	**219,675**	**180,170**	**108,827**	**50%**	**166%**
Employee Related Costs	273,249	283,124	281,511	-3%	101%
Remuneration of Councillors	14,356	14,356	13,148	8%	109%
Depreciation and asset impairment	35,811	35,691	41,321	-15%	86%
Finance charges	79,533	49,933	47,204	41%	106%
Inventory Consumed and Bulk purchases	140,484	172,235	159,814	-14%	108%
Transfers and subsidies	5,781	8,017	5,501	5%	146%
Other Expenditure	238,230	280,105	248,990	-5%	112%
Total Expenditure	**787,445**	**843,462**	**797,490**	**-1%**	**106%**
R million	**Original Budget**	**Adjustment Budget**	**Pre-audited Full Year Total**	**Original Budget variance**	**Adjusted Budget Variance**
Property rates	161,158	161,124	161,347	0%	100%
Service charges	330,460	345,658	339,598	-3%	102%
Other own revenue	130,089	114,488	88,252	32%	130%
Grants & subsidies	278,698	332,858	266,845	4%	125%
Total Operating Revenue	**900,405**	**954,129**	**856,042**	**5%**	**111%**
Employee related costs	203,268	210,776	209,118	-3%	101%
Provision for working capital					
Repairs and maintenance	126,525	134,796	125,660	1%	107%
Bulk purchases	100,718	125,718	120,104	-19%	105%

Other expenditure	356,934	372,172	342,607	4%	109%
Total Operating Expenditure	**787,445**	**843,462**	**797,490**	**-1%**	**106%**
Service charges: Electricity	147,247	152,783	150,632	-2%	101%
Grants & subsidies: Electricity	20,190	16,474	13,843	31%	119%
Other revenue: Electricity	1,455	9,702	2,136	-47%	454%
Total Revenue per Electricity Function	**168,892**	**178,959**	**166,610**	**1%**	**107%**
Employee related costs: Electricity	,3	,0	,1	76%	57%
Provision for working capital: Electricity					
Repairs and maintenance: Electricity	13,923	12,947	12,334	11%	105%
Bulk purchases: Electricity	100,718	125,718	120,104	-19%	105%
Other expenditure: Electricity	20,509	25,102	21,168	-3%	119%
Total Expenditure per Electricity Function	**135,153**	**163,767**	**153,607**	**-14%**	**107%**
Service charges: Water	93,493	96,037	98,182	-5%	98%
Grants & subsidies: Water	19,488	17,562	16,742	14%	105%
Other revenue: Water	2,722	2,660	2,693	1%	99%
Total Income per Water Function	**115,703**	**116,259**	**117,617**	**-2%**	**99%**
Employee related costs: Water	9,357	10,642	11,255	-20%	95%
Provision for working capital: Water					
Repairs and maintenance: Water	9,456	11,360	8,041	15%	141%
Bulk purchases: Water	21,410	30,172	28,572	-33%	106%
Other expenditure: Water	49,819	47,252	41,361	17%	114%
Total Expenditure per Water Function	**90,043**	**99,426**	**89,229**	**1%**	**111%**
					T5.5.1

5.8.1 CAPITAL EXPENDITURE AND SOURCES OF FINANCE

Capital Expenditure - Funding Sources Year 2023 to 2025						
						R' 000
Details	2023 - 2024	2024 - 2025				
	Actual	Original Budget	Adjustment Budget	Actual	Adjustment to Original Budget Variance (%)	Actual to Adjustment Budget Variance (%)
Source of finance						
Borrowing	38,095	98,104	–	,0	-100.00%	0%
Public contributions and donations	,91	–	,354	,48	0%	-86.35%
Grants and subsidies	78,252	112,748	61,922	38,444	-45.08%	-37.92%
Other	9,730	8,823	117,894	70,334	1236.26%	-40.34%
Total	**126,167**	**219,675**	**180,170**	**108,827**	**-17.98%**	**-39.60%**
Percentage of finance:						
Borrowing	30.2%	44.7%	0.0%	0.0%	-100.0%	0.0%
Public contributions and donations	0.1%	0.0%	0.2%	0.0%	0.0%	0.0%
Grants and subsidies	62.0%	51.3%	34.4%	35.3%	-33.0%	1.9%
Other	7.7%	4.0%	65.4%	64.6%	1529.3%	-20.1%
Capital expenditure:						
Water and sanitation	47,883	75,212	23,101	17,842	-69.29%	-22.77%
Electricity	17,862	18,703	4,637	3,040	-75.21%	-34.43%
Housing	39,168	76,173	124,942	77,609	64.02%	-37.88%
Roads and storm water	7,048	24,350	13,042	,341	-46.44%	-97.38%
Other	14,207	25,237	14,449	9,995	-42.75%	-30.83%
Total	**126,167**	**219,675**	**180,170**	**108,827**	**-17.98%**	**-39.60%**
Percentage of expenditure:						
Water and sanitation	38.0%	34.2%	12.8%	16.4%	-62.6%	10.4%
Electricity	14.2%	8.5%	2.6%	2.8%	-69.8%	2.6%
Housing	31.0%	34.7%	69.3%	71.3%	100.0%	5.7%
Roads and storm water	5.6%	11.1%	7.2%	0.3%	-34.7%	-62.5%
Other	11.3%	11.5%	8.0%	9.2%	-30.2%	10.1%
						T5.6.1



5.9 CAPITAL SPENDING ON 5 LARGEST PROJECTS

The table below indicates the capital expenditure on the 5 largest projects for the 2024/25 financial year:

R' 000

Name of Project	Current Year: 2024 - 2025			Variance Current Year: 2024 - 2025	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Villiersdorp Destiny Farm (1133)	39,983	116,708	69,776	192%	-40%
Upgrading of Grabouw Gypsy Queen Bulk Sewer and Water	11,800	5,968	3,305	-49%	-45%
Upgrade of Villiersdorp Water Treat Works (WTW)	4,662	10,418	10,013	123%	-4%
Caledon Roadway Enhancement: 40mm A-E2 Frictional Asphalt Resurfacing Hoop Street and Plein Street from 0km to 1,49km	0	6,300	0	0	-100%
Upgrading of Fleet	10,000	7,424	7,419	-26%	0%

**** Projects with the highest capital expenditure in Year 2024 - 2025***

5.10 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

5.10.1 INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The municipality is presently experiencing a rise in the number of individuals cohabitating as a single family unit, primarily due to the lack of affordable housing options for numerous families. There has been a significant surge in the number of backyard dwellers, largely attributed to the influx of individuals from other provinces, which has resulted in both social and economic challenges. Children residing in their parents' backyards are exerting additional strain on the already limited resources.

The existing infrastructure is being overutilized and is unable to meet the heightened demand resulting from the growing population. Pipes and other infrastructural elements are becoming increasingly prone to breakage. It is crucial to address the need for adequate housing and to eliminate the backlogs in proper housing facilities. Our Municipality is actively engaged in facilitating various housing projects aimed at providing suitable housing solutions. The Indigent Policy has been reviewed and modified to enable backyard dwellers to apply for subsidies, allowing them to receive 70Kwh of electricity units and 6kl of water at no cost. This initiative will support impoverished communities by making housing and essential services more accessible.

Municipal Infrastructure Grant (MIG)* Expenditure 2024 - 2025 on Service backlogs

R' 000

Details	Original Budget	Adjustment Budget	Actual	Variance	
				Original Budget	Adjustment Budget
Infrastructure - Road transport					
Construction of Caledon Cemetery Access Paths	742	721	11	-6970%	-6763%
Infrastructure - Electricity					
				0%	0%
Infrastructure - Water					
Upgrading of Tesselaarsdal Water Pipeline Phase 2	198	0	0	0%	0%
Upgrade of Villiersdorp Water Treat Works (WTW)	4,662	10,418	10,013	53%	-4%
Infrastructure - Sanitation					
Upgrading of Grabouw Gypsy Queen Bulk Sewer and Water	11,800	5,968	3,305	0%	0%
Upgrading of Botrivier Waste Waster Treatment Works (WWTW)	7,948	2,819	2,157	-268%	-31%
Infrastructure - Other					
Upgrading of Pineview Park Sport Ground in Grabouw	1,015	858	858	-18%	0%
Other Specify:					
Upgrading of Fleet	0	5,524	5,524	0%	0%
Total MIG Expenditure	**26,365**	**26,308**	**21,868**	**-21%**	**-20%**

**** MIG is a government grant programme 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.***

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Effective cash flow management is essential for the municipality, as it allows the organization to evaluate whether sufficient cash is on hand at any given moment to meet the Council's obligations. Cash flow is meticulously managed and monitored daily.

5.11 CASH FLOW

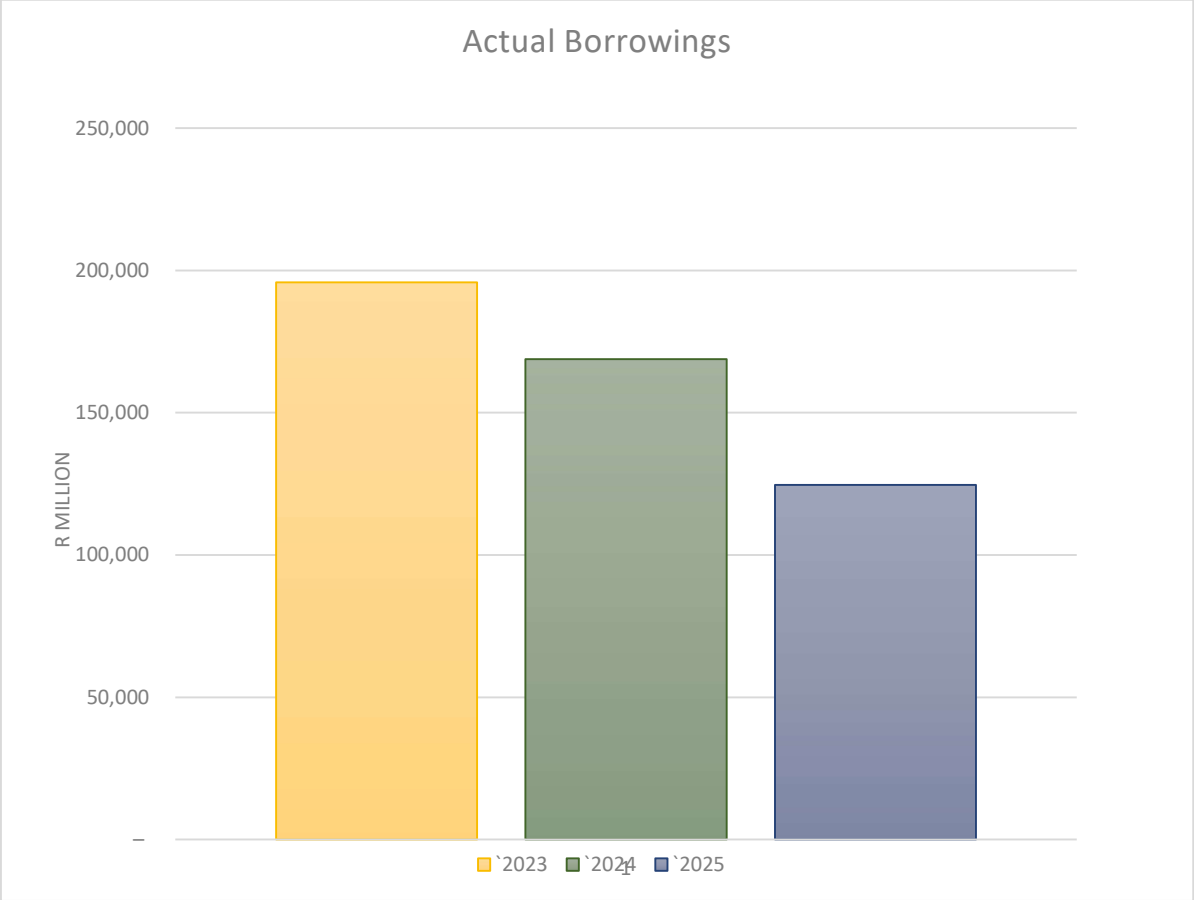
Cash Flow Outcomes				
				R'000
Description	2023 - 2024	Current Year: 2024 - 2025		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	149,082	149,906	153,229	157,204
Service charges	265,235	273,833	285,702	296,988
Other revenue	17,601	45,601	47,659	21,125
Transfers and Subsidies - Operational	189,864	165,950	137,457	61,662
Transfers and Subsidies - Capital	77,999	112,748	55,339	103,395
Interest	12,101	10,335	6,876	7,918
Dividends	–	–	–	–
Payments				
Suppliers and employees	(606,299)	(588,435)	(555,290)	(577,538)
Finance charges	(21,623)	(25,297)	(28,999)	(16,637)
Transfers and Grants	(8,123)	(5,781)	(8,017)	(4,916)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**75,837**	**138,860**	**93,955**	**49,202**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	678	45	45	1,207
Decrease (Increase) in non-current debtors	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	(1,047)	(1,217)	6,227	6,157
Payments				
Capital assets	(124,363)	(219,675)	(78,380)	(41,146)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(124,731)**	**(220,847)**	**(72,108)**	**(33,782)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	98,104	–	–
Increase (decrease) in consumer deposits	659	349	369	718
Payments				
Repayment of borrowing	(21,298)	(34,171)	(26,862)	(14,896)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(20,640)**	**64,283**	**(26,494)**	**(14,178)**

NET INCREASE/ (DECREASE) IN CASH HELD	**(69,534)**	**(17,704)**	**(4,646)**	**1,242**
Cash/cash equivalents at the year begin:	85,916	(1,033)	16,383	16,383
Cash/cash equivalents at the year end:	16,383	(18,737)	11,736	17,624
Source: MBRR SA7				T5.9.1

5.12 BORROWING AND INVESTMENTS

Borrowings have decreased from R 168,870 m in 2023/24 to R 124,653 in 2024/25.

Actual Borrowings 2023 to 2025			
			R' 000
Instrument	**`2023**	**`2024**	**`2025**
Municipality			
Long-Term Loans (annuity/reducing balance)	181,287	154,400	124,653
Long-Term Loans (Stock loans)	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	**195,757**	**168,870**	**124,653**
Municipal Entities			
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	**–**	**–**	**–**



Investments have decreased from R 13,829 m in 2023/24 to R 0,249 in 2024/25.

Municipal and Entity Investments			
			R' 000
Investment* type	2022 - 2023	2023 - 2024	2024 - 2025
	Actual	Actual	Actual
Municipality			
Securities - National Government	–	–	–
Listed Corporate Bonds	–	–	–
Deposits - Bank	–	13,829	,249
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	–	13,829	,249
Municipal Entities			
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:	**–**	**13,829**	**,249**
			T5.10.4

5.13 PUBLIC PRIVATE PARTNERSHIPS

The municipality currently have no public private partnerships.

Final

COMPONENT D: OTHER FINANCIAL MATTERS

5.14 SUPPLY CHAIN MANAGEMENT

5.14 .1 HIGHLIGHTS: SCM

The following table indicates the highlights of the financial year:

Highlights	Description
Procurement of 4x4 TLB (Tractor-Loader-Backhoe)	Procurement of 4x4 TLB (Tractor-Loader-Backhoe) on RT 57-2022- Awarded to Key Spirit Trading (Pty) Ltd. for an Amount of R 1 152 088.71
Procurement of 7 Ton Payload Refuse Compactor(x3)	Procurement of 7 Ton Payload Refuse Compactor (x3) on RT 57-2022 – Awarded to Mathabatha No Ramphele (Pty) Ltd. for an amount of R 6 266 675.25

5.14 .2 CHALLENGES: SCM

The following table indicates the challenges faced during the financial year:

Description	Actions to address
Capacity	Advertise Vacancies. Appoint more staff to ensure sufficient and effective flow in unit.

5.14 .3 SERVICE STATISTICS FOR PROCUREMENT SERVICES

The following table indicates the performance statistics of Procurement Services:

Description	Total No.	Monthly average	Daily average
Requests processed	2 784	232	7.7
Orders processed	2 464	205	6.83
Requests cancelled or referred back	28	2.3	0.077
Extensions	7	0,58	0,23
Bids received (number of documents)	380	31,67	12,67
Bids awarded	51	4.25	1,7
Bids awarded below R300 000	60	5	2
Appeals registered	2	2 (For financial year)	2 (For financial year)
Successful appeals	1	50%	50%

Competitive Bids in Excess of R300 000

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

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
42	**46**	**39**

Total Awards Made

A total of 5 bids of an estimated value of R 20 118 855.25 (excluding term tenders or tenders where rates are applicable) were awarded during 2024/25.

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 R300 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 5 bids of an estimated value of R 20 118 855.25 (excluding term tenders or tenders where rates are applicable).

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

BID NUMBER	TITLE OF BID	DIRECTORATE	SUCCESSFUL BIDDER	VALUE OF BIDDER AWARDED
ENG 05/2024/25	**Bulk Raw Water Pipe Replacement Genadendal Berglyn Phase 2**	**Technical Services**	**Diges Group CC**	**1,616,428.27**
ENG 06/2024/25	**WaterPipe Replacement in Sam Streetand Gaffley Street in Grabouw Phase 2**	**Technical Services**	**Afriline Civils (Pty) Ltd.**	**2,653,941.85**
ELEC 04/2024/25	**Electrification of Informal Houses in Riemvasmaak, Caledon**	**Technical Services**	**Adenco Construction (Pty) Ltd.**	**6,087,932.35**
LED 01/2024/25	**Upgrading of the Villiersdorp Public Transport Hub-Phase 3a**	**Technical Services**	**Nkutwala Construction**	**1,516,709.70**
DEV 03/2024/25	**Appointment of A Contractor to Construct 48 Housing Units in Joe Slovo Riviersonderend.**	**Community Services**	**Fanisa VC Construction & Projects cc**	**8,243,843.08**

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 bid of an estimated value of R 47 305 230.01 (excluding term tenders or tenders where rates are applicable).

BID NUMBER	TITLE OF BID	DIRECTORATE	SUCCESSFUL BIDDER	VALUE OF BIDDER AWARDED
ENG 03/2024/25	**Bulk Water and Sewer Services For The Gypsy Queen and Erf 313 Housing Developments**	**Technical Services**	**ASLA Konstruksie (Pty) Ltd.**	**9,272,380.98**

ENG 11/2024/25	**Civil Construction works for the Upgrading for the existing Botrivier WWTW Phase 2**	**Technical Services**	**JVZ Construction (Pty) Ltd.**	**38 032 849.03**

Appeals Lodged by Aggrieved Bidders

No successful appeals were lodged against the municipality in a court of law in the 2024/25 financial year.

5.14 .4 DETAILS OF DEVIATIONS FOR PROCUREMENT SERVICES

The following table indicates the detail of deviations incurred during the financial year:

Type of deviation	Number of deviations	Percentage of total deviations number	Value of deviations R	Percentage of total deviations value
Emergency	n/a	n/a	n/a	n/a
Sole supplier	n/a	n/a	n/a	n/a
Acquisition of special works of art or historical objects where specifications are difficult to compile	n/a	n/a	n/a	n/a
Any other exceptional case where it is impossible or impractical to follow the official procurement process	179	16.1137% decrease (from 2023/2024 financial year)	R 17 559 880.15	80.6541% decrease (from 2023/2024 financial year)
Any contract with an organ of state, a local authority or a public utility corporation or company	n/a	n/a	n/a	n/a
Any contract relating to the publication of notice and advertisements by the municipality	n/a	n/a	n/a	n/a
The appointment of any person to provide professional advice or services is less then R200 000 or any greater amount	n/a	n/a	n/a	n/a
Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	n/a	n/a	n/a	n/a

Deviation from normal Procurement Processes

Deviations amounting R 17 559 880.15 (including minor breaches) was approved by the Accounting Officer or delegated officials.

The following table provides a summary of deviations approved for 2024/25:

TYPE OF DEVIATION	NUMBER OF DEVIATIONS	VALUE OF DEVIATION	PERCENTAGE OF TOTAL DEVIATIONS VALUE
Emergency	0	0	0.00%
Sole Supplier	0	0	0.00%
Impractical or exceptional case	179	R 17 559 880.15	100 %

5.14 .5. LOGISTICS MANAGEMENT

As of 30 June 2025, the value of stock at the municipal stores amounted to R 7,012,124.16 for the 2024/25 financial year. A total of R2 930.49 were accounted for as surpluses, R 7,915.21 as loss, R0.00 as stock past the expiry date and R0.00 as damaged stock items.

5.14 .6. B-BBEEE

B-BBEEE

The municipality is committed to the principles of B-BBEEE.

The following statistics relate to contracts awarded in terms of BBB-EEE.

Contracts from 30,000 – 300,000

	July	August	September	October	November	December	January	February	March	April	May	June
Total Contracts Awarded	3	14	10	8	13	3	4	16	5	22	10	9
Non-Contributor					1					1	1	
Level 1	2	12	10	3	10	3	4	13	5	15	8	5
Level 2	1	1		3	1			1		3		
Level 3		1		1								
Level 4				1	1			2		3	1	3
Level 5												
Level 6												
Level 7												
Level 8												1

Contracts from 300,000.01 and above

	July	August	September	October	November	December	January	February	March	April	May	June
Total Contracts Awarded	0	0	0	0	0	5	0	8		3	3	5
Non-Contributor												
Level 1				0		5		8		3	2	4
Level 2											1	
Level 3												
Level 4												
Level 5												
Level 6												1
Level 7												
Level 8												

5.15 GRAP COMPLIANCE

The accounting officer is responsible for the preparation and fair presentation of the 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.

5.16 B-BBEE COMPLIANCE

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

5.16.1 MANAGEMENT CONTROL

The table indicates the number of directors/managers information of Theewaterskloof Municipality for the 2024/25 financial year:

Categories	**% Number for each category**	**Race classification (Indicate number in terms of A, C & I)**	**Gender (Indicate number in terms of F & M)**	**Age (Provide number in chronological order)**	**Location (Indicate number in each Province)**	**Disability (Indicate number in terms of F & M)**
Board	27	A - 7 C - 14 I - 0	F – 35% M – 65%	40 - 66	Western Cape	1 - M
Exec Directors			N/A	N/A	Western Cape	0
Non-Exec Directors			N/A	N/A	Western Cape	0
Senior Management (MM & Directors	6	A - 1 C - 3 I - 0	F – 17% M – 83%	46 - 64	Western Cape	0
Middle Management (T14 – T16)	33	A - 2 C - 23 I - 0	F – 39% M – 61%	35 - 53	Western Cape	0
Junior Management (T9 – T13)			F- 51% M – 49%	32- 51	Western Cape	0
	156	A - 27 C - 112 I - 0				0
Dividends declared	YES	YES	YES	YES	YES	YES

5.16.2 SKILLS DEVELOPMENT

Total leviable amount and number of black persons trained in Theewaterskloof Municipality for the 2024/25 financial year:

Total Leviable amount

Categories	% Number for each category	Race classification (Indicate number in terms of A, C & I)	Gender (Indicate number in terms of F & M)	Age (Provide number in chronological order)	Location (Indicate number in each Province)	Disability (Indicate number in terms of F & M)

Black employees	73	A - 27 C - 47	F – 48 M - 25	35 - 59	Western Cape	0
Black non-employees	66	B – 40 C - 26	F – 49 M - 19	18 - 60	Western Cape	0
Black People on internships, apprenticeship, learnership	6	B – 3 C - 3	F – 3 M - 3	25 - 40	Western Cape	0
Unemployed black people on any Programmeme under the learning Programmeme matrix	66	B – 40 C - 26	F – 49 M - 19	18 - 60	Western Cape	0

5.16.3 ENTERPRISE AND SUPPLIER DEVELOPMENT

Statistics are only available as outlined in the Supply Chain Management section of the previous chapter. The systems will be updated to supply information as needed.

Final

CHAPTER 6 - AUDITOR GENERAL AUDIT FINDINGS

Report of the auditor-general to Western Cape Provincial Parliament and Council on Theewaterskloof Municipality 2023/24 (Previous Year)

Report of the auditor-general to the Western Cape Provincial Parliament and the Council of Theewaterskloof Municipality

Report on the audit of the financial statements

Qualified Opinion

I have audited the financial statements of Theewaterskloof Municipality set out on pages 4 to 101, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets and statement of cash flows and statement of comparison of budget and actual amount for the year then ended, as well as notes to the financial statements, including a summary of material accounting policy information.

In my opinion, except for the possible effects of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of Theewaterskloof Municipality as at 30 June 2024 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 2023 (Dora).

Basis for qualified opinion

Unspent Conditional Government Grants

I was unable to obtain sufficient appropriate audit evidence for the unspent conditional government grant of R41,3 million as disclosed in 25.11 to the financial statements as there were inadequate internal controls in place to maintain records of the expenditure relating to the grant. Consequently, I was unable to determine whether any adjustments were necessary to unspent conditional grants stated at R54,6 million in note 17 to the financial statements.

final

Context 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 responsibilities of the auditor-general 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.

Material uncertainty relating to going concern

I draw attention to note 69 to the financial statements, indicates that the municipality finds itself in a strained cashflow position and adverse financial ratios due to depleted own financial reserves. Council will consider the Budget Funding Plan which speaks to imminent financial recovery strategies which were reviewed and recommended by Provincial and National Treasury with specific focus on the revenue collection and curbing expenditure. This may affect service delivery in the short term but will be mitigated through these interventions.

As stated in note 70, these events or conditions, along with the other matters as set forth in note 71, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

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 notes 52 and 53 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Irregular expenditure

As disclosed in note 57.3 to the financial statements, irregular expenditure of R262,3 million (2022-23: R188 million) was incurred in current financial year, as procurement processes were not always followed by the municipality

Material Impairments/ losses

As disclosed in note 3 to the financial statements, the municipality provided for impairment of receivables from exchange transactions amounting to R262,3 million (2022-23: R215,1million).

As disclosed in note 4 to the financial statements, the municipality provided for allowance for Debt impairment of receivables from non-exchange transactions amounting to R80,7 million (2021-22: R85,2 million).

As disclosed in note 50 to the financial statements the municipality written off items of Property, plant and equipment amounting to R40 million.

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 102 to 110 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

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

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

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.

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Responsibilities of the auditor-general 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. This description, which is located at page 9, forms part of our auditor's report.

Report on the audit of the annual performance report

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.

I selected the municipal key performance area presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected municipal key performance area that measure 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	12 - 14, 6 - 38	The performance area focuses on the provision of basic services like water, sanitation, refuse and electricity which is the primary responsibility of the municipality.

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.

I performed procedures to test whether:

the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives

all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included

the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.

there is adequate supporting evidence for the achievements reported and for the [reasons provided for any measures taken to improve performance.

I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

I did not identify any material findings on the reported performance information for the municipal key performance area, basic service delivery.

Other matter

I draw attention to the matter below.

Achievement of planned targets

The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

The table that follows provide information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 12 to 14, 6 to 38.

Basic service delivery

Targets achieved: 57.1%

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Budget spent: 90.69% %		
Key service delivery indicator not achieved	Planned target	Reported achievement
TL06 – The percentage of the municipal capital budget spent on projects as at 30 June 2024 {(Actual amount spent on capital projects excluding orders/Total amount budgeted for capital projects)x100	95%	56.69%
TL31 - Completed the overhead line in Caledon street (Greyton) by 31 December 2023	1	0
TL33 - Maintenance, replacements, and upgrades of municipal infrastructure	95%	89.11%
TL41 - Spend 95% of the capital Budget allocated for the upgrade of Caledon bulk sewerage Pipeline by 30 June 2024 {(Total actual expenditure for the project/Total amount	95%	91.15%
TL42 - Spend 95% of the capital budget allocated for the Water Pipe Replacement Grabouw by 30 June 2024 {(Total actual expenditure for the project/Total amount budgeted for the project) x100}	95%	86.75%
TL43 -Spend 95% of the capital budget allocated for the Raw water pipe replacement - Basil Newmark Pipeline Phase 3 by 30 June 2024 {(Total actual expenditure for the project/Total amount budgeted for the project) x100}	95%	83.22%
TL48 - 65% of effluent samples comply with permit values {(% compliance of all WWTW's achieved / the number of WWTW's tested)}	65%	58.35%
TL53 - Service 35 sites for Grabouw Rooidakke by 30 June 2024	35	0
TL57 - Service 182 sites for Villiersdorp Berg en Dal by 30 June 2024	182	180
TL58 - Review the draft SDF and submit to Council by 31 May 2024	1	0

Report on compliance with legislation

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

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management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

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.

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.

The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

Material misstatements of current liabilities and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements or supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Consequence management

Unauthorised and irregular incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) and 32(2)(b) of the MFMA.

Expenditure management

Reasonable steps were not taken to prevent irregular expenditure amounting to R262,3 million as disclosed in note 57.3 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 32 and MFMA 112(1)(a) to (g).

Procurement and contract management

Some of the goods and services of transaction values of below R300 000 for formal written price quotations were procured without obtaining the required price quotations, in

contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.

Some of the goods and services of transaction values of above R300 000 for competitive bids 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). Similar non-compliance was also reported in the prior year.

The preference point system was not applied for some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.

The contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA.

Other information in the annual report

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.

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.

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.

I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

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Internal control deficiencies

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.

The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on compliance with legislation included in this report.

- The municipal Council did not exercise oversight responsibility regarding the establishment of a functioning Municipal Public Accounts Committee (MPAC) to ensure compliance with applicable legislation and related internal controls relating to oversight processes on unauthorised and irregular expenditure incurred.
- The municipal Council did not implement effective human resource management practises to promptly fill vacant senior management positions, including key positions of the accounting officer, chief financial officer and supply chain management director. This has resulted to significant shortcomings in control environment, including the bid adjudication committee composed not always functioning.
- Deficiencies in effective implementation of compliance monitoring controls and accountability to ensure compliance with key applicable legislation as this resulted in the non-compliance with key requirements of the MFMA, supply chain management regulations and irregular expenditure being incurred.

Auditor - General

Cape Town

30 November 2024

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

The auditor-general's responsibility for the audit

The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the [financial statements and the procedures performed on reported performance information for selected 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

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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 thedisclosures, 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.

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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 122(2), 126(1)(a), 126(1)(b), 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, 2017	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)(i), 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)
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), 93J(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)

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Legislation	Sections or regulations
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
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)

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Report of the auditor-general to Western Cape Provincial Parliament and Council on Theewaterskloof Municipality 2024/25 (Current Year)

Report on the audit of the financial statements

Qualified opinion

I have audited the financial statements of Theewaterskloof Municipality set out on pages XX to XX, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information 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, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of Theewaterskloof Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2024 (Dora).

Basis for qualified opinion

Property, plant and equipment

I was unable to obtain sufficient appropriate audit evidence that management had properly accounted for infrastructure assets in accordance with GRAP 17, *Property, plant and equipment*, due to the status of the accounting records and lack of evidence that conditional assessments had been performed after a disaster (severe floods) in accordance with GRAP 21, *Impairment of non-cash generating assets*. I was unable to confirm whether these assets had been properly valued by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to infrastructure assets included in property, plant and equipment stated at R1,1 billion (2024: R990 million) in note 10 and impairment loss stated at R7,6 million (2024: R40,3 million) in note 49 to the financial statements.

Contracted services

I was unable to obtain sufficient appropriate audit evidence that management had properly accounted for various items included in note 46 to the financial statements, due to the lack of adequate evidence in support of contracted services. I was unable to confirm these contracted services by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to contracted services stated at R63,8 million (2024: R142,1 million) included in the contracted services disclosed in note 46 to the financial statements. This also had an impact on the surplus and accumulated surplus for the current and prior year.

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Other expenditure

I was unable to obtain sufficient appropriate audit evidence that management had properly accounted for various items included in note 48 to the financial statements, due to the lack of adequate evidence in support of other expenditure. I was unable to confirm other expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to other expenditure stated at R83,5 million (2024: R128,3 million) included in the other expenditure disclosed in note 48 to the financial statements. This also had an impact on the surplus and accumulated surplus for the current and prior year.

Context 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 responsibilities of the auditor-general 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 qualified opinion.

Material uncertainty related to going concern

I draw attention to note 67 to the financial statements, which indicates that the municipality finds itself in a strained cash-flow position and has adverse financial ratios due to depleted own financial reserves. Council adopted a budget funding plan in August 2024, which spoke to imminent financial recovery strategies and which was reviewed and recommended by National Treasury and the provincial treasury with a specific focus on collecting revenue and curbing expenditure. The plan has since been replaced with the financial recovery plan, which was adopted by council after year-end. This may affect service delivery in the short term but will be mitigated through these interventions.

Although management is of the opinion, as stated in note 67.4, that the adoption of the financial recovery plan will mitigate these threats and that the municipality can continue in operational existence for the foreseeable future, the events or conditions in note 67 indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

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 51 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2025.

Underspending of capital budget

As disclosed in note 55.1 to the financial statements, the municipality materially underspent its capital budget.

Material impairments/losses

As disclosed in note 3 to the financial statements, the municipality provided for impairment of receivables from exchange transactions amounting to R307,6 million (2024: R262,2 million).

As disclosed in note 4 to the financial statements, the municipality provided for allowance for debt impairment of receivables from non-exchange transactions amounting to R85,8 million (2024: R80,7 million).

Irregular expenditure

As disclosed in note 55.3 to the financial statements, irregular expenditure of R109 million (2024: R262,3 million) was incurred in the current financial year, mostly because correct procurement processes were not followed.

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 103 to 111 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

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

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and Dora;

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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.

Responsibilities of the auditor-general 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. This description, which is located on page 12, forms part of my auditor's report.

Report on the audit of the annual performance report

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.

I selected the following municipal key performance area presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected an 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	5 – 12, 14 & 16	Provision of basic services like water, sanitation, refuse and electricity

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.

I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any measures taken to improve performance.

I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

The material findings on the reported performance information for the selected municipal key performance area are as follows:

Basic service delivery

Measures taken to improve performance against underachieved targets were not adequately reported in the annual performance report. Information was thus not provided to help with understanding the actions taken by the accounting officer to address performance gaps and for assessing the effectiveness of strategies to improve future performance against targets.

Indicator
TL5 - The percentage of the municipal capital budget spent on projects as at 30 June 2025 {(Actual amount spent on capital projects excluding orders/Total amount budgeted for capital projects) X100}
TL18 - 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 2024/25 financial year

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Indicator
TL33 - 65% of effluent samples comply with permit values {(% compliance of all WWTWs achieved / the number of WWTWs tested)}
TL45 - Spend 95% of the project budget approved for the electrification of the Theewaterskloof Area (INEP) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}
TL52 - Spend 95% of the capital budget for the Botriver Treatment Works (Phase 2) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}
TL58 - Spend 95% of the Capital Budget allocated for water pipe replacement in Ebenhaeser, Hofmeyer, Ryke, Gaffley, Plum and Sam Streets at Grabouw (Phase 2) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}
TL60 - Complete phase 1 of the upgrade and expansion of the Villiersdorp Water Treat Works (WTW) by 30 June 2025

Other matters

I draw attention to the matters below.

Achievement of planned targets

The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 5 to 12, 14 and 16.

Basic service delivery

Targets achieved: 49%		
Key indicator not achieved	**Planned target**	**Reported achievement**
TL5 - The percentage of the municipal capital budget spent on projects as at 30 June 2025 {(Actual amount spent on capital projects excluding orders/Total amount budgeted for capital projects)X100}	95%	60%
TL14 - Provide 70kwh of free basic electricity per month to all indigent households (Excluding Eskom) during the 2024/25 financial year	2 700	2 583
TL18 - Number of residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	7 560	7 558

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Targets achieved: 49%		
Key indicator not achieved	**Planned target**	**Reported achievement**
(excluding Eskom areas) and billed for the services during the 2024/25 financial year		
TL33 - 65% of effluent samples comply with permit values {(% compliance of all WWTWs achieved / the number of WWTWs tested)}	65%	54,37%
TL45 - Spend 95% of the project budget approved for the electrification of the Theewaterskloof Area (INEP) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	95%	64%
TL52 - Spend 95% of the capital budget for the Botriver Treatment Works (Phase 2) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	95%	77%
TL56 - Spend 95% of the Capital Budget allocated for the Bulk Raw Water Pipe Replacement of Genadendal Berglyn Phase 2 by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	95%	84%
TL58 - Spend 95% of the Capital Budget allocated for water pipe replacement in Ebenhaeser, Hofmeyer, Ryke, Gaffley, Plum and Sam Streets at Grabouw (Phase 2) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	95%	1%
TL62 - Spend 95% of the capital budget allocated for the upgrade of the Grabouw Gypsy Queen bulk sewer and water provision by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	95%	55%
TL69 - Spend 95% of the Municipal Infrastructure Grant by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	95%	83%
TL32 - Install and replace 1 500 prepaid/smart water meters by 30 June 2025	1 500	0
TL66 - Complete main excess path to demarcated burial sites in Caledon 30 June 2025	1	0
TL68 - Spend 95% of the capital budget allocated for the Upgrading of Pineview Park Sport Ground phase 1 in Grabouw by 30 June 2025	95%	44%
TL78 - Spend 95% of the project budget approved for Villiersdorp Taxi Rank Upgrade (Phase 3) by 30 June 2025 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	95%	31%

Targets achieved: 49%		
Key indicator not achieved	**Planned target**	**Reported achievement**
TL79 - Spend 95% of the approved project budget for Civil Engineering Services for Greyton Erf 595 by 30 June 2025	95%	78%
TL83 - Construct 32 top structures for Hillside (Grabouw) by 30 June 2025	32	0
TL87 - Spend 95% of the approved project budget for Civil Engineering Services Grabouw Rooidakke 1054 by 30 June 2025	95%	40%
TL88 - Compile a layout plan for the Greater Villiersdorp UISP and submit to Human Settlements Portfolio Committee by 30 June 2025	1	0
TL89 - Spend 95% of Housing Capital Grant by 30 June 2025 {(Total actual expenditure of the grant/Total amount budgeted for the housing capital grant) x 100}	95%	63%

Material misstatements

I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for the municipal key performance area: basic service delivery. Management did not correct all of the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

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.

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.

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.

The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and/or the supporting records could not be provided subsequently, which resulted in the financial statements receiving a qualified audit opinion.

Consequence management

Unauthorised expenditure and irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) and 32(2)(b) of the MFMA.

Expenditure management

Reasonable steps were not taken to ensure that the municipality implements and maintains an effective system of expenditure control, including procedures for the approval/payment of funds, as required by section 65(2)(a) of the MFMA.

Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The value of R435,7 million, as disclosed in note 55.3, is not complete as management was still in the process of quantifying the full extent of the irregular expenditure. The majority of the irregular expenditure was caused by non-compliance with supply chain management (SCM) regulation 36 and section 112(2)(c) of the MFMA.

Reasonable steps were not taken to ensure that money owed by the municipality was always paid within 30 days or an agreed period, as required by section 65(2)(e) of the MFMA.

Procurement and contract management

Some invitations for competitive bidding were not advertised for the required minimum period, in contravention of SCM regulation 22(1) and 22(2).

Some goods and services within the prescribed transaction values for formal written price quotations were procured without obtaining the required price quotations, in contravention of SCM regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.

Some goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, contrary to 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). Similar non-compliance was also reported in the prior year.

Contract performance and monitoring measures were not in place to ensure effective contract management, as required by section 116(2)(c)(ii) of the MFMA. Similar non-compliance was also reported in the prior year.

Human resource management

Appropriate systems and procedures to monitor, measure and evaluate staff performance were not developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act 32 of 2000 (MSA) and municipal staff regulation 31.

The senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the MSA.

Asset management

Capital assets were disposed of without council, in a meeting open to the public, having decided on whether the assets were still needed to provide the minimum level of basic municipal services and/or considered the fair market value of the assets and the economic and community value to be received in exchange for the assets, as required by section14(2)(a) of the MFMA.

Other information in the annual report

The accounting officer is responsible for the other information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and the selected municipal key performance area presented in the annual performance report that has been specifically reported on in this auditor's report.

My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

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.

I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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.

Final

The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the material findings on the annual performance report and the material findings on complince with legislation included in this report.

- Leadership did not exercise oversight responsibility regarding financial and performance reporting and compliance with legislation. The municipality did not have sufficient review and monitoring controls to ensure that financial and performance reports submitted for auditing were accurate and complete, and that the action plan developed was timeously implemented.

- Management did not take effective steps or implement adequate measures to ensure that appropriate evidence was obtained to confirm the validity of expenditure related to contracted services and other costs. This lack in due care weakened the control processes and undermined their effectiveness.

- Leadership did not remedy deficiencies and the effective implementation of compliance monitoring controls and accountability to ensure compliance with key applicable legislation as this resulted in the non-compliance with key requirements of the MFMA, supply chain management regulations and irregular expenditure being incurred.

Auditor - General

Cape Town

29 November 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

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Annexure to the auditor's report

1. 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

2. 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 selected requirements in key legislation.

Financial statements

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

   identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

   obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.

   evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

   conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the municipality to cease operating as a going concern.

   evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

4. 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.
5. 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.

Final

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)

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

The Audit Action Plan has been put into effect to enhance the internal control deficiency environment and to reduce the recurrence of audit findings.

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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……...

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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: *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* *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned*

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
Drtmcc	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 Boarders 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 Programmeme
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 Programmeme
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 Programmeme
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 FT/PT	Committees Allocated	Ward Represented/ Party Represented	PercentageCouncil Meetings Attendance %	Percentage Apologies for non-attendance %
W Wells	FT	Speaker	PR	100%	0%
LM De Bruyn	FT	Executive Mayor	PR	95%	5%
C Clayton	FT	Executive Mayoral Committee, Technical and Infrastructure Implementation Services Committee, Economic Development Committee, Human Settlements and Planning Committee	PR	100%	0%
S Fredericks	FT	Executive Mayoral Committee, Human Settlements and Planning Committee, Fraud and Risk Management Committee	WR	95%	5%
M Plato-Mentoor	FT	Executive Mayoral Committee, Technical and Infrastructure Implementation Services Committee	WR	95%	5%
Y Van Tonder	FT	Executive Mayoral Committee, Community	WR	95%	5%

		Services Committee			
C Cloete	FT	Executive Mayoral Committee, Financial Services Committee, Fraud and Risk Management Committee	WR	95%	5%
H Linnerts	FT	Executive Mayoral Committee, Corporate Services Committee, Community Services Committee, Financial Services Committee, Fraud and Risk Management Committee, Local Labor Forum (LLF), Employment Equity Committee,	PR	100%	0%
P Stander	PT	MPAC, Economic Development Committee, Human Settlements and Planning Committee	WR	95%	5%
C Benjamin	PT	Economic Development Committee, Financial Services Committee	WR	95%	5%
M Botes	PT	Corporate Services Committee, Employment Equity Committee, Local Labor Forum (LLF)	WR	95%	5%
R Mienies	PT	Financial Services Committee, Employment Equity Committee,	WR	95%	5%
M Mpambani	PT	Health and Safety Committee	WR	100%	0%

D Jooste	PT	Technical and Infrastructure Implementation Services Committee	WR	95%	5%
J Smit	PT	Corporate Services Committee, MPAC, Local Labor Forum (LLF)	WR	95%	5%
D Jacobs	PT	Community Services Committee, Health and Safety Committee,	WR	95%	5%
M Shale	PT	None	WR	90%	0%
W Nomkoko	PT	Technical and Infrastructure Implementation Services Committee	WR	100%	0%
D Appel	PT	Was Speaker from 2021 - Aug 2024, Human Settlements and Planning Committee	PR	100%	0%
M Nongxaza	PT	Community Services Committee , Local Labor Forum (LLF)	PR	100%	0%
T Lemina	PT	Economic Development Committee	PR	100%	0%
B Mkhwibiso	PT	None	PR	100%	0%
T Zimmermann	PT	Corporate Services Committee, Local Labor Forum (LLF)	PR	95%	5%
V Papier	PT	Technical and Infrastructure Implementation Services Committee, Economic Developmnet Committee, Financial Services	PR	100%	0%

H Syster	PT	Community Services Committee, Human Settlements and Planning Committee	PR	100%	0%
D Lekhori	PT	Corporate Services Committee	PR	90%	10%
M Gana	PT	MPAC	PR	90%	10%
M Liebenberg	FT	was Mayor until August 2024	PR	95%	5%
J Michels	FT	Was Deputy Mayor until August 2024, Economic Development Committee	PR	100%	0%
J Mckensie	FT	Was Portfolio Chairperson for Technical and Infrastructure Implementation Services until August 2024	PR	100%	0%
S Shuma	FT	Was Deputy Mayor until August 2024, Economic Development Committee	PR	100%	0%

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 programmes.
MPAC	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.

Draft

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 2025

APPENDIX D – FUNCTIONS OF MUNICIPALITY

Municipal function	Municipal function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	No
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	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	No**
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes*
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes

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

Final

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
Ward 1	Piet Stander - Councillor	Yes	5	0	3
	Georg vd Riet				
	Sarette September				
	Cornelius Botha				
	Justin Johannes				
	Adam Blom				
	Steven Ndleleni				
	Kiro Tiemie				
	Francios Roux				
	Freddie Appel				
	Daniel Palmer				
Ward 2	Chris Cloete - Councillor	Yes	6	0	4
	Micheal Rouillard				
	Jomenda Mathews				
	Anita Cupido				
	Fredeline Delport				
	Magrieta Stellenberg				
	Clive Josephs				
	Ivan Steenkamp				
	Gavin Jones				
	George Juries				
Ward 3	Carol Benjamin - Councillor	Yes	4	0	3
	Zimkita Bistoli				
	Ettel Pheiffer				
	S Gamadala				
	Melanie Booysen				
	Tanya Bippert				
	Marlon Sauls				
	Rodney Nissan				
	M Emmerich				
Ward 4	Yvonne van Tonder - Councillor	Yes	6	0	3

	Elrico Jacobs				
	Tanya Bippert				
	MMJ Rousseau				
	Lizel Kimber				
	George Rhode				
	Nigel Vermeulen				
	Richard Lane				
	Stephen Wildschutte				
	Brian Oliver				
	Mitzi Buys				
Ward 5	Michelle Botes-Councillor	Yes	7	0	3
	Glaudi Skog				
	Charlotte Nel				
	Janine Syster Williams				
	Gelden Plaatjies				
	Unathi Noyi				
	Maria Armoed				
Ward 6	Rinah Mienies - Councillor	Yes	5	0	3
	Hester Blignaut				
	Jackie Nicholls				
	Monique Cananie				
	Alida Venter				
	N Mlata				
	Marius de Lange				
	Hilton Witbooi				
	Edwin July				
Ward 7	Mekie Plato-Mentoor - Councillor	Yes	4	0	3
	Jacobus Syms				
	Benita Europa				
	Jan Visagie				
	Henry April				
	Maria Herbert				
	Jackie Olivier				
	Christo Jacobs				
Ward 8	Mzwanele Mpambani-Councillor	Yes	0	0	1
	Bongile Makhaza				
	Vacant				
	Vacant				
	Vacant				
	Vacant				

	Victoria Tshazi				
	Religion				
	Dennis Johnson				
	Nolan van Rhodie				
	Lwazi Nodanda				
Ward 9	Dawid Jooste- Councillor	Yes	7	0	3
	Glaudi Skog				
	Jannie van der Colff				
	Hester Blignaut				
	Justin Jooste				
	Marius de Lange				
	Simon Sykes				
	Mary-Ann Swarts				
	Elizabeth Ambros				
Ward 10	Johnathan Smit- Councillor	Yes	0	0	1
	Johanoline Visser				
	Andrew Van Neel				
	Magrieta Steenkamp				
	Zandre Cananie				
	Caroline Botha				
	Glaudi Skog				
Ward 11	Denzil Jacobs- Councillor	Yes	1	0	1
	Siyabonga Ngalo				
	Benita Melwa				
	Michail Dreyer				
	Ivan Wyngaard				
	Niklaas Pietersen				
	Vacant Marjorette				
	Eric Adams				
	JP van der Westhuizen				
Ward 12	Sylvia Shale- Councillor	Yes	1	0	3
	Lubabalo Madizeni				
	William Nomaxhanya				
	Sonto Nkqi				
	Vacant -Melrose				
	Tina Johnson				
	Eva Philander				
	Nolan van Rhodie				
	Allen Inyinbor				
	Lynette de Bruyn				

	Vacant - Grabouw Taxi				
Ward 13	M Nomkoko- Councillor	Yes	1	0	3
	Allen Inyinbor				
	Tina Johnson				
	Tesswill Frans				
	Mxolisi Tobingunya				
	Hans Waterboer				
	Mfundo Mantashe				
	Christiaan Bailey				
	Vacant-Little Folks				
	Albertina Hoffman				
	Vacant - Grabouw Taxi				
Ward 14	Samuel Fredericks- Councillor	Yes	1	0	1
	Jackie Fisher				
	Charlene Van Wyk				
	Romeo Magerman				
	Angeline De Vos				
	Ivan Wyngaard				
	Dennis Johnson				
	Gershwin Witbooi				

APPENDIX F – CAPITAL PROJECTS: SEVEN LARGEST IN 2024/25

Capital Projects: Seven Largest in 2024 - 2025		
		R' 000
No.	**Project Name and detail**	**Total Value**
1	Villiersdorp Destiny Farm (1133)	69,776
2	Upgrade of Villiersdorp Water Treat Works (WTW)	10,013
3	Upgrading of Fleet	7,419
4	Upgrading of Grabouw Gypsy Queen Bulk Sewer and Water	3,305
5	Electrification TWK Area	2,666
6	Upgrading of Botrivier Waste Waster Treatment Works (WWTW)	2,157
7	Gypsy Queen (255)	2,000

Final

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2024/25

Municipal Audit Committee Recommendations			
Date of Committee	**Report Name**	**Committee recommendations during 2024/2025**	**Recommendations adopted (enter Yes) If not adopted (provide explanation)**
27-Aug-24	Draft Annual Performance Report for the year ended 30 June 2024.	The Performance and Audit Committee reviews the Annual Performance Report for the 2023/2024 financial year	Yes
27-Aug-24	Draft Financial Statements for the year ended 30 June 2024.	The Performance and Audit Committee reviews the financial statements for the 2023/2024 financial year.	Yes
19-Sep-24	Performance- and Audit Committee Resolutions Follow-up	The Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
19-Sep-24	2023/2024 SDBIP Report Internal Audit Department 1 July 2023 – 30 June 2024	The Performance and Audit Committee takes note of the 2023/2024 SDBIP report for the Internal Audit Department as on 30 June 2024.	Yes
19-Sep-24	Review of Strategic Risk Register for 2023/2024	The register be referred to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Review of Operational Risk Register for 2023/2024	The register be referred to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Presentation of Combined Assurance Model 2023/24	The item be referred to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Incident or Emerging Risk	The item be referred to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Review of the Anti-Corruption and Fraud Prevention Strategy, Policy and Plan for 2023/24	The reviewed Strategy, Policy and Plan be submitted to the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Review and Approval of the Anti-Corruption and Risk Management Policy, Strategy and Risk Operational Implementation Plan for 2024/25	For the Performance- and Audit Committee for oversight.	Yes
19-Sep-24	Financial Report for the month ending 31 July 2024.	That the Performance- and Audit Committee notes the attached financial report.	Yes
19-Sep-24	ICT Quarterly Report 1 April 2024 – 30 June 2024.	That the report be noted and that the committee discuss its concerns and highlights any issues requiring clarification.	Yes

19-Sep-24	Auditor-General Report Follow-up	That the Performance- and Audit Committee notes the report.	Yes
19-Sep-24	2023/2024 Annual Audit Opinion	That the Performance- and Audit Committee takes cognisance of the 2023/2024 Annual Audit Opinion.	Yes
19-Sep-24	Audit Work Completed and Planned	That the Performance- and Audit Committee considers the audit work completed for the fourth quarter of the 2023/2024 year and approves the planned activities for the second quarter of the 2024/2025 year.	Yes
19-Sep-24	Supply Chain Management Audit 1 November 2023 – 31 January 2024	The Performance- and Audit Committee notes the report.	No – The agenda item be referred back for comments from the Directorate Financial Services.
19-Sep-24	Risk Management Audit	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	Performance Management Third Quarter 2023/2024 Audit	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	Performance Management Fourth Quarter 2023/2024 Audit	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	2023/2024 Year-End Stock Count Report	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	Internal Audit Evaluations per Audit for the Period 1 April 2024 – 30 June 2024.	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
19-Sep-24	Internal Audit Follow-up Reports	The Performance- and Audit Committee notes the report.	Yes
19-Sep-24	Compliance to Acts 1 April 2024 – 30 June 2024	The Performance- and Audit Committee takes cognisance of the Compliance to Acts for the period 1 April 2024 – 30 June 2024.	Yes
22-Nov-24	Auditor-General Report 2023/2024 Audit	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Performance- and Audit Committee Resolutions Follow-up	The Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
09-Dec-24	First Quarter Top Layer SDBIP Report	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Review of Operational Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
09-Dec-24	Review of Strategic Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
09-Dec-24	Review of the Anti-Corruption and Fraud Prevention Policy, Strategy, Plan, FARMCO Terms of Reference, Combined Assurance Framework and Business Continuity Framework for 2024/25	The Anti-Corruption and Fraud Prevention Policy, Strategy, Plan, FARMCO Terms of Reference, Combined Assurance Framework and Business Continuity Framework for 2024/25 be referred to the Performance- and Audit Committee for oversight.	Yes

09-Dec-24	Financial Report for the month ending 31 October 2024.	That the Performance- and Audit Committee notes the attached financial report.	Yes
09-Dec-24	ICT Quarterly Report 1 July 2024 – 30 September 2024.	That the report be noted and that the committee discuss its concerns and highlights any issues requiring clarification.	Yes
09-Dec-24	Audit Work Completed and Planned	That the Performance- and Audit Committee considers the audit work completed for the first quarter of the 2024/2025 year and approves the planned activities for the third quarter of the 2024/2025 year.	Yes
09-Dec-24	Supply Chain Management Audit 1 February 2024 – 30 April 2024	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Supply Chain Management Audit 1 May 2024 – 31 July 2024	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Solid Waste First Quarter 2024/2025 Audit	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Compliance to Acts 1 July 2024 – 30 September 2024	The Performance- and Audit Committee takes cognisance of the Compliance to Acts for the period 1 July 2024 – 30 September 2024.	Yes
09-Dec-24	Internal Audit Evaluations per Audit for the Period 1 July 2024 – 30 September 2024.	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
09-Dec-24	Internal Audit Follow-up Reports	The Performance- and Audit Committee notes the report.	Yes
09-Dec-24	Changes in the Global Internal Audit Standards	The Performance- and Audit Committee takes cognisance of the changes in the Global Internal Audit Standards.	Yes
17-Jan-25	2023/2024 Draft Annual Report	The Performance- and Audit Committee takes note of the 2023/2024 Draft Annual Report	Yes
14-Mar-25	Performance- and Audit Committee Resolutions Follow-up	The Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
14-Mar-25	Second Quarter Top Layer SDBIP Report	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	2024/2025 SDBIP Report Internal Audit Department January 2025	The Performance and Audit Committee takes note of the 2024/2025 SDBIP report for the Internal Audit Department as on 31 January 2025.	Yes
14-Mar-25	Minutes of the Fraud & Risk Management Committee Meeting – 20 August 2024	The Performance and Audit Committee takes cognisance of the content of the Minutes of the Fraud and Risk Management Committee Meeting of 20 August 2024.	Yes
14-Mar-25	Risk Management Implementation Plan 2024/2025	The Risk Management Implementation Plan for 2024/2025 be referred to the Performance- and Audit Committee for oversight.	Yes

14-Mar-25	Presentation of Combined Assurance Model 2024/2025	The Combined Assurance Model be referred to the Performance- and Audit Committee for oversight.	Yes
14-Mar-25	Review of Strategic Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
14-Mar-25	Financial Report for the month ending 31 January 2025.	That the Performance- and Audit Committee notes the attached financial report.	Yes
14-Mar-25	ICT Quarterly Report 1 October 2024 – 31 December 2024.	That the report be noted and that the committee discuss its concerns and highlights any issues requiring clarification.	Yes
14-Mar-25	Audit Work Completed and Planned	That the Performance- and Audit Committee considers the audit work completed for the second quarter of the 2024/2025 year and approves the planned activities for the fourth quarter of the 2024/2025 year.	Yes
14-Mar-25	Supply Chain Management Audit 1 August 2024 – 31 October 2024	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Performance Management First Quarter 2024/2025 Audit	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Performance Management Second Quarter 2024/2025 Audit	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Water Use License Audit	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Recovery of Revenue Audit	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Ad Hoc Investigation LL04/2021/22	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Compliance to Acts 1 October 2024 – 31 December 2024	The Performance- and Audit Committee takes cognisance of the Compliance to Acts for the period 1 October 2024 – 31 December 2024.	Yes
14-Mar-25	Internal Audit Evaluations per Audit for the Period 1 October 2024 – 31 December 2024	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
14-Mar-25	Internal Audit Follow-up Reports	The Performance- and Audit Committee notes the report.	Yes
14-Mar-25	Internal Audit 2025/2026 Budget Submissions	The Performance- and Audit Committee considers and make recommendations on the 2025/2026 Budget submissions of the Internal Audit Department	Yes
13-Jun-25	Performance- and Audit Committee Resolutions Follow-up	The Performance and Audit Committee notes the Performance and Audit Committee resolutions followed up.	Yes
13-Jun-25	Third Quarter Top Layer SDBIP Report	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	2024/2025 SDBIP Report Internal Audit Department April 2025	The Performance and Audit Committee takes note of the 2024/2025 SDBIP report for the	Yes

		Internal Audit Department as on 30 April 2025.	
13-Jun-25	Review of Strategic Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Review of Operational Risk Register for 2024/2025	The register be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Risk Management Implementation Plan 2024/2025	The Risk Management Implementation Plan for 2024/2025 be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Presentation of Combined Assurance Model 2024/2025	The Combined Assurance Model be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Risk Management Maturity Assessment 2024-2025	The Risk Management Maturity Assessment be referred to the Performance- and Audit Committee for oversight.	Yes
13-Jun-25	Financial Report for the month ending 30 April 2025.	That the Performance- and Audit Committee notes the attached financial report.	Yes
13-Jun-25	ICT Quarterly Report 1 January 2025 – 31 March 2025.	That the report be noted and that the committee discuss its concerns and highlights any issues requiring clarification.	Yes
13-Jun-25	Audit Work Completed and Planned	That the Performance- and Audit Committee considers the audit work completed for the third quarter of the 2024/2025 year and approves the planned activities for the first quarter of the 2025/2026 year.	Yes
13-Jun-25	Cash Management and Investment Audit	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	Performance Management Third Quarter 2024/2025 Audit	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	Internal Audit Follow-up Reports	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	Auditor General Report Follow-up	The Performance- and Audit Committee notes the report.	Yes
13-Jun-25	Compliance to Acts 1 January 2025 – 31 March 2025	The Performance- and Audit Committee takes cognisance of the Compliance to Acts for the period 1 January 2025 – 31 March 2025.	Yes
13-Jun-25	Replacement of Maintenance on Roads Audit on the 2024/2025 Annual Audit Plan	The Performance- and Audit Committee approves the replacement of the Maintenance on Roads Audit with a DORA Audit.	Yes
13-Jun-25	Internal Audit Plan 2025/2026	The Performance- and Audit Committee accepts and approves the Strategic Internal Audit Plan for 1 July 2025 – 30 June 2028 and the Internal Audit Plan for 2025/2026.	Yes
13-Jun-25	Performance- and Audit Committee Charter	The Performance- and Audit Committee takes cognisance of the draft revised Performance- and Audit Committee Charter	Yes

13-Jun-25	Internal Audit Charter	The Performance- and Audit Committee approves the Internal Audit Charter	Yes
13-Jun-25	Revised Internal Audit Methodology	The Performance- and Audit Committee approves the Internal Audit Methodology	Yes
13-Jun-25	Internal Audit Evaluations per Audit for the Period 1 January 2025 – 31 March 2025	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
13-Jun-25	Internal Audit Evaluation	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
13-Jun-25	Performance- and Audit Committee Evaluation	That cognisance is taken of the report by the Performance- and Audit Committee.	Yes
13-Jun-25	Performance- and Audit Committee Meeting Schedule	The Performance- and Audit Committee takes cognisance of the attached meeting schedule	Yes
13-Jun-25	Competence of the Theewaterskloof Municipal Staff	The Performance- and Audit Committee satisfy themselves of the competence of the TWK staff.	No – That the agenda-item be referred back and that the Internal Audit Department must highlight all the names of staff of the Directorate Finance and forward it to the Performance- and Audit Committee Members.

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts					
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**
Ignite Advisory Services (Pty) Ltd.	Provision of Various Electronic Web Based Management Systems & Related Consulting Activities from 01 July 2022 to 30 June 2025	8-Jul-22	30-Jun-25	V. Arendse	3,540,347.45
Altron Nexus (Pty) Ltd.	Supply, Installation and Commissioning of a Digital Mobile Radio (DMR) Network and the Supply of Radio Equipment as required for a Period from 01 January 2022 to 30 June 2024	14-Dec-22	30-Jun-24	L. Coetser	R1,957,835.85
Moreki Distributors	The Appointment Of A Service Provider To Supply And Deliver Non-Flush Chemical Toilets To Various Areas In Theewaterskloof Municipal Area On An Ad-Hoc Basis For The Period From Date Of Appointment To June 2025	19-Apr-23	30-Jun-25	L.Litholi	R1,889,942.35
Batsini (Pty) Ltd.	Installation of Interim Basic Services for Emergency Housing in Grabouw, Volume 3	27-May-24	31-Oct-24	L.Litholi	R2,182,507.38

A.L. Abbott	Provision of Services for the Taking of Water and Sewerage Samples, Analysing and Monitoring it in Botrivier, Caledon, Tesselaarsdal, Genadendal, Grabouw, Greyton, Riviersonderend and Villiersdorp for the Period from Date of Appointment to 30 June 2026	10-Nov-23	30-Jun-26	H. Marthinus	2,666,163.03
AmandlaCFG Construction CC	Bulk Raw Water Pipe Replacement of Genadendal Berglyn: Phase 1	17-Oct-23	17-Mar-24	L. Parnell	2,529,625.10
Shula Construction CC	Water Pipe Replacement In Ebenhaeser, Hofmeyer, Plum And Pineview North Residential Area In Grabouw	16-Jan-24	30-Jun-24	L. Parnell	4,599,863.87
TWK Recycling and Waste Management (Pty) Ltd.	Provision of Recycling Services in Grabouw, Villiersdorp, Caledon, Greyton and Riviersonderend from date of appointment to 30 June 2026	29-Jan-24	30-Jun-26	H. Marthinus	2,228,225.89
Enviro Care TWK (Pty) Ltd.	Provision of Recycling Services in Grabouw, Villiersdorp, Caledon, Greyton and Riviersonderend from date of appointment to 30 June 2026	29-Jan-24	30-Jun-26	H. Marthinus	2,713,603.93
SD Imbali Engineering (Pty) Ltd.	Construction of New Cemetery Fencing at Uitsig, Caledon	23-Nov-23	22-Feb-24	L. Parnell	2,191,612.50
Lwazi Construction	Upgrading Renkewitz and	12-Dec-23	29-Feb-24	L.Parnell	1,629,922.14

	Kuhnel Streets in Genadendal				
Khubeka Construction (Pty) Ltd.	Upgrading of Botrivier Waste Water Treatment Works: Phase 1	12-Dec-23	12-Jul-24	H. Marthinus	7,939,026.66
	Addendum to contract: Expansion				683,190.72
Inenzo Water (Pty) Ltd.	Upgrading of Villiersdorp Water Treatment Works	16-Jan-24	15-Jan-25	H. Marthinus	21,160,137.70
AZ Building & Project Management (Pty) Ltd.	Construction Of The Riviersonderend Solid Waste Transfer Station and Material Recovery Facility – Phase 5.	16-Jan-24	30-Apr-24	H. Marthinus	849,509.97
Katemo General Trading	Upgrading Of Pineview Sports Grounds, Grabouw - Phase 1	16-Jan-24	31-Dec-24	N. Kayser	8,516,393.91
Dynamic R Consultants	Rehabilitation Of Intersections In De La Vigne Road, Riviersonderend	23-Apr-24	30-Jun-24	L. Parnell	432,904.40
WB Tipper Truck & Plant Hire (Pty) Ltd.	Raw Water Pipe Replacement, Basil Newmark Pipeline Phase 3 Caledon	28-Mar-24	30-Jun-24	L.Parnell	3,294,495.16
Konica Minolta South Africa a Division of Bidvest Office (Pty) Ltd.	Supply, Delivery and Installation of Six (6) New Digital Photocopiers at Various Offices of Theewaterskloof Municipality and the Conclusion of Maintenance Agreements for New and Existing Digital Photocopiers in Various Offices of Theewaterskloof Municipality from Date of Appointment Until 30 June 2026	1-Nov-23	30-Jun-26	M. Faul	455,043.76

Utilities Worls (Pty) Ltd.	Provision and Administration of Electricity Prepayment Uniform Vending System for the Period from 01 July 2022 until 30 June 2025	1-Dec-22	30-Jun-25	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-Jan-23	30-Jun-25	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-Jan-23	30-Jun-25	J. Colyn	1,165,423.80
Payat Services (Pty) Ltd.	Provision of Bill Payments Services (Municipal Bills Rate & Services Payments) to Theewaterskloof Municipality for the Period from 01 July 2022 until 30 June 2025	1-Jan-24	30-Jun-25	J.Van Niekerk	1,104,545.10
Absa	Raising of Loans			P.Fortuin	
	Loan 1: 5 Years	30-Jun-23	30-Jun-28		7,679,582.00
	Loan2: 10 Years	30-Jun-23	30-Jun-33		9,500,751.00
	Loan 3: 15 Years	30-Jun-23	30-Jun-38		49,973,646.00

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.*

T I

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests

Period 1 July to 30 June of Year 1 (Current Year)

Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	LM De Bruyn	House Caledon R800 000, House Gansbaai R2,4million; GEPF R6000, Sanlam R11000
	C Clayton (Deputy Mayor)	No Financial Interest
	W Wells (Speaker)	House R480 000
Member of MayCo / Exco	H Linnerts	FAWU Permanently employment
	S Fredericks	AFRIWU Union R9000, House R1,450 000
	M Plato-Mentoor	Thandi Farm R30 000, Abbagold Contract Based, House R850 000
	Y Van Tonder	Monthly income from Liberty Life, Share in Property at 42 Shaws Avenue Caledon
	C Cloete	VIA Eatery, CM and Sons Family Trade, House Greyton R4 million
	P Stander	Piet Stander Family Trust, Barine Corp CC 50 %, Transport business R700,000, Retha Sethana, Barine Corpo R50 000, House R800 000, House R500 000, House R500,000
Councillor	M Botes	Villiersdorp Car and Valet Centre R1500
	RL Mienies	House
	D Jooste	No Financial Interest
	M Mpambani	No Financial Interest
	J Smit	Suzuki Ertiga R340 000
	D Jacobs	D Jacobs Foundation NPO, House R100 000
	M Shale	No Financial Interest
	M Nomkoko	No Financial Interest
	JD Lekhori	Deekoena Company not active
	T Zimmermann	Vallei Aanbiddingsentrum NPO, Self-Employed Hr/ Labour Consulting
	MR Nongxaza	Bakkie R45 000, Car R75 000
	TP Lemina	No Financial Interest
	BB Mkhwibiso	Director Botriver Community Committee NPO, ODM R800, RDP House R280 000
	DA Appel	Nova Civils R10 000, DMA Foundation NPO, House R1,2 million
	M Liebenberg	No Financial Interest
	J Michels	No Financial Interest
	S Shuma	Jacoprox General Business, Dirucare General Business, Abumode General Business

	J Mckenzie	JenSim PTY Ltd, House R150 000
	H Syster	Toyota Conquest
Municipal Manager	Walter Hendricks	Dwelling
Chief Financial Officer	Nthokozisi Paul Mabhena	Mogapi Mabena (Pty)Ltd
	Gewnynne Wayne Hermanus	Cyril Rose Guest House
Directors	Namso Lungiswa Baliso	Dwelling
	Hendrik Jakobus Matthee	Dwelling / Family Trust
Other S57 Officials	None	

** Financial interests to be disclosed even if they are incurred for only part of the year. See MBRR SA34A*

Final

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	2023 - 2024	2024 - 2025			2024 - 2025	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Directorate Finance	278,314	331,225	298,658	287,149	13%	104%
Vote 2 - Community Services	40,536	51,342	52,934	48,289	6%	110%
Vote 3 - Corporate services	1,369	11,498	6,272	,609	95%	1030%
Vote 4 - Electricity	148,969	168,892	178,959	166,610	1%	107%
Vote 5 - Economic Development and Planning	42,241	84,281	134,984	86,839	-3%	155%
Vote 6 - Office of the Municipal Manager	,567	,447	,447	–	100%	0%
Vote 7 - Housing	–	–	–	–	0%	0%
Vote 8 - Technical and Infrastructure Implementation Services	22,241	28,110	34,318	23,433	17%	146%
Vote 9 - Public safety	–	–	–	–	0%	0%
Vote 10 - Road transport	–	–	–	–	0%	0%
Vote 11 - Sport and recreation	–	–	–	–	0%	0%
Vote 12 - Waste management	75,205	46,119	62,403	62,720	-36%	99%
Vote 13 - Waste water management	58,149	62,787	68,894	62,776	0%	110%
Vote 14 - Water	120,940	115,703	116,259	117,617	-2%	99%
Vote 15 - Directorate Development and Community Services	–	–	–	–	0%	0%
Total Revenue by Vote	**788,532**	**900,405**	**954,129**	**856,042**	**5%**	**111%**
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.1**

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
						R '000
Description	2023 - 2024	2024 - 2025			2024 - 2025	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Exchange Revenue						
Service charges - Electricity	131,841	147,247	152,783	150,632	2%	-1%
Service charges - Water	88,007	93,493	96,037	98,182	5%	2%
Service charges - Waste Water Management	43,033	44,970	52,506	46,372	3%	-12%
Service charges - Waste Management	42,459	44,749	44,332	44,412	-1%	0%
Sale of Goods and Rendering of Services	3,193	26,953	14,790	4,482	-83%	-70%
Agency Services	7,938	9,894	9,894	8,352	-16%	-16%
Interest Earned from Receivables (Exchange)	23,411	27,426	25,985	24,800	-10%	-5%
Interest Earned from Current and Non Current Assets	6,151	7,763	3,850	3,484	-55%	-9%
Rent on Land	–	,1	,1	–	-100%	-100%
Rental from Fixed Assets	2,039	1,716	1,716	2,097	22%	22%
Licenses and Permits	,2	,25	,25	,71	190%	190%
Operational Revenue (Exchange)	19,492	3,406	3,603	5,003	47%	39%
Non-Exchange Revenue						
Property Rates	153,616	161,158	161,124	161,347	0%	0%
Surcharges and Taxes	1,895	1,917	1,897	1,884	-2%	-1%
Fines, Penalties and Forfeits	20,795	34,394	29,870	28,520	-17%	-5%
Transfers and Subsidies - Operational	153,872	165,950	169,146	163,406	-2%	-3%
Interest Earned from Receivables (Non-Exchange)	5,018	6,117	4,278	4,020	-34%	-6%
Operational Revenue (Non-Exchange)	5,250	5,130	12,988	5,537	8%	-57%
Gains on Disposal of Assets	–	,45	,45	–	-100%	-100%
Other Gains	,465	5,301	5,546	–	-100%	-100%
Total Revenue (excluding capital transfers and contributions)	**708,476**	**787,657**	**790,416**	**752,602**	**-4%**	**-5%**
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						T K.2

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG					
					R' 000
Details	Original Budget	Adjustments Budget	Actual	Variance	
				Original Budget	Adjustments Budget
National Treasury					
Local Government Equitable Share	140,900	140,900	140,900	0%	0%
Expanded Public Works Programmeme	1,563	1,563	1,563	0%	0%
Integrated National Electrification Programmeme (Municipal Grant) Capital	5,142	3,691	2,380	-54%	-36%
Integrated National Electrification Programmeme Operating (VAT)]	,771	,515	,357	-54%	-31%
Local Government Financial Management Grant	1,565	1,661	1,615	3%	-3%
Local Government Financial Management Grant (VAT)	,235	,139	,137	-41%	-1%
Municipal Infrastructure Grant	26,365	26,308	21,868	-17%	-17%
Municipal Infrastructure Grant (VAT)	3,955	3,946	3,280	-17%	-17%
Water Services Infrastructure Grant	4,348	2,348	1,535	-65%	-35%
Water Services Infrastructure Grant (VAT)	,652	,352	,230	-65%	-35%
Total	**185,496**	**181,423**	**173,865**	**-6%**	**-4%**
Provincial Treasury					
Community Development Workers	,118	,113	,157	33%	39%
Financial Management Capacity Building Grant Operating	,180	,500	,710	294%	42%
Financial Management Capacity Building Grant Capital	–	–	,55	0%	0%
Human Settlement Development Operating	,845	5,000	8,000	847%	60%
Human Settlements Development Capital	39,078	75,983	21,151	-46%	-72%
Human Settlements Development Capital (In-Kind)	–	–	101,436	0%	0%
Library Service Operating	10,210	9,928	9,928	-3%	0%
Library Service Capital	,253	,10	–	-100%	-100%
Maintenance of Main Roads Operating	–	,170	,135	0%	-21%

Maintenance of Main Roads Capital	–	–	6,300	0%	0%
Regional socio-economic projects (RSEP)	,214	,900	2,000	835%	122%
Thusong Centre	–	,146	,146	0%	0%
Total	**50,898**	**92,750**	**150,018**	**195%**	**62%**
Other Specify					
Safety Project Grant	–	–	,450	0%	0%
National Skills Fund (SETA)	,714	–	,161	-77%	0%
Total	**,714**	**–**	**,611**	**-14%**	**0%**
*** 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.**					

Final

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

APPENDIX M (i): CAPITAL EXPENDITURE – NEW PROGRAMMEME

Capital				
				R' 000
Description	2023 - 2024	2024 - 2025		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure
Capital expenditure by Asset Class				
Infrastructure: Road transport - Total	**19,438**	**–**	**6,742**	**,341**
Roads, Pavements & Bridges	11,330	–	6,742	,341
Storm water	8,108	–	–	–
Infrastructure: Electricity - Total	**4,880**	**5,913**	**4,206**	**2,666**
Generation	–	–	–	–
Transmission & Reticulation	4,880	5,913	4,206	2,666
Street Lighting	–	–	–	–
Infrastructure: Water - Total	**20,793**	**–**	**–**	**–**
Water Distribution	20,793	–	–	–
Water Purification	–	–	–	–
Infrastructure: Sanitation - Total	**6,452**	**75,983**	**124,800**	**77,609**
Reticulation	6,452	75,983	124,800	77,609
Sewerage purification	–	–	–	–
Outfall Sewers	–	–	–	–
Infrastructure: Other - Total	**–**	**–**	**–**	**–**
Waste Management	–	–	–	–
Transportation	–	–	–	–
Other	**1,859**	**–**	**–**	**–**
Parks & gardens	–	–	–	–
Sportsfields & stadiums	–	–	–	–
Libraries	–	–	–	–
Recreational facilities	–	–	–	–
Buses/Taxis	–	–	–	–
Clinics	–	–	–	–
Museums & Art Galleries	–	–	–	–
Cemeteries	1,859	–	–	–
Social rental housing	–	–	–	–
Other	–	–	–	–
Heritage assets - Total	**–**	**–**	**–**	**–**
Buildings	–	–	–	–

Other	–	–	–	–
Investment properties - Total	**–**	**–**	**–**	**–**
Housing development	–	–	–	–
Other	–	–	–	–
Other assets	**5,119**	**10,526**	**1,933**	**,822**
General vehicles	–	–	–	–
Specialised vehicles	–	–	–	–
Plant & equipment	–	–	–	–
Computers Equipment	1,521	1,260	1,083	,451
Furniture and Other Office Equipment	,898	1,438	,836	,363
Machinery and Equipment	1,972	,629	,14	,8
Markets	–	–	–	–
Civic Land and Buildings	–	–	–	–
Other Buildings	,728	7,200	–	–
Other Land	–	–	–	–
Other	–	–	–	–
Agricultural assets	–	–	–	–
Biological assets	–	–	–	–
Intangibles	–	–	–	–
Abattoirs	–	–	–	–
Total Capital Expenditure on new assets	**58,543**	**92,422**	**137,680**	**81,438**

First

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMMEME

Capital				
				R' 000
Description	2023 - 2024	2024 - 2025		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure
Capital expenditure by Asset Class				
Infrastructure: Road transport - Total	**6,283**	**17,150**	**6,300**	**–**
Roads, Pavements & Bridges	6,283	15,150	6,300	–
Storm water	–	2,000	–	–
Infrastructure: Electricity - Total	**12,946**	**12,700**	**,431**	**,375**
Generation	–	–	–	–
Transmission & Reticulation	12,946	12,700	,431	,375
Street Lighting	–	–	–	–
Infrastructure: Water - Total	**18,386**	**30,755**	**13,988**	**12,052**
Water Distribution	8,566	22,593	3,570	2,040
Water Purification	9,820	8,162	10,418	10,013
Infrastructure: Sanitation - Total	**21,892**	**44,457**	**9,113**	**5,789**
Reticulation	3,224	25,909	6,127	3,465
Sewerage purification	8,364	18,548	2,986	2,324
Outfall Sewers	10,303	–	–	–
Infrastructure: Other - Total	**1,087**	**5,000**	**–**	**–**
Waste Management	1,087	5,000	–	–
Transportation	–	–	–	–
Gas	–	–	–	–
Other	**6,664**	**7,062**	**5,234**	**1,754**
Community - Total	–	–	–	–
Parks & gardens	–	–	–	–
Sportsfields & stadiums	5,524	3,420	2,513	1,114
Swimming pools	–	–	–	–
Community halls	–	–	–	–
Libraries	–	–	–	–
Recreational facilities	–	–	–	–
Fire, safety & emergency	–	–	–	–
Security and policing	–	–	–	–
Buses/Taxis	1,140	,900	2,000	,629
Clinics	–	–	–	–
Museums & Art Galleries	–	–	–	–
Cemeteries	–	2,742	,721	,11

Social rental housing	–	–	–	–
Other	–	–	–	–
Heritage assets - Total	**–**	**–**	**–**	**–**
Buildings	–	–	–	–
Other	–	–	–	–
Investment properties - Total	**–**	**–**	**–**	**–**
Housing development	–	–	–	–
Other	–	–	–	–
Other assets	**,366**	**10,129**	**7,424**	**7,419**
General vehicles	–	–	–	–
Specialised vehicles	–	10,000	7,424	7,419
Plant & equipment	–	–	–	–
Computers Equipment	,35	,95	–	–
Furniture and Other Office Equipment	,181	,16	–	–
Machinery and Equipment	,151	,18	–	–
Markets	–	–	–	–
Civic Land and Buildings	–	–	–	–
Other Buildings	–	–	–	–
Other Land	–	–	–	–
Other	–	–	–	–
Agricultural assets	–	–	–	–
Biological assets	–	–	–	–
Intangibles	–	–	–	–
Abattoirs	–	–	–	–
Total Capital Expenditure on new assets	**67,625**	**127,253**	**42,490**	**27,389**

First

APPENDIX N – TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2024-25

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2024-25	
Asset 1	
Name	Reinforced Concrete Structure
Description	Grabouw Water Treatment Plant
Asset Type	Infrastructure
Asset Acquisition Value	**2024-2025**
	15,807,049
Capital Implications	General Maintenance
Policies in Place to Manage Asset	Operating Plan
Asset 2	
Name	Dewatering Plant (Large Works)
Description	Intainer Composting Plant
Asset Type	Infrastructure
Asset Acquisition Value	**2024-2025**
	11,706,705
Capital Implications	General Maintenance
Policies in Place to Manage Asset	Operating Plan
Asset 3	
Name	Wire Fence
Description	Security Fence
Asset Type	Infrastructure
Asset Acquisition Value	**2024-2025**
	8,913,417
Capital Implications	General Maintenance
Policies in Place to Manage Asset	Operating Plan
	T5.3.2

Final

APPENDIX O – CAPITAL PROGRAMMEME BY PROJECT 2024/25

Capital Programmeme by Project: 2024 - 2025					
					R' 000
Capital Project	**Original Budget**	**Adjustment Budget**	**Actual**	**Variance (Act - Adj) %**	**Variance (Act - OB) %**
Water					
Smart meter replacement	5,000	,514	,247	-52%	-95%
Upgrading of Tesselaarsdal Water Pipeline Phase 2	2,657	,201	,201	0%	-92%
Upgrading of Grabouw Bulk Water Pipeline Phase 5.2	7,136	–	–	–	-100%
Water Pipe Replacement in Ebenhaeser, Hofmeyer, Ryke, Gaffle	2,522	,522	,4	-99%	-100%
Replace and Upgrade of Berglyn Raw Water in Genadendal Phase	2,478	1,826	1,531	-16%	-38%
Provision, Upgrade and Maintenance of Water Booster Pump Sta	2,800	,57	,57	0%	-98%
Provision of Professional Services: Grabouw Waste Water Trea	,500	–	–	–	-100%
Upgrade of Villiersdorp Water Treat Works (WTW)	4,662	10,418	10,013	-4%	115%
Upgrade of RSE Ultra Fultration Plant	3,000	–	–	–	-100%
Boorgat Villiersdorp	–	,450	–	-100%	–
Total Water Capital Expenditure	**30,755**	**13,988**	**12,052**	**-14%**	**-61%**
Waste Management					
Refurbishment Villiersdorp Water Treatment Facility (WTF)	4,000	–	–	–	-100%
Provision of Professional Services: Greyton Landfill Rehab	,500	–	–	–	-100%
Provision of Professional Services: Botrivier Drop Off	,500	–	–	–	-100%
Total Waste Management Capital Expenditure	**5,000**	**–**	**–**	–	**-100%**
Electricity					
Electrification TWK Area	5,913	4,206	2,666	-37%	-55%
Upgrading network Uitsig	2,300	,72	,62	-13%	-97%
Replacement of Miniature substations & upgrade of 11kV Network	,800	,72	,62	-13%	-92%
Upgrading network Bergsig 10 th Avenue	,700	,72	,62	-13%	-91%
Replace overhead line (Buitenkant street)	1,500	,72	,62	-13%	-96%

Upgrading network Neethling,Church and Myburgh Streets	1,200	,72	,62	-13%	-95%
Upgrading network Parkstreet	1,200	,72	,62	-13%	-95%
Replace Streetlight luminairs with LED luminairs	5,000	–	–	–	-100%
Total Electricity Capital Expenditure	**18,613**	**4,637**	**3,040**	**-34%**	**-84%**
Waste Water Management					
Upgrading of Caledon Bulk Sewer Pipe Line	5,000	–	–	–	-100%
Upgrading of Grabouw Gypsy Queen Bulk Sewer and Water	11,800	5,968	3,305	-45%	-72%
Replace and Relocate Sewer Network in Gaffley Street, Grabouw	2,500	–	–	–	-100%
Replace Sewer network in Loop Street, Grabouw	2,500	–	–	–	-100%
Upgrading of Disa Laan Pump Station in RSE	1,500	–	–	–	-100%
Upgrading of Caledon Waste Water Treatment Works (WWTW)	6,500	–	–	–	-100%
Provision of Professional Services: New Tesselaarsdal Waste	,500	–	–	–	-100%
Upgrading of Greyton Waste Water Treatment Works (WWTW)	3,000	–	–	–	-100%
Upgrading of the Housing Bulk Sewer Connection on Erf 595	,600	,167	,167	0%	-72%
Upgrading of Botrivier Waste Waster Treatment Works (WWTW)	7,948	2,819	2,157	-23%	-73%
Botrivier septic tank eradication	2,609	,160	,160	0%	-94%
Total Waste Water Management Capital Expenditure	**44,457**	**9,113**	**5,789**	**-36%**	**-87%**
Housing					
Grabouw - Hillside : Installation of Civil Engineering	8,000	–	–	–	-100%
Greyton Portion of Erf 595: Detailed Planning	2,000	1,305	1,021	-22%	-49%
Greater Grabouw Planning	–	,423	,423	0%	–
Caledon Riemvasmaak	2,000	1,984	1,984	0%	-1%
Rooidakke (1054)	3,000	1,114	1,139	2%	-62%
Grabouw Iraq	12,000	–	–	–	-100%
Gypsy Queen (255)	3,000	2,000	2,000	0%	-33%
Greater Grabouw - Gyspsey Queen	,500	–	–	–	-100%
Greater Villiersdorp UISP (2600)	2,300	–	–	–	-100%
Villiersdorp Destiny Farm (1133)	39,983	116,708	69,776	-40%	75%

Water Works Emergency Housing (67) - Gypsey Queen	1,200	1,116	1,116	0%	-7%
Botriver Beaumont Services Ph1(272) Ph2(774)	2,000	,150	,150	0%	-93%
Total Housing Capital Expenditure	**75,983**	**124,800**	**77,609**	**-38%**	**2%**
Sport and Recreation					
Upgrading of Pineview Park sport Ground in Grabouw	2,670	2,513	1,114	-56%	-58%
Upgrading of clubhouse	,750	–	–	–	-100%
Total Sport and Recreation Capital Expenditure	**3,420**	**2,513**	**1,114**	**-56%**	**-67%**
Fleet					
Upgrading of Fleet	10,000	7,424	7,419	0%	-26%
Total Fleet Capital Expenditure	**10,000**	**7,424**	**7,419**	**0%**	**-26%**
Roads and Stormwater					
Construction of Grabouw Drivers License Testing Centre (DLT	7,200	–	–	–	-100%
Upgrading of Chavonnes Bridge in Caledon	3,000	–	–	–	-100%
Upgrading of Mountain View Street in Middleton	,870	–	–	–	-100%
Upgrading of the Caledon Waste Transfer Facility (WTF)	5,500	–	–	–	-100%
Upgrading of Muller Street Stormwater in RSE	2,000	–	–	–	-100%
Upgrading of Freezia Street in RSE	,780	–	–	–	-100%
Upgrading of Carl Jonas Street in Genadendal	2,500	–	–	–	-100%
Provision of Professional Services: Upgrading of Bosmanskloof	,500	–	–	–	-100%
Upgrading of Murtle Street in Botrivier	2,000	–	–	–	-100%
Caledon Roadway Enhancement: 40mm A-E2 Frictional Asphalt Resurfacing Hoop Street and Plein Street from 0km to 1,49km	–	6,300	–	-100%	–
Flood damages	–	3,481	–	-100%	–
Infrastructure in the Rooidakke Development in Grabouw project	–	3,261	,341	-90%	–
Total Roads and Stormwater Capital Expenditure	**24,350**	**13,042**	**,341**	**-97%**	**-99%**
Land and Buildings					
Villiersdorp Upgrade Phase III - Taxi Rank	,900	2,000	,629	-69%	-30%
Construction of Caledon Cemetery Access Paths	2,742	,721	,11	-99%	-100%

Construction of New Cemetery at Uitsig, Caledon	–	–	–	–	–
Total Land and Buildings Capital Expenditure	**3,642**	**2,721**	**,640**	**-76%**	**-82%**
Inventory					
Computer Equipment (New)	1,185	1,012	,451	-55%	-62%
Machinery and Equipment (New)	1,331	,709	,293	-59%	-78%
Furniture and Office Equipment (New)	,475	,70	,78	11%	-84%
Furniture and Office Equipment (Housing)	,75	,71	–	-100%	-100%
Machinery and Equipment (Renewal)	,11	–	–	–	-100%
Computer Equipment	,20	–	–	–	-100%
Furniture and Equipment (New)	,88	–	–	–	-100%
Computer Equipment (Renew)	,25	–	–	–	-100%
Furniture and Equipment (Renew)	,11	–	–	–	-100%
Computer Equipment (Upgrade)	,50	–	–	–	-100%
Computer Equipment (Housing)	,75	,71	–	-100%	-100%
Machinery and Equipment (Housing)	,40	–	–	–	-100%
Furniture and Office Equipment	,8	–	–	–	-100%
Machinery and Equipment	,62	–	–	–	-100%
Total Inventory Capital Expenditure	**3,454**	**1,933**	**,822**	**-57%**	**-76%**
Total Capital Programmeme by Project	**219,675**	**180,170**	**108,827**	**-40%**	**-50%**

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

First

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

First

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	

Final

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 Programmeme		
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.***

Final

VOLUME II: AUDITED ANNUAL FINANCIAL STATEMENTS

Final

THEEWATERSKLOOF LOCAL MUNICIPALITY

Theewaterskloof
Municipality

AUDITED ANNUAL FINANCIAL STATEMENTS

30 JUNE 2025

AUDITOR-GENERAL
SOUTH AFRICA

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THEEWATERSKLOOF LOCAL MUNICIPALITY

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29 November 2025
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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	J Smit	
Ward 11	DA Jacobs	
Ward 12	MS Shale	
Ward 13	MA Nomkoko	
Ward 14	S Fredericks	
Proportional	C Clayton	(inaugurated October 2024)
Proportional	DA Appel	
Proportional	B Mkwhibiso	
Proportional	RM Nongxaza	
Proportional	T Lemina	
Proportional	H Syster	
Proportional	W Wells	(inaugurated October 2024)
Proportional	H Linnerts	(inaugurated October 2024)
Proportional	J Lekhori	(inaugurated July 2024)
Proportional	M Gana	
Proportional	T Zimmermann	
Proportional	LM De Bruyn	
Proportional	V Papier	(inaugurated December 2024)
Proportional	J Michels	(served until October 2024)
Proportional	S Shuma	(inaugurated August 2024; served until October 2024)
Proportional	J Mckenzie	(served until October 2024)
Proportional	M Liebenberg	(served until November 2024)
Proportional	M Mathews	(served until July 2024)

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29 November 2025
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THEEWATERSKLOOF LOCAL MUNICIPALITY

GENERAL INFORMATION

MEMBERS OF THE MAYORAL COMMITTEE

Executive Mayor	LM De Bruyn	(from August 2024)
Executive Mayor	M Liebenberg	(until August 2024)
Deputy Executive Mayor	C Clayton	(from November 2024)
Deputy Executive Mayor	S Shuma	(from August 2024 to until October 2024)
Deputy Executive Mayor	J Michels	(until August 2024)
Speaker	W Wells	(from November 2024)
Speaker	J Michels	(from August 2024 to until October 2024)
Speaker	DA Appel	(until August 2024)
Executive Councillor	C Cloete	(from November 2024)
Executive Councillor	Y van Tonder	(from November 2024)
Executive Councillor	S Fredericks	(from November 2024)
Executive Councillor	M Plato- Mentoor	(from November 2024)
Executive Councillor	H Linnerts	(from November 2024)
Executive Councillor	J Mckenzie	(until October 2024)
Executive Councillor	RL Mienies	(until August 2024)
Executive Councillor	RM Nongxaza	(until August 2024)
Executive Councillor	T Lemina	(until August 2024)
Executive Councillor	BB Mkhwibiso	(until August 2024)

MUNICIPAL MANAGER

Mr W Hendricks	(fixed term appointment from 1 July 2025)
Mr W Hendricks	(acting from 1 February 2025 until 30 June 2025)
Mr J Amansure	(acting from 23 December 2024 until 31 January 2025)
Mr R Stevens	(acting from 23 June 2024 until 22 December 2024)

CHIEF FINANCIAL OFFICER

Mr P Mabhena	(permanently appointed from 9 October 2024)
Mr A Riddles	(acting from 17 September 2024 to 8 October 2024)
Vacant	(from 1 July 2024 - 16 September 2024)

AUDIT COMMITTEE

Mr E Lakey - Chairperson
Ms R Gani
Ms V Jobe (resigned 20 June 2025)

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

AUDITOR-GENERAL SOUTH AFRICA
29 November 2025
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THEEWATERSKLOOF LOCAL MUNICIPALITY

GENERAL INFORMATION

ATTORNEYS

Brink & Thomas Incorporated
Fairbridges Attorneys
Bradley Conradie Halton Cheadle
Enderstein Malumbete
Kruger & Blignaut

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
Municipal Land Use Planning By-Law, 2020
Extension of Security of Tenure (Act 62 of 1997)
Uniform Rules of Court

AUDITOR-GENERAL SOUTH AFRICA
29 November 2025
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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 2025, which are set out on pages 1 to 102 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 2026 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.

Mr W Hendricks
Municipal Manager

30. 8. 2025
Date

AUDITOR-GENERAL SOUTH AFRICA
29 November 2025
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THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2025

	Notes	2025 R (Actual)	2024 R (Restated)
ASSETS			
Current Assets		**105 078 679**	**113 968 865**
Cash and Cash Equivalents	**2**	17 624 430	16 382 868
Current Investments	**13**	-	14 626 575
Receivables from Exchange Transactions	**3**	43 278 207	42 632 454
Receivables from Non-Exchange Transactions	**4**	26 927 891	23 361 657
Taxes	**5**	6 454 693	5 598 541
Operating Leases	**6**	667 901	630 774
Current Portion of Long-term Receivables	**7**	2 266 683	1 786 841
Inventory	**8**	7 858 873	8 949 155
Non-Current Assets		**1 329 461 278**	**1 256 199 663**
Long-term Receivables	**7**	7 237 691	5 131 335
Investment Property	**9**	67 261 934	67 392 741
Property, Plant and Equipment	**10**	1 254 530 434	1 183 212 613
Intangible Assets	**11**	157 576	214 158
Heritage Assets	**12**	-	-
Non-current Investments	**13**	273 643	248 817
Total Assets		**1 434 539 957**	**1 370 168 528**
LIABILITIES			
Current Liabilities		**318 258 426**	**318 283 934**
Current Portion of Long-term Liabilities	**14**	33 338 186	26 957 321
Consumer Deposits	**15**	6 862 893	6 144 594
Payables from Exchange Transactions	**16**	216 887 119	196 945 388
Unspent Conditional Government Grants	**17**	25 698 857	54 592 306
Unspent Public Contributions	**18**	124 377	124 377
Current Employee Benefits	**19**	35 346 994	33 519 948
Current Provisions	**20**	-	-
Non-Current Liabilities		**334 764 073**	**328 921 555**
Long-term Liabilities	**14**	124 653 222	154 400 067
Employee Benefits	**21**	74 890 000	64 468 000
Non-Current Provisions	**22**	135 220 851	110 053 489
Total Liabilities		**653 022 499**	**647 205 490**
NET ASSETS		**781 517 458**	**722 963 039**
COMMUNITY WEALTH			
Accumulated Surplus		781 517 458	722 963 039
		781 517 458	**722 963 039**

AUDITOR-GENERAL SOUTH AFRICA
29 November 2025
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THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2025

	Notes	2025 R (Actual)	2024 R (Restated)
REVENUE			
REVENUE FROM NON-EXCHANGE TRANSACTIONS		**449 487 260**	**419 732 349**
Taxation Revenue		**161 347 202**	**153 615 706**
Property Rates	**23**	161 347 202	153 615 706
Transfer Revenue - Operating		**149 488 382**	**142 816 758**
Government Grants and Subsidies - Operating	**24**	149 488 382	142 295 019
Public Contributions and Donations	**25**	-	521 740
Transfer Revenue - Capital		**103 439 974**	**79 803 716**
Government Grants and Subsidies - Capital	**24**	103 395 418	77 999 337
Contributed Assets	**26**	44 556	1 804 379
Other Revenue		**35 211 702**	**43 496 169**
Availability Charges	**27**	5 536 768	5 250 479
Fines, Penalties and Forfeits	**28**	28 519 962	20 794 954
Fair Value Adjustment Gains	**29**	217 340	16 498 458
Other Income (Non-Exchange)	**30**	937 633	952 280
REVENUE FROM EXCHANGE TRANSACTIONS		**401 279 478**	**367 954 720**
Operating Activities		**401 279 478**	**367 954 720**
Service Charges	**31**	341 481 524	307 235 352
Rental of Facilities and Equipment	**32**	2 097 325	2 038 661
Interest Earned - External Investments	**33**	3 484 407	6 150 879
Interest Earned - Outstanding Debtors	**34**	28 820 327	28 428 544
Agency Services	**35**	8 352 463	7 938 120
Library Services	**36**	8 641 739	10 462 937
Other Income (Exchange)	**37**	8 401 693	5 700 228
CONSTRUCTION CONTRACTS	**38**	**5 275 387**	**-**
TOTAL REVENUE		**856 042 124**	**787 687 070**
EXPENDITURE			
Employee Related Costs	**39**	283 154 149	276 550 832
Remuneration of Councillors	**40**	13 148 261	13 189 413
Debt Impairment	**41**	100 461 167	88 787 711
Depreciation and Amortisation	**42**	35 341 245	34 240 737
Impairment	**43**	5 979 245	-
Finance Charges	**44**	47 204 499	41 699 341
Bulk Purchases	**45**	148 675 501	123 274 458
Contracted Services	**46**	63 838 859	142 111 229
Transfers and Grants	**47**	4 916 357	8 122 821
Other Expenditure	**48**	83 475 304	128 339 468
Loss on disposal of Non-Monetary Assets	**49**	7 677 329	40 340 813
Fair Value Adjustment Losses	**50**	3 615 810	131 312
TOTAL EXPENDITURE		**797 487 725**	**896 788 136**
NET SURPLUS/(DEFICIT) FOR THE YEAR		**58 554 400**	**(109 101 067)**

AUDITOR-GENERAL SOUTH AFRICA
29 November 2025
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THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDING 30 JUNE 2025

	CAPITAL REPLACEMENT RESERVE R	ACCUMULATED SURPLUS R	TOTAL R
Balance on 30 June 2023 - Previously Reported	**50 052 457**	**781 543 188**	**831 595 646**
Correction of error restatement - refer to note 51.5	-	468 464	468 464
Balance on 30 June 2023 - Restated	**50 052 457**	**782 011 652**	**832 064 109**
Net Deficit for the year	-	(109 101 070)	(109 101 070)
Transfer to/(from) Capital Replacement Reserve	(50 052 457)	50 052 457	-
Balance on 30 June 2024 - Restated	**-**	**722 963 039**	**722 963 039**
Net Surplus for the year	-	58 554 419	58 554 419
Balance on 30 June 2025	**-**	**781 517 458**	**781 517 458**

AUDITOR-GENERAL SOUTH AFRICA
29 November 2025
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THEEWATERSKLOOF LOCAL MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDING 30 JUNE 2025

	Notes	2025 R (Actual)	2024 R (Restated)
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Property Rates		157 204 418	149 081 611
Service Charges and Interest on outstanding Debtors		296 988 030	265 234 654
Other Revenue and Receipts		37 735 185	35 796 359
Government Grants		153 619 797	255 446 962
Investment Income		2 553 848	5 088 757
Payments			
Suppliers and Employees		(577 538 105)	(605 453 772)
Finance Charges		(16 637 179)	(21 622 624)
Transfer and Grants		(4 916 357)	(8 122 821)
NET CASH FROM OPERATING ACTIVITIES	**52**	**49 009 636**	**75 449 126**
CASH FLOW FROM INVESTING ACTIVITIES			
Receipts			
Proceeds from sale of Property, Plant and Equipment		1 207 137	678 435
Decrease in Investments		1 530 200	-
Investment Income		5 537 109	-
Payments			
Purchase of Capital Assets		(41 146 359)	(124 362 917)
NET CASH USED INVESTING ACTIVITIES		**(32 871 913)**	**(123 684 483)**
CASH FLOW FROM FINANCING ACTIVITIES			
Receipts			
New Loans Raised		-	-
Payments			
Loans Repaid		(14 896 162)	(21 298 156)
NET CASH USED FINANCING ACTIVITIES		**(14 896 162)**	**(21 298 156)**
NET INCREASE/(DECREASE) IN CASH HELD		**1 241 562**	**(69 533 512)**
Cash and Cash Equivalents at the beginning of the year		16 382 868	85 916 380
Cash and Cash Equivalents at the end of the year		17 624 430	16 382 868

AUDITOR-GENERAL SOUTH AFRICA
29 November 2025
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THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET R	ADJUSTMENTS R	FINAL BUDGET R	ACTUAL R	ACTUAL VS FINAL BUDGET R
STATEMENT OF FINANCIAL POSITION					
ASSETS					
Current Assets					
Cash and Cash Equivalents	-	11 736 431	11 736 431	17 624 430	5 887 999
Trade and Other Receivables from Exchange Transactions	40 694 560	2 727 948	43 422 508	43 278 207	(144 301)
Receivables from Non-Exchange Transactions	57 279 669	(26 660 303)	30 619 366	26 927 891	(3 691 474)
Current Portion of Non-Current Receivables	702 045	1 084 796	1 786 841	2 266 683	479 842
Inventory	12 457 565	(3 508 410)	8 949 155	7 858 873	(1 090 283)
VAT	13 106 799	(753)	13 106 045	6 454 693	(6 651 352)
Other Current Assets	611 421	19 354	630 774	667 901	37 127
Total Current Assets	**124 852 058**	**(14 600 938)**	**110 251 120**	**105 078 679**	**(5 172 441)**
Non Current Assets					
Investments	16 428 680	(7 779 863)	8 648 817	273 643	(8 375 174)
Investment Property	68 564 654	(1 171 913)	67 392 741	67 261 934	(130 807)
Property, Plant and Equipment	1 484 321 448	(158 080 829)	1 326 240 619	1 254 530 434	(71 710 184)
Intangible Assets	152 313	1 333	153 646	157 576	3 930
Other Non-Current Assets	940 461	4 190 874	5 131 335	7 237 691	2 106 356
Total Non Current Assets	**1 570 407 555**	**(162 840 398)**	**1 407 567 157**	**1 329 461 278**	**(78 105 879)**
TOTAL ASSETS	**1 695 259 613**	**(177 441 335)**	**1 517 818 277**	**1 434 539 957**	**(83 278 320)**
LIABILITIES					
Current Liabilities					
Bank Overdraft	18 736 866	(18 736 866)	-	-	-
Financial Liabilities	29 204 403	(7 947 278)	21 257 125	33 338 186	12 081 061
Consumer Deposits	6 164 036	349 234	6 513 270	6 862 893	349 623
Trade and Other Payables from Exchange Transactions	113 954 198	153 402 224	267 356 422	216 887 119	(50 469 303)
Trade and Other Payables from Non-Exchange Transactions	787 508	15 657 489	16 444 997	25 823 234	9 378 237
Provisions	34 343 099	10 474 067	44 817 166	35 346 994	(9 470 172)
Total Current Liabilities	**203 190 110**	**153 198 870**	**356 388 980**	**318 258 426**	**(38 130 554)**
Non Current Liabilities					
Financial Liabilities	269 769 310	(136 531 315)	133 237 995	124 653 222	(8 584 773)
Provision	217 029 708	(22 536 696)	194 493 012	210 110 851	15 617 839
Total Non Current Liabilities	**486 799 018**	**(159 068 011)**	**327 731 007**	**334 764 073**	**7 033 066**
TOTAL LIABILITIES	**689 989 127**	**(5 869 141)**	**684 119 986**	**653 022 499**	**(31 097 488)**
NET ASSETS	**1 005 270 486**	**(171 572 195)**	**833 698 291**	**781 517 458**	**(52 180 833)**
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus	1 005 270 486	(171 572 195)	833 698 291	781 517 458	(52 180 833)
TOTAL COMMUNITY WEALTH/EQUITY	**1 005 270 486**	**(171 572 195)**	**833 698 291**	**781 517 458**	**(52 180 833)**

Refer to note 54.2 for explanations of material variances.

Material variances are considered to be any variances greater than R8 million.

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THEEWATERSKLOOF LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDING 30 JUNE 2025

	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							
Exchange Revenue							
Service charges - Electricity	147 247 127	5 535 874	152 783 001	-	152 783 001	150 631 575	(2 151 426)
Service charges - Water	93 493 178	2 543 822	96 037 000	-	96 037 000	98 181 696	2 144 696
Service charges - Waste Water Management	44 970 430	7 535 940	52 506 370	-	52 506 370	46 372 262	(6 134 108)
Service charges - Waste Management	44 748 880	(416 880)	44 332 000	-	44 332 000	44 412 183	80 183
Sale of Goods and Rendering of Services	26 953 327	(12 163 185)	14 790 142	-	14 790 142	4 482 116	(10 308 026)
Agency Services	9 894 125	-	9 894 125	-	9 894 125	8 352 463	(1 541 662)
Interest Earned from Receivables (Exchange)	27 426 475	(1 441 475)	25 985 000	-	25 985 000	24 800 212	(1 184 788)
Interest Earned from Current and Non Current Assets	7 762 950	(3 912 950)	3 850 000	-	3 850 000	3 484 407	(365 594)
Rent on Land	1 049	-	1 049	-	1 049	-	(1 049)
Rental from Fixed Assets	1 716 288	-	1 716 288	-	1 716 288	2 097 325	381 037
Licences and Permits	24 539	-	24 539	-	24 539	71 125	46 586
Operational Revenue (Exchange)	3 406 479	196 646	3 603 125	-	3 603 125	5 003 424	1 400 299
Non-Exchange Revenue							
Property Rates	161 158 121	(34 121)	161 124 000	-	161 124 000	161 347 202	223 202
Surcharges and Taxes	1 917 000	(20 000)	1 897 000	-	1 897 000	1 883 808	(13 192)
Fines, Penalties and Forfeits	34 393 958	(4 524 000)	29 869 958	-	29 869 958	28 519 962	(1 349 996)
Transfers and Subsidies - Operational	165 949 951	3 195 720	169 145 671	-	169 145 671	163 405 508	(5 740 163)
Interest Earned from Receivables (Non-Exchange)	6 116 750	(1 838 750)	4 278 000	-	4 278 000	4 020 115	(257 885)
Operational Revenue (Non-Exchange)	5 130 356	7 857 644	12 988 000	-	12 988 000	5 536 768	(7 451 232)
Gains on Disposal of Assets	45 010	-	45 010	-	45 010	-	(45 010)
Other Gains	5 301 000	245 000	5 546 000	-	5 546 000	-	(5 546 000)
Total Revenue (excluding capital transfers)	**787 656 993**	**2 759 285**	**790 416 278**	**-**	**790 416 278**	**752 602 151**	**(37 814 127)**
EXPENDITURE							
Employee Related Costs	273 248 679	9 875 603	283 124 282	-	283 124 282	281 508 900	(1 615 382)
Remuneration of Councillors	14 356 276	-	14 356 276	-	14 356 276	13 148 261	(1 208 015)
Bulk Purchases - Electricity	100 717 761	25 000 000	125 717 761	-	125 717 761	120 103 715	(5 614 046)
Inventory Consumed	39 925 745	6 591 365	46 517 110	-	46 517 110	39 710 746	(6 806 364)
Debt Impairment	126 999 850	(12 933 845)	114 066 005	-	114 066 005	100 461 167	(13 604 838)
Depreciation and Amortisation	35 811 040	(120 000)	35 691 040	-	35 691 040	41 320 523	5 629 483
Interest	47 642 335	2 290 635	49 932 970	-	49 932 970	47 204 499	(2 728 471)
Contracted Services	58 065 105	12 054 086	70 119 191	-	70 119 191	58 563 472	(11 555 719)
Transfers and Subsidies	5 781 382	2 236 072	8 017 454	-	8 017 454	5 501 302	(2 516 152)
Operational Costs	76 381 396	12 327 780	88 709 176	-	88 709 176	78 672 035	(10 037 141)
Losses on Disposal of Assets	3 213 937	(1 649 527)	1 564 410	-	1 564 410	7 677 311	6 112 901
Other Losses	5 301 000	345 000	5 646 000	-	5 646 000	3 615 810	(2 030 190)
Total Expenditure	**787 444 506**	**56 017 169**	**843 461 675**	**-**	**843 461 675**	**797 487 741**	**(45 973 934)**
Surplus/(Deficit)	**212 487**	**(53 257 884)**	**(53 045 397)**	**-**	**(53 045 397)**	**(44 885 590)**	**8 159 807**
Transfers and Subsidies - Capital (monetary allocations)	112 747 785	(50 825 738)	61 922 047	-	61 922 047	38 444 084	(23 477 963)
Transfers and Subsidies - Capital (in-kind)	-	101 790 176	101 790 176	-	101 790 176	64 995 890	(36 794 286)
Surplus/(Deficit) for the year	**112 960 272**	**(2 293 446)**	**110 666 826**	**-**	**110 666 826**	**58 554 384**	**(52 112 442)**

Refer to note 54.1 for the reconciliation performed of actuals to be on a comparable basis to the budget.

Refer to note 54.3 for explanations of material variances.

Material variances are considered to be any variances greater than R8 million.

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDING 30 JUNE 2025

	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	149 905 685	3 323 239	153 228 924	157 204 418	3 975 494
Service Charges	273 833 142	11 868 674	285 701 816	296 988 030	11 286 214
Other Revenue	45 601 142	2 057 646	47 658 789	22 421 043	(25 237 746)
Transfers and Subsidies	278 697 736	(85 901 704)	192 796 032	163 761 536	(29 034 496)
Interest	10 335 140	(3 458 840)	6 876 300	7 918 485	1 042 185
Payments					
Suppliers and Employees	(588 434 771)	33 144 823	(555 289 948)	(577 538 105)	(22 248 157)
Finance Charges	(25 296 734)	(3 702 236)	(28 998 970)	(16 637 179)	12 361 791
Transfers and Grants	(5 781 382)	(2 236 072)	(8 017 454)	(4 916 357)	3 101 097
Net Cash from/(used) Operating Activities	**138 859 958**	**(44 904 470)**	**93 955 489**	**49 201 870**	**(44 753 619)**
CASH FLOW FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	45 010	-	45 010	1 207 137	1 162 127
Decrease/(Increase) in Other Non-Current Investments	(1 216 939)	7 443 515	6 226 575	6 156 775	(69 800)
Payments					
Capital Assets	(219 674 818)	141 294 899	(78 379 919)	(41 146 359)	37 233 560
Net Cash from/(used) Investing Activities	**(220 846 747)**	**148 738 413**	**(72 108 334)**	**(33 782 447)**	**38 325 887**
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts					
Borrowing long term/refinancing	98 104 348	(98 104 348)	-	-	-
Increase/(Decrease) in Consumer Deposits	348 908	19 768	368 676	718 300	349 624
Payments					
Repayment of Borrowing	(34 170 659)	7 308 391	(26 862 268)	(14 896 162)	11 966 106
Net Cash from/(used) Financing Activities	**64 282 597**	**(90 776 189)**	**(26 493 592)**	**(14 177 862)**	**12 315 731**
NET INCREASE/(DECREASE) IN CASH HELD	**(17 704 192)**	**13 057 754**	**(4 646 437)**	**1 241 562**	**5 887 999**
Cash and Cash Equivalents at the year begin	(1 032 674)	17 415 543	16 382 868	16 382 868	-
Cash and Cash Equivalents at the year end	(18 736 866)	30 473 297	11 736 431	17 624 430	5 887 999

Refer to note 54.1 for the reconciliation performed of actuals to be on a comparable basis to the budget.

Refer to note 54.4 for explanations of material variances.

Material variances are considered to be any variances greater than R8 million.

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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.

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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 not to early adopt the following Standards of GRAP which was issued but is not yet effective:

1.08.1.1 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.

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1.08.1.2 iGRAP 22 - Foreign Currency Transactions and Advance Consideration (effective 1 April 2025)

This Interpretation addresses how to determine the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or revenue (or part of it) on the derecognition of a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency.

No significant impact is expected as the Municipality is not exposed to any significant foreign currency transactions.

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 GRAP 105 (Revised 2023) - Transfer of Functions Between Entities Under Common Control

This Standard of GRAP was revised in order to align to IPSAS 40 on Public Sector Combinations and IFRS 3 on Business Combinations.

The impact of this Standard on the financial statements will not be significant, as the Municipality is not currently party to, or foresee that it will be party to any transfers of functions in the near future.

1.08.2.3 GRAP 106 (Revised 2023) - Transfer of Functions Between Entities Not Under Common Control

This Standard of GRAP was revised in order to align to IPSAS 40 on Public Sector Combinations and IFRS 3 on Business Combinations.

The impact of this Standard on the financial statements will not be significant, as the Municipality is not currently party to, or foresee that it will be party to any transfers of functions in the near future.

1.08.2.4 GRAP 107 (Revised 2023) - Mergers

This Standard of GRAP was revised in order to align to IPSAS 40 on Public Sector Combinations and IFRS 3 on Business Combinations.

The impact of this Standard on the financial statements will not be significant, as the Municipality is not currently party to, or foresee that it will be party to any mergers in the near future.

1.08.2.5 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.

The impact of these amendments to the Standard on the financial statements will not be significant.

1.08.2.6 Improvements to the Standards of GRAP (2023)

The effect of the improvements to the current pronouncements to the Standard of GRAP is considered insignificant. The improvements mainly relates to the clarification of accounting principles.

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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.

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

	YEARS
Buildings	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.

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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	Infinite	Parks and Gardens	15 - 20
Buildings	20 - 100	Cemeteries	30
		Other Assets	
Infrastructure		Computer Equipment	3 - 15
Roads and Storm Water	5 - 150	Furniture and Office Equipment	3 - 20
Electricity Network	10 - 100	Machinery and Equipment	2 - 35
Sewerage Network	10 - 200	Transport Assets	5 - 35
Water Network	10 - 200		
Refuse Removal	20 - 50		

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.

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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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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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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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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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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 Defined Contribution Plans

The Municipality contributes to various defined contribution plans on behalf of its qualifying employees. 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.

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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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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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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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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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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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.

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 recognised 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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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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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 Infrastructure. The Municipality assesses the terms and conditions of each contract concluded with the provincial Department of Infrastructure 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 Infrastructure. The responsibility of appointment and payment of the contractors ultimately vest with the provincial Department of Infrastructure.

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 Infrastructure. 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 Infrastructure.

The binding agreements entered into with the provincial Department of Infrastructure 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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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 measures 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 periods 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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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 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 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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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 on independent valuator. The valuator's valuation was based on assumptions about the market's buying and selling trends and the remaining duration of the assets.

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

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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 items 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.

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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 be 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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Figures in Rand			2025	2024
2	**CASH AND CASH EQUIVALENTS**			
	Bank Accounts		2 395 294	16 373 169
	Investment Deposits		15 221 686	-
	Cash Floats		7 450	9 699
	Total		**17 624 430**	**16 382 868**
	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 Infrastructure		945 586	933 786
	Unspent Conditional Grants		25 698 857	54 592 306
	Unspent Public Contributions		124 377	124 377
	VAT Payable		2 305 987	2 811 988
	Total		**29 074 807**	**58 462 456**
	Grant funding utilised for own working capital requirements		11 450 377	42 079 588
	Overdraft facilities available during the financial year with Standard Bank of South Africa Limited		30 000 000	-
2.1	**Bank Accounts**			
	Standard Bank of South Africa Limited - Account Number 072-331-348 (Current Primary Account)		2 395 294	16 373 169
	Standard Bank of South Africa Limited - Account Number 072-339-713 (Traffic Account)		-	-
	ABSA Bank Limited - Account Number 08-2014-6603 (Income Account)		-	-
	Total		**2 395 294**	**16 373 169**
	Standard Bank of South Africa Limited - Account Number 072-331-348 (Current Primary Account)			
	Cash book balance at beginning of year		16 373 169	85 686 164
	Cash book balance at end of year		2 395 294	16 373 169
	Bank statement balance at beginning of year		15 837 662	84 879 707
	Bank statement balance at end of year		1 362 422	15 837 662
	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 08-2014-6603 (Income Account)			
	Cash book balance at beginning of year		-	220 517
	Cash book balance at end of year		-	-
	Bank statement balance at beginning of year		-	220 517
	Bank statement balance at end of year		-	-
	Account was closed on 23 August 2023.			
2.2	**Investment Deposits**			
	Interneuron Capital Ltd	- Notice deposit (CA 002)	430 224	430 224
	Standard Bank of South Africa Limited	- Money Market Call Account (078805570-005)	13 313 300	-
	Standard Bank of South Africa Limited	- Money Market Call Account (078805570-006)	1 908 386	-
			15 651 910	**430 224**
	Less: Provision for Impairment		(430 224)	(430 224)
	Total		**15 221 686**	**-**

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Figures in Rand	2025	2024

2 CASH AND CASH EQUIVALENTS (CONTINUED)

An amount of R 430 224 (2024: R 430 224), included in 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	**348 616 448**	**299 647 275**
Electricity	14 379 111	14 002 644
Water	80 111 326	65 873 726
Refuse	76 753 998	68 460 340
Sewerage	70 148 420	61 375 181
Interest	100 730 248	84 343 274
Other	6 493 344	5 592 109
Other Receivables	**2 348 575**	**5 264 628**
Prepaid Expenditure	2 339 203	5 070 521
Accrued Interest	9 372	194 107
Total Gross Balance	**350 965 023**	**304 911 903**
Less: Allowance for Debt Impairment	(307 686 816)	(262 279 450)
Total Net Receivable	**43 278 207**	**42 632 454**

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 Liabilites.

Reconciliation of Allowance for Debt Impairment

Balance at the beginning of the year	262 279 450	215 054 561
Movement in the contribution to the provision	77 584 148	69 261 830
Electricity	1 064 047	(1 554 862)
Water	23 319 631	22 192 688
Refuse	14 410 341	13 284 367
Sewerage	12 755 816	11 559 879
Interest	24 685 580	21 902 242
Other	1 348 733	1 877 517
Bad Debts Written off	(32 176 782)	(22 036 942)
Electricity	(975 043)	(85 381)
Water	(10 575 559)	(9 773 937)
Refuse	(6 459 298)	(4 178 352)
Sewerage	(5 655 418)	(3 671 771)
Interest	(7 979 250)	(4 000 460)
Other	(532 215)	(327 041)
Balance at the end of the year	**307 686 816**	**262 279 450**

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.

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3 RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

	Gross Balance R	Allowance for Debt Impairment R	Net Receivable R
30 June 2025			
Service Receivables			
Electricity	14 379 111	(1 845 918)	12 533 194
Water	80 111 326	(65 225 207)	14 886 119
Refuse	76 753 998	(72 133 662)	4 620 336
Sewerage	70 148 420	(63 771 955)	6 376 465
Interest	100 730 248	(98 816 992)	1 913 256
Other	6 493 344	(5 893 082)	600 262
Other Receivables			
Prepaid Expenditure	2 339 203	-	2 339 203
Accrued Interest	9 372	-	9 372
Total	**350 965 023**	**(307 686 816)**	**43 278 207**
30 June 2024			
Service Receivables			
Electricity	14 002 644	(1 756 913)	12 245 730
Water	65 873 726	(52 481 135)	13 392 591
Refuse	68 460 340	(64 182 619)	4 277 722
Sewerage	61 375 181	(56 671 557)	4 703 625
Interest	84 343 274	(82 110 662)	2 232 612
Other	5 592 109	(5 076 564)	515 545
Other Receivables			
Prepaid Expenditure	5 070 521	-	5 070 521
Accrued Interest	194 107	-	194 107
Total	**304 911 903**	**(262 279 450)**	**42 632 454**

Ageing of Receivables from Exchange Transactions

	2025	2024
Electricity		
0 - 30 Days (Current)	11 251 322	10 486 284
1 to 3 months	1 877 224	1 925 571
4 months to 1 year	544 752	933 627
Over 1 year	705 813	657 161
Total	**14 379 111**	**14 002 644**
Water		
0 - 30 Days (Current)	15 623 043	13 610 678
1 to 3 months	8 806 749	8 909 965
4 months to 1 year	13 549 547	15 799 648
Over 1 year	42 131 987	27 553 435
Total	**80 111 326**	**65 873 726**
Refuse		
0 - 30 Days (Current)	4 778 611	4 073 562
1 to 3 months	5 859 197	6 931 581
4 months to 1 year	11 531 092	12 839 000
Over 1 year	54 585 098	44 616 198
Total	**76 753 998**	**68 460 340**

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3 RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

Sewerage		
0 - 30 Days (Current)	7 166 222	4 984 487
1 to 3 months	4 969 446	5 843 931
4 months to 1 year	9 942 657	10 842 237
Over 1 year	48 070 095	39 704 526
Total	**70 148 420**	**61 375 181**
Interest		
0 - 30 Days (Current)	3 090 365	2 570 574
1 to 3 months	8 806 949	9 762 908
4 months to 1 year	17 420 480	20 677 591
Over 1 year	71 412 455	51 332 200
Total	**100 730 248**	**84 343 274**
Other		
0 - 30 Days (Current)	613 619	542 347
1 to 3 months	942 802	880 454
4 months to 1 year	1 385 032	1 369 702
Over 1 year	3 551 890	2 799 605
Total	**6 493 344**	**5 592 109**
Summary Ageing of all Receivables from Exchange Transactions		
0 - 30 Days (Current)	42 523 182	36 267 933
1 to 3 months	31 262 367	34 254 410
4 months to 1 year	54 373 560	62 461 806
Over 1 year	220 457 339	166 663 126
Total	**348 616 448**	**299 647 275**

4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Service Receivables	**59 131 898**	**56 428 718**
Property Rates	46 340 864	45 067 762
Availability Charges	12 791 034	11 360 956
Other Receivables	**53 600 091**	**47 664 574**
Unpaid Traffic Fines	46 879 210	43 843 900
Other Receivables	8 493	37 109
Unpaid Grants	3 218 432	483 907
Deposits	3 493 957	3 299 659
Total Gross Balance	**112 731 989**	**104 093 292**
Less: Allowance for Debt Impairment	(85 804 098)	(80 731 635)
Total Net Receivable	**26 927 891**	**23 361 657**

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.

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4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)

Reconciliation of Allowance for Debt Impairment

Balance at the beginning of the year	80 731 635	85 167 836
Movement in the contribution to the provision	28 747 352	20 285 043
Property Rates	4 290 692	3 402 027
Availability Charges	1 461 200	985 366
Unpaid Traffic Fines	22 995 460	15 897 650
Bad Debts Written off	(23 674 890)	(24 721 244)
Property Rates	(2 869 682)	(1 880 052)
Availability Charges	(2 258)	(25 042)
Unpaid Traffic Fines	(20 802 950)	(22 816 150)
Balance at the end of the year	**85 804 097**	**80 731 635**

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.

	Gross Balance R	Allowance for Debt Impairment R	Net Receivable R
30 June 2025			
Service Receivables			
Property Rates	46 340 864	(30 254 219)	16 086 645
Availability Charges	12 791 034	(12 225 568)	565 466
Other Receivables			
Unpaid Traffic Fines	46 879 210	(43 324 311)	3 554 899
Other Receivables	8 493	-	8 493
Unpaid Grants	3 218 432	-	3 218 432
Deposits	3 493 957	-	3 493 957
Total	**112 731 989**	**(85 804 098)**	**26 927 891**
30 June 2024			
Service Receivables			
Property Rates	45 067 762	(28 833 208)	16 234 554
Availability Charges	11 360 956	(10 766 626)	594 330
Other Receivables			
Unpaid Traffic Fines	43 843 900	(41 131 800)	2 712 100
Other Receivables	37 109	-	37 109
Unpaid Grants	483 907	-	483 907
Deposits	3 299 659	-	3 299 658
Total	**104 093 292**	**(80 731 635)**	**23 361 657**

Ageing of Receivables from Non-Exchange Transactions

Property Rates

0 - 30 Days (Current)	11 363 735	9 641 682
1 to 3 months	7 479 652	5 880 204
4 months to 1 year	9 404 255	13 105 500
Over 1 year	18 093 222	16 440 376
Total	**46 340 864**	**45 067 762**

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4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)		
Availability Charges		
0 - 30 Days (Current)	484 942	453 244
1 to 3 months	801 511	764 666
4 months to 1 year	1 825 435	1 641 565
Over 1 year	9 679 145	8 501 481
Total	**12 791 034**	**11 360 956**
5 TAXES		
VAT Claimable/(Payable)	(11 122 172)	(10 562 504)
VAT Input in Suspense	20 951 631	19 118 511
VAT Output in Suspense - net	(3 374 766)	(2 957 467)
VAT Output in Suspense	(31 946 946)	(27 746 861)
Less: VAT on Allowance for Debt Impairment	28 572 180	24 789 394
Total	**6 454 693**	**5 598 541**
As previously reported		13 106 045
Correction of error restatement - note 51.2		(35 087)
Correction of error restatement - note 51.4		(7 472 418)
Restated balance		5 598 541
Reconciliation of VAT on Allowance for Debt Impairment		
Balance at beginning of year	24 789 394	20 485 760
Debt Impairment for current year	3 782 786	4 303 634
Balance at the end of the year	**28 572 180**	**24 789 394**
6 OPERATING LEASES		
6.1 OPERATING LEASE ASSET		
Operating Lease Asset	667 901	630 774
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	630 774	611 421
Movement during the year	37 127	19 354
Balance at the end of the year	**667 901**	**630 774**
The Municipality will receive the following lease payments from contracts that have defined lease payments and terms.		
Within 1 Year	992 943	952 282
Between 1 and 5 Years	1 906 305	2 335 280
After 5 Years	424 232	799 893
Total operating lease payments	**3 323 480**	**4 087 455**

The prior year's total lease payments indicated an amount of R3 246 754. This amount has been restated to R4 087 455 due to omissions.

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 1 year to 20 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.

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6 OPERATING LEASES (CONTINUED)

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%.
- Lease of a portion of erf 1014 for a period of 3 years ending 31 March 2026, with an annual escalation of 7%.
- Lease of a portion of erf 1014 for a period of 9 years ending 31 May 2028, with an annual escalation of 8%.

7 LONG-TERM RECEIVABLES

Receivables with repayment arrangements	11 862 075	11 363 425
Less: Allowance for Debt Impairment	(2 357 701)	(4 445 250)
Total Net Receivable	**9 504 373**	**6 918 176**
Less: Current portion of Long-term Receivables	(2 266 683)	(1 786 841)
Total	**7 237 691**	**5 131 335**

At year-end debtors amounting to R11 862 075 (2024 - R11 363 425) arranged to settle their accounts over an re-negotiated period. Total payments to the value of R8 940 139 (2024 - R8 708 288) have been deferred beyond 12 months after year end and subsequently included as part of long-term receivables.

Reconciliation of Allowance for Debt Impairment

Balance at the beginning of the year	4 445 250	900 777
Movement in the contribution to the provision	(2 087 548)	3 544 472
Balance at the end of the year	**2 357 701**	**4 445 250**

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	7 012 124	8 315 710
Water	846 748	633 445
Total	**7 858 873**	**8 949 155**

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 losses/(surpluses) identified during the annual stores counts	(51 633)	71 085
Inventory recognised as an expense during the year	5 569 955	10 332 753

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9 INVESTMENT PROPERTY

	2025	2024
Investment Property - Carrying Value	**67 261 934**	**67 392 741**
The carrying value of Investment Property is reconciled as follows:		
Opening Carrying Value	**67 392 741**	**68 483 156**
Cost	76 234 018	77 237 670
Accumulated Depreciation	(1 220 086)	(1 133 323)
Accumulated Impairment	(7 621 191)	(7 621 191)
Additions	-	-
Impairment	-	-
Disposals	(48 118)	(1 003 652)
Cost	(48 118)	(1 003 652)
Accumulated Depreciation	-	-
Accumulated Impairment	-	-
Depreciation	(82 689)	(86 763)
Closing Carrying Value	**67 261 934**	**67 392 741**
Cost	76 185 899	76 234 018
Accumulated Depreciation	(1 302 774)	(1 220 086)
Accumulated Impairment	(7 621 191)	(7 621 191)

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	1 812 840	1 780 046

No significant operating expenditure was incurred on investment property during the current and previous financial year.

10 PROPERTY, PLANT AND EQUIPMENT

	Cost R	Accumulated Depreciation R	Accumulated Impairment R	Carrying Value R
30 June 2025				
Land and Buildings	145 499 845	(10 198 326)	(2 851 878)	132 449 641
Infrastructure	1 407 245 982	(324 498 421)	(22 900 457)	1 059 847 104
Community Assets	763 623	(547 211)	-	216 412
Other Assets	100 351 183	(38 333 907)	-	62 017 277
Total	**1 653 860 634**	**(373 577 864)**	**(25 752 335)**	**1 254 530 434**
30 June 2024				
Land and Buildings	143 797 043	(9 154 911)	(2 851 878)	131 790 254
Infrastructure	1 302 728 072	(295 506 885)	(16 921 212)	990 299 975
Community Assets	763 623	(516 671)	-	246 952
Other Assets	97 412 591	(36 537 160)	-	60 875 431
Total	**1 544 701 330**	**(341 715 627)**	**(19 773 090)**	**1 183 212 613**
As previously reported				1 183 265 454
Correction of error restatement - note 51.1				(52 841)
Restated balance				1 183 212 613

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.

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Figures in Rand			2025	2024
10	**PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**			
10.1	**Repairs and Maintenance were incurred on the following asset classes:**		18 982 151	35 284 365
	Repairs and maintenance consists out of the following components:			
	Contracted Services	- Maintenance Services	12 925 971	27 040 987
	Other Expenditure	- Maintenance Materials	6 056 180	8 243 378
	Total		18 982 151	35 284 365

The comparative figures has been restated from R32 485 615 to R35 284 365 due to electrical contractors responsible for maintenance services previously not included, and also due to the correction of error restatement as per note 51.2.

10.2	**Capital Restoration Cost**	6 804 083	-

The Municipality is required by relevant Environmental Legislation to rehabilitate landfill sites at the closure date of each respective site. Included in Refuse Removal Infrastructure is "Capitalised Restoration Cost", which is capitalised in line with the requirements of GRAP 17 and iGRAP 2, and relates to the initial estimate of costs involved to restore landfill sites under control of the Municipality. The above-mentioned balances represent the carrying value of the "Capitalised Restoration Cost" which are included in the carrying value of Refuse Removal Infrastructure as at 30 June.

10.3 Property, Plant and Equipment which is in the process of being constructed or developed

Land and Buildings	10 909 863	10 059 041
Buildings	10 909 863	10 059 041
Infrastructure	192 847 670	142 596 074
Roads and Storm water	11 657 442	21 218 475
Electricity Network	19 868 245	16 906 397
Sewerage Network	131 226 637	77 429 778
Water Network	29 977 746	26 923 824
Refuse Removal	117 600	117 600
Total	**203 757 533**	**152 655 115**

Reconciliation of Property, Plant and Equipment which is in the process of being constructed or developed:

Opening balance	152 655 115	160 853 736
Additions	100 871 561	121 105 213
Disposals	(6 864 641)	(39 922 008)
Contributed Assets	-	525 696
Projects Completed	(42 904 502)	(89 907 522)
Closing balance	203 757 533	152 655 115

10.4	**Work in Progress projects that has been halted**	3 426 818	1 411 173

The work in progress that has been halted include several projects of which the expenditure mainly relate to planning and designs. The projects have been halted due to the availability of funding. No impairment losses were recognised on the said projects.

10.5	**Work in Progress projects taking a significantly longer period of time to complete than expected**	16 827 897	-

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.

The accumulated impairment recognised on the above-mentioned Work in Progress	274 885	-

10.6 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:

	2025	2026	After 2026
Increase / (Decrease) in Depreciation and Amortisation	(353 155)	138 901	214 255
Increase / (Decrease) in Accumulated Surplus	353 155	(138 901)	(214 255)
Increase / (Decrease) in Property, Plant and Equipment	353 155	(138 901)	(214 255)

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10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

10.7 Reconciliation of Carrying Value

30 June 2025	Cost							Accumulated Depreciation and Impairment					Carrying Value
	Opening Balance	Additions	Disposals	Contributed Assets	iGRAP 2 Movement	Transfers	Closing Balance	Opening Balance	Depreciation Charge	Impairment (Reversal)	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R	R	R
Land and Buildings	**143 797 043**	**2 605 694**	**(902 892)**	**-**	**-**	**-**	**145 499 845**	**12 006 789**	**1 043 415**	**-**	**-**	**13 050 204**	**132 449 641**
Land	44 523 013	-	-	-	-	-	44 523 013	2 691 232	-	-	-	2 691 232	41 831 781
Buildings	99 274 030	2 605 694	(902 892)	-	-	-	100 976 833	9 315 558	1 043 415	-	-	10 358 972	90 617 860
Infrastructure	**1 302 728 072**	**98 265 867**	**(6 256 401)**	**-**	**-**	**-**	**1 407 245 982**	**312 428 097**	**29 163 631**	**5 979 245**	**(172 096)**	**347 398 878**	**1 059 847 104**
Roads and Storm Water	273 332 815	8 370 739	-	-	-	-	281 703 554	78 731 672	5 195 418	-	-	83 927 091	197 776 463
Electricity Network	178 125 148	3 040 348	(157 216)	-	-	-	181 008 280	32 242 705	4 138 301	274 885	(48 178)	36 607 713	144 400 567
Sewerage Network	426 706 768	70 480 726	(445 179)	-	-	-	496 742 316	61 977 666	9 868 357	-	(123 918)	71 722 106	425 020 210
Water Network	292 844 013	16 374 054	(5 654 007)	-	-	-	303 564 060	67 231 089	8 238 132	-	-	75 469 221	228 094 839
Refuse Removal	131 719 328	-	-	-	12 508 444	-	144 227 772	72 244 964	1 723 423	5 704 360	-	79 672 748	64 555 024
Community Assets	**763 623**	**-**	**-**	**-**	**-**	**-**	**763 623**	**516 671**	**30 541**	**-**	**-**	**547 211**	**216 412**
Parks and Gardens	517 259	-	-	-	-	-	517 259	295 318	22 142	-	-	317 460	199 799
Cemeteries	246 364	-	-	-	-	-	246 364	221 353	8 398	-	-	229 752	16 613
Other Assets	**97 412 591**	**7 910 827**	**(5 016 790)**	**44 556**	**-**	**-**	**100 351 183**	**36 537 160**	**4 964 387**	**-**	**(3 167 641)**	**38 333 907**	**62 017 277**
Computer Equipment	11 475 398	406 838	(1 111 601)	44 556	-	-	10 815 190	5 154 217	895 110	-	(761 500)	5 287 827	5 527 363
Furniture and Office Equipment	11 794 716	77 663	(719 785)	-	-	-	11 152 594	6 117 407	645 816	-	(447 420)	6 315 803	4 836 791
Machinery and Equipment	12 420 411	7 563	(666 522)	-	-	-	11 761 451	6 050 929	812 012	-	(311 332)	6 551 610	5 209 842
Transport Assets	61 722 066	7 418 764	(2 518 882)	-	-	-	66 621 948	19 214 607	2 611 448	-	(1 647 390)	20 178 666	46 443 282
	1 544 701 330	**108 782 388**	**(12 176 083)**	**44 556**	**-**	**-**	**1 653 860 634**	**361 488 717**	**35 201 974**	**5 979 245**	**(3 339 736)**	**399 330 199**	**1 254 530 435**

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10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

10.7 Reconciliation of Carrying Value

30 June 2024	Cost							Accumulated Depreciation and Impairment					Carrying Value (Restated)
	Opening Balance	Additions	Disposals	Contributed Assets	iGRAP 2 Movement	Transfers	Closing Balance	Opening Balance	Depreciation Charge	Impairment (Reversal)	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R	R	R
Land and Buildings	**134 921 211**	**8 646 969**	**(296 833)**	**525 696**	**-**	**-**	**143 797 043**	**11 111 116**	**895 673**	**-**	**-**	**12 006 789**	**131 790 254**
Land	44 523 013	-	-	-	-	-	44 523 013	2 691 232	-	-	-	2 691 232	41 831 781
Buildings	90 398 198	8 646 969	(296 833)	525 696	-	-	99 274 030	8 419 885	895 673	-	-	9 315 558	89 958 473
Infrastructure	**1 232 808 928**	**112 458 244**	**(39 625 175)**	**-**	**(2 710 259)**	**(203 666)**	**1 302 728 072**	**284 428 032**	**28 000 065**	**-**	**-**	**312 428 097**	**990 299 975**
Roads and Storm Water	255 492 711	17 840 105	-	-	-	-	273 332 815	74 032 701	4 698 971	-	-	78 731 672	194 601 143
Electricity Network	162 011 775	18 000 811	(1 887 439)	-	-	-	178 125 148	28 515 922	3 726 783	-	-	32 242 705	145 882 443
Sewerage Network	423 833 187	39 840 838	(36 967 257)	-	-	-	426 706 768	52 390 907	9 586 759	-	-	61 977 666	364 729 102
Water Network	257 544 335	35 751 742	(452 065)	-	-	-	292 844 013	59 664 323	7 566 766	-	-	67 231 089	225 612 924
Refuse Removal	133 926 920	1 024 747	(318 414)	-	(2 710 259)	(203 666)	131 719 328	69 824 180	2 420 784	-	-	72 244 964	59 474 364
Community Assets	**763 623**	**-**	**-**	**-**	**-**	**-**	**763 623**	**485 729**	**30 942**	**-**	**-**	**516 671**	**246 952**
Parks and Gardens	517 259	-	-	-	-	-	517 259	273 013	22 304	-	-	295 318	221 941
Cemeteries	246 364	-	-	-	-	-	246 364	212 715	8 638	-	-	221 353	25 011
Other Assets	**92 826 184**	**3 257 705**	**(153 646)**	**1 278 683**	**-**	**203 666**	**97 412 591**	**31 429 103**	**5 168 116**	**-**	**(60 059)**	**36 537 160**	**60 875 431**
Computer Equipment	9 959 695	1 492 488	(67 298)	90 513	-	-	11 475 398	4 316 451	866 401	-	(28 635)	5 154 217	6 321 181
Furniture and Office Equipment	10 846 294	960 932	(12 510)	-	-	-	11 794 716	5 470 728	651 455	-	(4 776)	6 117 407	5 677 310
Machinery and Equipment	11 748 265	745 985	(73 839)	-	-	-	12 420 411	5 258 764	818 813	-	(26 648)	6 050 929	6 369 482
Transport Assets	60 271 930	58 300	-	1 188 170	-	203 666	61 722 066	16 383 160	2 831 447	-	-	19 214 607	42 507 458
	1 461 319 946	**124 362 917**	**(40 075 654)**	**1 804 379**	**(2 710 259)**	**-**	**1 544 701 330**	**327 453 981**	**34 094 795**	**-**	**(60 059)**	**361 488 717**	**1 183 212 613**

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11 INTANGIBLE ASSETS

Intangible Assets - Carrying Value	**157 576**	**214 158**
The carrying value of intangible Assets is reconciled as follows:		
Opening Carrying Value	**214 158**	**273 337**
Cost	622 156	622 156
Accumulated Amortisation	(407 999)	(348 820)
Accumulated Impairment	-	-
Additions	-	-
Amortisation	(56 582)	(59 179)
Disposal	-	-
Cost	-	-
Accumulated Amortisation	-	-
Closing Carrying Value	**157 576**	**214 158**
Cost	622 156	622 156
Accumulated Amortisation	(464 581)	(407 999)
Accumulated Impairment	-	-

The following material intangible assets are included in the carrying value above:

Description	**Remaining amortisation period**	**Carrying Value**	
Computer software/licenses	2 - 5 years	157 576	214 158

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	663 225	670 428
Erf 12, Villiersdorp - leased to Tourism Buro	110 691	112 041
Bridge at Meul Street, Caledon	0	0
Bridge at Farm 39, Genadendal	55	68
Total carrying value included under Property, Plant and Equipment	**773 971**	**782 537**

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	273 643	248 817
Fixed Deposits	-	-
Total	**273 643**	**248 817**

13.1 Listed shares

Sanlam - Shares Investment	273 643	248 817

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	-	14 626 575
Transferred to Current Investments	-	(14 626 575)
Total	-	-

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 matured on 30 April 2025.

The fixed deposit is ring-fenced for the repayment of stock loans as per note 14.2.

14 LONG-TERM LIABILITIES

Annuity Loans	157 991 408	166 887 588
Stock Loans	-	14 469 800
Sub-Total	**157 991 408**	**181 357 388**
Less: Current portion of Long-term Liabilities	33 338 186	26 957 321
Annuity Loans	33 338 186	20 957 321
Stock Loans	-	6 000 000
Total	**124 653 222**	**154 400 067**

Long-term Liabilities were utilised as follow:

Total Long-term Liabilities taken up	157 991 408	181 357 388
Used to finance Property, Plant and Equipment at cost	(157 991 408)	(181 357 388)
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	
ABSA Bank Limited (4079088994)	10.79%	2027/06/27	3 607 678	4 010 450
ABSA Bank Limited (3050777789)	9.19%	2026/06/30	703 614	877 452
ABSA Bank Limited (3050777763)	9.62%	2029/06/30	1 944 366	2 015 044
ABSA Bank Limited (3052887574)	9.19%	2027/06/30	1 346 620	1 522 415
ABSA Bank Limited (3054670983)	8.66%	2026/10/30	4 493 160	7 181 453
ABSA Bank Limited (3054671133)	9.19%	2028/10/30	2 937 892	3 618 437
ABSA Bank Limited (3054671256)	9.89%	2031/10/30	1 504 430	1 661 815
ABSA Bank Limited (3058757317)	10.53%	2028/06/30	6 056 099	6 451 187
ABSA Bank Limited (3058757341)	11.59%	2033/06/30	9 131 197	8 970 387
ABSA Bank Limited (3058757325)	12.32%	2038/06/30	50 764 689	48 770 581
Development Bank of Southern Africa (102807/3)	9.47%	2028/06/30	3 082 739	3 291 226
Development Bank of Southern Africa (103108/2)	11.38%	2028/09/30	3 515 967	4 294 328
Development Bank of Southern Africa (103313/1)	9.85%	2029/03/31	8 406 584	10 049 339
Development Bank of Southern Africa (103817/3)	11.06%	2030/12/31	6 412 687	6 427 255
Nedbank Limited (05/78310356050)	10.45%	2034/06/30	2 087 591	2 150 813
Standard Bank of South Africa Limited (272400572)	12.22%	2026/06/30	1 611 951	2 087 444
Standard Bank of South Africa Limited (000600694)	6.63%	2025/06/30	825 209	1 622 724
Standard Bank of South Africa Limited (000600703)	8.26%	2030/06/28	3 382 448	3 618 869
Standard Bank of South Africa Limited (000600712)	9.76%	2035/06/29	5 465 372	5 608 196
Standard Bank of South Africa Limited (000682253)	10.79%	2036/12/30	12 835 890	13 102 729
Standard Bank of South Africa Limited (000748692)	10.58%	2027/06/30	4 876 271	5 703 811
Standard Bank of South Africa Limited (000748736)	10.99%	2028/06/29	3 531 233	3 824 732
Standard Bank of South Africa Limited (000748754)	11.60%	2032/06/30	10 375 073	10 791 324
Standard Bank of South Africa Limited (000748773)	12.27%	2037/06/30	9 092 648	9 235 577
Total			**157 991 408**	**166 887 588**

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14 LONG-TERM LIABILITIES (CONTINUED)

All annuity loans are unsecured.

Annuity loans are payable as follows:

Payable within one year	52 166 664	38 690 446
Payable within two to five years	103 046 750	121 787 516
Payable after five years	96 975 437	115 220 437
Total amount payable	**252 188 851**	**275 698 400**
Less: Outstanding Future Finance Charges	(94 197 443)	(108 810 812)
Present value of annuity loans	**157 991 408**	**166 887 588**

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	
Development Bank of Southern Africa (1022755)	9.29%	2025/04/30	-	8 469 800
Development Bank of Southern Africa (1014871)	9.46%	2024/12/31	-	6 000 000
Total			**-**	**14 469 800**

The following serve as security for stock loans:

- Fixed Deposit as per note 13.2	-	14 626 575
- Cession on outstanding consumer debtors	-	6 000 000
Total	**-**	**20 626 575**

Stock loans are payable as follows:

Payable within one year	-	7 073 167
Payable within two to five years	-	10 043 320
Payable after five years	-	-
Total amount payable	**-**	**17 116 487**
Less: Outstanding Future Finance Charges	-	(2 646 687)
Present value of stock loans	**-**	**14 469 800**

15 CONSUMER DEPOSITS

Water and Electricity Deposits	**6 862 893**	**6 144 594**

The fair value of consumer deposits approximate their carrying value. Interest are not paid on these amounts.

16 PAYABLES FROM EXCHANGE TRANSACTIONS

Trade Payables	185 915 845	170 253 848
Retentions	9 911 440	9 406 563
Payments Received in Advance	8 027 863	7 252 300
Department of Infrastructure	945 586	933 786
Unused Pre-paid Electricity	1 145 087	1 118 820
Sundry Deposits	6 193 612	6 091 813
Accrued Interest	3 230 332	599 659
Land Sales Deposits	1 517 354	1 288 599
Total	**216 887 119**	**196 945 388**
As previously reported		197 214 385
Correction of error restatement - note 51.2		(268 997)
Restated balance		196 945 388

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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 Infrastructure balance consist of the following:

Advances received for the construction of housing top structures - note 38	726 503	714 703
Advances received in terms of principal-agent arrangments - note 62	219 083	219 083
Total	945 586	933 786

17 UNSPENT CONDITIONAL GOVERNMENT GRANTS

National Government	23 349 445	46 993 025
Provincial Government	1 822 747	6 805 601
District Municipality	300 188	567 203
Other Grant Providers	226 477	226 477
Total	**25 698 857**	**54 592 306**

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

Bursaries Fund	124 377	124 377
Total	**124 377**	**124 377**

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	6 885 181	6 616 194
Staff Leave	21 475 173	19 612 732
Performance Bonuses	576 095	535 207
Pension	10 769	10 769
Group Insurance	273 643	248 817
Standby, Acting and Overtime	1 491 134	2 018 230
Current portion of Non-Current Employee Benefits - note 21	4 635 000	4 478 000
Post Retirement Medical Benefits	3 189 000	2 839 000
Long Service Awards	1 446 000	1 639 000
Total	**35 346 994**	**33 519 948**
As previously reported		33 270 460
Correction of error restatement - note 51.3		249 488
Restated balance		33 519 948

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19 CURRENT EMPLOYEE BENEFITS (CONTINUED)

The movement in current employee benefits are reconciled as follows:

19.1 Bonuses

Opening Balance	6 616 194	6 158 533
Contribution during the year	14 085 354	13 457 620
Payments made	(13 816 367)	(12 999 959)
Balance at the end of the year	**6 885 181**	**6 616 194**

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	19 612 732	18 237 628
Contribution during the year	4 723 614	3 989 768
Payments made	(2 861 173)	(2 614 665)
Balance at the end of the year	**21 475 173**	**19 612 732**

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	535 207	577 189
Contribution during the year	227 799	260 197
Payments made	(186 911)	(302 180)
Balance at the end of the year	**576 095**	**535 207**

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	248 817	179 951
Fair Value adjustment during the year	24 826	68 866
Balance at the end of the year	**273 643**	**248 817**

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 Overtime, Acting and Standby Allowances

Balance at beginning of year	2 018 230	2 032 963
Contribution during the year	1 491 134	2 018 230
Payments made	(2 018 230)	(2 032 963)
Balance at end of year	**1 491 134**	**2 018 230**

Acting, standby and overtime worked by staff in the current financial year, but only paid in following financial year.

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20 CURRENT PROVISIONS

Output VAT Payable on Library Grants	-	-
Total	**-**	**-**
As previously reported		7 472 418
Correction of error restatement - note 51.4		(7 472 418)
Restated balance		-

Historically all funds received from the Department of Cultural Affairs and Sport (DCAS) relating to the library services were treated as zero rated grants and accordingly no Output VAT was declared on the said funds.

During the 2022/23 statutory audit, the Auditor-General issued a finding that the funds being received from the DCAS are for services being rendered to the Department, as the library function has not been assigned to municipalities. Given the afore-mentioned, it was concluded that the standard VAT rate of 15% be applied, resulting in Output VAT being payable to the South African Revenue Service (SARS).

During the 2023/24 financial year, several municipalities in the Western Cape (of which the Municipality was not party to) requested a Section 41B VAT class ruling from SARS, on the basis that the function has been assigned to the Municipality in accordance with the Provincial Library Service Ordinance 16 of 1981 ("1981 Ordinance"). Following the submission of the VAT class ruling application, SARS issued Binding General Ruling 74 ("BGR74") which deals with the VAT treatment of supplies of goods or services made by municipalities to national or provincial government. While this BGR is not binding on municipalities, it is binding on SARS and reflects how they will apply the legislation in practice. In terms of SARS' interpretation, there was no assignment of the library function to the municipalities in terms of the 1981 Ordinance and the municipalities was thus required to levy and account for output tax at the standard rate on the grant receipts. As a result of SARS issuing BGR74, SARS rejected the VAT class ruling on the basis that the application contains an issue that is the same as or substantially similar to an issue that is "the subject of a policy document or draft legislation that has been published".

Subsequent to the rejected VAT class ruling, SARS communicated that it is in consultation with counsel on the validity of the assignment under old order legislation. It is understood that counsel has already been briefed and there has been an initial consultation. As at reporting date, no feedback has been received on these consultations or counsel's view. Should the outcome of the consultation still be unfavourable towards the Municipality, alternative options will be explored.

The main uncertainty is what periods SARS will include in the case of an assessment. The Municipality took a conservative approach and calculated the provision based on the receipts from DCAS over a period of 7 year, i.e. from 2018/19 to 2024/25. The expected timing of any economic outflows is also an uncertainty.

Should the ultimate outcome be unfavourable towards the Municipality, the Municipality will approach the Department of Cultural Affairs and Sport (DCAS) for possible reimbursement.

21 EMPLOYEE BENEFITS

Post Retirement Medical Benefits	65 131 000	55 840 000
Long Service Awards	14 394 000	13 106 000
Sub-Total	**79 525 000**	**68 946 000**
Less: Current portion of Employee Benefits	**4 635 000**	**4 478 000**
Post Retirement Medical Benefits	3 189 000	2 839 000
Long Service Awards	1 446 000	1 639 000
Total	**74 890 000**	**64 468 000**

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21 EMPLOYEE BENEFITS (CONTINUED)

21.1 Post Retirement Medical Benefits

The Post Retirement Medical Benefit Plan is a defined benefit plan. The movement in the defined benefit obligation is reconciled as follows:

Opening Balance	55 840 000	54 352 000
Contribution during the year	9 029 000	3 852 000
Service Cost	2 379 000	(2 832 000)
Current Service Cost	2 379 000	2 380 000
Past Service Cost	-	(5 212 000)
Interest Expense	6 650 000	6 684 000
Payments made	(2 912 882)	(2 495 312)
Actuarial Loss/(Gain)	3 174 882	131 312
Change in Financial Assumptions	1 362 000	(2 146 000)
Change in Demographic Assumptions	-	-
Experience Adjustments	1 812 882	2 277 312
Total balance at year-end	65 131 000	55 840 000
Less: Current portion	(3 189 000)	(2 839 000)
Total	**61 942 000**	**53 001 000**

Based on the number of individuals entitled to a post-employment medical aid subsidy at year-end, the defined benefit obligation was estimated to be as follows:

	Number of individuals			
Category	**2025**	**2024**		
In-service members	242	249	23 768 000	20 704 000
In-service non-members	386	390	6 652 000	5 410 000
Continuation members	46	43	34 711 000	29 726 000
Total	**674**	**682**	**65 131 000**	**55 840 000**

The defined benefit obligation is unfunded, and therefore no disclosures are made relating to plan assets and the effect of the asset ceiling.

Actuarial Method

The Projected Unit Credit Method has been used to value the liabilities. The last valuation was performed on 12 July 2025.

Characteristics of defined benefit plans and risks associated with them

The Municipality provides post employment medical benefits as follows:

- Eligible employees will receive a post-employment subsidy of 70% of the contribution payable should they be a member of a medical scheme at retirement.
- Continuation members and their eligible dependants receive a 70% subsidy.
- Post-employment subsidies, except for those in respect of certain current continuation members, are subject to a maximum subsidy. The maximum subsidy was assumed to be R5 791 (2024 - R5 541) per principal member per month for the year ending 30 June, and has been assumed to increase annually on 1 July at 75% of salary inflation.
- During the previous financial year, the Municipality amended its policy to include a maximum subsidy as described above. Prior to 30 June 2023, no post-employment subsidies were subject to a maximum subsidy. The change in policy resulted in the past service cost amounting to R5 212 000.
- Upon a member's death-in-service, surviving dependants are entitled to commence receipt of the same post-employment subsidy. Upon a member's death-in-retirement, surviving dependants are entitled to continue to receive the same subsidy.

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21 EMPLOYEE BENEFITS (CONTINUED)

Notable benefit plan risks faced by the Municipality can be summarised as follows:

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

Significant Actuarial Assumptions

i) Financial Assumptions

- Medical Aid Contribution Inflation Rate	6.8%	7.7%
- Discount Rate	11.1%	12.2%
- Net Discount Rate (Medical Aid Contributions)	4.0%	4.2%
- Net Discount Rate (Maximum Subsidy)	6.3%	6.5%

ii) Demographic Assumptions

- Post-Employment Mortality	PA(90)	PA(90)
The PA(90) ultimate table, adjusted down by 1 year of age, and a 1% annual compound mortality improvement from 2010.		
- Average Retirement Age	62 years	62 years
- Membership continuation	75%	75%

Sensitivity Analysis - Defined Benefit Obligation at year-end

The defined benefit obligation is based on a number of assumptions as indicated above. The extent to which the actual defined benefit obligation faced in the future by the Municipality differs from these results will depend on the extent to which actual experience differs from the assumptions made. The assumption which tends to have the greatest impact on the results is the medical aid contribution inflation rate relative to the discount rate. The impact of the aforementioned and the other significant assumptions are disclosed below:

Assumption	Eligible Employees (R)	Continuation Members (R)	Total Obligation (R)	% change
Current defined benefit obligation	30 420 000	34 711 000	65 131 000	
Medical Aid Contribution Inflation Rate (+ 1%)	32 456 000	37 286 000	69 742 000	7%
Medical Aid Contribution Inflation Rate (- 1%)	27 531 000	32 235 000	59 766 000	-8%
Discount Rate (+ 1%)	25 896 000	32 026 000	57 922 000	-11%
Discount Rate (- 1%)	36 129 000	37 837 000	73 966 000	14%
Post-Employment Mortality (+ 1 year)	29 809 000	33 668 000	63 477 000	-3%
Post-Employment Mortality (- 1 year)	31 012 000	35 750 000	66 762 000	3%
Average Retirement Age (- 1 year)	33 520 000	34 711 000	68 231 000	5%
Membership Continuation (- 10%)	26 575 000	34 711 000	61 286 000	-6%

There were no changes from the previous reporting period in the methods and assumptions used in preparing the sensitivity analyses.

Expected contributions and maturity analysis

As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation. There are no specific funding arrangements and funding policy that affect future contributions, other than the funding and reserve policy of the Municipality which aims to ensure that the cash position of the Municipality remains sufficient to cover all working capital requirements (which includes contributions to the relevant medical schemes).

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21 EMPLOYEE BENEFITS (CONTINUED)

Maturity analysis of the future undiscounted expected benefits to be paid in respect of the current eligible employees and continuation members can be illustrated as follows:

Future Year	Expected Benefit Payments R	% Contribution of Bracket
Future year 1 - 10	53 118 000	4%
Future year 11 - 20	129 480 000	10%
Future year 21 - 30	241 791 000	19%
Future year 31 - 40	325 127 000	25%
Future year 41 - 50	295 156 000	23%
Future year 51 - 60	181 379 000	14%
Future year 61 - 70	67 828 000	5%
Future year 71 - 80	12 419 000	1%
Future year 80 + (considered insignificant to include in analysis)	-	0%
Total future expected benefits to be paid	**1 306 298 000**	**100%**

21.2 Long Service Awards

The Long Service Awards plans are defined benefit plans. The movement in the defined benefit obligation is reconciled as follows:

Opening Balance	13 106 000	12 388 000
Contribution during the year	2 512 000	2 474 000
Current Service Cost	1 105 000	1 091 000
Interest Expense	1 407 000	1 383 000
Payments made	(1 660 583)	(1 291 194)
Actuarial Loss/(Gain)	436 583	(464 806)
Change in Financial Assumptions	(72 000)	(163 000)
Change in Demographic Assumptions	-	-
Experience Adjustments	508 583	(301 806)
Total balance at year-end	**14 394 000**	**13 106 000**
Less: Current portion	(1 446 000)	(1 639 000)
Total	**12 948 000**	**11 467 000**
As at year end, the following number of employees were eligible for Long Service Awards	628	639

The defined benefit obligation is unfunded, and therefore no disclosures are made relating to plan assets and the effect of the asset ceiling.

Actuarial Method

The Projected Unit Credit Method has been used to value the liabilities. The last valuation was performed on 12 July 2025.

Characteristics of defined benefit plans and risks associated with them

The Municipality provides a Long Service Award benefits as follows:

- The Municipality offers employees Long Service Awards for every 5 years of service completed, from 10 years of service to 45 years of service, inclusive.
- In the month that each “completed service” milestone is reached, the employee is granted a Long Service Award.
- The Long Service Award is calculated as a percentage of basic salary which is then multiplied by the number of years in service, divided by 249. The percentage calculated on the basic salary is determined by the milestone reached which ranges from 4% (10 years) to 26.4% (45 years).
- The Municipality does not pay any pro-rata Long Service Awards.

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21 EMPLOYEE BENEFITS (CONTINUED)

Notable benefit plan risks faced by the Municipality can be summarised as follows:

- **Inflation**: The risk that future CPI inflation and medical aid contribution inflation are higher than assumed and present in an uncontrolled manner.
- **Termination of service:** The risk that fewer eligible employees terminate their service at the Municipality i.e. more Long Service Awards vest than expected.
- **Volatility of open-ended, long-term Defined-Benefit Obligation:** The risk that the defined benefit obligation may be volatile which is exacerbated by its long-term nature.
- **Enforcement of eligibility criteria and rules**: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.
- **Future changes in legislation:** The risk that changes to legislation with respect to the post-employment medical aid benefit may increase the Defined-Benefit Obligation for the Municipality.

Significant Actuarial Assumptions

i) Financial Assumptions

- General Earnings Inflation Rate	5.1%	6.5%
- Discount Rate	10.1%	11.4%
- Net Discount Rate	4.8%	4.6%

ii) Demographic Assumptions

- Average Retirement Age	62 years	62 years
- Termination of Services		
If an eligible employee leaves due to resignation or retrenchment, the Municipality's defined benefit obligation in respect of that employee ceases. The termination rates per annum is assumed as follows:		
Age: 20 - 24	9.00%	9.00%
Age: 25 - 29	8.00%	8.00%
Age: 30 - 34	6.00%	6.00%
Age: 35 - 44	5.00%	5.00%
Age: 45 - 49	4.00%	4.00%
Age: 50 - 54	3.00%	3.00%
Age: 55 +	0.00%	0.00%

Sensitivity Analysis - Defined Benefit Obligation at year-end

The defined benefit obligation is based on a number of assumptions as indicated above. The extent to which the actual defined benefit obligation faced in the future by the Municipality differs from these results will depend on the extent to which actual experience differs from the assumptions made. The impact of the significant assumptions are disclosed below:

Assumption	**Impact on Defined Benefit Obligation R**	**% Change**
Current Defined Benefit Obligation	14 394 000	
General Earnings Inflation Rate (+ 1%)	15 315 000	6%
General Earnings Inflation Rate (- 1%)	13 558 000	-6%
Discount Rate (+ 1%)	13 551 000	-6%
Discount Rate (- 1%)	15 336 000	7%
Average Retirement Age (+ 2 years)	16 361 000	14%
Average Retirement Age (- 2 years)	12 666 000	-12%
Rates of Termination of Services (x 2)	11 685 000	-19%
Rates of Termination of Services (x 0.5)	16 227 000	13%

There were no changes from the previous reporting period in the methods and assumptions used in preparing the sensitivity analyses.

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21 EMPLOYEE BENEFITS (CONTINUED)

Expected contributions and maturity analysis

As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation. There are no specific funding arrangements and funding policy that affect future contributions, other than the funding and reserve policy of the Municipality which aims to ensure that the cash position of the Municipality remains sufficient to cover all working capital requirements (which includes Long Service Awards when it becomes due).

Maturity analysis of the future undiscounted expected benefits to be paid in respect of the current eligible employees can be illustrated as follows:

Future Year	Expected Benefit Payments R	% Contribution of Bracket
Future year 1 - 10	23 431 000	33%
Future year 11 - 20	14 445 000	20%
Future year 21 - 30	15 064 000	21%
Future year 31 - 40	18 797 000	26%
Future year 40 + (considered insignificant to include in analysis)	-	0%
Total future expected benefits to be paid	**71 737 000**	**100%**

21.3 Defined Contribution Plans

Council contributes to the following defined contribution plans:

Consolidated Retirement Fund	27 060 905	25 343 270
LA Retirement Fund	137 860	128 943
National Fund for Municipal Workers	143 497	131 212
SALA Pension Fund	141 479	133 997
Municipal Workers Retirement Fund	2 326 516	2 320 515
Total	**29 810 257**	**28 057 937**

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.

22 NON-CURRENT PROVISIONS

Provision for Rehabilitation of Landfill-sites	**135 220 851**	**110 053 489**
The movement in Rehabilitation Provision - Landfill Sites are reconciled as follows:		
Opening Balance	110 053 489	116 746 747
Contribution during the year	25 167 362	(6 693 258)
Increase/(Decrease) in estimate allocated to Capital Restoration Cost Asset	12 508 444	(2 710 259)
Decrease in estimate allocated to Statement of Financial Performance	(217 340)	(16 033 652)
Interest Cost	12 876 258	12 050 652
Total	**135 220 851**	**110 053 489**

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 Government Bond yield) of between 8.45% and 10.60% depending on the estimated decommission date.

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22 NON-CURRENT PROVISIONS (CONTINUED)

The total obligation at year-end can be attributed to the following sites:

Location	Discount Rate	Site Dimensions (m^2)	Rehabilitation cost per m^2 (Rand)	Current Cost of Rehabilitation	Current Cost of Rehabilitation
Caledon	10.60%	59 661	1 010	40 106 942	34 479 180
Genadendal	8.45%	20 490	1 112	20 294 650	15 363 281
Greyton	8.45%	16 887	1 167	17 556 956	12 545 789
Riviersonderend	8.45%	10 664	1 439	13 667 915	10 377 255
Villiersdorp	10.60%	28 779	1 117	24 741 871	20 215 595
Botrivier	8.45%	17 537	1 214	18 852 517	17 072 388
Total				**135 220 851**	**110 053 489**

The estimate cost, based on an average inflation rate of 5.63%, and date of decommission of the sites are as follows:

Location	Estimated Decommission Date	Future Cost of Rehabilitation	Future Cost of Rehabilitation
Caledon	2034	98 590 316	92 713 410
Genadendal	2029	28 997 221	29 840 288
Greyton	2029	25 085 573	27 218 877
Riviersonderend	2029	19 528 868	20 155 869
Villiersdorp	2031	44 663 074	38 733 331
Botrivier	2030	27 377 164	33 159 907
Total		**244 242 218**	**241 821 683**

23 PROPERTY RATES

Rateable Land and Buildings	161 347 202	153 615 706
Total	**161 347 202**	**153 615 706**
Property rate levied are based on the following rateable valuations:		
Residential (including Residential Vacant)	8 505 383 000	8 412 142 000
Business and Commercial (including vacant)	2 655 986 000	2 684 490 000
Industrial (including vacant)	292 611 500	297 410 500
Mining	2 291 000	2 291 000
Public benefit Organizations	66 283 000	66 283 000
Public Service Infrastructure	66 293 000	68 000 000
Public Service Purposes	582 151 000	580 571 000
Agricultural	19 930 159 200	19 944 694 200
Total Valuation	32 101 157 700	32 055 881 700
Rate that is applicable to the valuations above:		
Residential (including Residential Vacant)	0.9513 c/R	0.9060 c/R
Business and Commercial (including vacant)	1.9026 c/R	1.8120 c/R
Industrial (including vacant)	1.9026 c/R	1.8120 c/R
Mining	1.9026 c/R	1.8120 c/R
Public benefit Organizations	0.2378 c/R	0.2265 c/R
Public Service Infrastructure	0.0000 c/R	0.0000 c/R
Public Service Purposes	1.9026 c/R	1.8120 c/R
Agricultural	0.1903 c/R	0.1812 c/R

Valuations on land and buildings are performed every five years. The last valuation came into effect on 1 July 2023. Interim valuations are processed on an annual basis to include changes in property values and subdivisions.

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.

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23 PROPERTY RATES (CONTINUED)

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.

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	**140 900 000**	**131 583 000**
Equitable Share	140 900 000	131 583 000
Conditional Grants - National Government	**32 965 324**	**47 689 176**
Finance Management Grant (FMG)	1 752 264	1 567 978
Municipal Infrastructure Grant (MIG)	25 148 276	23 636 845
Expanded Public Works Programme (EPWP)	1 563 000	1 684 000
Integrated National Electrification Programme (INEP)	2 736 948	-
Energy Efficiency and Demand Side Management Grant	-	4 000 000
Municipal Drought Relief	-	-
Emergency Housing Grant	-	-
Municipal Disaster Recovery Grant	-	7 406 348
Water Service Infrastructure Grant (WSIG)	1 764 836	9 394 004
Municipal Disaster Response Grant	-	-
Conditional Grants - Provincial Government	**78 302 877**	**40 308 663**
Department of Infrastructure	76 873 628	39 078 006
CDW Contribution	85 538	118 424
Main Roads Subsidy	-	-
Municipal Capacity Building Grant	-	-
Regional socio-economic projects (RSEP)	629 230	213 835
Municipal Interventions Grant	-	218 238
Municipal Service Delivery and Capacity Building Grant (MSDCB)	-	-
Financial Management Capability Grant	574 226	180 160
Municipal Energy Resilience Grant	-	500 000
Thusong Multi Purpose Centre Grant	140 255	-
Conditional Grants - District Municipality	267 015	-
Safety Audit and Safety Plan Grant	267 015	-
Conditional Grants - Other Grant Providers	**448 584**	**713 517**
DBSA Local Economic Development	-	-
SETA	448 584	713 517
SANRAL	-	-
Total	**252 883 800**	**220 294 355**
Disclosed as:		
Government Grants and Subsidies - Operating	149 488 382	142 295 019
Government Grants and Subsidies - Capital	103 395 418	77 999 337
Total	**252 883 800**	**220 294 355**

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

Grants per Vote (MFMA Sec 123 (c)):

Equitable share	140 900 000	131 583 000
Vote 1 - Directorate Finance	5 606 701	4 784 030
Vote 2 - Community Services	407 270	-
Vote 3 - Corporate services	534 121	831 941
Vote 4 - Electricity	2 736 948	4 718 238
Vote 5 - Economic Development and Planning	77 502 858	39 291 841
Vote 6 - Office of the Municipal Manager	-	45 160
Vote 8 - Technical and Infrastructure Implementation Services	23 431 066	22 239 793
Vote 12 - Waste management	-	-
Vote 13 - Waste water management	-	-
Vote 14 - Water	1 764 837	16 800 352
Vote 15 - Directorate Development and Community Services	-	-
Total	**252 883 800**	**220 294 355**

The movements per grant can be summarised as follows:

24.01 Equitable Share

Opening Unspent Balance	-	-
Grants Received / (Repaid)	140 900 000	131 583 000
Transferred to Revenue - Operating	(140 900 000)	(131 583 000)
Transferred to Revenue - Capital	-	-
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	330 424	198 402
Grants Received / (Repaid)	1 777 693	1 700 000
Transferred to Revenue - Operating	(1 752 264)	(1 567 978)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	355 853	330 424

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	205 154	639 726
Grants Received / (Repaid)	30 048 846	23 202 273
Transferred to Revenue - Operating	(3 280 210)	(3 081 051)
Transferred to Revenue - Capital	(21 868 066)	(20 555 793)
Closing Unspent Balance	5 105 724	205 154

The MIG grant is a conditional grant used to upgrade infrastructure in the municipal area with the main focus on previously disadvantaged areas.

24.04 Expanded Public Works Programme (EPWP)

Opening Unspent Balance	-	-
Grants Received / (Repaid)	1 563 000	1 684 000
Transferred to Revenue - Operating	(1 563 000)	(1 684 000)
Transferred to Revenue - Capital	-	-
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.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.05 Integrated National Electrification Programme (INEP)

Opening Unspent Balance	-	-
Grants Received / (Repaid)	4 206 000	-
Transferred to Revenue - Operating	(356 993)	-
Transferred to Revenue - Capital	(2 379 955)	-
Closing Unspent Balance	1 469 052	-

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 and Demand Side Management Grant

Opening Unspent Balance	-	33 535
Grants Received / (Repaid)	-	3 966 465
Transferred to Revenue - Operating	-	(521 739)
Transferred to Revenue - Capital	-	(3 478 261)
Closing Unspent Balance	-	-

Grant was utilised for the purchase and installation of street lights.

24.07 Municipal Drought Relief

Opening Unspent Balance	-	8 449
Grants Received / (Repaid)	-	(8 449)
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-

The grant will be utilised for boreholes.

24.08 Emergency Housing Grant

Opening Unspent Balance	383 800	383 800
Grants Received / (Repaid)	(383 800)	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
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.

24.09 Municipal Disaster Recovery Grant

Opening Unspent Balance	4 533 652	11 940 000
Grants Received / (Repaid)	(4 533 652)	-
Transferred to Revenue - Operating	-	(1 119 844)
Transferred to Revenue - Capital	-	(6 286 504)
Closing Unspent Balance	-	4 533 652

Grant is used to rehabilitate and reconstruct disaster damaged municipal infrastructure.

24.10 Water Service Infrastructure Grant (WSIG)

Opening Unspent Balance	235 996	-
Grants Received / (Repaid)	2 464 004	9 630 000
Transferred to Revenue - Operating	(230 196)	(1 225 305)
Transferred to Revenue - Capital	(1 534 640)	(8 168 699)
Closing Unspent Balance	935 164	235 996

Grant will be utilised for the replacement of water pipes.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.11 Municipal Disaster Response Grant

Opening Unspent Balance	41 304 000	-
Grants Received / (Repaid)	(25 820 348)	41 304 000
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	15 483 652	41 304 000

Grant will be utilised for repairs of infrastructure caused storm damages.

24.12 Department of Infrastructure

Opening Unspent Balance	5 412 603	4 446 980
Grants Received / (Repaid)	68 726 500	40 043 629
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	(76 873 628)	(39 078 006)
Transfer to / (from) Receivables	2 734 525	-
Closing Unspent Balance	-	5 412 603

Grant was utilised for the development of erven and infrastructure.

24.13 CDW Contribution

Opening Unspent Balance	44 083	49 507
Grants Received / (Repaid)	113 000	113 000
Transferred to Revenue - Operating	(85 538)	(118 424)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	71 545	44 083

The CDW Contribution was used to finance the activities of Community Development Workers.

24.14 Main Roads Subsidy

Opening Unspent Balance	88 611	88 611
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
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 Municipal Capacity Building Grant

Opening Unspent Balance	-	22 658
Grants Received / (Repaid)	-	(22 658)
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-

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.

24.16 Regional socio-economic projects (RSEP)

Opening Unspent Balance	1 158 701	272 536
Grants Received / (Repaid)	900 000	1 100 000
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	(629 230)	(213 835)
Closing Unspent Balance	1 429 471	1 158 701

This grant is earmarked for the erection of fencing, security gates and installation of shutter doors at the trading market.

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24 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

24.17 Municipal Interventions Grant

Opening Unspent Balance	31 762	250 000
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	(218 238)
Closing Unspent Balance	31 762	31 762

This grant is utilised to provide financial assistance to municipalities to improve infrastructure, systems structure, corporate governance, service delivery and compliance with executive obligations.

24.18 Municipal Service Delivery and Capacity Building Grant (MSDCB)

Opening Unspent Balance	-	514 618
Grants Received / (Repaid)	-	(514 618)
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-

This grant is utilised to provide financial assistance to municipalities to improve infrastructure, systems structure, corporate governance, service delivery and compliance with executive obligations.

24.19 Financial Management Capability Grant

Opening Unspent Balance	69 840	89 686
Grants Received / (Repaid)	699 999	160 314
Transferred to Revenue - Operating	(519 226)	(180 160)
Transferred to Revenue - Capital	(55 000)	-
Closing Unspent Balance	195 613	69 840

Grant is used to improve financial management capabilities of the Municipality.

24.20 Municipal Energy Resilience Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	-	500 000
Transferred to Revenue - Operating	-	(500 000)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-

Grant will be utilised for the infrastructure master plan.

24.21 Thusong Multi Purpose Centre Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	146 000	-
Transferred to Revenue - Operating	(140 255)	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	5 745	-

This grant is used to provide financial assistance to municipalities, ensuring the financial sustainability of the Thusong Service Centres.

24.22 Safety Audit and Safety Plan Grant

Opening Unspent Balance	567 203	67 203
Grants Received / (Repaid)	-	500 000
Transferred to Revenue - Operating	(212 116)	-
Transferred to Revenue - Capital	(54 899)	-
Closing Unspent Balance	300 188	567 203

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)		
24.23 DBSA Local Economic Development		
Opening Unspent Balance	226 477	226 477
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	226 477	226 477
This grant is utilised for the replacement of bulk sewerage line between Caledon and Myddleton.		
24.24 SETA		
Opening Unspent Balance	-	207 511
Grants Received / (Repaid)	448 584	506 006
Transferred to Revenue - Operating	(448 584)	(713 517)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-
This grant is for the training and development of municipal officials.		
24.25 SANRAL		
Opening Unspent Balance	-	-
Grants Received / (Repaid)	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-
This grant will be utilised for the construction of a taxi rank / bus stop in Grabouw.		
24.26 Total Grants		
Opening Unspent Balance	54 592 306	19 439 700
Grants Received / (Repaid)	221 255 826	255 446 962
Transferred to Revenue - Operating	(149 488 382)	(142 295 019)
Transferred to Revenue - Capital	(103 395 418)	(77 999 337)
Transfer to / (from) Receivables	2 734 526	-
Closing Unspent Balance	25 698 857	54 592 306
25 PUBLIC CONTRIBUTIONS AND DONATIONS		
Hogeschool van Arnhem en Nijmegen (HAN)	-	521 740
Bursaries Fund	-	-
Total	**-**	**521 740**
The movements per grant can be summarised as follows:		
25.01 Hogeschool van Arnhem en Nijmegen (HAN)		
Opening Unspent Balance	-	411 300
Grants Received	-	110 440
Transferred to Revenue - Operating	-	(521 740)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-
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	124 377	124 377
Grants Received	-	-
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	124 377	124 377

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	44 556	1 804 379
Total	**44 556**	**1 804 379**

Contributed Assets consists out of the following:

- Computer and Office Equipment	44 556	90 513
- Mobile Alcohol Testing Station	-	1 188 170
- Solar system installed at the taxi rank in Villiersdorp	-	525 696
Total	44 556	1 804 379

The contributed assets were received from the following parties:

- Insurance company replaced the assets instead of paying a refund	44 556	90 513
- South African Breweries (SAB)	-	1 188 170
- Department of Economic Development and Tourism	-	525 696
Total	44 556	1 804 379

27 AVAILABILITY CHARGES

Electricity	1 718 783	1 547 007
Water	2 127 560	2 049 415
Refuse Removal	764 326	750 420
Sewerage and Sanitation	926 099	903 637
Total	**5 536 768**	**5 250 479**

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	27 431 510	19 128 450
Pound Fees	293 001	135 007
Unclaimed Money	649 983	1 433 040
Overdue Books	11 472	7 424
Disconnection Fees	133 996	91 032
Total	**28 519 962**	**20 794 954**

In terms of the requirements of GRAP 23 and IGRAP 1, all traffic fines issued during the year are recognised as revenue.

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29	**FAIR VALUE ADJUSTMENT GAINS**		
	Actuarial Gains	-	464 806
	Post Retirement Medical Benefits	-	-
	Long Service Awards	-	464 806
	Landfill Sites - iGRAP 2 adjustments	217 340	16 033 652
	Total	**217 340**	**16 498 458**

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.

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.

30	**OTHER INCOME (NON-EXCHANGE)**		
	Insurance Refund	937 633	952 280
	Total	**937 633**	**952 280**
31	**SERVICE CHARGES**		
	Electricity	157 259 372	138 186 269
	Water	113 724 146	102 090 279
	Refuse Removal	61 738 158	58 420 899
	Sewerage and Sanitation	61 850 400	57 245 240
	Total Revenue	**394 572 076**	**355 942 687**
	Less: Rebates	(53 090 552)	(48 707 336)
	Electricity	(6 415 799)	(6 132 923)
	Water	(14 977 215)	(13 510 347)
	Refuse Removal	(16 763 810)	(15 391 985)
	Sewerage and Sanitation	(14 933 727)	(13 672 081)
	Total	**341 481 524**	**307 235 352**

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	1 812 840	1 780 046
	Halls and Sportfields	284 485	258 616
	Total	**2 097 325**	**2 038 661**
33	**INTEREST EARNED - EXTERNAL INVESTMENTS**		
	Primary Bank Accounts	1 472 576	4 919 369
	Investment Deposits	1 807 069	977 671
	Eskom Deposits	204 761	253 839
	Total	**3 484 407**	**6 150 879**
34	**INTEREST EARNED - OUTSTANDING DEBTORS**		
	Outstanding Debtors	28 820 327	28 428 544
	Total	**28 820 327**	**28 428 544**

Interest is levied at the prime rate plus 1% on unpaid balances.

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35 AGENCY SERVICES

Drivers Licences	1 474 974	1 320 065
Duplicate Registration	120 318	105 468
Learners	240 724	204 146
Roadworthy Applications	277 961	275 270
Roadworthy Certificates	83 596	75 326
Special Permits	38 148	40 885
Temporary Permits	33 762	59 889
Vehicle Licences	4 487 095	4 211 150
Vehicle Registration	1 595 886	1 645 921
Total	**8 352 463**	**7 938 120**

The Municipality acts as an agent for the Western Cape Mobility Department and manages the issuing of vehicle licences for a commission. Refer to note 62 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.

36 LIBRARY SERVICES

Department of Cultural Affairs and Sport	8 641 739	10 462 937
Total	**8 641 739**	**10 462 937**
Reconciliation for the year		
Opening balance	-	400 897
Receipts	9 938 000	11 571 346
Output VAT on receipts allocated to Taxes	(1 296 261)	(1 509 306)
Revenue Recognised	(8 641 739)	(10 462 937)
Closing balance	-	-

37 OTHER INCOME (EXCHANGE)

Sale of Goods and Rendering of Services	4 482 116	3 192 562
Building Plan Approval	2 175 212	1 509 181
Building Plans Clause Levy	72 398	100 959
Cemetery and Burial	800 224	645 179
Clearance Certificates	230 640	238 807
Encroachment Fees	66 893	67 161
Escort Fees	24 617	18 522
Photocopies and Faxes	89 485	88 737
Sub-division and Consolidation Fees	756 697	359 293
Tender Documents	263 670	153 782
Sundry Income	2 280	10 942
Licences and Permits	71 125	1 517
Operational Revenue	3 848 452	2 506 149
Collection Charges	2 176 592	1 797 357
Commission	74 652	72 452
Development Charges	1 114 926	210 760
Wayleave Charges	337 625	364 845
Sundry Income	144 658	60 735
Total	**8 401 693**	**5 700 228**

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38 CONSTRUCTION CONTRACTS

Construction of Housing Top Structures	5 275 387	-
Total	**5 275 387**	**-**

The Municipality has assessed that it acts as the Developer for the Department of Infrastructure for the construction of top structures.

As the contracts with the Department of Infrastructure 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	714 703	714 703
Payments / Advances received by the Municipality	1 500 000	-
Suppliers paid directly by Department of Infrastructure	3 787 187	-
Expenditure incurred / Revenue Recognised	(5 275 387)	-
Gross amount due to Department of Infrastructure	726 503	714 703

39 EMPLOYEE RELATED COSTS

Basic Salaries and Wages	178 273 609	175 352 231
Pension and UIF Contributions	31 289 242	29 558 429
Medical Aid Contributions	10 731 830	10 213 114
Overtime	11 186 542	16 591 527
Motor Vehicle Allowances	11 359 417	11 537 932
Cell Phone Allowances	906 041	954 653
Housing Allowances	1 847 583	1 114 124
Other benefits and allowances	13 393 871	14 143 328
Acting Allowances	3 282 620	3 022 683
Bargaining Council	96 305	92 178
Group Life Insurance	3 078 292	2 760 987
Standby Allowances	6 936 654	8 267 480
Contributions to Employee Benefits	22 520 766	15 966 586
Bonuses	14 085 354	13 457 620
Staff Leave	4 723 614	3 989 768
Performance Bonuses	227 799	260 197
Long Service Awards	1 105 000	1 091 000
Post Retirement Medical Benefits	2 379 000	(2 832 000)
Workmen's Compensation	1 645 249	1 118 909
Total	**283 154 149**	**276 550 832**
As previously reported		276 503 141
Correction of error restatement - note 51.3		47 691
Restated balance		276 550 832

39.01 Remuneration of Management Personnel

Interim Municipal Manager - WF Hendricks (1 Feb 2025 - 30 Jun 2025)

Annual Remuneration	648 916	-
Cell Phone Allowances	9 004	-
Contributions to UIF, Medical and Pension Funds	886	-
Total	658 806	-

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39 EMPLOYEE RELATED COSTS (CONTINUED)		
Interim Municipal Manager - R Steven (23 Jun 24 - 22 Dec 2024)		
Annual Remuneration	693 904	97 201
Travelling Allowance	60 000	10 000
Cell Phone Allowances	10 127	1 723
Housing Allowance	24 000	4 000
Contributions to UIF, Medical and Pension Funds	14 088	2 348
Leave Payout	47 590	-
Total	849 707	115 272
Municipal Manager - WSE Solomons-Johannes (1 Aug 2023 - 22 Jun 2024)		
Annual Remuneration	-	805 636
Travelling Allowance	-	110 000
Cell Phone Allowances	-	18 956
Contributions to UIF, Medical and Pension Funds	-	164 959
Performance Bonus	-	151 069
Total	-	1 250 619
Municipal Manager - BM Ngubo (9 Nov 2022 - 12 Apr 2023)		
Contributions to UIF, Medical and Pension Funds	-	1 365
Performance Bonus	-	118 740
Total	-	120 104
Director: Financial Services - NP Mabhena (Appointed 9 Oct 2024)		
Annual Remuneration	713 814	-
Travelling Allowance	90 000	-
Cell Phone Allowances	15 850	-
Contributions to UIF, Medical and Pension Funds	49 591	-
Total	869 255	-
Interim Director: Financial Services - NP Mabhena (1 Aug 2023 - 31 May 2024)		
Annual Remuneration	-	955 819
Travelling Allowance	-	70 000
Cell Phone Allowances	-	17 232
Contributions to UIF, Medical and Pension Funds	-	1 771
Performance Bonus	46 214	-
Leave Payout	-	57 107
Total	46 214	1 101 930
Interim Director: Technical and Infrastructure - HJ Matthee (1 Mar 2024 - 31 Aug 2024; 1 Dec 2024 - 28 Feb 2025)		
Annual Remuneration	545 478	310 793
Travelling Allowance	110 000	100 000
Cell Phone Allowances	8 849	6 893
Contributions to UIF, Medical and Pension Funds	1 701	708
Performance Bonus	36 971	-
Leave Payout	39 216	-
Total	742 215	418 394

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39	**EMPLOYEE RELATED COSTS (CONTINUED)**		
	Interim Director: Development and Planning - NL Baliso (1 Mar 2024 - 31 Aug 2024; 1 Dec 2024 - 28 Feb 2025)		
	Annual Remuneration	539 380	410 781
	Travelling Allowance	6 236	-
	Cell Phone Allowances	8 849	6 893
	Contributions to UIF, Medical and Pension Funds	1 240	720
	Performance Bonus	20 540	-
	Leave Payout	19 036	-
	Total	595 280	418 394
	Director: Community Services - WSE Solomons-Johannes (1 Oct 2022 - 31 Jul 2023; Reappointed 23 Jun 2024)		
	Annual Remuneration	905 941	118 048
	Travelling Allowance	120 000	10 000
	Cell Phone Allowance	21 717	1 723
	Acting Allowance	1 702	4 584
	Contributions to UIF, Medical and Pension Funds	190 746	13 298
	Leave Payout	92 218	-
	Total	1 332 324	147 653
	Director: Corporate Services - GW Hermanus (Appointed 9 Oct 2024)		
	Annual Remuneration	660 367	-
	Travelling Allowance	135 000	-
	Cell Phone Allowance	15 850	-
	Housing Allowance	45 000	-
	Contributions to UIF, Medical and Pension Funds	13 646	-
	Total	869 864	-
	Director: Corporate Services - R Stevens (1 Aug 2023 - 31 May 2024)		
	Annual Remuneration	-	865 185
	Travelling Allowance	-	100 000
	Cell Phone Allowance	-	17 232
	Housing Allowance	-	40 000
	Contributions to UIF, Medical and Pension Funds	177	22 405
	Performance Bonus	83 186	-
	Leave Payout	-	57 107
	Total	83 363	1 101 930
	Director: Corporate Services - WF Hendricks (26 Sep 2022 - 2 Jan 2023)		
	Contributions to UIF, Medical and Pension Funds	-	501
	Performance Bonus	-	32 372
	Total	-	32 873
39.02	**Employees acting in management positions**		
	Acting Municipal Manager - JA Amansure for 40 days		
	Annual Remuneration	70 238	-
	Travelling Allowance	14 865	-
	Cell Phone Allowance	1 110	-
	Housing Allowance	1 114	-
	Acting Allowance	79 428	-
	Contributions to UIF, Medical and Pension Funds	19 653	-
	Total	186 409	-

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39 EMPLOYEE RELATED COSTS (CONTINUED)		
Acting Director: Financial Services - A Riddles for 22 days (2024 - 31 days)		
Annual Remuneration	70 614	93 680
Travelling Allowance	11 184	14 225
Cell Phone Allowance	835	1 062
Housing Allowance	838	1 066
Acting Allowance	30 666	9 632
Contributions to UIF, Medical and Pension Funds	18 857	23 812
Total	132 994	143 477
Acting Director: Technical and Infrastructure - HS Marthinus for 61 days		
Annual Remuneration	137 606	-
Travelling Allowance	26 456	-
Cell Phone Allowance	69 463	-
Housing Allowance	2 229	-
Acting Allowance	7 131	-
Contributions to UIF, Medical and Pension Funds	38 736	-
Total	281 620	-
Acting Director: Technical and Infrastructure - NR Kayser for 61 days		
Annual Remuneration	126 636	-
Travelling Allowance	26 456	-
Cell Phone Allowance	1 308	-
Acting Allowance	3 051	-
Contributions to UIF, Medical and Pension Funds	35 973	-
Total	193 424	-
Acting Director: Development and Planning - E Shortles for 122 days		
Annual Remuneration	247 336	-
Travelling Allowance	52 911	-
Cell Phone Allowance	4 506	-
Housing Allowance	4 458	-
Acting Allowance	6 258	-
Contributions to UIF, Medical and Pension Funds	68 314	-
Total	383 783	-
Acting Director: Development and Planning - SS Tebele for 18 days		
Annual Remuneration	46 334	-
Travelling Allowance	9 687	-
Cell Phone Allowance	723	-
Acting Allowance	2 233	-
Contributions to UIF, Medical and Pension Funds	11 308	-
Total	70 286	-
Acting Director: Community Services - NR Arendse for 61 days		
Annual Remuneration	160 528	-
Travelling Allowance	30 176	-
Cell Phone Allowance	2 253	-
Acting Allowance	4 062	-
Contributions to UIF, Medical and Pension Funds	32 259	-
Total	229 278	-

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39 EMPLOYEE RELATED COSTS (CONTINUED)

Acting Director: Corporate Services - J Amansure (2024 - 31 days)

Annual Remuneration	-	64 097
Travelling Allowance	-	14 225
Cell Phone Allowance	-	1 062
Housing Allowance	-	1 066
Acting Allowance	-	37 171
Contributions to UIF, Medical and Pension Funds	-	18 019
Total	-	135 640

Acting Director: Corporate Services - J Barnard (2024 - 8 days)

Annual Remuneration	-	17 206
Travelling Allowance	-	3 556
Cell Phone Allowance	-	266
Acting Allowance	-	4 478
Contributions to UIF, Medical and Pension Funds	-	3 464
Total	-	28 969

40 REMUNERATION OF COUNCILLORS

Executive Mayor	1 066 327	1 019 788
Deputy Executive Mayor	709 985	838 631
Speaker	712 112	837 604
Mayoral Committee Members	3 837 974	3 445 468
Other Councillors	6 821 863	7 047 922
Total	**13 148 261**	**13 189 413**

	Basic Salary	Motor Vehicle Allowance	Cell Phone Allowance	Medical and Pension Contributions	Total
2025					
Executive Mayor	992 258	23 780	50 289	-	1 066 327
Deputy Executive Mayor	663 232	-	40 610	6 142	709 985
Speaker	664 824	-	40 737	6 552	712 112
Mayoral Committee Members	3 493 453	64 919	230 261	49 341	3 837 974
Other Councillors	5 738 372	138 605	898 492	46 394	6 821 863
Total	**11 552 140**	**227 303**	**1 260 390**	**108 428**	**13 148 261**
2024					
Executive Mayor	966 199	-	53 589	-	1 019 788
Deputy Executive Mayor	726 279	-	53 208	59 144	838 631
Speaker	784 396	-	53 208	-	837 604
Mayoral Committee Members	3 062 249	140 330	236 219	6 670	3 445 468
Other Councillors	5 840 576	129 202	1 025 434	52 710	7 047 922
Total	**11 379 700**	**269 532**	**1 421 658**	**118 523**	**13 189 413**

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.

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41	**DEBT IMPAIRMENT**		
	Receivables from Exchange Transactions	77 584 148	69 261 830
	Receivables from Non-Exchange Transactions	28 747 352	20 285 043
	Long-term Receivables	(2 087 548)	3 544 472
	Total Debt Impairment	**104 243 953**	**93 091 345**
	Movement in VAT included in debt impairment	(3 782 786)	(4 303 634)
	Total	**100 461 167**	**88 787 711**
42	**DEPRECIATION AND AMORTISATION**		
	Property, Plant and Equipment	35 201 974	34 094 795
	Investment Property	82 689	86 763
	Intangible Assets	56 582	59 179
	Total	**35 341 245**	**34 240 737**
	As previously reported		34 187 896
	Correction of error restatement - note 51.1		52 841
	Restated balance		**34 240 737**
43	**IMPAIRMENT**		
	Property, Plant and Equipment	274 885	-
	Capitalised Restoration Cost	5 704 360	-
	Total	**5 979 245**	**-**

Impairment on Property, Plant and Equipment relates to damaged property. The impairment is calculated as the difference between the recoverable service amount and carrying value of the asset. The recoverable service amount was determined to be zero, and therefore the asset was impaired in full. The Municipality has submitted a claim to its insurer on this matter.

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.

44	**FINANCE CHARGES**		
	Cash	26 271 241	21 581 689
	Long-term Liabilities	18 461 927	21 581 689
	Bank Overdraft	328 119	-
	Overdue Accounts	7 481 195	-
	Non-cash	20 933 258	20 117 652
	Post Retirement Medical Benefits	6 650 000	6 684 000
	Long Service Awards	1 407 000	1 383 000
	Rehabilitation of Landfill Sites	12 876 258	12 050 652
	Total	**47 204 499**	**41 699 341**

Finance charges on overdue accounts mainly relate to interest charged by Eskom Holdings SOC Ltd on overdue accounts.

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45 BULK PURCHASES

Electricity	120 103 715	101 021 445
Water	28 571 786	22 253 013
Total	**148 675 501**	**123 274 458**

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.

46 CONTRACTED SERVICES

Alien Vegetation Control	31 643	228 666
Audit Committee	127 513	115 324
Business and Financial Management	6 629 489	6 693 872
Clearing and Grass Cutting Services	227 188	3 086 270
Construction of Housing Top Structures	5 275 387	-
Drivers Licence Cards	555 686	503 625
Engineering - Civil	930 344	1 404 870
Fire Services	2 670 094	2 517 147
Legal Advice	1 762 467	1 176 625
Maintenance Services	12 925 971	27 040 987
Management of Informal Settlements	453 498	27 056
Refuse Haulage	7 218 295	5 704 382
Research and Advisory	51 600	155 500
Personnel and Labour	7 792 920	7 825 335
Security Services	16 279 592	83 473 973
Valuation Services	115 968	806 363
Water Tests	628 591	496 724
Other Contracted Services	162 613	854 509
Total	**63 838 859**	**142 111 229**
As previously reported		140 805 314
Correction of error restatement - note 51.2		1 305 915
Restated balance		142 111 229

Other Contracted Services consist out of a variety of services, including but not limited to animal care, catering services and human resources.

47 TRANSFERS AND GRANTS

Assistance towards Informal Settlements	-	2 752 554
External Bursaries	205 296	-
Indigent Subsidies - Electricity	4 690 442	4 263 697
Mayoral Charity Fund	20 619	1 106 570
Total	**4 916 357**	**8 122 821**

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48 OTHER EXPENDITURE

Advertising, Publicity and Marketing	325 763	516 380
Audit Fees	8 325 676	4 511 319
Bank Charges	1 361 617	745 500
Commission Paid (Electricity)	1 188 588	1 102 113
Electricity - Eskom	20 283 651	19 422 794
Computer Services and Licences	10 382 974	9 264 036
Dumping Fees (Karwyderskraal)	3 432 527	3 165 915
Fuel Cost	7 881 188	14 677 185
Full Time Union Representative	33 951	290 823
Hire Charges	3 945 161	43 716 044
Insurance	4 852 299	4 497 228
Maintenance Materials	6 056 180	8 243 378
Material and Protective Clothing	1 030 415	1 697 781
Membership Fees	3 085 427	2 945 833
Postage	54 773	124 025
Printing and Stationery	636 637	928 619
Refuse Bags	322 378	619 261
Skills Development Levy	2 407 872	2 426 150
Telephone	681 079	689 057
Training and Bursaries (Employees)	750 923	363 746
Travel and Subsistence	1 166 911	1 687 629
Ward Committees	78 600	121 900
Water Purification	3 574 877	3 240 964
Sundries and Other Consumables	1 615 837	3 341 789
Total	**83 475 304**	**128 339 468**
As previously reported		129 209 034
Correction of error restatement - note 51.2		(869 565)
Restated balance		128 339 468

49 GAIN/(LOSS) ON DISPOSAL OF NON-MONETARY ASSETS

Proceeds	1 207 137	678 435
Less: Carrying value of Investment Property disposed	(48 118)	(1 003 652)
Less: Carrying value of Property, Plant and Equipment disposed	(8 836 347)	(40 015 595)
Less: Carrying value of Intangible Assets disposed	-	-
Total	**(7 677 329)**	**(40 340 813)**

The significant loss with the disposal of Property, Plant and Equipment of the previous year relate old work-in-progress (WIP) projects which was written of by Council. The WIP written off relate to, amongst other, old projects which were cancelled or projects that never commenced.

50 FAIR VALUE ADJUSTMENT LOSSES

Actuarial Losses	3 611 466	131 312
Post Retirement Medical Benefits	3 174 882	131 312
Long Service Awards	436 583	-
Foreign Exchange Losses	4 345	-
Total	**3 615 810**	**131 312**

The actuarial losses mainly originated as a result of an decrease in the net discount rate being used by the actuaries to calculate the employee benefits.

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51 PRIOR PERIOD ADJUSTMENTS - CORRECTION OF ERROR

51.1 Property, Plant and Equipment

Completed projects were incorrectly included as work in progress which resulted that depreciation amounting to R52 841 was not recognised on the said projects.

The net effect of the above-mentioned were as follows:

- Property, Plant and Equipment - note 10	Overstated	(52 841)
- Depreciation and Amortisation - note 42	Understated	52 841

51.2 Payables from Exchange Transactions

The following errors were noted:

- Two supplier invoices were incorrectly raised, resulting in Trade Payables being overstated by R1 770 799.
- Two supplier invoices amounting to R1 501 803 were not raised as on 30 June 2024, resulting in Trade Payables being understated.

The net effect of the above-mentioned were as follows:

- Taxes - note 5	Overstated	(35 087)
- Payables from Exchange Transactions - note 16	Overstated	(268 997)
- Contracted Services - note 46	Understated	1 305 915
- Other Expenditure - note 48	Overstated	(869 565)
- Accumulated Surplus - note 51.5	Understated	670 260

51.3 Current Employee Benefits

Acting allowances for June, only paid in July, was not accrued as on 30 June.

The net effect of the above-mentioned were as follows:

- Current Employee Benefits - note 19	Understated	249 488
- Employee Related Costs - note 39	Understated	47 691
- Accumulated Surplus - note 51.5	Overstated	(201 796)

51.4 Classification of Library Services

During the 2023/24 statutory audit, the Auditor-General issued a finding that the funds being received from the Department of Cultural Affairs and Sport (DCAS) are for services being rendered to the Department, as the library function has not been assigned to municipalities. Given the afore-mentioned, it was concluded by the Auditors General that the VAT on the funds received from DCAS be reclassified from being a provision, to a payable and included as part of Taxes.

The net effect of the above-mentioned were as follows:

- Taxes - note 5	Overstated	(7 472 418)
- Current Provisions - note 20	Overstated	(7 472 418)

51.5 Accumulated Surplus

Payables from Exchange Transactions - note 51.2	670 260
Current Employee Benefits - note 51.3	(201 796)
Total	468 464

51.6 Cash Flow Statement

The 2023/24 contribution towards the provision relating to the Output VAT on the libraries services amounting to R1 509 307 was incorrect netted off against "Government Grants", rather than "Other Revenue and Receipts"

The effect on the Cash Flow Statement as a result of the above-mentioned were as follows:

- Other Revenue and Receipts	Understated	1 509 307
- Government Grants	Overstated	(1 509 306)

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52 NET CASH FROM OPERATING ACTIVITIES		
Net Surplus/(Deficit) for the year	58 554 400	(109 101 067)
Adjusted for:		
Non-cash revenue included in Net Surplus	(299 022)	(18 322 191)
Fair Value Adjustment Gains	(217 340)	(16 498 458)
Actuarial Gains	-	(464 806)
Landfill Sites - iGRAP 2 adjustments	(217 340)	(16 033 652)
Contributed Assets	(44 556)	(1 804 379)
Rental of Facilities and Equipment - decrease in operating lease asset	(37 127)	(19 354)
Non-cash expenditure included in Net Surplus	198 040 434	201 671 906
Employee Related Costs - Contributions towards	24 036 726	18 053 681
Post Retirement Medical Benefits	2 379 000	(2 832 000)
Long Service Awards	1 105 000	1 091 000
Bonuses	14 085 354	13 457 620
Staff Leave	4 723 614	3 989 768
Performance Bonuses	227 799	260 197
Group Insurance	24 826	68 866
Standby and Overtime	1 491 134	2 018 230
Debt Impairment	100 461 167	88 787 711
Depreciation and Amortisation	35 341 245	34 240 737
Impairment	5 979 245	-
Finance Charges	20 933 258	20 117 652
Post Retirement Medical Benefits	6 650 000	6 684 000
Long Service Awards	1 407 000	1 383 000
Provision for Rehabilitation of Landfill-sites	12 876 258	12 050 652
Loss on disposal of Non-Monetary Assets	7 677 329	40 340 813
Fair Value Adjustment Losses - Actuarial Losses	3 611 466	131 312
Cash expenditure not included in Net Surplus	(23 456 145)	(21 736 272)
Post Retirement Medical Benefits	(2 912 882)	(2 495 312)
Long Service Awards	(1 660 583)	(1 291 194)
Bonuses	(13 816 367)	(12 999 959)
Staff Leave	(2 861 173)	(2 614 665)
Performance Bonuses	(186 911)	(302 180)
Pension	-	-
Standby and Overtime	(2 018 230)	(2 032 963)
Operating Surplus before changes in working capital	232 839 667	52 512 376
Movement in working capital	(183 830 030)	22 936 750
Long-term Receivables	(498 650)	(8 820 142)
Receivables from Exchange Transactions	(78 229 902)	(71 130 713)
Receivables from Non-Exchange Transactions	(32 313 587)	(20 956 003)
Taxes	2 926 633	5 748 241
Inventory	1 090 283	3 508 410
Consumer Deposits	718 300	658 626
Payables from exchange transactions	19 941 730	80 233 562
Unspent Conditional Government Grants	(28 893 449)	35 152 606
Unspent Conditional Government Grants - Non-cash capital grants receipts	(67 636 030)	-
Unspent Public Contributions	-	(411 300)
Current and Non-current Investments - Interest and Fair Value Adjustment	(935 360)	(1 046 537)
Cash Flow from Operating Activities	**49 009 636**	**75 449 126**

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53 CASH AND CASH EQUIVALENTS (FOR CASH FLOW STATEMENT PURPOSES)

Cash and Cash Equivalents comprise out of the following:

Primary Bank Account	2 395 294	16 373 169
Cash Floats	7 450	9 699
Total	**2 402 744**	**16 382 868**

Refer to note 2 for more details relating to cash and cash equivalents.

54 BUDGET COMPARISONS

54.1 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

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			
Electricity	Service Charges	Surcharges and Taxes	211 997
Water	Service Charges	Surcharges and Taxes	565 235
Sewerage and Sanitation	Service Charges	Surcharges and Taxes	544 411
Refuse Removal	Service Charges	Surcharges and Taxes	562 165
Outstanding Debtors	Interest Earned - Outstanding Debtors	Interest Earned from Receivables (Non-Exchange)	4 020 115
Department of Cultural Affairs and Sport	Library Services	Transfers and Subsidies - Operational	8 641 739
Landfill Sites - iGRAP 2 adjustments	Fair Value Adjustment Gains	Operational Revenue (Exchange)	217 340
Insurance Refund	Other Income (Non-Exchange)	Operational Revenue (Exchange)	937 633
Construction of Housing Top Structures	Construction Contracts	Transfers and Subsidies - Operational	5 275 387
Department of Infrastructure	Government Grants and Subsidies - Capital	Transfers and Subsidies - Capital (in-kind)	64 951 335
Expenditure			
Workmen's Compensation	Employee Related Costs	Operational Costs	1 645 249
Water	Bulk Purchases	Inventory Consumed	28 571 786
Construction of Housing Top Structures	Contracted Services	Transfers and Subsidies	5 275 387
Indigent Subsidies - Electricity	Transfers and Grants	Operational Costs	4 690 442
Sundries and Other Consumables	Other Expenditure	Inventory Consumed	595 011
Printing and stationery	Other Expenditure	Inventory Consumed	590 513
Maintenance Materials	Other Expenditure	Inventory Consumed	6 056 180
Refuse bags	Other Expenditure	Inventory Consumed	322 378
Water Purification	Other Expenditure	Inventory Consumed	3 574 877

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54 BUDGET COMPARISONS (CONTINUED)

Reconciliation of Actuals	Note	Actuals per Statement of Financial Performance R	Reclassification due to mSCOA versus GRAP classification R	Actuals per Budget Comparison R
REVENUE				
Exchange Revenue		**401 279 478**	**(13 390 690)**	**387 888 788**
Service charges - Electricity	**31**	150 843 573	(211 997)	150 631 575
Service charges - Water	**31**	98 746 931	(565 235)	98 181 696
Service charges - Waste Water Management	**31**	46 916 673	(544 411)	46 372 262
Service charges - Waste Management	**31**	44 974 347	(562 165)	44 412 183
Sale of Goods and Rendering of Services	**37**	4 482 116	-	4 482 116
Agency Services	**35**	8 352 463	-	8 352 463
Interest Earned from Receivables (Exchange)	**34**	28 820 327	(4 020 115)	24 800 212
Interest Earned from Current and Non Current Assets	**33**	3 484 407	-	3 484 407
Rental from Fixed Assets	**32**	2 097 325	-	2 097 325
Licences and Permits	**37**	71 125	-	71 125
Operational Revenue (Exchange)	**36 & 37**	12 490 191	(7 486 767)	5 003 424
Non-Exchange Revenue		**346 047 286**	**18 666 077**	**364 713 363**
Property Rates	**23**	161 347 202	-	161 347 202
Surcharges and Taxes		-	1 883 808	1 883 808
Fines, Penalties and Forfeits	**28**	28 519 962	-	28 519 962
Transfers and Subsidies - Operational	**24 & 25**	149 488 382	13 917 126	163 405 508
Interest Earned from Receivables (Non-Exchange)		-	4 020 115	4 020 115
Operational Revenue (Non-Exchange)	**27 & 30**	6 474 400	(937 633)	5 536 768
Other Gains	**29**	217 340	(217 340)	-
Construction Contracts	**38**	**5 275 387**	**(5 275 387)**	**-**
Total Revenue (excluding capital transfers)		**752 602 151**	**-**	**752 602 151**
EXPENDITURE				
Employee Related Costs	**39**	283 154 149	(1 645 249)	281 508 900
Remuneration of Councillors	**40**	13 148 261	-	13 148 261
Debt Impairment	**41**	100 461 167	-	100 461 167
Depreciation and Amortisation	**42 & 43**	41 320 489	-	41 320 523
Interest	**44**	47 204 499	-	47 204 499
Bulk Purchases - electricity	**45**	148 675 501	(28 571 786)	120 103 715
Inventory consumed		-	39 710 746	39 710 746
Contracted Services	**46**	63 838 859	(5 275 387)	58 563 472
Transfers and Subsidies	**47**	4 916 357	584 944	5 501 302
Operational Costs	**48**	83 475 304	(4 803 269)	78 672 035
Losses on Disposal of Assets	**49**	7 677 329	-	7 677 311
Other Losses	**50**	3 615 810	-	3 615 810
Total Expenditure		**797 487 725**	**-**	**797 487 741**
Surplus/(Deficit)		**(44 885 574)**	**-**	**(44 885 590)**
Transfers and Subsidies - Capital (monetary allocations)	**24**	103 395 418	(64 951 335)	38 444 084
Transfers and Subsidies - Capital (in-kind)	**26**	44 556	64 951 335	64 995 890
Surplus/(Deficit) for the year		**58 554 400**	**-**	**58 554 384**

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54 BUDGET COMPARISONS (CONTINUED)

Cash Flow Statement

The Cash Flow Statement is presented on a comparable basis in all material aspects, except for following:

- Consumer Deposits are budgeted under "Increase/(Decrease) in Consumer Deposits", but for GRAP purposes are disclosed as "Other Revenue".
- Interest earned on Non-Current Investment is considered an Investing Activity for GRAP purposes, but is budgeted as an Operating Activity.
- Funding received from the Department of Infrastructure for Construction Contracts is recognised as "Other Revenue" for GRAP purposes, but for budget purposes it is recognised as "Government Grants".
- Funding received from the Department of Cultural Affairs and Sport (DCAS) for Library Services is recognised as "Other Revenue" for GRAP purposes, but for budget purposes it is recognised as "Government Grants".
- Interest on Outstanding Debtors are budgeted under "Interest", but for GRAP purposes are disclosed as "Service Charges and Interest on Outstanding Debtors".

The actuals of the cash flow statement were adjusted as follow in order to be on a comparable basis:

Item as per Cash Flow Statement (GRAP / Budget)	As per GRAP Cash Flow Statement	Adjustment	As per Budget Cash Flow Statement
Other Revenue and Receipts / Other Revenue	37 735 185	(15 314 143)	22 421 043
Government Grants / Transfers and Subsidies	153 619 797	10 141 739	163 761 536
Investment Income / Interest	2 553 848	5 364 637	7 918 485
Decrease/(Increase) in Other Non-Current Investments	7 067 309	(910 534)	6 156 775
Increase (decrease) in consumer deposits	-	718 300	718 300

54.2 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 2023/24.

Accumulated Surplus was adjusted to take into account budget adjustments made to the Statement of Financial Performance.

Actual Amounts vs Final Budget

Investments	Actuals were less than budget as the investment deposit matured during the current financial year and was utilised towards the early settlement of a DBSA loan. The budget did not take into account the afore-mentioned.
Property, Plant and Equipment	Actuals were less than budget as 60% of capital budget was spent.
Financial Liabilities (Current)	Actuals were more than budget as the Municipality was unable to service the scheduled loan repayments towards the end of the financial year, as a result of cash flow constraints.
Trade and Other Payables from Exchange Transactions	Trade Payables was budgeted with the assumption that the full operating and capital budget would be spent, and as a result of cash flow constraints, the said expenditure would result in an increase of unpaid invoices at year-end. However, both the capital and operating budget was significantly underspent, resulting in less unpaid invoices at year-end.
Trade and Other Payables from Non-Exchange Transactions	Actuals were more than budget as not all grant funding was spent as a result of slights delays experienced on certain projects.
Financial Liabilities (Non-current)	Actuals were less than budget as the investment deposit matured during the current financial year and was utilised towards the early settlement of a DBSA loan. The budget did not take into account the afore-mentioned.
Provisions (Current)	Actuals were less than budget as VAT on library services considered a Taxes Payable and not a Provision as initially budgeted. Refer to note 51.4.
Provision (Non-current)	Actuals are more than budget, due to an increase in the rehabilitation of the landfill site provision which is based on an annual report compiled by an independent qualified engineer.
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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54 BUDGET COMPARISONS (CONTINUED)

54.3 Statement of Financial Performance

Adjustments to Original Budget

Sale of Goods and Rendering of Services	The original budget made provision for sale of land which did not materialise and accordingly the budget was decreased.
Employee Related Costs	Upward adjustments were made to overtime and standby due to limited capacity and excessive service delivery demands.
Bulk Purchases - Electricity	Budget was increased due to the original budget being insufficient for the demand required.
Debt Impairment	Original budget calculations was based on a collection rate of 80%. The collection rate was however revised to 82.3% (which is based on the audited actuals of 2023/24) and the debt impairment budget was adjusted accordingly.
Contracted Services	Budget was mainly increased to make provision for additional security services.
Operational Costs	Electricity charges from Eskom was increased, as the original budget was assessed as being insufficient for the demand required. External audit fees was also increased as it was agreed with the Auditor General to commence with the 2024/25 statutory audit during the current year and not after year-end as was done in the past.
Transfers and Subsidies - Capital (monetary allocations)	Due to the cash flow constraints experienced by the Municipality, arrangements were undertaken with the Department of Infrastructure regarding housing projects. The arrangements determined that the Department of Infrastructure should directly pay the suppliers appointed by the Municipality, rather than distributing the funds to the Municipality. Accordingly the monetary capital allocations were decreased, and the in-kind capital were increased with the revised allocation from the Department of Infrastructure.
Transfers and Subsidies - Capital (in-kind)	

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

Sale of Goods and Rendering of Services	Actuals were less than budget as sale of land did not materialise.
Debt Impairment	Actuals are less than budget, as the budget was based on a collection rate of 82.3%, whereas the actual collection rate achieved is calculated at 83.8%, resulting in a lower impairment rate.
Contracted Services	Actuals less than budget as the full allocation from the Department of Infrastructure was not transferred to the Municipality or suppliers before 30 June 2025, mainly due to the fact that funding is paid on a claim basis which is usually a protracted process.
Operational Costs	Due to financial constraints, the Municipality restricted all non-essential procurement resulting in the actuals being less than budget.
Transfers and Subsidies - Capital (monetary allocations)	Actuals less than budget as the full allocation from the Department of Infrastructure was not transferred to the Municipality or suppliers before 30 June 2025, mainly due to the fact that funding is paid on a claim basis which is usually a protracted process.
Transfers and Subsidies - Capital (in-kind)	

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54 BUDGET COMPARISONS (CONTINUED)

54.4 Cash Flow Statement

Adjustments to Original Budget

Net Cash from/(used) Operating Activities	Property Rates and Service Charges receipts increased due to an increase in the budgeted collection rate from 80% to 82.3%, which is based on the audited actuals of 2023/24. Transfers and Grants receipts decreased due to the arrangement undertaken with the Department of Infrastructure whereby the Department directly paid the suppliers appointed by the Municipality for housing projects. Payment of Suppliers and Employees decreased as it was assessed and budgeted that the Municipality will have more unpaid creditors at year-end than anticipated, resulting in a decrease in payments to suppliers.
Net Cash from/(used) Investing Activities	Payment of Capital Assets decreased due to the arrangement undertaken with the Department of Infrastructure whereby the Department directly pay suppliers appointed by the Municipality for housing projects. In addition, capital projects to be funded from borrowings were also decreased as a decision was taken not to take up any borrowings.
Net Cash from/(used) Financing Activities	Borrowings were decreased as a decision was taken that no new loans were to be taken up for the current financial year.

Actual Amounts vs Final Budget

Net Cash from/(used) Operating Activities	Actual receipts relating to Property Rates and Services Charges were more than budget, as the budget was based on a collection rate of 82.3%, whereas the actual collection rate achieved is calculated at 83.8%. Other Revenue receipts was less than budget, mainly due to the property sales which did not materialise. Transfers and Subsidies actuals receipts was less than budget as the full allocation from the Department of Infrastructure was not transferred to the Municipality before 30 June 2025, mainly due to the fact that funding is paid on a claim basis which is usually a protracted process. Payment of Suppliers and Employees are more than budget as the Municipality had less unpaid creditors than anticipated. Payment of Interest was based on the budget assumption that all interest levied by suppliers, would be paid. R7 million of interest levied by suppliers is still unpaid at year-end. The remaining variance relate to the unpaid interest portion of scheduled loan repayments which could not be serviced towards the end of the financial year.
Net Cash from/(used) Investing Activities	Capital asset purchases were less than budget mainly as a result of capital budget not spent in full (60% of capital budget was spent). The reason for the underspending is due to full allocation from the Department of Infrastructure that was not transferred to the Municipality before 30 June 2025, mainly due to the fact that funding is paid on a claim basis which is usually a protracted process.
Net Cash from/(used) Financing Activities	Repayment of borrowings were less than budget as the Municipality was unable to service the scheduled loan repayments towards the end of the financial year, as a result of cash flow constraints.

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55 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

55.1 Unauthorised Expenditure

Unauthorised expenditure can be reconciled as follow:

Opening balance	153 727 513	104 357 068
Unauthorised expenditure current year - operating	178 512	49 370 445
Unauthorised expenditure current year - capital	-	-
Approved by Council	-	-
Unauthorised expenditure awaiting further action	**153 906 025**	**153 727 513**

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:

	2025 (Actual) R	2025 (Final Budget) R	2025 (Unauthorised) R	2024 (Unauthorised) R
Unauthorised expenditure - Operating				
Vote 1 - Directorate Finance	98 348 074	99 465 533	-	-
Vote 2 - Community Services	175 433 667	187 168 901	-	49 370 445
Vote 3 - Corporate services	81 686 103	86 949 737	-	-
Vote 4 - Electricity	153 602 452	163 767 069	-	-
Vote 5 - Economic Development and Planning	34 424 785	35 722 805	-	-
Vote 6 - Office of the Municipal Manager	8 175 752	8 335 875	-	-
Vote 8 - Technical and Infrastructure Implementation Ser	18 065 767	21 617 655	-	-
Vote 12 - Waste management	73 910 653	73 732 141	178 512	-
Vote 13 - Waste water management	64 615 761	67 276 093	-	-
Vote 14 - Water	89 224 727	99 425 866	-	-
Total	**797 487 741**	**843 461 675**	**178 512**	**49 370 445**

The overspending incurred is attributable to the following items:

-	Impairment of Capitalised Restoration Cost (non-cash)		178 512	-
-	Hire charges (cash)		-	19 400 253
-	Security Services (cash)		-	29 970 192
Total			178 512	49 370 445
Unauthorised expenditure - Capital				
Vote 1 - Directorate Finance	126 073	409 177	-	-
Vote 2 - Community Services	9 232 880	24 478 433	-	-
Vote 3 - Corporate services	348 039	602 918	-	-
Vote 4 - Electricity	3 040 348	4 636 722	-	-
Vote 5 - Economic Development and Planning	78 238 040	126 941 562	-	-
Vote 6 - Office of the Municipal Manager	-	-	-	-
Vote 8 - Technical and Infrastructure Implementation Ser	-	-	-	-
Vote 12 - Waste management	-	-	-	-
Vote 13 - Waste water management	5 789 098	9 113 411	-	-
Vote 14 - Water	12 052 466	13 987 872	-	-
Total	**108 826 944**	**180 170 095**	**-**	**-**

55.2 Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure can be reconciled as follow:

Opening balance	13 954	18 386
Fruitless and wasteful expenditure incurred - current year	7 481 195	-
Approved by Council	-	-
Recovered	-	(4 432)
Fruitless and wasteful expenditure awaiting further action	**7 495 149**	**13 954**

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55 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)

Details of fruitless and wasteful expenditure incurred:

(a) Cashier losses. Investigation finalised and no liability for employees. No further prosecution as per disciplinary outcome.	-	-
(b) Interest charged by suppliers	7 481 195	-
Total	**7 481 195**	**-**

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	13 954
(b) Interest charged by suppliers	7 481 195	-
Total	**7 495 149**	**13 954**

55.3 Irregular Expenditure

Irregular expenditure can be reconciled as follow:

Opening balance	353 249 767	90 979 117
Irregular expenditure incurred - current year	105 312 318	259 169 598
Irregular expenditure incurred - prior year	3 698 532	3 101 052
Approved by Council	-	-
Irregular expenditure awaiting further action	**462 260 616**	**353 249 767**

No irregular expenditure incurred has been recovered.

No disciplinary steps or criminal proceedings were instituted as a result of irregular expenditure incurred.

Details of irregular expenditure incurred

(a) Deviations not considered to be impractical or exceptional circumstances	14 975 877	20 627 374
(b) 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.	68 100 408	37 399 052
(c) Services rendered without a contract, order or quotation.	-	-
(d) No reasons documented and approved by delegated official for not obtaining at least three quotations in terms of regulation 17(1) of the Municipal supply chain regulations	-	46 484
(e) Non-compliance with SCM Reg 29(b)(2) - Bid Adjudication Committees	-	-
(f) Non compliance with section 112 (1) (a) to (g) of the MFMA	22 302 533	133 422 092
(g) Service rendered and invoice paid of which section 36 deviation was subsequently rejected	317 550	-
(h) NGO appointed to organise event without approaching any other event organisation to make such an offering	-	-
(i) Non compliance with cost containment policy	-	-
(j) Deviations not considered to be an emergency	-	16 856 838
(k) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	-	7 424 602
(l) Specialised medical assessments referred but service providers unwilling to follow procurement processes	-	14 640
(m) Donation made without clear policy guidelines and/or Council Resolution	-	500 000
(n) Non-compliance with CIDB Regulation 17 and Schedule 3 of CIDB Regulation	-	90 086
(o) Grant funding not spend in terms of section 16(1) of the 2023 DoRA	-	42 079 588
(p) Non-compliance with appointment in terms of Section 54A of the MSA	-	1 056 233
(q) Non-compliance with appointment in terms of Section 56(1)(c) of the MSA	-	1 948 759
(r) Non-compliance with SCM Reg 18(a) - Advertisements above R30 000	-	56 000
(s) Non-compliance with appointment in terms of Section 55(1)(e) of the MSA	-	748 903
(t) Non-compliance with Section 116 (2) (b) - Services rendered with order however amounts exceeded order amount	2 062 726	-
(u) Non-compliance with SCM Reg 43 - Prohibition on awards to persons whose Tax matter are not in order	699 487	-
(v) Non-compliance with SCM Regulation 22(1)(b)(i) - Long-term contracts not advertised for minimum of 30 days	371 382	-
(w) Non-compliance with Section 32(2) of MFMA - Overpayment of MPAC	180 885	-
Total	**109 010 849**	**262 270 650**

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55 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)

Details of irregular expenditure awaiting further action:

(a) Deviations not considered to be impractical or exceptional circumstances	43 560 876	28 584 999
(b) 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.	126 165 462	58 065 054
(c) Services rendered without a contract, order or quotation.	12 900	12 900
(d) No reasons documented and approved by delegated official for not obtaining at least three quotations in terms of regulation 17(1) of the Municipal supply chain regulations	655 926	655 926
(e) Non-compliance with SCM Reg 29(b)(2) - Bid Adjudication Committees	1 075 990	1 075 990
(f) Non compliance with section 112 (1) (a) to (g) of the MFMA	209 735 313	187 432 780
(g) Service rendered and invoice paid of which section 36 deviation was subsequently rejected	317 550	-
(h) NGO appointed to organise event without approaching any other event organisation to make such an offering	436	436
(i) Non compliance with cost containment policy	1 540	1 540
(j) Deviations not considered to be an emergency	19 659 362	19 659 362
(k) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	11 266 572	11 266 572
(l) Specialised medical assessments referred but service providers unwilling to follow procurement processes	14 640	14 640
(m) Donation made without clear policy guidelines and/or Council Resolution	500 000	500 000
(n) Non-compliance with CIDB Regulation 17 and Schedule 3 of CIDB Regulation	90 086	90 086
(o) Grant funding not spend in terms of section 16(1) of the 2023 DoRA	42 079 588	42 079 588
(p) Non-compliance with appointment in terms of Section 54A of the MSA	1 056 233	1 056 233
(q) Non-compliance with appointment in terms of Section 56(1)(c) of the MSA	1 948 759	1 948 759
(r) Non-compliance with SCM Reg 18(a) - Advertisements above R30 000	56 000	56 000
(s) Non-compliance with appointment in terms of Section 55(1)(e) of the MSA	748 903	748 903
(t) Non-compliance with Section 116 (2) (b) - Services rendered with order however amounts exceeded order amount	2 062 726	-
(u) Non-compliance with SCM Reg 43 - Prohibition on awards to persons whose Tax matter are not in order	699 487	-
(v) Non-compliance with SCM Regulation 22(1)(b)(i) - Long-term contracts not advertised for minimum of 30 days	371 382	-
(w) Non-compliance with Section 32(2) of MFMA - Overpayment of MPAC	180 885	-
Total	**462 260 616**	**353 249 767**

Incidents/cases identified in the current year include:

(a) Deviations not considered to be impractical or exceptional circumstances	17	16
(b) 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.	-	-
(c) Services rendered without a contract, order or quotation.	-	-
(d) No reasons documented and approved by delegated official for not obtaining at least three quotations in terms of regulation 17(1) of the Municipal supply chain regulations	-	1
(e) Non-compliance with SCM Reg 29(b)(2) - Bid Adjudication Committees	-	-
(f) Non compliance with section 112 (1) (a) to (g) of the MFMA	43	19
(g) Service rendered and invoice paid of which section 36 deviation was subsequently rejected	1	-
(h) NGO appointed to organise event without approaching any other event organisation to make such an offering	-	-
(i) Non compliance with cost containment policy	-	-
(j) Deviations not considered to be an emergency	-	3
(k) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	-	627
(l) Specialised medical assessments referred but service providers unwilling to follow procurement processes	-	2
(m) Donation made without clear policy guidelines and/or Council Resolution	-	1
(n) Non-compliance with CIDB Regulation 17 and Schedule 3 of CIDB Regulation	-	1
(o) Grant funding not spend in terms of section 16(1) of the 2023 DoRA	-	1
(p) Non-compliance with appointment in terms of Section 54A of the MSA	-	1
(q) Non-compliance with appointment in terms of Section 56(1)(c) of the MSA	-	2
(r) Non-compliance with SCM Reg 18(a) - Advertisements above R30 000	-	1
(s) Non-compliance with appointment in terms of Section 55(1)(e) of the MSA	-	1
(t) Non-compliance with Section 116 (2) (b) - Services rendered with order however amounts exceeded order amount	5	-
		-

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55 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)		
(u) Non-compliance with SCM Reg 43 - Prohibition on awards to persons whose Tax matter are not in order	1	-
(v) Non-compliance with SCM Regulation 22(1)(b)(i) - Long-term contracts not advertised for minimum of 30 days	2	-
(w) Non-compliance with Section 32(2) of MFMA - Overpayment of MPAC	1	-

56 MATERIAL LOSSES

56.1 Water distribution losses

Kilo litres disinfected/purified/purchased	5 639 570	5 999 230
Kilo litres sold and free basic services	4 728 795	4 698 475
Kilo litres lost during distribution	910 775	1 300 755
Percentage lost during distribution	16.15%	21.68%

Normal pipe bursts, field leakages and unmetered connections are responsible for water losses.

56.2 Electricity distribution losses

Units purchased (Kwh)	57 868 959	54 437 884
Units sold, free basic services and standard friction losses	55 731 198	52 425 313
Units lost during distribution (Kwh)	2 137 761	2 012 571
Percentage lost during distribution	3.69%	3.70%

57 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

57.1 SALGA Contributions [MFMA 125 (1)(b)]

Opening balance	(3 074 334)	(2 926 970)
Expenditure incurred	3 074 334	2 926 970
Payments	(2 339 203)	(3 074 334)
Payments in advance	**(2 339 203)**	**(3 074 334)**

57.2 Audit Fees [MFMA 125 (1)(c)]

Opening balance	1 334	-
Expenditure incurred	10 144 284	5 188 017
External Audit - Auditor-General	8 325 676	4 511 319
VAT on External Audit	1 248 851	676 698
Finance Charges	569 757	-
Payments	(1 334)	(5 186 683)
Outstanding Balance	**10 144 284**	**1 334**

57.3 VAT [MFMA 125 (1)(c)]

Opening balance	(2 811 988)	4 495 203
Net amount claimed/(declared) during the year	(2 772 046)	17 533 126
Net amount paid/(received) during the year	3 278 046	(24 840 316)
Outstanding Balance Receivable/(Payable)	**(2 305 987)**	**(2 811 988)**

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.

57.4 PAYE, SDL and UIF [MFMA 125 (1)(c)]

Opening balance	3 887 728	-
Payroll deductions and Council Contributions during the year	46 690 133	46 234 172
Payments	(46 740 207)	(42 346 445)
Outstanding Balance	**3 837 653**	**3 887 728**

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57 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT (CONTINUED)

57.5 Pension and Medical Aid Contributions [MFMA 125 (1)(c)]

Opening balance	-	-
Payroll deductions and Council Contributions during the year	67 635 646	63 526 062
Payments made to pension and medical fund	(64 093 992)	(63 526 062)
Outstanding Balance	**3 541 654**	**-**

57.6 Councillors Arrear Accounts [MFMA 124 (1)(b)]

The following Councillors had arrear accounts for more than 90 days as at 30 June:

MS Shale	-	1 597
MA Nomkoko (entered into a repayment arrangement with the Municipality)	10 301	23 108
PJ Stander	21 899	15 128
J Smith	-	1 163
DA Appel	2 363	-
Total	**34 563**	**40 996**

57.7 Deviations from Supply Chain Management Regulations

Deviations from Supply Chain Management Regulations were identified on the following categories:

Section 36(1)(a)(i) - Emergencies	1 768 461	26 688 183
Section 36(1)(a)(ii) - Single provider	-	77 188
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	2 496 250	45 785 806
Total	**4 264 711**	**72 551 177**

Deviations from Supply Chain Management Regulations can be allocated as follow:

MM Office	-	-
Financial Services	1 497 574	1 046 060
Corporate Services	606 492	1 306 774
Community Services	436 725	44 048 314
Economic Development and Planning	1 457 901	9 403 149
Technical and Infrastructure and Implementation Services	266 019	16 746 878
Total	**4 264 711**	**72 551 177**

Deviations from Supply Chain Management Regulations were identified on the quotation/tender categories:

Less than R30 000	1 583 520	1 354 655
Between R30 001 and R200 000	2 077 903	6 274 591
Between R200 001 and R2 000 000	603 288	19 042 203
More than R2 000 001	-	45 879 727
Total	**4 264 711**	**72 551 176**

58 CAPITAL COMMITMENTS

Approved and contracted for	**31 543 625**	**97 609 738**
Infrastructure	31 543 625	97 609 738

This expenditure will be financed from:

External Loans	-	2 202 086
Government Grants	31 543 625	94 084 163
Own Resources	-	1 323 489
Total	**31 543 625**	**97 609 738**

Capital Commitments are disclosed exclusive of Value Added Tax (VAT).

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59 FINANCIAL RISK MANAGEMENT

The Municipality is potentially exposed to the following risks:

59.1 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	17 616 980	16 373 169
Receivables from exchange transactions	40 939 004	37 561 933
Receivables from non-exchange transactions	565 466	594 330
Long-term Receivables	9 504 373	6 918 176
Current and Non-current Investments	273 643	14 875 393
Total	**68 899 467**	**76 323 000**

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.

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	1 753 169	2 003 496
Water	2 107 831	2 022 481
Refuse	1 928 325	1 765 046
Sewerage	1 086 707	1 091 276
Interest	1 685 460	2 052 232
Other	384 355	300 803
Availability Charges	322 801	362 356
Total	**9 268 648**	**9 597 690**

Past due receivables not impaired are aged as follow:

1 to 3 months overdue	5 250 470	5 342 520
4 months to 1 year overdue	2 189 353	2 698 967
1 year overdue	1 828 825	1 556 202
Total	**9 268 648**	**9 597 690**

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59 FINANCIAL RISK MANAGEMENT (CONTINUED)

59.2 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 significant currency risk.

59.3 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)	17 616 980	16 373 169
Long-term Liabilities (including current portion)	-	-
Net balance exposed	**17 616 980**	**16 373 169**

Potential effect of changes in interest rates on surplus and deficit for the year:

0.5% (2024 - 0.5%) increase in interest rates	88 085	81 866
0.5% (2024 - 0.5%) decrease in interest rates	(88 085)	(81 866)

59.4 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.

The following balances are exposed to liquidity risk:

	Within 1 Year	Between 2 to 5 years	After 5 years	Total
30 JUNE 2025				
Annuity Loans	52 166 664	103 046 750	96 975 437	252 188 851
Payables from exchange transactions	206 196 815	-	-	206 196 815
Total	**258 363 479**	**103 046 750**	**96 975 437**	**458 385 666**
30 JUNE 2024				
Annuity Loans	38 690 446	121 787 516	115 220 437	275 698 400
Stock Loans	7 073 167	10 043 320	-	17 116 487
Payables from exchange transactions	187 285 669	-	-	187 285 669
Total	**233 049 282**	**131 830 836**	**115 220 437**	**480 100 556**

59.5 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	273 643	248 817

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60 FINANCIAL INSTRUMENTS

The Municipality recognised the following financial instruments at amortised cost:

Financial Assets		
Cash and Cash Equivalents	17 616 980	16 373 169
Bank Accounts	2 395 294	16 373 169
Investment Deposits	15 221 686	-
Receivables from Exchange Transactions	40 939 004	37 561 933
Electricity	12 533 194	12 245 730
Water	14 886 119	13 392 591
Refuse	4 620 336	4 277 722
Sewerage	6 376 465	4 703 625
Interest	1 913 256	2 232 612
Other	600 262	515 545
Accrued Interest	9 372	194 107
Receivables from Non-Exchange Transactions	565 466	594 330
Availability Charges	565 466	594 330
Long-term Receivables	9 504 373	6 918 176
Receivables with repayment arrangements	9 504 373	6 918 176
Current and Non-current Investments	-	14 626 575
Fixed Deposits	-	14 626 575
Total	**68 625 823**	**76 074 183**
Financial Liabilities		
Payables from Exchange Transactions	206 196 815	187 285 669
Trade Payables	185 915 845	170 253 848
Retentions	9 911 440	9 406 563
Department of Infrastructure	945 586	933 786
Sundry Deposits	6 193 612	6 091 813
Accrued Interest	3 230 332	599 659
Long-Term Liabilities	157 991 408	181 357 388
Annuity Loans	157 991 408	166 887 588
Stock Loans	-	14 469 800
Total	**364 188 223**	**368 643 057**

The Municipality recognised the following financial instruments at fair value:

Financial Assets		
Non-current Investments		
Listed shares	**273 643**	**248 817**

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61 STATUTORY RECEIVABLES

In accordance with the principles of GRAP 108, Statutory Receivables of the Municipality are classified as follows:

Receivables from Non-Exchange Transactions	19 641 544	18 946 653
Property Rates	16 086 645	16 234 554
Unpaid Traffic Fines	3 554 899	2 712 100
Taxes - VAT Claimable from SARS	-	-
Total	**19 641 544**	**18 946 653**

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	28 017 218	27 632 129
- Past due that have not been impaired	6 959 911	7 793 951

62 PRINCIPAL-AGENT ARRANGEMENTS

The Municipality has assessed that the following significant principal-agent arrangements exists:

62.1 Western Cape Mobility Department

The Municipality acts as an agent for the Western Cape Mobility Department 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	2 636 601	393 358
Revenue collected from third parties	41 446 413	39 096 561
Commission earned on collections included in note 35	(6 287 558)	(6 059 564)
VAT on commission earned payable to the South African Revenue Services	(942 529)	(908 998)
Collections paid over to The Department	(32 441 425)	(29 884 756)
Collections payable to the Department at year-end	**4 411 502**	**2 636 601**

62.2 Department of Infrastructure

The Municipality acts as an agent for the Department of Infrastructure 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	219 083	1 119 445
Payments received from / (funds returned to) the Department	-	-
Expenditure incurred on behalf of the Department	-	(900 362)
Balance at year-end	**219 083**	**219 083**

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62 PRINCIPAL-AGENT ARRANGEMENTS (CONTINUED)

62.3 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.

63 EVENTS AFTER REPORTING DATE

The Municipal had no significant events after reporting date.

64 IN-KIND DONATIONS AND ASSISTANCE

Property, Plant and Equipment as per note 26 were donated to the Municipality.

65 PRIVATE PUBLIC PARTNERSHIPS (PPP's)

The Municipality did not enter into any PPP's in the current and prior year.

66 CONTINGENT LIABILITIES

The Municipality is exposed to the following contingent liabilities at year end:

66.1	**Matter against Grabouw Abattoir CC by the Municipality - High Court case no. 21207/2024**	1 000 000	-

Summons was issued against Grabouw Abattoir CC for non payment of their municipal account. Municipality's assessment is based on legal advice received from Counsel. Beyond that on the merits of the case, the Municipality is of the view that there is at best a 50 percent chance of success. The financial implication is limited to costs as the Municipality is the applicant. Given that the matter is in the High Court and both parties have Counsel, the Municipality's costs could be in the region of R500 000. If unsuccessful with the case, it may be ordered to pay costs which could add another R500 000 in costs. So the estimated financial implication at this stage is calculated at R1 000 000. This amount could increase if there are interlocutory applications, delays in finalising the pre-trial and last minute unplanned postponements of the trial.

66.2	**Total**	**1 000 000**	**-**

67 FINANCIAL SUSTAINABILITY

The indicators or conditions that may, individually or collectively, cast significant doubt about the going concern assumption are as follows:

67.1 Financial Indicators

The following financial indicators were assessed:

Cash available for working capital requirements (positive balance)	-	-
Current Ratio (norm - at least 2:1)	0.33 : 1	0.36 : 1
Cash coverage ratio (norm - 3 months or more)	0 months	0 months
Creditors days (norm - 30 days or less)	166 days	118 days
Debtors collection rate (95% or more)	83.8%	82.7%
Operating surplus / (deficit)	(44 885 590)	(189 157 511)

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67 FINANCIAL SUSTAINABILITY (CONTINUED)

The Municipality finds itself in a strained cash flow position and adverse financial ratios due to depleted own financial reserves. Council adopted the Budget Funding Plan (BFP) in August 2024 which speaks to imminent financial recovery strategies which were reviewed and recommended by Provincial and National Treasury with specific focus on the revenue collection and curbing expenditure. The BFP has since been replaced with the Financial Recovery Plan (FRP) processes for subsequent adoption.

In terms of Section 139(2) of the Municipal Finance Management Act, 2003 (MFMA), Status Quo Assessment (SQA) has been provided to the Municipality. The submission made is in accordance with the statutory requirement to provide an assessment to key stakeholders following the invocation of a mandatory provincial intervention. On 17 December 2024, the MEC for Finance in the Western Cape wrote to the Minister of Finance requesting National Treasury's assistance in preparing a Financial Recovery Plan (FRP) for the Municipality, which was placed under mandatory intervention in terms of Section 139(5)(a) of the Constitution.

As part of the FRP preparation process, the Municipal Financial Recovery Service (MFRS) unit conducted a detailed assessment of the Municipality's current condition to identify the root causes of its financial and institutional failure. This multi-dimensional assessment focused on the Municipality's finances, governance, institutional arrangements, and service delivery, and involved extensive consultation with the Municipality, the Western Cape Provincial Treasury, the Western Cape Department of Local Government, and other relevant stakeholders.

The FRP is prepared according to a phased approach, distinguishing between short, medium, and long-term objectives. Under each phase (rescue, stabilisation, and sustainability), specific activities are identified to assist the Municipality in resolving the identified challenges. The phases are time-bound to ensure swift progress and recovery. Therefore, the Municipality must fully implement all activities identified by the stipulated timeframes.

At reporting date, the draft FRP was still open for public comments, after which consideration will be given to all inputs received from the various stakeholders. Subsequent to this process, the final FRP will be submitted to the MEC for Finance for authorisation, and then be tabled for final adoption by Council.

67.2 Other Indicators

Contingent Liabilities are disclosed in note 66. The total exposure amounts to R1 000 000, and therefore contingent liabilities in its totality does not pose any threat to the going concern assumption.

The Municipality is not aware of any events after reporting date which may pose a threat to the going concern assumption.

67.3 Future Budget

When analysing the 2025/26 MTREF (Medium Term Revenue and Expenditure Framework) budget which was approved by Council in 2024/25, the projected financial indicators are as follow:

	2025/26	2026/27	2027/28
Cash available for working capital requirements (positive balance)	-	-	-
Current Ratio (norm - at least 2:1)	0.31:1	0.32:1	0.34:1
Cash coverage ratio (norm - 3 months or more)	0 months	0 months	0 months
Creditors days (norm - 30 days or less)	220 days	206 days	205 days
Debtors collection rate (95% or more)	82.7%	82.7%	82.7%
Operating surplus / (deficit)	(33 554 107)	(36 092 270)	(32 956 421)

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67 FINANCIAL SUSTAINABILITY (CONTINUED)

The Rescue Phase (Phase 1) as per the FRP, focuses primarily on cash and restoring the cash position of the Municipality. The indicators for the rescue phase include a funded budget (or demonstrating that the municipality is on a credible path to a funded budget), monitoring of the daily cash and cash balances, cost containment measures, focusing on improving the debtor's collection rate, the ring-fencing of conditional grants and ensuring that creditors are paid timeously and that negotiations are entered into to settle any outstanding debt. There is some focus on service delivery and governance matters, however, these are limited to addressing the most visible and easy to resolve issues. However, as resources become available through better cash management, the collection of outstanding debt and the prioritisation of expenditure, service delivery issues can be addressed more comprehensively to secure the revenue base. This is a short-term phase and is anticipated to last up to eight months from the date of approval of the FRP.

67.4 Going concern assessment

The definition of a going concern is that there is no reason to believe that an institution will have to close down or be liquidated within 12 months after the reporting date.

Although several threats to the going concern assumption is identified, it is believed that the ultimate adoption of the FRP will mitigate these threats. Given the afore-mentioned, Management is of the opinion that the Municipality can continue in operational existence for the foreseeable future.

68 RELATED PARTIES

68.1 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.

68.2 Compensation of management personnel

Remuneration of management personnel are disclosed in notes 39 and 40.

68.3 Current Employee Benefits

The Municipality has the following accrued leave obligation towards management personnel at year-end:

WF Hendricks	-	Interim Municipal Manager	59 359	-
NP Mabhena	-	Director: Financial Services	49 628	-
WSE Solomons-Johannes	-	Director: Community Services	215 716	-
GW Hermanus	-	Director: Corporate Services	51 818	-
Total			**376 521**	**-**

68.4 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.

69 B-BBEE PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

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70 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	2025	2024
Petrol & Diesel Enjin Sentrum	Owner Petrus Pretorius is the parent-in-law of Joanle Pretorius	Theewaterskloof Municipality Accountant Expenditure	916 450	730 653
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 Ahlschalager 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	-	85 100
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.	282 195	240 129
FCR Abrahams	Owner Frank Abrahams is the spouse of Berdine Abrahams, Father in-law of Anarood Plaatjies	Berdine Abrahams- TWK Debtors Clerk (Retired 30 June 2025) Anarood Plaatjies- Accountant Saldanha Municipality	-	27 720
Transoverberg Management Solutions	Owner Carlynn Cloete daughter of Sydney Armoed, Sister to Enslin Armoed	Enslin Armoed-Knysna Municipality Sydney Armoed-Temporary Project Leader TWK Municipality (End of contract 31 January 2025)	77 255	101 150
Conlog (Pty) Ltd	Director Logandhren Moodley is the spouse of Nirvasha Moodley	Department of Health Director	-	58 133
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 (Resigned 30 September 2023); Caroline Wood, TWK Temp (Contract Expired 31 December 2024)	-	42 900
Shyzac 01 Security Solutions & Maintenance	Director Bjorn Africa is the second cousin of Annielle Martin and his sister is Atleigh Africa	TWK - Senior Administrator TWK - Senior Traffic Officer	-	253 878

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70 TRANSACTIONS IN TERMS OF SECTION 45 OF THE MUNICIPAL SUPPLY CHAIN REGULATIONS (CONTINUED)

Company	Relationship	Position of person in service of the state	2025	2024
Neil Lyners and Associates	Director Neil Lyners is the brother of HG Lyners	Western Cape Mobility Department - Director	3 074 919	2 279 214
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	510 534	2 381 716
Amandla Construction CC and Khobeka Cons	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	722 792	794 171
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	108 227	205 034
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	-	507 753
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	256 987	539 722
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	-	229 725
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	-	61 420
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	1 868 430	717 814
EJ'S Auto and Mechanical Services (Pty) Ltd	Spouse of Sue-Ellen Januarie	Sergeant Traffic Officer	-	28 875
Kemanzi (Pty) Ltd.	JN du Toit spouse of H du Toit director of Kemanzi (Pty) Ltd	Inspector Traffic Services: City of Cape Town	1 631 856	1 735 329

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70 TRANSACTIONS IN TERMS OF SECTION 45 OF THE MUNICIPAL SUPPLY CHAIN REGULATIONS (CONTINUED)

Company	Relationship	Position of person in service of the state	2025	2024
Kreesan Investments	Parent and sister of Kreesan Subramoney director of Kreesan Investments	Deputy Director: Department of Correctional Services Warden: Department of Correctional Services	-	148 770
Donnys Mechanical Repair Center	Spouse (Beulinde Fisher) and daughter (Aldean Peka) of director of Donnys Mechanical Repair Centre	HR Administrator: Theewaterskloof Municipality WCED (Subject Advisor)	100 274	175 002
FG Jacobs Transport CC	Herman Poole spouse of director Charmaine Poole and Kaylin Flagg non dependant child of director Merle Flagg	WCED	639 127	1 284 972
Enviro Care TWK	Jennifer Mc Kenzie parent of Jesse Jackson McKensziee director of Enviro Care TWK	Councillor: Theewaterskloof Municipality Jennifer Mc Kenzie (Terminated 09.09.2024)	878 323	237 534
Moc Asansa Trading	Rinah Mienies sister of William Oranie director of Moc Asanda Trading	Councillor: Theewaterskloof Municipality	-	28 500
Cape Petroleum CC	Lydia Buyiswa Mdyogolo spouse of Ivan Mdyogolo director of Cape Petroleum CC	Educator in Ntwasahlobo Primary School	-	48 951
Bigetron (Pty) Ltd.	C de Beer sister in law and R. Aartma is non dependant child , of H.Aartsma shareholder of Bigetron (Pty) Ltd.	Head: Property Valuations Theewaterskloof Municipality Department of Water & Sanitation- Candidate Engineer	328 533	618 717
Bigen Africa Services (Pty) Ltd.	C de Beer sister in law and R. Aartma is non dependant child , of H.Aartsma shareholder of Bigen Africa Services (Pty) Ltd.	Head: Property Valuations Theewaterskloof Municipality Department of Water & Sanitation- Candidate Engineer	1 293 270	534 175
Fortuin-Wehr Enterprises (Pty) Ltd.	Owner Leonardo Wehr is the cousin of Rico Adams employed at Theewaterskloof Municipality	Theewaterskloof Municipality	-	206 510
C20 Max Projects (Pty) Ltd.	Parent of Nolan van Rhodie director of C20 Max Projects (Pty)Ltd.	Department of Infrastructure Western Cape in the Skills Development Department	-	229 499
Moreson Grondverskuiwers	Marie-Louise du Preez sister of Johan du Preez director of Moreson Grondverskuiwers	Department of Social Development	-	35 443
Engineering Advice Services	Shaun Westernberg brother of Anton Westerberg director of Engineering Advice Services and Erlrnr Westernberg is his sister in law.	Building Control - Mosselbay Municipality PA to Municipal Manager	3 937 539	3 522 278

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70 TRANSACTIONS IN TERMS OF SECTION 45 OF THE MUNICIPAL SUPPLY CHAIN REGULATIONS (CONTINUED)

Company	Relationship	Position of person in service of the state	2025	2024
William October t/a Willo's Fine Cuizine	Morne and William October is the brother and father of the director William October t/a Willo's Fine Cuizine.	LED Theewaterskloof Municipality Sewerage Theewaterskloof Municipality	-	22 965
Brendall Fullard t/a BF Transport	Joan-Lee Fullard sister of Brendall Fullard director of Brendall Fullard t/a BF Transport	Administrator Theewaterskloof Municipality	-	54 959
JVB Steelworks (Pty) Ltd.	Shayon Kayser sister in law of John Brikkels director of JVB Steelworks (Pty) Ltd.	Theewaterskloof Municipality	1 990	10 700
Nissen Holdings (Pty) Ltd.	Shaneen Glynis Nissen (Teacher Education) - Wife of Mr. Rodney Johnathan Nissen	Western Cape Education Department	12 000	-
E En E 2 Da Loo Construction and Hire (Pty) Ltd.	Nelson Booysen Melinda Booysen Perecia du Toit Lolin Tobiase Lewellyn du Toit	SAPS Western Cape Education Department Department of Health Department of Health Western Cape Education Department	14 950	-
Ian Dickie And Company (Pty) Ltd.	Deon Samuels- Director MA Samueals spouse	SAPS - (warrant officer)	29 150	-
Can Marketing Solutions (Pty) Ltd.	Maarman spouse of C Maarman director of Can Marketing Solutions (Pty) Ltd	Transnet	-	21 660
Total			**16 684 800**	**18 201 069**

The comparative figures have been restated from R22 567 748 to R18 201 069 due to invalid items included in the previous register.

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71 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

72 SEGMENT REPORTING

72.1 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 more than 10 departments/functional areas and accordingly the segments were aggregated for reporting purposes as follows:

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

72.2 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.

72.3 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.

72.4 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.

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72 SEGMENT REPORTING (CONTINUED)

72.5 Specific Segment Reporting

	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
2025											
REVENUE											
External Revenue from Non-Exchange Transactions	**252 585 312**	**77 025 356**	**27 779 410**	**24 060 296**	**-**	**-**	**15 561 972**	**18 869 612**	**15 859 826**	**17 745 476**	**449 487 260**
Property Rates	161 347 202	-	-	-	-	-	-	-	-	-	161 347 202
Government Grants and Subsidies - Operating	89 416 944	140 255	-	1 563 000	-	-	11 463 235	15 207 411	14 933 727	16 763 810	149 488 382
Government Grants and Subsidies - Capital	55 000	76 873 628	54 899	22 497 296	-	-	2 379 955	1 534 640	-	-	103 395 418
Contributed Assets	44 556	-	-	-	-	-	-	-	-	-	44 556
Availability Charges	-	-	-	-	-	-	1 718 783	2 127 560	926 099	764 326	5 536 768
Fines, Penalties and Forfeits	783 979	11 472	27 724 511	-	-	-	-	-	-	-	28 519 962
Fair Value Adjustment Gains	-	-	-	-	-	-	-	-	-	217 340	217 340
Other Income (Non-Exchange)	937 633	-	-	-	-	-	-	-	-	-	937 633
External Revenue from Exchange Transactions	**35 384 398**	**9 597 709**	**8 448 205**	**6 162 881**	**-**	**-**	**151 048 333**	**98 746 931**	**46 916 673**	**44 974 347**	**401 279 478**
Service Charges	-	-	-	-	-	-	150 843 573	98 746 931	46 916 673	44 974 347	341 481 524
Rental of Facilities and Equipment	-	63 920	-	2 033 405	-	-	-	-	-	-	2 097 325
Interest Earned - External Investments	3 279 646	-	-	-	-	-	204 761	-	-	-	3 484 407
Interest Earned - Outstanding Debtors	28 820 327	-	-	-	-	-	-	-	-	-	28 820 327
Agency Services	-	-	8 352 463	-	-	-	-	-	-	-	8 352 463
Library Services	-	8 641 739	-	-	-	-	-	-	-	-	8 641 739
Other Income (Exchange)	3 284 425	892 050	95 742	4 129 476	-	-	-	-	-	-	8 401 693
Construction Contracts	**-**	**5 275 387**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5 275 387**
TOTAL REVENUE	**287 969 711**	**91 898 452**	**36 227 615**	**30 223 177**	**-**	**-**	**166 610 305**	**117 616 543**	**62 776 499**	**62 719 823**	**856 042 125**
EXPENDITURE											
Employee Related Costs	70 997 711	69 237 003	31 650 822	30 989 427	19 102 933	225 396	8 945 096	11 250 585	19 338 771	21 416 405	283 154 149
Remuneration of Councillors	13 148 261	-	-	-	-	-	-	-	-	-	13 148 261
Debt Impairment	29 615 436	-	22 995 460	-	-	-	1 421 015	21 584 855	11 741 231	13 103 171	100 461 167
Depreciation and Amortisation	5 020 192	1 151 830	-	82 689	5 195 922	-	4 130 469	8 238 970	9 797 642	1 723 565	35 341 278
Impairment	274 885	-	-	-	-	-	-	-	-	5 704 360	5 979 245
Finance Charges	2 197 436	8 349 637	2 197	692 522	1 381 255	-	8 009 352	4 520 279	7 397 817	14 654 005	47 204 499
Bulk Purchases	-	-	-	-	-	-	120 103 715	28 571 786	-	-	148 675 501
Contracted Services	6 439 747	24 353 632	4 498 680	2 408 321	1 678 842	4 098 276	2 679 644	3 352 311	4 004 045	10 325 360	63 838 859
Transfers and Grants	225 915	-	-	-	-	-	4 690 442	-	-	-	4 916 357
Other Expenditure	31 273 206	4 715 553	1 563 691	4 410 991	6 760 344	102 817	3 622 720	11 705 941	12 336 255	6 983 786	83 475 304
Loss on disposal of Non-Monetary Assets	7 677 311	-	-	-	-	-	-	-	-	-	7 677 311
Fair Value Adjustment Losses	4 345	3 611 466	-	-	-	-	-	-	-	-	3 615 810
Total Expenditure	**166 874 445**	**111 419 120**	**60 710 850**	**38 583 949**	**34 119 296**	**4 426 488**	**153 602 452**	**89 224 727**	**64 615 761**	**73 910 653**	**797 487 741**
NET SURPLUS/(DEFICIT) FOR THE YEAR	**121 095 266**	**(19 520 669)**	**(24 483 234)**	**(8 360 772)**	**(34 119 296)**	**(4 426 488)**	**13 007 853**	**28 391 816**	**(1 839 262)**	**(11 190 830)**	**58 554 384**
Less: Government Grants and Subsidies - Capital	(55 000)	(76 873 628)	(54 899)	(22 497 296)	-	-	(2 379 955)	(1 534 640)	-	-	(103 395 418)
Less: Contributed Assets	(44 556)	-	-	-	-	-	-	-	-	-	(44 556)
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR	**120 995 710**	**(96 394 297)**	**(24 538 133)**	**(30 858 068)**	**(34 119 296)**	**(4 426 488)**	**10 627 899**	**26 857 176**	**(1 839 262)**	**(11 190 830)**	**(44 885 590)**
CAPITAL EXPENDITURE FOR THE YEAR	**7 947 820**	**79 018 975**	**7 563**	**629 230**	**341 444**	**-**	**3 040 348**	**12 052 466**	**5 789 098**	**-**	**108 826 944**

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72 SEGMENT REPORTING (CONTINUED)

72.5 Specific Segment Reporting

	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
2024											
REVENUE											
External Revenue from Non-Exchange Transactions	**242 691 274**	**39 550 236**	**19 263 457**	**22 453 628**	**-**	**-**	**16 661 865**	**32 360 115**	**14 575 718**	**32 176 057**	**419 732 350**
Property Rates	153 615 706	-	-	-	-	-	-	-	-	-	153 615 706
Government Grants and Subsidies - Operating	84 273 098	-	-	1 684 000	-	-	11 418 359	15 855 496	13 672 081	15 391 985	142 295 020
Public Contributions and Donations	521 740	-	-	-	-	-	-	-	-	-	521 740
Government Grants and Subsidies - Capital	-	39 078 006	-	20 769 628	-	-	3 696 499	14 455 204	-	-	77 999 337
Contributed Assets	1 804 379	-	-	-	-	-	-	-	-	-	1 804 379
Availability Charges	-	-	-	-	-	-	1 547 007	2 049 415	903 637	750 420	5 250 479
Fines, penalties and forfeits	1 524 072	7 424	19 263 457	-	-	-	-	-	-	-	20 794 954
Fair Value Adjustment Gains	-	464 806	-	-	-	-	-	-	-	16 033 652	16 498 458
Other Income (Non-Exchange)	952 280	-	-	-	-	-	-	-	-	-	952 280
External Revenue from Exchange Transactions	**37 093 871**	**11 259 418**	**7 958 159**	**4 154 083**	**-**	**-**	**132 307 185**	**88 579 933**	**43 573 159**	**43 028 913**	**367 954 720**
Service Charges	-	-	-	-	-	-	132 053 346	88 579 933	43 573 159	43 028 913	307 235 352
Rental of Facilities and Equipment	-	58 054	-	1 980 607	-	-	-	-	-	-	2 038 661
Interest Earned - external investments	5 897 040	-	-	-	-	-	253 839	-	-	-	6 150 879
Interest Earned - outstanding debtors	28 428 544	-	-	-	-	-	-	-	-	-	28 428 544
Agency Services	-	-	7 938 120	-	-	-	-	-	-	-	7 938 120
Library Services	-	10 462 937	-	-	-	-	-	-	-	-	10 462 937
Other Income (Exchange)	2 768 287	738 426	20 039	2 173 476	-	-	-	-	-	-	5 700 228
Construction Contracts	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL REVENUE	**279 785 145**	**50 809 654**	**27 221 616**	**26 607 711**	**-**	**-**	**148 969 050**	**120 940 048**	**58 148 877**	**75 204 970**	**787 687 070**
EXPENDITURE											
Employee Related Costs	70 303 890	60 507 653	33 731 756	29 322 458	17 800 829	1 524 779	9 247 836	11 825 916	20 221 846	22 063 868	276 550 832
Remuneration of Councillors	13 189 413	-	-	-	-	-	-	-	-	-	13 189 413
Debt Impairment	28 063 659	-	15 897 650	-	-	-	-1 133 430	22 436 208	10 588 169	12 935 455	88 787 711
Depreciation and Amortisation	5 227 295	926 851	-	86 763	4 698 971	-	3 726 786	7 566 739	9 586 524	2 420 784	34 240 713
Finance Charges	1 634 588	8 345 472	15 812	139 361	1 851 633	-	2 093 025	6 159 855	7 472 858	13 986 737	41 699 341
Bulk Purchases	-	-	-	-	-	-	101 021 445	22 253 013	-	-	123 274 458
Contracted Services	6 937 533	66 538 635	1 639 803	2 477 741	3 075 620	3 993 041	2 711 814	41 597 758	4 366 178	8 773 106	142 111 229
Transfers and Grants	790 089	3 069 035	-	-	-	-	4 263 697	-	-	-	8 122 821
Other Expenditure	25 626 440	31 463 963	2 491 291	4 205 922	23 250 764	107 038	3 812 865	16 975 949	14 074 455	6 330 782	128 339 468
Loss on disposal of Non-Monetary Assets	40 340 812	-	-	-	-	-	-	-	-	-	40 340 812
Fair Value Adjustment Losses	-	131 312	-	-	-	-	-	-	-	-	131 312
Total Expenditure	**192 113 720**	**170 982 921**	**53 776 312**	**36 232 246**	**50 677 818**	**5 624 857**	**125 744 039**	**128 815 438**	**66 310 029**	**66 510 732**	**896 788 111**
NET SURPLUS/(DEFICIT) FOR THE YEAR	**87 671 425**	**(120 173 267)**	**(26 554 696)**	**(9 624 534)**	**(50 677 818)**	**(5 624 857)**	**23 225 011**	**(7 875 390)**	**(8 161 151)**	**8 694 238**	**(109 101 041)**
Less: Government Grants and Subsidies - Capital	-	(39 330 760)	-	(20 769 628)	-	-	(3 696 499)	(14 455 204)	-	-	(78 252 091)
Less: Contributed Assets	(1 804 379)	-	-	-	-	-	-	-	-	-	(1 804 379)
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR	**85 867 046**	**(159 504 027)**	**(26 554 696)**	**(30 394 162)**	**(50 677 818)**	**(5 624 857)**	**19 528 512**	**(22 330 594)**	**(8 161 151)**	**8 694 238**	**(189 157 511)**
CAPITAL EXPENDITURE FOR THE YEAR	**2 850 818**	**47 571 811**	**1 123 897**	**1 216 515**	**6 283 457**	**-**	**17 861 655**	**29 023 700**	**18 859 570**	**1 375 875**	**126 167 296**

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APPENDIX A (UNAUDITED)

SCHEDULE OF EXTERNAL LOANS FOR THE YEAR ENDING 30 JUNE 2025

INSTITUTION	TERM	LOAN NUMBER	RATE	MATURITY DATE	OPENING BALANCE 1 JULY 2024	RECEIVED DURING YEAR	REDEEMED DURING YEAR	CLOSING BALANCE 30 JUNE 2025
ANNUITY LOANS								
ABSA Bank Limited	15 year	4079088994	10.79%	2027/06/27	4 010 450	-	(402 772)	3 607 678
ABSA Bank Limited	7 year	3050777789	9.19%	2026/06/30	877 452	-	(173 838)	703 614
ABSA Bank Limited	10 year	3050777763	9.62%	2029/06/30	2 015 044	-	(70 678)	1 944 366
ABSA Bank Limited	7 year	3052887574	9.19%	2027/06/30	1 522 415	-	(175 795)	1 346 620
ABSA Bank Limited	5 year	3054670983	8.66%	2026/10/30	7 181 453	-	(2 688 293)	4 493 160
ABSA Bank Limited	7 year	3054671133	9.19%	2028/10/30	3 618 437	-	(680 545)	2 937 892
ABSA Bank Limited	10 year	3054671256	9.89%	2031/10/30	1 661 815	-	(157 385)	1 504 430
ABSA Bank Limited	5 year	3058757317	10.53%	2028/06/30	6 451 187	-	(395 088)	6 056 099
ABSA Bank Limited	10 year	3058757341	11.59%	2033/06/30	8 970 387	-	160 810	9 131 197
ABSA Bank Limited	15 year	3058757325	12.32%	2038/06/30	48 770 581	-	1 994 108	50 764 689
Development Bank of Southern Africa	10 & 20 year	102807/3	9.47%	2028/06/30	3 291 226	-	(208 487)	3 082 739
Development Bank of Southern Africa	10 & 20 year	103108/2	11.38%	2028/09/30	4 294 328	-	(778 361)	3 515 967
Development Bank of Southern Africa	20 year	103313/1	9.85%	2029/03/31	10 049 339	-	(1 642 755)	8 406 584
Development Bank of Southern Africa	20 year	103817/3	11.06%	2030/12/31	6 427 255	-	(14 568)	6 412 687
Nedbank Limited	15 year	05/78310356050	10.45%	2034/06/30	2 150 813	-	(63 222)	2 087 591
Standard Bank of South Africa Limited	15 year	272400572	12.22%	2026/06/30	2 087 444	-	(475 493)	1 611 951
Standard Bank of South Africa Limited	15 year	000600694	6.63%	2025/06/30	1 622 724	-	(797 515)	825 209
Standard Bank of South Africa Limited	10 year	000600703	8.26%	2030/06/28	3 618 869	-	(236 421)	3 382 448
Standard Bank of South Africa Limited	15 year	000600712	9.76%	2035/06/29	5 608 196	-	(142 824)	5 465 372
Standard Bank of South Africa Limited	15 year	000682253	10.79%	2036/12/30	13 102 729	-	(266 839)	12 835 890
Standard Bank of South Africa Limited	5 year	000748692	10.58%	2027/06/30	5 703 811	-	(827 540)	4 876 271
Standard Bank of South Africa Limited	7 year	000748736	10.99%	2028/06/29	3 824 732	-	(293 499)	3 531 233
Standard Bank of South Africa Limited	12 year	000748754	11.60%	2032/06/30	10 791 324	-	(416 251)	10 375 073
Standard Bank of South Africa Limited	15 year	000748773	12.27%	2037/06/30	9 235 577	-	(142 929)	9 092 648
Total Annuity Loans					**166 887 588**	**-**	**(8 896 178)**	**157 991 408**
STOCK LOANS								
Development Bank of Southern Africa	20 year	1022755	9.29%	2025/04/30	8 469 800	-	(8 469 800)	-
Development Bank of Southern Africa	20 year	1014871	9.46%	2024/12/31	6 000 000	-	(6 000 000)	-
Total Stock Loans					**14 469 800**	**-**	**(14 469 800)**	**-**
Total Long-Term Liabilities					**181 357 388**	**-**	**(23 365 978)**	**157 991 408**

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APPENDIX B (UNAUDITED)

DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDING 30 JUNE 2025

NATIONAL GOVERNMENT	OPENING BALANCE R	GRANTS RECEIVED (CASH) R	GRANTS RECEIVED (NON-CASH) R	GRANTS REPAID R	TRANSFERRED TO REVENUE (OPERATING) R	TRANSFERRED TO REVENUE (CAPITAL) R	TRANSFER TO / (FROM) RECEIVABLES R	CLOSING BALANCE R
Equitable Share	-	140 900 000	-	-	(140 900 000)	-	-	-
Finance Management Grant (FMG)	330 424	1 800 000	-	(22 307)	(1 752 264)	-	-	355 853
Municipal Infrastructure Grant (MIG)	205 154	30 254 000	-	(205 154)	(3 280 210)	(21 868 066)	-	5 105 724
Expanded Public Works Programme (EPWP)	-	1 563 000	-	-	(1 563 000)	-	-	-
Emergency Housing Grant	383 800	-	-	(383 800)	-	-	-	-
Municipal Disaster Recovery Grant	4 533 652	-	-	(4 533 652)	-	-	-	-
Water Service Infrastructure Grant (WSIG)	235 996	2 700 000	-	(235 996)	(230 196)	(1 534 640)	-	935 164
Municipal Disaster Response Grant	41 304 000	-	-	(25 820 348)	-	-	-	15 483 652
Integrated National Electrification Programme (INEP)	-	4 206 000	-	-	(356 993)	(2 379 955)	-	1 469 052
Total	**46 993 025**	**181 423 000**	**-**	**(31 201 257)**	**(148 082 663)**	**(25 782 661)**	**-**	**23 349 445**
PROVINCIAL GOVERNMENT								
Department of Infrastructure	5 412 603	1 090 470	67 636 030	-	-	(76 873 628)	2 734 525	-
CDW Contribution	44 083	113 000	-	-	(85 538)	-	-	71 545
Main Roads Subsidy	88 611	-	-	-	-	-	-	88 611
Regional socio-economic projects (RSEP)	1 158 701	900 000	-	-	-	(629 230)	-	1 429 471
Municipal Interventions Grant	31 762	-	-	-	-	-	-	31 762
Financial Management Capability Grant	69 840	699 999	-	-	(519 226)	(55 000)	-	195 613
Thusong Multi Purpose Centre Grant	-	146 000	-	-	(140 255)	-	-	5 745
Total	**6 805 601**	**2 949 469**	**67 636 030**	**-**	**(745 019)**	**(77 557 858)**	**2 734 525**	**1 822 747**
DISTRICT MUNICIPALITY								
Safety Audit and Safety Plan Grant	567 203	-	-	-	(212 116)	(54 899)	-	300 188
Total	**567 203**	**-**	**-**	**-**	**(212 116)**	**(54 899)**	**-**	**300 188**
OTHER GRANT PROVIDERS								
DBSA Local Economic Development	226 477	-	-	-	-	-	-	226 477
SETA	-	448 584	-	-	(448 584)	-	-	-
Total	**226 477**	**448 584**	**-**	**-**	**(448 584)**	**-**	**-**	**226 477**
ALL SPHERES OF GOVERNMENT	**54 592 306**	**184 821 053**	**67 636 030**	**(31 201 257)**	**(149 488 382)**	**(103 395 418)**	**2 734 525**	**25 698 857**

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APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
Financial Performance						
Property rates	161 158 121	(34 121)	161 124 000	161 347 202	223 202	153 615 706
Service charges	330 459 615	15 198 756	345 658 371	339 597 716	(6 060 655)	305 339 925
Investment revenue	7 762 950	(3 912 950)	3 850 000	3 484 407	(365 594)	6 150 879
Transfers and Subsidies - operating	165 949 951	3 195 720	169 145 671	163 405 508	(5 740 163)	153 871 924
Other own revenue	122 326 356	(11 688 120)	110 638 236	84 767 319	(25 870 917)	89 497 149
Total Operating Revenue (excluding capital transfers)	**787 656 993**	**2 759 285**	**790 416 278**	**752 602 151**	**(37 814 127)**	**708 475 583**
Employee costs	273 248 679	9 875 603	283 124 282	281 508 900	(1 615 382)	275 431 924
Remuneration of councillors	14 356 276	-	14 356 276	13 148 261	(1 208 015)	13 189 413
Depreciation and asset impairment	35 811 040	113 946 005	149 757 045	141 781 689	(7 975 356)	123 028 423
Finance charges	47 642 335	2 290 635	49 932 970	47 204 499	(2 728 471)	41 699 341
Inventory consumed and bulk purchases	140 643 506	31 591 365	172 234 871	159 814 461	(12 420 410)	141 348 318
Transfers and subsidies	5 781 382	2 236 072	8 017 454	5 501 302	(2 516 152)	1 951 551
Other expenditure	269 961 288	(103 922 511)	166 038 777	148 528 628	(17 510 149)	300 984 123
Total Expenditure	**787 444 506**	**56 017 169**	**843 461 675**	**797 487 741**	**(45 973 934)**	**897 633 093**
Surplus/(Deficit)	**212 487**	**(53 257 884)**	**(53 045 397)**	**(44 885 590)**	**8 159 807**	**(189 157 511)**
Transfers and subsidies - capital (monetary allocations)	112 747 785	(50 825 738)	61 922 047	38 444 084	(23 477 963)	78 252 091
Transfers and subsidies - capital (in-kind)	-	101 790 176	101 790 176	64 995 890	(36 794 286)	1 804 379
Surplus/(Deficit) for the year	**112 960 272**	**(2 293 446)**	**110 666 826**	**58 554 384**	**(52 112 442)**	**(109 101 041)**
Capital expenditure & funds sources						
Capital expenditure	**219 674 818**	**(39 504 723)**	**180 170 095**	**108 826 944**	**(71 343 151)**	**126 167 296**
Transfers recognised - capital	112 747 785	(50 825 738)	61 922 047	38 444 130	(23 477 917)	78 252 091
Borrowing	98 104 348	(98 104 348)	-	341	341	38 094 780
Internally generated funds	8 822 685	109 425 363	118 248 048	70 382 472	(47 865 576)	9 820 426
Total sources of capital funds	**219 674 818**	**(39 504 723)**	**180 170 095**	**108 826 944**	**(71 343 151)**	**126 167 296**
Cash flows						
Net cash from (used) operating	138 859 958	(44 904 470)	93 955 489	49 201 870	(44 753 619)	75 837 038
Net cash from (used) investing	(220 846 747)	148 738 413	(72 108 334)	(33 782 447)	38 325 887	(124 731 020)
Net cash from (used) financing	64 282 597	(90 776 189)	(26 493 592)	(14 177 862)	12 315 731	(20 639 530)
Net Cash Movement for the year	(17 704 192)	13 057 754	(4 646 437)	1 241 562	5 887 999	(69 533 512)
Cash/cash equivalents at beginning of year	(1 032 674)	17 415 543	16 382 868	16 382 868	-	85 916 380
Cash/cash equivalents at the year end	**(18 736 866)**	**30 473 297**	**11 736 431**	**17 624 430**	**5 887 999**	**16 382 868**

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NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
REVENUE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	559 845	44 083	603 928	85 538	(518 390)	640 163
Finance and administration	344 343 329	(37 836 823)	306 506 506	289 772 377	(16 734 129)	281 612 691
Internal audit	-	-	-	-	-	-
Community and public safety						
Community and social services	11 227 904	(10 000)	11 217 904	9 685 442	(1 532 462)	11 208 491
Sport and recreation	50 153	-	50 153	63 973	13 820	58 054
Public safety	28 436 351	1 152 000	29 588 351	27 875 152	(1 713 199)	19 283 496
Housing	80 983 000	49 603 603	130 586 603	82 149 015	(48 437 588)	39 922 988
Economic and environmental services						
Planning and development	31 237 852	1 492 609	32 730 461	28 334 994	(4 395 467)	24 605 104
Road transport	10 064 125	6 265 000	16 329 125	8 352 463	(7 976 662)	7 938 120
Environmental Protection	-	-	-	-	-	-
Trading services						
Energy sources	168 892 135	10 066 866	178 959 001	166 610 305	(12 348 696)	148 969 050
Water management	115 703 240	555 760	116 259 000	117 616 543	1 357 543	120 940 048
Waste water management	62 787 493	6 106 975	68 894 468	62 776 499	(6 117 969)	58 148 877
Waste management	46 119 351	16 283 650	62 403 001	62 719 823	316 822	75 204 970
Other	-	-	-	-	-	-
Total Revenue - Standard	**900 404 778**	**53 723 723**	**954 128 501**	**856 042 124**	**(98 086 377)**	**788 532 052**
EXPENDITURE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	22 299 897	3 863 633	26 163 530	25 612 142	(551 388)	27 837 459
Finance and administration	207 469 366	14 190 876	221 660 242	208 842 458	(12 817 784)	206 503 456
Internal audit	3 582 012	(423 723)	3 158 289	2 995 645	(162 644)	2 822 450
Community and public safety						
Community and social services	21 173 709	(3 317 488)	17 856 221	17 403 986	(452 235)	98 781 751
Sport and recreation	11 802 165	(1 678 253)	10 123 912	10 328 784	204 872	15 307 858
Public safety	53 418 632	3 867 875	57 286 507	52 605 335	(4 681 172)	47 480 362
Housing	20 643 266	3 762 297	24 405 563	21 414 248	(2 991 315)	16 928 138
Economic and environmental services						
Planning and development	39 952 619	(6 306 502)	33 646 117	31 836 756	(1 809 361)	32 489 099
Road transport	44 789 831	(176 393)	44 613 438	45 027 120	413 682	61 515 629
Environmental Protection	122 550	(20 000)	102 550	-	(102 550)	33 992
Trading services						
Energy sources	135 152 511	28 614 558	163 767 069	153 602 452	(10 164 617)	125 744 039
Water management	90 042 634	9 383 232	99 425 866	89 224 727	(10 201 139)	128 815 438
Waste water management	62 529 822	4 746 271	67 276 093	64 615 761	(2 660 332)	66 310 029
Waste management	74 037 492	(305 351)	73 732 141	73 910 653	178 512	66 510 732
Other	428 000	(183 863)	244 137	67 673	(176 464)	552 663
Total Expenditure - Standard	**787 444 506**	**56 017 169**	**843 461 675**	**797 487 740**	**(45 973 935)**	**897 633 095**
Surplus/(Deficit) for the year	**112 960 272**	**(2 293 446)**	**110 666 826**	**58 554 384**	**(52 112 442)**	**(109 101 043)**

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	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
REVENUE AND EXPENDITURE (MUNICIPAL VOTE CLASSIFICATION)						
REVENUE						
Vote 1 - Directorate Finance	331 225 410	(32 567 119)	298 658 291	287 148 822	(11 509 469)	278 313 852
Vote 2 - Community Services	51 341 592	1 592 000	52 933 592	48 289 445	(4 644 147)	40 535 929
Vote 3 - Corporate services	11 497 860	(5 225 621)	6 272 239	608 794	(5 663 445)	1 369 495
Vote 4 - Electricity	168 892 135	10 066 866	178 959 001	166 610 305	(12 348 696)	148 969 050
Vote 5 - Economic Development and Planning	84 280 847	50 703 603	134 984 450	86 839 297	(48 145 153)	42 241 469
Vote 6 - Office of the Municipal Manager	446 845	-	446 845	-	(446 845)	566 900
Vote 8 - Technical and Infrastructure Implementation Services	28 110 005	6 207 609	34 317 614	23 432 597	(10 885 017)	22 241 462
Vote 12 - Waste management	46 119 351	16 283 650	62 403 001	62 719 823	316 822	75 204 970
Vote 13 - Waste water management	62 787 493	6 106 975	68 894 468	62 776 499	(6 117 969)	58 148 877
Vote 14 - Water	115 703 240	555 760	116 259 000	117 616 543	1 357 543	120 940 048
Vote 15 - Directorate Development and Community Services	-	-	-	-	-	-
Total Revenue by Vote	**900 404 778**	**53 723 723**	**954 128 501**	**856 042 125**	**(98 086 376)**	**788 532 052**
EXPENDITURE						
Vote 1 - Directorate Finance	102 433 881	(2 968 348)	99 465 533	98 348 074	(1 117 459)	123 996 799
Vote 2 - Community Services	175 054 168	12 114 733	187 168 901	175 433 667	(11 735 234)	259 488 557
Vote 3 - Corporate services	79 278 768	7 670 969	86 949 737	81 686 103	(5 263 634)	70 810 497
Vote 4 - Electricity	135 152 511	28 614 558	163 767 069	153 602 452	(10 164 617)	125 744 039
Vote 5 - Economic Development and Planning	35 936 691	(213 886)	35 722 805	34 424 785	(1 298 020)	34 831 376
Vote 6 - Office of the Municipal Manager	9 279 820	(943 945)	8 335 875	8 175 752	(160 123)	8 387 370
Vote 8 - Technical and Infrastructure Implementation Services	23 626 614	(2 008 959)	21 617 655	18 065 767	(3 551 888)	12 738 256
Vote 12 - Waste management	74 037 492	(305 351)	73 732 141	73 910 653	178 512	66 510 732
Vote 13 - Waste water management	62 529 822	4 746 271	67 276 093	64 615 761	(2 660 332)	66 310 029
Vote 14 - Water	90 042 634	9 383 232	99 425 866	89 224 727	(10 201 139)	128 815 438
Vote 15 - Directorate Development and Community Services	72 105	(72 105)	-	-	-	-
Total Expenditure by Vote	**787 444 506**	**56 017 169**	**843 461 675**	**797 487 741**	**(45 973 934)**	**897 633 093**
Surplus/(Deficit) for the year	**112 960 272**	**(2 293 446)**	**110 666 826**	**58 554 384**	**(52 112 442)**	**(109 101 041)**

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	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
REVENUE AND EXPENDITURE						
REVENUE BY SOURCE						
Exchange Revenue						
Service charges - Electricity	147 247 127	5 535 874	152 783 001	150 631 575	(2 151 426)	131 841 010
Service charges - Water	93 493 178	2 543 822	96 037 000	98 181 696	2 144 696	88 007 447
Service charges - Waste Water Management	44 970 430	7 535 940	52 506 370	46 372 262	(6 134 108)	43 032 681
Service charges - Waste Management	44 748 880	(416 880)	44 332 000	44 412 183	80 183	42 458 788
Sale of Goods and Rendering of Services	26 953 327	(12 163 185)	14 790 142	4 482 116	(10 308 026)	3 192 562
Agency Services	9 894 125	-	9 894 125	8 352 463	(1 541 662)	7 938 120
Interest Earned from Receivables (Exchange)	27 426 475	(1 441 475)	25 985 000	24 800 212	(1 184 788)	23 410 635
Interest Earned from Current and Non Current Assets	7 762 950	(3 912 950)	3 850 000	3 484 407	(365 594)	6 150 879
Rent on Land	1 049	-	1 049	-	(1 049)	-
Rental from Fixed Assets	1 716 288	-	1 716 288	2 097 325	381 037	2 038 661
Licences and Permits	24 539	-	24 539	71 125	46 586	1 517
Operational Revenue (Exchange)	3 406 479	196 646	3 603 125	5 003 424	1 400 299	19 492 081
Non-Exchange Revenue						
Property Rates	161 158 121	(34 121)	161 124 000	161 347 202	223 202	153 615 706
Surcharges and Taxes	1 917 000	(20 000)	1 897 000	1 883 808	(13 192)	1 895 426
Fines, Penalties and Forfeits	34 393 958	(4 524 000)	29 869 958	28 519 962	(1 349 996)	20 794 954
Transfers and Subsidies - Operational	165 949 951	3 195 720	169 145 671	163 405 508	(5 740 163)	153 871 924
Interest Earned from Receivables (Non-Exchange)	6 116 750	(1 838 750)	4 278 000	4 020 115	(257 885)	5 017 908
Operational Revenue (Non-Exchange)	5 130 356	7 857 644	12 988 000	5 536 768	(7 451 232)	5 250 479
Gains on Disposal of Assets	45 010	-	45 010	-	(45 010)	-
Other Gains	5 301 000	245 000	5 546 000	-	(5 546 000)	464 806
Total Revenue (excl capital transfers)	**787 656 993**	**2 759 285**	**790 416 278**	**752 602 151**	**(37 814 127)**	**708 475 583**
EXPENDITURE BY TYPE						
Employee Related Costs	273 248 679	9 875 603	283 124 282	281 508 900	(1 615 382)	275 431 924
Remuneration of Councillors	14 356 276	-	14 356 276	13 148 261	(1 208 015)	13 189 413
Bulk Purchases - Electricity	100 717 761	25 000 000	125 717 761	120 103 715	(5 614 046)	101 021 445
Inventory Consumed	39 925 745	6 591 365	46 517 110	39 710 746	(6 806 364)	40 326 873
Debt Impairment	126 999 850	(12 933 845)	114 066 005	100 461 167	(13 604 838)	88 787 711
Depreciation and Amortisation	35 811 040	(120 000)	35 691 040	41 320 523	5 629 483	34 240 713
Interest	47 642 335	2 290 635	49 932 970	47 204 499	(2 728 471)	41 699 341
Contracted Services	58 065 105	12 054 086	70 119 191	58 563 472	(11 555 719)	143 213 342
Transfers and Subsidies	5 781 382	2 236 072	8 017 454	5 501 302	(2 516 152)	1 951 551
Operational Costs	76 381 396	12 327 780	88 709 176	78 672 035	(10 037 141)	117 210 436
Losses on Disposal of Assets	3 213 937	(1 649 527)	1 564 410	7 677 311	6 112 901	40 429 033
Other Losses	5 301 000	345 000	5 646 000	3 615 810	(2 030 190)	131 312
Total Expenditure	**787 444 506**	**56 017 169**	**843 461 675**	**797 487 741**	**(45 973 934)**	**897 633 093**
Surplus/(Deficit)	**212 487**	**(53 257 884)**	**(53 045 397)**	**(44 885 590)**	**8 159 807**	**(189 157 511)**
Transfers and Subsidies - Capital (monetary allocations)	112 747 785	(50 825 738)	61 922 047	38 444 084	(23 477 963)	78 252 091
Transfers and Subsidies - Capital (in-kind)	-	101 790 176	101 790 176	64 995 890	(36 794 286)	1 804 379
Surplus/(Deficit) for the year	**112 960 272**	**(2 293 446)**	**110 666 826**	**58 554 384**	**(52 112 442)**	**(109 101 041)**

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	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
CAPITAL EXPENDITURE (MUNICIPAL VOTE)						
Multi-year expenditure						
Vote 1 - Directorate Finance	-	-	-	-	-	-
Vote 2 - Community Services	12 369 920	(296 033)	12 073 887	1 455 428	(10 618 459)	-
Vote 3 - Corporate services	-	-	-	-	-	-
Vote 4 - Electricity	11 413 000	(6 919 850)	4 493 150	2 915 502	(1 577 648)	4 781 761
Vote 5 - Economic Development and Planning	62 783 000	60 901 193	123 684 193	76 493 136	(47 191 057)	24 485 882
Vote 6 - Office of the Municipal Manager	-	-	-	-	-	-
Vote 8 - Technical and Infrastructure Implementation Services	-	-	-	-	-	-
Vote 12 - Waste management	5 000 000	(5 000 000)	-	-	-	-
Vote 13 - Waste water management	25 056 781	(22 077 646)	2 979 135	2 317 117	(662 018)	10 303 422
Vote 14 - Water	8 162 397	2 255 885	10 418 282	10 012 897	(405 385)	11 491 226
Vote 15 - Directorate Development and Community Services	-	-	-	-	-	-
Total Multi-year expenditure	**124 785 098**	**28 863 549**	**153 648 647**	**93 194 080**	**(60 454 567)**	**51 062 290**
Single-year expenditure						
Vote 1 - Directorate Finance	275 545	133 632	409 177	126 073	(283 104)	1 504 899
Vote 2 - Community Services	29 474 449	(17 069 903)	12 404 546	7 777 452	(4 627 094)	15 773 996
Vote 3 - Corporate services	1 527 000	(924 082)	602 918	348 039	(254 879)	1 383 064
Vote 4 - Electricity	7 289 500	(7 145 928)	143 572	124 846	(18 726)	13 079 894
Vote 5 - Economic Development and Planning	14 290 000	(11 032 631)	3 257 369	1 744 905	(1 512 464)	15 853 381
Vote 6 - Office of the Municipal Manager	-	-	-	-	-	-
Vote 8 - Technical and Infrastructure Implementation Services	40 275	(40 275)	-	-	-	45 276
Vote 12 - Waste management	-	-	-	-	-	1 375 875
Vote 13 - Waste water management	19 399 880	(13 265 604)	6 134 276	3 471 981	(2 662 295)	8 556 148
Vote 14 - Water	22 593 071	(19 023 481)	3 569 590	2 039 569	(1 530 021)	17 532 475
Vote 15 - Directorate Development and Community Services	-	-	-	-	-	-
Total Single-year expenditure	**94 889 720**	**(68 368 272)**	**26 521 448**	**15 632 864**	**(10 888 584)**	**75 105 007**
Total Capital Expenditure by Vote	**219 674 818**	**(39 504 723)**	**180 170 095**	**108 826 944**	**(71 343 151)**	**126 167 296**

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	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
CAPITAL EXPENDITURE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	-	-	-	-	-	-
Finance and administration	12 961 945	(3 830 496)	9 131 449	8 178 556	(952 893)	3 618 578
Internal audit	-	-	-	-	-	-
Community and public safety						
Community and social services	2 752 299	(1 961 736)	790 563	65 445	(725 118)	2 112 116
Sport and recreation	3 419 920	(906 848)	2 513 072	1 113 984	(1 399 088)	5 523 911
Public safety	162 750	(149 250)	13 500	7 563	(5 937)	359 813
Housing	76 173 000	48 768 562	124 941 562	77 608 810	(47 332 752)	39 168 024
Economic and environmental services						
Planning and development	940 275	1 059 725	2 000 000	629 230	(1 370 770)	1 216 515
Road transport	24 350 000	(11 308 056)	13 041 944	341 444	(12 700 500)	7 047 541
Environmental Protection	-	-	-	-	-	-
Trading services						
Energy sources	18 702 500	(14 065 778)	4 636 722	3 040 348	(1 596 374)	17 861 655
Water management	30 755 468	(16 767 596)	13 987 872	12 052 466	(1 935 406)	29 023 700
Waste water management	44 456 661	(35 343 250)	9 113 411	5 789 098	(3 324 313)	18 859 570
Waste management	5 000 000	(5 000 000)	-	-	-	1 375 875
Other	-	-	-	-	-	-
Total Capital Expenditure - Standard	**219 674 818**	**(39 504 723)**	**180 170 095**	**108 826 944**	**(71 343 151)**	**126 167 296**
CAPITAL EXPENDITURE (CONTINUED)						
FUNDING SOURCES						
National Government	35 854 785	(3 508 341)	32 346 444	25 782 661	(6 563 783)	38 489 258
Provincial Government	76 893 000	(47 387 397)	29 505 603	12 606 524	(16 899 079)	39 762 833
District Municipality	-	70 000	70 000	54 945	(15 055)	-
Other transfers and grants	-	-	-	-	-	-
Transfers recognised - capital	112 747 785	(50 825 738)	61 922 047	38 444 130	(23 477 917)	78 252 091
Borrowing	98 104 348	(98 104 348)	-	341	341	38 094 780
Internally generated funds	8 822 685	109 425 363	118 248 048	70 382 472	(47 865 576)	9 820 426
Total Capital Funding	**219 674 818**	**(39 504 723)**	**180 170 095**	**108 826 944**	**(71 343 151)**	**126 167 296**

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	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
CASH FLOWS						
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates	149 905 685	3 323 239	153 228 924	157 204 418	3 975 494	149 081 611
Service charges	273 833 142	11 868 674	285 701 816	296 988 030	11 286 214	265 234 654
Other revenue	45 601 142	2 057 646	47 658 789	22 421 043	(25 237 746)	19 110 067
Transfers and Subsidies - Operational	165 949 951	(28 493 363)	137 456 588	60 366 118	(77 090 470)	188 354 647
Transfers and Subsidies - Capital	112 747 785	(57 408 341)	55 339 444	103 395 418	48 055 974	77 999 337
Interest	10 335 140	(3 458 840)	6 876 300	7 918 485	1 042 185	12 100 921
Payments						
Suppliers and employees	(588 434 771)	33 144 823	(555 289 948)	(577 538 105)	(22 248 157)	(606 298 754)
Finance charges	(25 296 734)	(3 702 236)	(28 998 970)	(16 637 179)	12 361 791	(21 622 624)
Transfers and grants	(5 781 382)	(2 236 072)	(8 017 454)	(4 916 357)	3 101 097	(8 122 821)
NET CASH FROM OPERATING ACTIVITIES	**138 859 958**	**(44 904 470)**	**93 955 489**	**49 201 870**	**(44 753 619)**	**75 837 038**
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	45 010	-	45 010	1 207 137	1 162 127	678 435
Decrease (increase) in non-current investments	(1 216 939)	7 443 515	6 226 575	6 156 775	(69 800)	(1 046 537)
Payments		-				
Capital assets	(219 674 818)	141 294 899	(78 379 919)	(41 146 359)	37 233 560	(124 362 917)
NET CASH USED IN INVESTING ACTIVITIES	**(220 846 747)**	**148 738 413**	**(72 108 334)**	**(33 782 447)**	**38 325 887**	**(124 731 020)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Borrowing long term/refinancing	98 104 348	(98 104 348)	-	-	-	-
Increase (decrease) in consumer deposits	348 908	19 768	368 676	718 300	349 624	658 626
Payments						
Repayment of borrowing	(34 170 659)	7 308 391	(26 862 268)	(14 896 162)	11 966 106	(21 298 156)
NET CASH FROM FINANCING ACTIVITIES	**64 282 597**	**(90 776 189)**	**(26 493 592)**	**(14 177 862)**	**12 315 731**	**(20 639 530)**
NET INCREASE/ (DECREASE) IN CASH HELD	**(17 704 192)**	**13 057 754**	**(4 646 437)**	**1 241 562**	**5 887 999**	**(69 533 512)**
Cash/cash equivalents at the year begin:	(1 032 674)	17 415 543	16 382 868	16 382 868	-	85 916 380
Cash/cash equivalents at the year end:	(18 736 866)	30 473 297	11 736 431	17 624 430	5 887 999	16 382 868

AUDITOR-GENERAL SOUTH AFRICA
29 November 2025
Auditing to build public confidence